

No. 06-16219

**IN THE UNITED STATES COURT OF APPEALS
FOR THE NINTH CIRCUIT**

TIM OEY AND JANE DOE OEY,
Petitioner/Appellant,
v.
THE FREecycle NETWORK, INC.
Respondent/Appellee

**MOTION OF 38 INTELLECTUAL PROPERTY LAW PROFESSORS
AND THE ELECTRONIC FRONTIER FOUNDATION FOR LEAVE
TO FILE A BRIEF OF *AMICI CURIAE***

**BRIEF OF *AMICI CURIAE* IN SUPPORT OF
PETITIONERS/APPELLANTS' TIM OEY AND JANE DOE OEY
AND ALSO IN SUPPORT OF DISSOLVING THE PRELIMINARY
INJUNCTION**

From A Preliminary Injunction Of The United States District Court
For The District of Arizona
(Hon. Raner C. Collins, Presiding)
No. CV-06-00173-TMC-RCC

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**MOTION OF 38 INTELLECTUAL PROPERTY LAW PROFESSORS
AND THE ELECTRONIC FRONTIER FOUNDATION FOR LEAVE
TO FILE *AMICI CURIAE* BRIEF**

Thirty-eight intellectual property law professors and the Electronic Frontier Foundation respectfully move this Court for leave to file a brief of *amici curiae*. Among *amici* are professors who teach intellectual property law at law and business schools throughout the United States. The Electronic Frontier Foundation is a non-profit organization working to protect fundamental rights regardless of technology. *Amici* have no personal connection to the parties.

The attached brief is desirable because *amici* teach, write, discuss, and criticize trademarks and trademark owners and, therefore, bring a broad perspective of those affected by court decisions that unjustifiably expand the reach of trademark law into ordinary discourse. The attached *amici* brief also asserts matters relevant to the disposition of the case because the speech restrained by the district court's preliminary injunction is the same kind of speech in which *amici* regularly engage.

For the foregoing reasons, *amici* respectfully request this Court to grant leave for *amici* to file the attached brief.

July 20, 2006

Respectfully submitted,



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Dawn Chmielewski & Chris Gaither, Google Goes From Web to
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Stacey L. Dogan & Mark A. Lemley, Trademarks and Consumer
Search Costs on the Internet, 41 HOU. L. REV. 777, 805-11 (2004)..... 6

INTEREST OF *AMICI*

Amici are professors who teach intellectual property law at law and business schools throughout the United States. A complete list of signatories is attached as Appendix A. The Electronic Frontier Foundation is a non-profit organization working to protect fundamental rights regardless of technology. *Amici* have no personal connection to the parties. We have an academic interest in seeing that trademark law develops in ways that serve its core purpose of preventing consumer confusion without unduly restricting the free flow of information. We also have personal interests in being free to teach, write about, discuss and criticize trademarks and trademark owners without fear of legal liability. The district court's injunction calls those interests into question.

ARGUMENT

I. The District Court's Opinion Wrongly Concludes That Merely Talking About a Trademark Can Infringe Trademark Rights

Unlike other forms of intellectual property, trademark law does not create ownership rights over every use of a term. *Ringling Bros.-Barnum & Bailey Combined Shows, Inc. v. Utah Div. of Travel Dev.*, 170 F.3d 449, 455–56 (4th Cir. 1999) (rejecting “radical” dilution theories that “would create property rights in gross” in trademarks). Rather, it gives trademark owners the legal right only to prevent confusingly similar uses of the mark

by a competitor or (in limited circumstances) someone else who uses the term as a trademark to brand or identify its goods. *See* 15 U.S.C. §§ 1114(1), 1125(a). There is simply no cause of action under the Lanham Act for “disparaging” a trademark.¹ The question is whether a competitor has infringed the mark by making a commercial use of the mark that is likely to confuse consumers as to the *goods or services* represented by that mark.

Once the scope of trademark law is properly understood, there is no reason to believe Freecycle is likely to succeed on the merits of its trademark claim, for at least three reasons. First, the district court did not offer any reason to believe that the defendant in this case was in fact making trademark use of the term “Freecycle.” “Infringement claims are subject to a commercial use requirement.” *Bosley Medical Inst., Inc. v. Kremer*, 403 F.3d 672, 676 (9th Cir. 2005). Defendant is an individual, not a competitor.

¹ Owners of famous trademarks may or may not have a right under the Federal Trademark Dilution Act, 15 U.S.C. § 1125(c), to prevent “tarnishment” of their marks. *See Moseley v. V Secret Catalogue*, 123 S.Ct. 1115 (2003) (questioning whether tarnishment is illegal under the FTDA). But the FTDA applies only to “famous” marks, *see* 15 U.S.C. § 1125(c)(1), and the district court made no such finding of fame for the term “Freecycle” in this case. In any event, the tarnishment referred to in trademark dilution cases does not include merely saying negative things about a trademark. Rather, it requires that the defendant have used an identical or confusingly similar mark on its own goods, and that those goods be of sufficiently offensive or shoddy type or quality to bring the term as a whole into disrepute. *See, e.g., Mattel Inc. v. Walking Mountain Prods.*, 353 F.3d 792 (9th Cir. 2003); *MasterCard Int’l Inc. v. Nader 2000 Primary Comm. Inc.*, 70 U.S.P.Q. 2d 1046, 1052-53 (S.D.N.Y. 2004).

As we understand it from the complaint and the order, he has not used the term “Freecycle” “on or in connection with” his provision of goods or services “in commerce,” as the Lanham Act requires. 15 U.S.C. §§ 1114(1), 1125(a)(1) (2000). The requirement that a defendant not be anyone who uses a trademark in casual conversation or in print, but actually make commercial use of the mark, serves important purposes, as we discuss in the next section. It is clearly not met in this case, and failure to meet that threshold requirement is enough to prevent plaintiff from prevailing on the merits.

Second, the district court nowhere discusses any likelihood of consumer confusion. It is axiomatic that trademark infringement cannot exist without proof that an appreciable number of ordinarily prudent consumers are likely to be confused as to the origin of the defendant’s products or services. *Bosley*, 403 F.3d at 676 (“trademark infringement law prevents only unauthorized uses of a trademark in connection with a commercial transaction in which the trademark is being used to confuse potential consumers”); *AMF Inc. v. Sleekcraft Boats*, 599 F.2d 341 (9th Cir. 1979). The district court did not analyze a single one of the eight factors set out in *AMF* for determining a likelihood of confusion. Nor did it limit its injunction to confusing uses of the term Freecycle, instead enjoining any

statement that “could be construed to disparage” the plaintiff’s trademark. This goes far beyond what trademark law permits, and is enough standing alone to prevent plaintiff from showing a likelihood of success on the merits.

Third, defendant’s use of the term Freecycle does not refer to a competing organization he runs that might be confused with the plaintiff’s. Rather, defendant uses the term “Freecycle” in his emails to make statements *about the plaintiff and its trademark*. Once again, *Bosley* is on point: “Kremer is not Bosley's competitor; he is their critic. His use of the Bosley mark is not in connection with a sale of goods or services-it is in connection with the expression of his opinion *about* Bosley's goods and services.” *Bosley*, 403 F.3d at 679. When a defendant uses a plaintiff’s mark to describe the goods or services of that plaintiff, rather than to offer competing goods or services, the Ninth Circuit applies a three-factor test in deciding whether to permit such uses even if they are confusing:

First, the product or service in question must be one not readily identifiable without use of the trademark; second, only so much of the mark or marks may be used as is reasonably necessary to identify the product or service; and third, the user must do nothing that would, in conjunction with the mark, suggest sponsorship or endorsement by the trademark holder.

New Kids on the Block v. News America Publishing Co., 971 F.2d 302, 308 (9th Cir. 1992). There can be no question that defendant’s use of the term “Freecycle” without its logo or design to describe the plaintiff and its

services meets this test. There is no other way to refer to the plaintiff, and in the context of the emails and Internet postings defendant sent, no one could think that he was suggesting sponsorship or endorsement by Freecycle. This defense too is enough standing alone to disentitle plaintiff to relief.

II. The District Court's Order Interferes With the Speech Rights of Defendants, Amici, the Press, and Others

The speech-oriented objectives of the trademark use doctrine prevent trademark holders from asserting a generalized “right to control language,” *Nissan Motor Co. v. Nissan Computer Corp.*, 378 F.3d 1002, 1017 (9th Cir. 2004), an interest that applies with particular force when – as here – the speaker uses the mark to criticize the trademark holder. The trademark use doctrine has broad application: because of it, newspapers are not liable for using a trademarked term in a headline, even if the use is confusing or misleading – or used generically. Writers of movies and books are not liable for using trademarked goods in their stories. In-house marketing surveyors are not liable for asking people what they think of a competitor’s brand-name product. Individuals are not liable for use of a trademark in conversation, even in an inaccurate or misleading way (referring to a Puffs brand facial tissue as a “Kleenex,” or a competing cola as a “Coke,” for example). Generic drug manufacturers are not liable for placing their drugs near their brand-name equivalents on drug store shelves, and the stores are

not liable for accepting the placement. Stacey L. Dogan & Mark A. Lemley, *Trademarks and Consumer Search Costs on the Internet*, 41 HOUS. L. REV. 777 (2004).

The district court's order threatens all of these applications and more. *Amici* teach trademark law and the doctrine of genericide. As part of that instruction, both we and our students make statements that could be thought to "disparage" particular trademarks by suggesting they might be generic. Similarly, writing about trademark genericide in academic papers, on a listserv, in blogs, or even in the press could be in peril. For example, numerous press stories reported on the inclusion of Google in the Merriam-Webster dictionary. *See, e.g.,* Dawn Chmielewski & Chris Gaither, *Google Goes From Web to Webster's*, L.A. TIMES, July 7, 2006. Had those stories suggested that Google was generic as a result – they did not – they would presumably have been engaging in precisely the sort of "disparagement" of Google's trademark that the court forbade. So, for that matter, would the Merriam-Webster dictionary.

Even were trademark law to purport to prohibit such discussion – and as we noted in Part I, it doesn't – the First Amendment would surely protect speech such as the defendant engaged in here. As this Court has put it,

[W]hen a trademark owner asserts a right to control how we express ourselves . . . applying the traditional test fails to

account for the full weight of the public's interest in free expression. The First Amendment may offer little protection for a competitor who labels its commercial good with a confusingly similar mark, but "[t]rademark rights do not entitle the owner to quash an unauthorized use of the mark by another who is communicating ideas or expressing points of view."

Mattel, Inc. v. MCA Records, 296 F.3d 894, 900 (9th Cir. 2002) (quoting *L.L.*

Bean, Inc. v. Drake Publishers, Inc., 811 F.2d 26, 29 (1st Cir. 1987)).

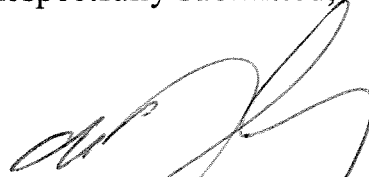
The district court did not even discuss the public interest factor required in all analyses of preliminary injunctions. This Court should find that the public interest in free expression weighs strongly against an injunction in this case. In the alternative, if the traditional four-factor test counseled in favor of granting an injunction, the First Amendment should nonetheless preclude this unprecedented restriction on the right to criticize others.

CONCLUSION

The district court's injunction should be dissolved.

July 20, 2006

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