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SYMPOSIUM REVIEW

THE CONTINUING DEBACLE OF U.S. ANTIDILUTION LAW: EVIDENCE FROM THE FIRST YEAR OF TRADEMARK DILUTION REVISION ACT CASE LAW

Barton Beebe[†]

Abstract

This article evaluates the results of a quantitative study of all reported federal court opinions that analyzed an issue in antidilution law during a one year period after passage of the Trademark Dilution Revision Act of 2006 (TDRA). The article shows the remarkable extent to which courts continue to treat the dilution cause of action as superfluous to the infringement cause of action. As a result, antidilution law continues to have no appreciable effect on the outcomes of federal trademark cases or the remedies issuing from those outcomes

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I. INTRODUCTION

At this writing, one year has passed since the October 6, 2006 adoption and effective date of the Trademark Dilution Revision Act of 2006 (TDRA).¹ This brief article reports the results of a quantitative study of all reported federal court opinions that analyzed an issue in antidilution law during this one-year period. While it is still early days for the TDRA, the case law reported in the year following its adoption nevertheless presents strong and disturbing evidence of the continuing debacle of U.S. antidilution law and of the failure of the TDRA so far to effect any substantial change in course. Most significantly, the case law shows the remarkable extent to which courts continue to treat the dilution cause of action as redundant of—and, thus, made superfluous by—the infringement cause of action. For all of the legislative and academic attention paid to it, antidilution law continues to have no appreciable effect on the outcomes of federal trademark cases or the remedies issuing from those outcomes.

Part II provides an overview of the eighty-five opinions studied and shows the degree to which the now-defunct Federal Trademark Dilution Act of 1995 (FTDA)² and the doctrinal regime built around it continue to exert influence over our antidilution law. Part III details the degree to which, in practice, the outcome of the dilution cause of action is redundant of the outcome of the infringement cause of action. Consider, for example, that of the twenty-six opinions that found no infringement, none found dilution. Of the fifteen opinions that found infringement, fourteen also found dilution, yet none of these fourteen findings of dilution resulted in remedies not already

1. Trademark Dilution Revision Act of 2006, Pub. L. No. 109-312, 120 Stat. 1730 (codified as amended at 15 U.S.C.A. § 1125(c) (West Supp. 2007)). This brief report of empirical findings is written for trademark specialists and assumes the reader's familiarity with the legislative history and contents of both the TDRA and the previous act whose reforms it abrogated, the Federal Trademark Dilution Act of 1995. See Pub. L. No. 104-98, 109 Stat. 985, 985 (codified at 15 U.S.C. § 1125(c) (2000)). For an overview of the TDRA, see Barton Beebe, *A Defense of the New Federal Trademark Antidilution Law*, 16 FORDHAM INTELL. PROP. MEDIA & ENT. L.J. 1143 (2006). See also Robert G. Bone, *A Skeptical View of the Trademark Dilution Revision Act*, 11 INTELL. PROP. L. BULL. 187 (2007); Jesse A. Hofrichter, *Tool of the Trademark: Brand Criticism and Free Speech Problems With the Trademark Dilution Revision Act of 2006*, 28 CARDOZO L. REV. 1923 (2006); David J. Franklyn, *The New Federal Anti-Dilution Act: Reinstating the Myth of "Likely" Dilutive Harm as a Mask for Anti-Free-Rider Liability*, 11 INTELL. PROP. L. BULL. 199 (2007). See generally 4 J. THOMAS MCCARTHY, MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 24:101 (4th ed. 2007).

2. Pub. L. No. 104-98, 109 Stat. 985, 985 (codified at 15 U.S.C. §§ 1125(c), 1127 (2000)). On the FTDA, see generally DAVID S. WELKOWITZ, TRADEMARK DILUTION: FEDERAL, STATE, AND INTERNATIONAL LAW (2002).

triggered by the court's finding of infringement. Part IV shows that courts have largely failed so far to embrace certain important reforms contained in the TDRA, such as its revised definitions of dilution by "blurring"³ and "tarnishment"⁴ and its heightened standard for trademark fame.⁵ Part V concludes by considering what can be done to accomplish the still-unrealized goals of the TDRA.

II. OVERVIEW OF THE TDRA CASE LAW TO DATE

Of all federal court opinions reported in either the Westlaw or Lexis databases and filed from October 6, 2006 through October 6, 2007, eighty-five opinions analyzed an issue in antidilution law.⁶ In this Part, I briefly report the venue, posture, and outcomes of these opinions. I then show the extent to which, at least in this early set of TDRA-era opinions, the dead hand of the FTDA still guides federal antidilution case law.

A. Venue, Posture, and Outcome

As Table 1 shows, seventy-six of the eighty-five opinions studied were district court opinions and nine were circuit court opinions. None of the circuit court opinions reviewed previous district court opinions in the data set and none included concurrences or

3. See 15 U.S.C.A. § 1125(c)(2)(B) (West Supp. 2007).

4. *Id.* § 1125(c)(2)(C).

5. *Id.* § 1125(c)(2)(A).

6. To establish this study's core data set of eighty-five opinions, I searched the Lexis Federal Court Cases, Combined database on October 13, 2007 using the following search string: "trademark and dilution and date geq(10/01/2006)." This yielded 288 opinions, of which 27 were appellate opinions and 261 were district court opinions. Three of the district court opinions were filed after October 6, 2007 and were excluded from consideration. I then searched the Westlaw ALLFEDS database on the same day using an equivalent search string: "trademark and dilution and da(aft 10/01/2006)." This also yielded 288 opinions, of which 26 were appellate opinions and 262 were district court opinions. All of these opinions were filed from October 6, 2006 up to and including October 6, 2007.

I then compared the Lexis and Westlaw lists of opinions. Lexis yielded 17 opinions that did not appear in Westlaw's results, while Westlaw yielded 20 opinions that did not appear in Lexis's results. I thus reviewed a total of 308 unique opinions.

I then reviewed each of these 308 opinions and included in this study's core data set any opinion that analyzed, however cursorily, an issue in federal or state antidilution law. Opinions that merely referenced the federal or state antidilution statutes or causes of action under them, but did not analyze an issue in antidilution law, were not included in the data set.

To determine whether the October, 2007 searches missed any relevant opinions that addressed dilution but did not use the precise term "dilution," I searched the Lexis Federal Court Cases, Combined database on January 15, 2008 using the following search string: "trademark and dilut! and date geq(10/01/2006) and not dilution." This search yielded no additional relevant opinions.

dissents. Given the results of past empirical analyses of federal trademark case law,⁷ it should not be surprising that the Second Circuit produced the most circuit court opinions among the circuits, with three, and that the Southern District of New York produced the most district court opinions among the districts, with seven. At the district court level, other usual suspects, such as the Northern and Central Districts of California and the Northern District of Illinois, also made substantial contributions to the district court case law.⁸

7. See Barton Beebe, *An Empirical Study of the Multifactor Tests for Trademark Infringement*, 94 CAL. L. REV. 1581, 1594-95 (2006) (discussing the prevalence of Southern District of New York opinions in U.S. federal trademark infringement case law).

8. There is no common factor in the five opinions from the District of Arizona to explain why it contributed such a surprisingly large number of opinions to the data set. See *Designer Skin, LLC v. S&L Vitamins, Inc.*, No. CV 05-3699-PHX-JAT, 2007 U.S. Dist. LEXIS 19506 (D. Ariz. Mar. 19, 2007); *Century 21 Real Estate, LLC v. Century Ins. Group*, No. CIV 03-0053-PHX-SMM, 2007 U.S. Dist. LEXIS 9720 (D. Ariz. Feb. 8, 2007); *Century 21 Real Estate LLC v. Century Sur. Co.*, No. CIV 03-0053-PHX-SMM, 2007 U.S. Dist. LEXIS 8434 (D. Ariz. Feb. 5, 2007); *Crown Realty & Dev., Inc. v. Sandblom*, No. CV 06-1442-PHX-JAT, 2007 WL 177842 (D. Ariz. Jan. 22, 2007); *Best W. Int'l, Inc. v. Doe*, No. CV-06-1537-PHX-DGC, 2006 U.S. Dist. LEXIS 77942 (D. Ariz. Oct. 24, 2006).

TABLE I
DISTRIBUTION OF CIRCUIT AND DISTRICT COURT OPINIONS

Circuit	Circuit Court Opinions		District Court Opinions					
	N	%	N	%	District	N	%	
1	1	11.1	1	1.3	D. Mass.	1	1.3	
2	3	33.3	14	18.4	N.D.N.Y.	1	1.3	
					E.D.N.Y.	5	6.6	
					S.D.N.Y.	7	9.2	
					D. Conn.	1	1.3	
3	1	11.1	5	6.6	D.N.J.	2	2.6	
					E.D. Pa.	3	3.9	
4			2	2.6	E.D. Va.	2	2.6	
5			6	7.9	N.D. Tex.	5	6.6	
					S.D. Tex.	1	1.3	
6	1	11.1	7	9.2	E. D. Mich.	3	3.9	
					W.D. Mich.	1	1.3	
					N.D. Ohio	1	1.3	
					W.D. Tenn.	1	1.3	
					M.D. Tenn.	1	1.3	
7			7	9.2	N.D. Ill.	5	6.6	
					C.D. Ill.	1	1.3	
					W.D. Wisc.	1	1.3	
8			2	2.6	D. Minn.	1	1.3	
					W.D. Ark.	1	1.3	
9	2	22.2	24	31.6	N.D. Cal.	5	6.6	
					C.D. Cal.	3	3.9	
					S.D. Cal.	4	5.3	
					E.D. Cal.	2	2.6	
					D. Nev.	1	1.3	
					D. Ariz.	5	6.6	
					D. Ore.	2	2.6	
					W.D. Wash.	2	2.6	
10	1	11.1	3	3.9	D. Kansas	1	1.3	
					D. Utah	2	2.6	
11			5	6.6	M.D. Fla.	3	3.9	
					N.D. Ga.	2	2.6	
Total	9		76			76		

Table 2 reports the distribution of the eighty-five opinions studied by posture and outcome.⁹ Again, consistent with previous studies of intellectual property case law in trademark¹⁰ and copyright,¹¹ a large proportion (71%) of opinions addressing uncrossed motions for summary judgment granted those motions. Also consistent with previous work showing the extent of judicial hostility towards antidilution law,¹² a relatively small proportion (18%) of opinions addressing preliminary injunction motions found trademark dilution.

TABLE 2
DISTRIBUTION OF OPINIONS BY POSTURE AND OUTCOME OF DILUTION ANALYSIS

Posture	Outcome				Total
	Dilution Found	Dilution Not Found	Fact Issue	Other	
Motion to Dismiss	--	8	8	0	16
Preliminary Injunction	2	9	0	0	11
SJ-Plaintiff	7	--	1	2	10
SJ-Defendant	--	15	6	0	21
SJ-Cross	1	6	4	0	11
Bench Trial	2	2	0	1	5
Other	4	1	0	6	11
Total	16	41	19	9	85

9. For the nine appellate opinions, the posture of the lower court opinion under review was used.

10. See Beebe, *supra* note 7, at 1595-98.

11. See Barton Beebe, *An Empirical Study of U.S. Copyright Fair Use Opinions, 1978-2005*, 156 U. PA. L. REV. (forthcoming 2007), available at <http://ssrn.com/abstract=998421>.

12. See Clarissa Long, *Dilution*, 106 COLUM. L. REV. 1029 (2006).

B. *The Dead Hand of the FTDA*

As several of the opinions studied explicitly recognized,¹³ the TDRA's damages provisions apply only to diluting conduct that began after the effective date of the Act, but the TDRA's injunctive relief provisions apply to all continuing diluting conduct regardless of when the conduct first began or when the plaintiff filed its cause of action. Disturbingly, however, many courts failed to apply the TDRA to such conduct or otherwise unknowingly applied some combination of the TDRA and FTDA or of the TDRA and circuit doctrine based on the FTDA.

Table 3 reports which antidilution statute courts applied to the dilution issue before them in the eighty-five opinions studied. While thirty-three opinions (39%) explicitly applied only the TDRA, twenty-one (25%) explicitly applied only the FTDA. Of these twenty-one opinions, five acknowledged that the FTDA had been abrogated but applied the provisions of the FTDA on the grounds that the plaintiff filed its action before the effective date of the TDRA,¹⁴ that the plaintiff sought only monetary damages in connection with its dilution claim,¹⁵ that the "parties agree[d]" that the FTDA should apply,¹⁶ or that because the parties had not addressed the implications of the new Act in their briefs on appeal, the court would not do so either.¹⁷ At least three of these opinions clearly addressed claims for prospective relief.¹⁸ As for the remaining sixteen opinions that applied only the FTDA, none expressed awareness of the TDRA and most

13. See, e.g., *Starbucks Corp. v. Wolfe's Borough Coffee, Inc.*, 477 F.3d 765, 766 (2d Cir. 2007); *Autozone, Inc. v. Strick*, 466 F. Supp. 2d 1034, 1044 (N.D. Ill. 2006); *Dan-Foam A/S. v. Brand Named Beds, LLC*, 500 F. Supp. 2d 296, 306 n.87 (S.D.N.Y. 2007); *Qwest Commc'ns Int'l v. Sonny Corp.*, No. C06-0020P, 2006 U.S. Dist. LEXIS 87007, at *6 n.1 (W.D. Wash. Nov. 30, 2006); *Best Vacuum, Inc. v. Ian Design, Inc.*, No. 04 C 2249, 2006 U.S. Dist. LEXIS 87260, at *17 n.5 (N.D. Ill. Nov. 21, 2006).

14. *Jada Toys, Inc. v. Mattel, Inc.*, No. 05-55627, 2007 U.S. App. LEXIS 18339, at *10-11 n.2 (9th Cir. Aug. 2, 2007) ("Because this action was filed in 2004, prior to the 2006 amendment of § 1125, . . . the previous version of § 1125 applies.").

15. *S&L Vitamins, Inc. v. Austl. Gold, Inc.*, 05-CV-1217(JS)(MLO), 2007 U.S. Dist. LEXIS 74712, at *18 n.5 (E.D.N.Y. Sept. 30, 2007) ("Because AG's claims arose prior to October 2006 and AG seeks only monetary damages in connection with its dilution claim, the FTDA and not the TDRA applies.").

16. See *Hodgdon Powder Co. v. Alliant Techsystems, Inc.*, 497 F. Supp. 2d 1221, 1232 n.3 (D. Kansas 2007); *Top Tobacco, L.P. v. N. Atl. Operating Co.*, No. 06 C 950, 2007 U.S. Dist. LEXIS 2838, at *22 n.3 (N.D. Ill. Jan. 4, 2007).

17. *Gen. Motors Corp. v. Urban Gorilla, LLC*, 500 F.3d 1222, 1229 n.4 (10th Cir. 2007).

18. See *Gen. Motors*, 500 F.3d at 1224-26; *Hodgdon Powder*, 497 F. Supp. 2d at 1221; *Top Tobacco*, 2007 U.S. Dist. LEXIS 2838, at *1-5.

opinions clearly addressed claims for prospective relief.¹⁹ Certainly, courts' failure to apply the TDRA to dilution claims calling for prospective relief is understandable even in opinions filed as late as December of 2006,²⁰ but one might expect that by May²¹ or June²² of 2007, courts would have become aware of the new act.

TABLE 3
ANTIDILUTION LAW APPLIED

Antidilution Law Applied	N	%
TDRA	33	38.8
FTDA	21	24.7
TDRA & FTDA	5	5.9
Unclear	14	16.5
State Law	12	14.1
Total	85	

As Table 3 indicates, five opinions applied both the old FTDA and the new TDRA. Three of them took a cautious, belt-and-suspenders approach to the issue of which act should apply.²³ The other two applied both acts apparently unknowingly. For example, in *Harris Research, Inc. v. Lydon*, filed in April 2007, the court quoted from the TDRA's new versions of Sections 43(c)(1) (setting forth the modes of dilution that will trigger a finding of dilution) and 43(c)(2)(B) (setting forth factors for determining blurring),²⁴ but also quoted from the FTDA's now-abrogated Section 45 definition of dilution.²⁵ In *Vista India v. Raaga*, filed in August, 2007, the court

19. See, e.g., *Nacco Materials Handling Group, Inc. v. Lilly Co.*, No. 05-2165 B, 2007 U.S. Dist. LEXIS 41294 (W.D. Tenn. June 5, 2007); *SG Servs. v. God's Girls Inc.*, CV 06-989 AHM (CTx), 2007 U.S. Dist. LEXIS 61970 (C.D. Cal. May 9, 2007); *Bay State Sav. Bank v. Baystate Fin. Servs., L.L.C.*, 484 F. Supp. 2d 205 (D. Mass. 2007); *Ark. Trophy Hunters Ass'n v. Tex. Trophy Hunters Ass'n*, 506 F. Supp. 2d 277 (W.D. Ark. 2007).

20. See, e.g., *Fuel Clothing Co. v. Safari Shirt Co.*, No. CV05-1220-HU, 2006 U.S. Dist. LEXIS 92052 (D. Ore. Dec. 18, 2006).

21. See *SG Servs.*, 2007 U.S. Dist. LEXIS 61970.

22. See *Nacco Materials Handling*, 2007 U.S. Dist. LEXIS 41294.

23. See *Verilux, Inc. v. Hahn*, Case No: 3:05cv254 (PCD), 2007 U.S. Dist. LEXIS 58507, at *32-36 (D. Conn. Aug. 10, 2007); *Qwest Commc'ns. Int'l v. Sonny Corp.*, No. C06-0020P, 2006 U.S. Dist. LEXIS 87007, at *4-6 (W.D. Wash. Nov. 30, 2006); *Best Vacuum, Inc. v. Ian Design, Inc.*, No. 04 C 2249, 2006 U.S. Dist. LEXIS 87260, at *17 (N.D. Ill. Nov. 21, 2006).

24. *Harris Research, Inc. v. Lydon*, 505 F.Supp. 2d 1161, 1165 (D.Utah 2007).

25. *Id.* at 1165.

quoted from the TDRA's new version of Section 43(c)(1)²⁶ and 43(c)(2)(A) (setting forth the TDRA's standard for fame),²⁷ but then applied the FTDA's old multifactor test for determining the fame of the mark to find that the plaintiff's mark was not sufficiently famous to qualify for federal antidilution protection.²⁸ Based on the content of the dilution analyses themselves, however, it is doubtful that these hybrid approaches affected the outcomes of the courts' dilution determinations in these two opinions.

The FTDA still continues to exert influence over the case law of the TDRA era in another, less direct way. Subtracting from the eighty-five opinions studied the twelve that considered only a state-level antidilution cause of action, the twenty-one that explicitly applied the FTDA, and the two that unknowingly applied in part the FTDA, we are left with fifty opinions that either explicitly applied only the TDRA or otherwise did not make explicit which federal act they were applying. Of these fifty opinions, eleven applied circuit doctrine explicitly based on the old FTDA, to the extent that it iterates the language of the FTDA.²⁹ Again, it is doubtful that these courts' application of circuit doctrine based on the FTDA affected the outcomes of their dilution determinations.

In at least one additional opinion from the subset of fifty, however, pre-TDRA circuit doctrine arguably did affect the outcome of the court's federal dilution analysis. In *Pet Silk, Inc. v. Jackson*,³⁰ filed in March 2007, Pet Silk, Inc. sued an unauthorized distributor of its Pet Silk brand pet grooming products. In finding dilution, the District Court for the Southern District of Texas dutifully applied

26. *Vista India v. Raaga*, 501 F.Supp. 2d 605, 622 (D.N.J. 2007).

27. *Id.* at 623.

28. *Id.* at 622 (“[T]he Third Circuit has articulated the following factors, culled from 15 U.S.C. § 1125(c)(1)” (citing *Shields v. Zuccarini*, 254 F.3d 476, 482 (3d Cir. 2001))).

29. *See, e.g.*, *Audi AG v. D'Amato*, 469 F.3d 534, 547 (6th Cir. 2006) (citing *Kellogg Co. v. Toucan Golf, Inc.*, 337 F.3d 616, 802 (6th Cir. 2003), for the proposition that to succeed in a federal antidilution claim, the plaintiff must show that the defendant “cause[d] dilution of the distinctive quality” of the plaintiff’s mark); *Diane Von Furstenberg Studio v. Snyder*, No. 1:06CV1356(JCC), 2007 U.S. Dist. LEXIS 66633, at *9-10 (E.D. Va. Sept. 10, 2007) (citing *CareFirst of Maryland, Inc. v. First Care*, 434 F.3d 263, 274 (4th Cir. 2006), for the proposition that “[t]he Fourth Circuit has defined dilution as ‘the lessening of the capacity of a famous mark to identify and distinguish goods or services’”); *Louis Vuitton Malletier S.A. v. Haute Diggity Dog, LLC*, 464 F. Supp. 2d 495, 503-04 (E.D. Va., 2007) (same). *See also* *Jarritos, Inc. v. Los Jarritos*, No. C 05-02380 JSW, 2007 U.S. Dist. LEXIS 32245, at *52 (N.D. Cal. May 2, 2007) (citing *Avery Dennison Corp. v. Sumpton*, 189 F.3d 868, 874 (9th Cir. 1999), for the proposition that to state a claim for federal trademark dilution, a plaintiff must show that, inter alia, “the defendant is making a commercial use of the mark in commerce”).

30. *Pet Silk, Inc., v. Jackson*, 481 F. Supp. 2d 824 (S.D. Tex. 2007).

various provisions of the new TDRA, but the court also applied pre-TDRA Fifth Circuit doctrine. Specifically, with respect to the degree of fame a mark must possess to qualify for antidilution protection, the court noted that “the Fifth Circuit has held that market fame is sufficient.”³¹ While the circuits were previously split over whether the FTDA protected marks with merely “niche” or “market” fame,³² the TDRA quite clearly denies protection to such marks. In fact, it does so in statutory language that the *Pet Silk* court itself quoted: “[A] mark is famous if it is widely recognized by the general consuming public of the United States as a designation of source of the goods or services of the mark’s owner.”³³ “Pet Silk” is hardly the kind of nationally-famous mark that the drafters of the TDRA had in mind when they formulated the fame standards of the new Section 43(c)(2)(A),³⁴ and should not have received federal antidilution protection.³⁵

III. THE REDUNDANCY OF THE DILUTION CAUSE OF ACTION

What does current U.S. antidilution law actually do? What difference does it make in practice? The answer appears to be not much. Though the eighty-five opinions studied represent a subset of federal antidilution and anti-infringement litigation,³⁶ they

31. *Id.* at 830 (citing *Advantage Rent-A-Car, Inc. v. Enterprise Rent-A-Car, Co.*, 238 F.3d 378, 380 (5th Cir. 2001)).

32. See David J. Kera & Theodore H. Davis, Jr., *Annual Review: A. United States, The Fifty-Sixth Year of Administration of the Lanham Trademark Act of 1946-Part III*, 94 TRADEMARK REP. 70, 133-38 (2004).

33. See *Pet Silk*, 481 F. Supp 2d at 830 n.8 (quoting 15 U.S.C. § 1125(c)(2)(A)).

34. See Trademark Dilution Revision Act of 2005, H.R. Rep. No. 109-23, at 8 (“[T]he legislation expands the threshold of ‘fame’ and thereby denies protection for marks that are famous only in ‘niche’ markets.”).

35. In fairness to the *Pet Silk* court, it did note that the plaintiff brought a Texas antidilution cause of action in addition to its federal action, and that “[t]he Texas anti-dilution statute explicitly requires only distinctiveness, not fame.” *Pet Silk*, 481 F. Supp 2d at 830 n.7 (citing *Advantage Rent-A-Car*, 238 F.3d at 381 and TEX. BUS. & COM. CODE § 16.29). However, the *Pet Silk* court nevertheless held that the *Pet Silk* mark qualified for federal antidilution protection. *Id.* at 832. See also *Tex. Tech Univ. v. Spiegelberg*, 461 F. Supp. 2d 510, 523-24 (N.D. Tex. 2006) (finding dilution under the provisions of the TDRA while also finding that the plaintiff Texas Technical University’s scarlet and black color scheme was famous only in the state of Texas, if not only “[i]n this university town” of Lubbock, Texas).

36. A significant limitation of this study’s methodology is that it does not include opinions or judgments not reported in Westlaw or Lexis. Nevertheless, Clarissa Long’s work on courts’ application of the FTDA lends some support to the proposition that outcomes in reported and unreported antidilution opinions are roughly similar. See Long, *supra* note 12, at 1050-51. Another significant limitation of this study’s methodology is that it does not account for the impact of antidilution law on cease-and-desist practice. It may well be that the primary success

nevertheless strongly suggest that courts' dilution determinations are largely redundant of their infringement determinations, and that the former fail to yield any remedies not already provided by the latter. Take, for example, the *Pet Silk* case. There, the court had found infringement and on that basis granted all of the remedies that the plaintiff sought, so the outcome of the dilution determination was academic at best.³⁷ This Part shows the extent to which the *Pet Silk* situation is typical of our case law and seeks briefly to explain why antidilution protection remains superfluous.

A. *The Correlation Between Infringement and Dilution Outcomes*

To what extent do the outcomes of courts' infringement analyses correlate with the outcomes of their dilution analyses? Of the eighty-five opinions studied, sixty-four analyzed both a claim for trademark infringement and a claim for trademark dilution.³⁸ Table 4 reports that fifty-seven (89%) of these sixty-four opinions reached the same outcome under both analyses. One of these seven opinions, a particularly eccentric outlier,³⁹ found infringement but no dilution. The other six opinions found that outstanding issues of fact prevented summary disposition of the infringement claim, but nevertheless found no dilution. Each of these six opinions rejected the dilution claim on the basis that the plaintiff had not shown that its mark was sufficiently famous.⁴⁰ Importantly, however, of these sixty-four

of antidilution law to date is that it empowers potential plaintiffs with a greater ability to threaten potential defendants, particularly those that are unsophisticated, with prohibitive litigation costs.

37. See *Pet Silk*, 481 F. Supp. 2d at 834.

38. Of these 64 opinions, 24 applied only the TDRA, 19 applied only the FTDA, 3 applied both the TDRA and the FTDA, and 8 applied only a state antidilution statute. The remaining 10 opinions applied federal antidilution law, but it was not clear whether the court was applying the TDRA, FTDA, or both.

39. See *Best W. Int'l v. Prime Tech Dev., L.L.C.*, No. 05-4049, 2007 U.S. Dist. LEXIS 29285 (C.D. Ill. Apr. 20, 2007). In considering the defendant's uncrossed motion for summary judgment, the court, acting sua sponte, granted summary judgment in favor of the plaintiff on its trademark infringement claim. *Id.* at *27. However, the court granted summary judgment in favor of the defendant on the plaintiff's dilution claim. *Id.* at *28. In doing so, the court noted that the defendant had ceased to use the mark before the effective date of the TDRA and that the plaintiff did not contest the dilution claim in its motion papers responding to the defendant's motion for summary judgment. *Id.* at *28.

40. See *S&L Vitamins, Inc. v. Austl. Gold, Inc.*, No. 05-CV-1217(JS)(MLO), 2007 U.S. Dist. LEXIS 74712, at *49 (E.D.N.Y. Sept. 30, 2007); *Phase Forward Inc. v. Adams*, No. C 05-4232 JF (HRL), 2007 U.S. Dist. LEXIS 56022, at *7 (N.D. Cal. July 24, 2007); *Hodgdon Powder Co. v. Alliant Techsystems, Inc.*, 497 F. Supp. 2d 1221, 1232-33 (D. Kan. 2007); *Hamzik v. Zale Corp.*, No. 3:06-CV-1300, 2007 U.S. Dist. LEXIS 28981, at *15 (N.D.N.Y.

opinions that analyzed both an infringement and a dilution cause of action, none found dilution without also finding infringement. Furthermore, of the fourteen opinions that found both infringement and dilution, not one granted extra relief based on the dilution claim.

TABLE 4
CROSS-TABULATION OF INFRINGEMENT AND DILUTION OUTCOMES

		Dilution Outcome				Total
		Dilution Found	Dilution Not Found	Fact Issue	Other	
Infringement Outcome	Infringement Found	14	1			15
	Infringement Not Found		26			26
	Fact Issue		6	14		20
	Other				3	3
Total		14	33	14	3	64

What about opinions during the period studied in which a court was presented with both an infringement and a dilution cause of action, but on the basis of the outcome of its analysis of one of these causes of action, declined to analyze the other? As an index of courts' tendency to bypass or short-circuit a dilution issue when given the chance, twenty-eight federal court opinions filed during the period studied and reported in either the Westlaw or Lexis databases referenced but avoided analyzing a dilution issue on the grounds that their infringement determination made doing so unnecessary⁴¹—one opinion did so even when it found no infringement.⁴² (Because they did not analyze a dilution issue, these twenty-eight opinions were not included in this study's core data set of eighty-five opinions). By comparison, only two opinions from the period studied found

Apr. 19, 2007); *Google, Inc. v. Am. Blind & Wallpaper Factory, Inc.*, No. C 03-5340 JF (RS), 2007 U.S. Dist. LEXIS 32450, at *39-40 (N.D. Cal. Apr. 18, 2007); *Fuel Clothing Co. v. Safari Shirt Co.*, No. CV05-1220-HU, 2006 U.S. Dist. LEXIS 92052, at *16 (D. Ore. Dec. 18, 2006).

41. See, e.g., *DD IP Holder LLC v. Stickney*, No. 07-201 S, 2007 U.S. Dist. LEXIS 42732, at *9 (D. R.I. June 12, 2007) ("Because Dunkin has shown a likelihood of success on the merits, and because, as explained above, the other factors collapse into that finding, Dunkin's motion is GRANTED.")

42. See, e.g., *Wild Willy's Holding Co. v. Palladino*, 463 F. Supp. 2d 65, 72 (D. Me. 2006) ("[T]he Court finds that on this record there is little likelihood of confusion. Plaintiff's failure of proof on this element of the test makes it unnecessary for the Court to consider the other factors in the preliminary injunctive relief analysis.")

dilution, and on that basis declined to analyze the infringement claim before them.⁴³ (These two opinions were included in this study's data set). One of these opinions addressed a motion for default judgment in which the plaintiff barely touched on the infringement side of its case.⁴⁴ The other of these opinions was *Nike v. Nikepal*,⁴⁵ from an Eastern District of California case in which the well-known athletic goods producer sued a distributor of laboratory equipment who testified that he "selected the word 'Nike' by opening a dictionary to a random page and choosing the first word he saw, and then combined it the with first three letters of his first name 'Pal.'"⁴⁶ The *Nikepal* case is arguably the only reported opinion during the one-year period studied in which the dilution cause of action appeared significantly to drive the outcome of the case.⁴⁷

43. See *Nike, Inc. v. Nikepal Int'l, Inc.*, 84 U.S.P.Q. 2d 1820, 1822 n.2 (E.D. Cal. 2007); *Qwest Commc'ns. Int'l v. Sonny Corp.*, No. C06-0020P, 2006 U.S. Dist. LEXIS 87007, at *12-13 (W.D. Wash. Nov. 30, 2006) ("[I]t does not appear that Qwest would gain any additional relief under its remaining claims").

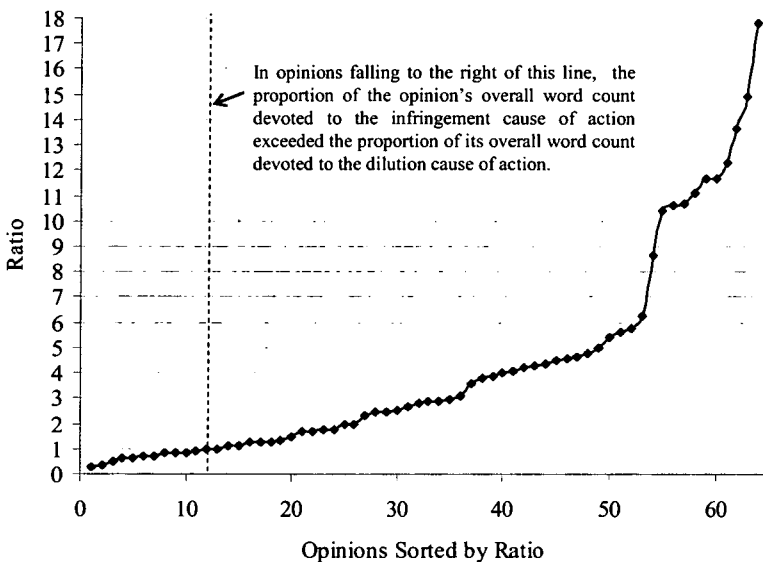
44. *Qwest Commc'ns. Int'l.*, 2006 U.S. Dist. LEXIS 87007, at *12-13.

45. *Nike*, 84 U.S.P.Q. 2d at 1820.

46. *Id.* at 1823.

47. *Id.* I am grateful to Shari Seidman Diamond for bringing this case to my attention.

FIGURE 1
 RATIO OF PROPORTION OF OPINION WORD COUNT CONSIDERING
 INFRINGEMENT TO PROPORTION OF OPINION WORD COUNT CONSIDERING
 DILUTION IN 64 FEDERAL COURT OPINIONS, OCTOBER 6, 2006 TO OCTOBER
 6, 2007



Finally, returning to the sixty-four opinions that analyzed both a claim for trademark infringement and a claim for trademark dilution during the period studied, word count analysis⁴⁸ of these opinions yields an admittedly quite rough but nevertheless interesting measure of the degree to which courts tend to privilege their analysis of an infringement claim over their analysis of a dilution claim.⁴⁹ Figure 1 shows that while eleven of these sixty-four opinions (17%) devoted a greater proportion of their opinion to the dilution claim than to the infringement claim, fifty-one (80%) devoted a greater proportion of their opinion to the infringement claim—in many, a greater proportion by far. Two opinions were coded as devoting the same

48. I used the qualitative data analysis program Atlas.ti 5.2.0 to conduct this word count analysis.

49. See Laura A. Heymann, *Metabranding and Intermediation: A Response to Professor Fleischer*, 12 HARV. NEGOT. L. REV. 201, 217 (2007) (“In modern trademark law, trademark infringement is the workhorse.”).

number of words to the infringement claim as to the dilution claim.⁵⁰ In these two opinions, the courts analyzed both claims simultaneously, in one, because the defendant was found not to have made a “commercial use” of the plaintiff’s trademark,⁵¹ and in the other, because the infringement and dilution claims were found, remarkably, to involve legal standards that were “extremely similar or dependent upon one another.”⁵²

B. *Why Antidilution Protection Remains Redundant*

A variety of factors likely accounts for, if not over-determines, the redundancy in courts’ infringement and dilution determinations in the opinions studied. First, as has been well recognized,⁵³ anti-infringement protection has expanded so dramatically in subject matter, scope, and mode (e.g., initial-interest confusion, post-sale confusion) over the past decades that it offers at least as extensive a level of protection as does antidilution protection, particularly for the kinds of famous marks that qualify for the latter. Second and relatedly, though the TDRA has established a laxer, more inclusive “likelihood of dilution” standard for the finding of dilution, the TDRA provides for damages (in addition to injunctive relief) only for “willfully” dilutive uses that began after the October 6, 2006 effective date of the Act.⁵⁴ Thus, it may simply be too soon to expect to see cases in which plaintiffs seek to take advantage of the new, laxer standard of the TDRA to obtain damages that an infringement action might not otherwise yield.⁵⁵

There is also a third, more theoretical explanation for the redundancy of infringement and dilution outcomes. The currently dominant theoretical explanation for why we provide trademarks with

50. See *Marco’s Franchising, L.L.C. v. Marco’s Italian Express, Inc.*, No. 8:06-cv-00670-T-17-TGW, 2007 U.S. Dist. LEXIS 49211 (M.D. Fla. July 9, 2007); See also *Crown Realty & Dev., Inc. v. Sandblom*, No. CV 06-1442-PHX-JAT, 2007 WL 177842 (D. Ariz. Jan. 22, 2007).

51. *Crown Realty*, 2007 WL 177842, at *1-2. On the issue of trademark “use,” see Graeme B. Dinwoodie & Mark D. Janis, *Confusion Over Use: Contextualism in Trademark Law*, 92 IOWA L. REV. 1597 (2007); Stacey L. Dogan & Mark A. Lemley, *Trademark and Consumer Search Costs on the Internet*, 41 HOUS. L. REV. 777 (2004); Eric Goldman, *Deregulating Relevancy in Internet Trademark Law*, 54 EMORY L.J. 507, 554-59 (2005).

52. *Marco’s Franchising*, 2007 U.S. Dist. LEXIS 49211, at *10.

53. See, e.g., Mark P. McKenna, *The Normative Foundations of Trademark Law*, 82 NOTRE DAME L. REV. 1839, 1913-14 (2007).

54. See 15 U.S.C.A. § 1125(c)(5)(B)(i)-(ii) (West Supp. 2007).

55. I am grateful to Mark Lemley for proposing, though not necessarily endorsing, this explanation.

antidilution protection is that doing so lessens consumers' "search costs."⁵⁶ As Judge Posner has explained,

A trademark seeks to economize on information costs by providing a compact, memorable and unambiguous identifier of a product or service. The economy is less when, because the trademark has other associations, a person seeing it must think for a moment before recognizing it as the mark of the product or service.⁵⁷

Understood in terms of search costs, antidilution protection is essentially an inverted form of anti-infringement protection.⁵⁸ There are several fundamental problems with this theory of antidilution law,⁵⁹ not the least of which is how it accounts for dilution by "tarnishment" or why it should be provided only to famous marks. Setting these aside for the purposes of this article, we can at least understand why, when presented with a search costs rationale both for anti-infringement protection and for antidilution protection, judges should so often conflate the two forms of trademark protection. Indeed, in the Second Circuit, some judges continue to assume that evidence of consumer confusion also serves as evidence of trademark dilution⁶⁰—notwithstanding the fundamental axiom in trademark doctrine that an individual consumer may either be confused as to source or be experiencing dilution, but never both.⁶¹

56. See, e.g., Stacey L. Dogan & Mark A. Lemley, *What the Right of Publicity Can Learn from Trademark Law*, 58 STAN. L. REV. 1161, 1197 (2006) ("[L]ike traditional trademark law, dilution properly understood is targeted at reducing consumer search costs.").

57. Richard Posner, *When Is Parody Fair Use?*, 21 J. LEGAL STUD. 67, 75 (1992). See also *Ty Inc. v. Perryman*, 306 F.3d 509, 511 (7th Cir. 2002) (Posner, J.) (discussing the search costs rationale).

58. See Barton Beebe, *The Semiotic Analysis of Trademark Law*, 51 UCLA L. REV. 621, 691 (2004).

59. *Id.*

60. See, e.g., *Nabisco, Inc. v. PF Brands, Inc.*, 191 F.3d 208, 219 (2d Cir. 1999) ("Consumer confusion would undoubtedly dilute the distinctive selling power of a trademark."). See also Justin Hughes, "Recoding" *Intellectual Property and Overlooked Audience Interests*, 77 TEX. L. REV. 923, 1004 (1999) (noting that "[c]ourts engaged in dilution analysis can be seen using the tools of consumer confusion. And vice versa.").

61. See MCCARTHY, *supra* note 1, at § 24:72. McCarthy explains:

A given unauthorized use by defendant can cause confusion in some people's minds and in other people's minds cause dilution by blurring, but in no one person's mind can both perceptions occur at the same time. Either a person thinks that the similarly branded goods or services come from a common source (or are connected or affiliated) or not. In that sense they are inconsistent states of customer perception. But viewing the relevant customer group en masse, while some customers may be confused as to source or connection, other customers recognize the independence of source. For the former group, the legal claim is the

IV. JUDICIAL NEGLECT OF THE TDRA'S REFORMS

A. *The TDRA's Modes of Dilution*

As many have recognized,⁶² trademark dilution is a notoriously obscure concept, which may go far towards explaining why the search costs rationale—easy to understand and to apply, especially when one has just done so on the infringement side of the case—has taken hold. Among the several innovations contained in the TDRA, one of the most significant is its definition of two specific modes of dilution: dilution by “blurring,” which it defines as “association arising from the similarity between a mark or trade name and a famous mark that impairs the distinctiveness of the famous mark,”⁶³ and dilution by “tarnishment,” which it defines as “association arising from the similarity between a mark or trade name and a famous mark that harms the reputation of the famous mark.”⁶⁴

Regrettably, however, at least in this first year of TDRA-era case law, courts continue to fail regularly to specify what mode of dilution (blurring or tarnishment) they are analyzing or have found. For example, of the thirteen opinions that applied the FTDA (or whose application of which statute was unclear) and who found dilution, five failed to specify what mode of dilution they found⁶⁵ while two others quoted from the now obsolete language of the FTDA to the effect that the defendant’s conduct “diminishes the ability of the [plaintiff’s] mark to identify and distinguish the [plaintiff’s] goods.”⁶⁶ Three explicitly found tarnishment⁶⁷ and the remaining three explicitly

traditional one of a likelihood of confusion. For the latter group, the legal claim is one of dilution.

62. See, e.g., Thomas R. Lee, *Demystifying Dilution*, 84 B.U. L. REV. 859, 860 (2004).

63. 15 U.S.C.A. § 1125(c)(2)(B) (West Supp. 2007).

64. *Id.* at. § 1125(c)(2)(C).

65. See *Audi AG v. D’Amato*, 469 F.3d 534, 547 (6th Cir. 2006); *Days Inns Worldwide, Inc. v. Lincoln Park Hotels, Inc.*, 500 Fed. Supp. 2d 770, 775 (N.D. Ill. 2007); *Levi Strauss & Co. v. Fox Hollow Apparel Group, LLC*, No. C-06-3765 SC, 2007 U.S. Dist. LEXIS 31355, at *7-9 (N.D. Cal. Apr. 17, 2007); *Qwest Commc’ns. Int’l v. Sonny Corp.*, No. C06-0020P, 2006 U.S. Dist. LEXIS 87007, at *3-7 (W.D. Wash. Nov. 30, 2006); *Lorillard Tobacco Co. v. Yazan’s Serv. Plaza, Inc.*, No. 05-70804, 2006 U.S. Dist. LEXIS 75941, at *31 (E.D. Mich. Oct. 19, 2006).

66. See *Lorillard Tobacco Co. v. Van Dyke Liquor Mkt., Inc.*, 471 F. Supp. 2d 822, 832 (E.D. Mich. 2007); *Eldorado Stone, LLC v. Renaissance Stone, Inc.*, No. 04cv2562 JM(CAB), 2007 U.S. Dist. LEXIS 60885, at *14 (S.D. Cal. Aug. 20, 2007).

67. See *Diane Von Furstenberg Studio v. Snyder*, 1:06cv1356 (JCC), 2007 U.S. Dist. LEXIS 66633, at *9-11 (E.D. Va. Sept. 10, 2007); *PepsiCo, Inc. v. # 1 Wholesale, LLC*, No. 07-CV-367, 2007 U.S. Dist. LEXIS 53768, at *11-13 (N.D. Ga. July 20, 2007); *Harris Research, Inc. v. Lydon*, 505 F. Supp. 2d 1161, 1166 (D. Utah 2007).

found blurring.⁶⁸ Overall, 53% of the eighty-five opinions studied failed to reference either blurring or tarnishment, and 49% of the fifty opinions that applied the FTDA (or whose application of which statute was unclear) failed to do so.

B. *The TDRA's "Recognition" Standard*

Finally, on a qualitative note, it is remarkable that among the trademarks found to be "widely recognized by the general consuming public of the United States" in the opinions studied were the following: DVF,⁶⁹ Pet Silk,⁷⁰ Rustic Ledge,⁷¹ Cliffstone,⁷² Pycnogenol,⁷³ and the color combination consisting of scarlet and black.⁷⁴ To be sure, in the opinions studied, courts also found marks such as Pepsi⁷⁵ and Nike⁷⁶ to be "widely recognized." However, the former set of marks suggests that the TDRA's newly heightened standard for fame has failed to limit the subject matter of federal antidilution protection only to truly deserving marks.

V. CONCLUSION

It is an oft-told parable that when, in 1972, Henry Kissinger asked the Chinese Premier Zhou En Lai for his assessment of the historical significance of the French Revolution of 1789, the latter replied: "It's too soon to tell."⁷⁷ The same may certainly be said of the

68. *Pet Silk, Inc. v. Jackson*, 481 F. Supp. 2d 824, 831-32 (S.D. Tex. 2007); *Tex. Tech Univ. v. Spiegelberg*, 461 F. Supp. 2d 510, 524 (N.D. Tex. 2006); *Nike, Inc. v. Nikepal Int'l, Inc.*, No. 84 U.S.P.Q. 2d 1820, 1828 (E.D. Cal. 2007) (noting that plaintiff "will face an escalating erosion of its famous mark and NIKE will lose its ability to serve as a source-identifying mark.").

69. *See Diane Von Furstenberg Studio v. Snyder*, 1:06cv1356 (JCC), 2007 U.S. Dist. LEXIS 66633 (E.D. Va. Sept. 10, 2007).

70. *See Pet Silk, Inc. v. Jackson*, 481 F. Supp. 2d 824 (S.D. Tex. 2007).

71. *See Eldorado Stone, LLC v. Renaissance Stone, Inc.*, No. 04cv2562 JM(CAB), 2007 U.S. Dist. LEXIS 60885 (S.D. Cal. Aug. 20, 2007).

72. *See id.*

73. *See Horphag Research Ltd. v. Garcia*, 475 F.3d 1029 (9th Cir. 2006).

74. *See Tex. Tech Univ. v. Spiegelberg*, 461 F. Supp. 2d 510 (N.D. Tex. 2006).

75. *See PepsiCo, Inc. v. # 1 Wholesale, LLC*, No. 07-CV-367, 2007 U.S. Dist. LEXIS 53768 (N.D. Ga. July 20, 2007).

76. *See Nike, Inc. v. Nikepal Int'l, Inc.*, 84 U.S.P.Q. 2d 1820 (E.D. Cal. 2007).

77. *See BRIAN HOOK, THE INDIVIDUAL AND THE STATE IN CHINA* 42 (1996). There are many variations on this parable, including some in which Chairman Mao is replying to a question from President Nixon (or Kissinger) or Zhou En Lai is responding to a question from André Malraux or Nixon. *See, e.g., ELIZABETH J. PERRY, PATROLLING THE REVOLUTION: WORKER MILITIAS, CITIZENSHIP, AND THE MODERN CHINESE STATE* (2006) (Zhou En Lai responding to Malraux).

significance of the TDRA. Even so, the first year of TDRA case law is far from encouraging. It clearly has not been enough simply to pass a new law. In current practice, if not also in current theory, the dilution cause of action continues to be redundant of the infringement cause of action. Even courts that showed an awareness of the new Act often failed to implement its reforms. In the few reported opinions that addressed a speech-related issue, the TDRA's new, more robust "[e]xclusions"⁷⁸ from antidilution protection played no appreciable role.⁷⁹ The dead hand of the FTDA still plagues the law.

What, then, is to be done? As a general matter, the trademark bar must work to insure that the federal courts recognize that the TDRA and its various reforms are now the law of the land. The momentum that led to the promulgation of the TDRA must be maintained, now in the courts, lest the Act end up a dead letter. More specifically and admittedly somewhat idiosyncratically, I propose here, as I have elsewhere,⁸⁰ an additional course of action: we should abandon altogether the term "dilution." This term has caused us nothing but trouble. Instead, we should speak more specifically of "trademark blurring" and "trademark tarnishment" and of anti-blurring and anti-tarnishment protection—two forms of protection that have, in fact, very little to do with each other,⁸¹ and arguably little to do with antidilution protection as originally conceived by Frank Schechter.⁸² The TDRA represents an important halfway point in the hoped-for demise of the term "dilution." Though the Act continues to use the term, it relies much more heavily on the somewhat more precise concepts of "blurring" and "tarnishment." The trademark bar should follow the lead of the Act and urge courts to do the same.

78. 15 U.S.C.A. § 1125(c)(3) (West Supp. 2007).

79. See, e.g., *Burnett v. Twentieth Century Fox Film Corp.*, 491 F. Supp. 2d 962, 973-74 (C.D. Cal. 2007) (applying FTDA); *Harris Research, Inc. v. Lydon*, 505 F. Supp. 2d 1161, 1165-66 (D. Utah 2007); *Louis Vuitton Malletier S.A. v. Haute Diggity Dog, LLC*, 464 F. Supp. 2d 495, 503-05 (E.D. Va. 2006).

80. See Beebe, *supra* note 1, at 1174.

81. See Beebe, *supra* note 58, at 695-98.

82. See Frank I. Schechter, *The Rational Basis of Trademark Protection*, 40 HARV. L. REV. 813, 822, 830 (1927) (observing that "the creation and retention of custom, rather the designation of source, is the primary purpose of the trademark today" and arguing that trademark law should seek to preserve the "arresting uniqueness and hence [the] selling power" of qualifying trademarks).

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