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Timeout for Sports Trademark Overprotection: Comparing the United States, European Union, and United Kingdom

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**TIMEOUT FOR SPORTS TRADEMARK OVERPROTECTION:
COMPARING THE UNITED STATES, EUROPEAN UNION, AND
UNITED KINGDOM**

JODI S. BALSAM*

ABSTRACT

Much has been written about the “overprotection” of trademark, especially in the sports industry. Actionable trademark infringement and dilution have been expanding, largely as a byproduct of the trademark merchandising right. This relatively new-found right has transformed the names, logos, catchphrases, and colors of sports leagues and teams into commodities that can be monetized. Sports entities and teams now possess near-monopoly control over a broad swath of words and symbols. In abandoning trademark’s traditional purpose to identify the source and origin of goods, current trademark doctrine has harmed consumer welfare and competitive markets, and bolstered private entitlements to language and iconography, encroaching on freedom of expression.

The overprotection and commodification of sports trademarks have taken especially strong hold in the United States, and less firmly in the European Union and United Kingdom. However, five developments in the US and abroad are now coinciding to provide an opportunity for a timeout to reconsider the situation: (1) the growing unavailability of suitable team names is complicating sports branding and rebranding; (2) athletes are increasingly seeking to extend their intellectual

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property portfolios to trademark, further cluttering that space; (3) Brexit has released the UK from the EU trademark regulatory regime and jurisprudence that historically have been more protective than UK law; (4) free speech values have gained purchase in opposition to overprotective trademark doctrine, as evidenced in US Supreme Court decisions and EU trademark reforms; and (5) the Trademark Modernization Act of 2020 provides an opportunity to declutter the US federal registry and reemphasize trademark use requirements.

This article compares the US, EU, and UK approaches to the merchandising right and dilution doctrine, and the extent to which they have strayed from trademark's traditional functions. Against this backdrop, the article examines the impact of overprotection on sports industry stakeholders and consumers, and suggests new strategies and spheres of compromise where looser conception and enforcement of trademark will actually benefit all constituencies.

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INTRODUCTION

In 2021-22, two major US professional sports teams adopted new names: the Major League Baseball (MLB) Cleveland Indians rebranded as the Guardians, and the National Football League (NFL) Washington Football Team further distanced itself from its former “Redskins” moniker and rebranded as the Commanders.¹ Trademark concerns necessarily factored into both teams decision-making, including the need to avoid similar names and logos in an increasingly crowded sports marketplace.² Even so, the Cleveland baseball team rebranding was initially stalled by a trademark infringement action brought by a local roller derby team that preceded use of the same name.³ Like the roller derby team, the baseball team sought to invoke local history and iconography in choosing a name and logo that pays homage to the “Guardians of Traffic” statues located on the Hope Memorial Bridge near the team’s stadium.⁴

Similarly, the Washington Football Team took eighteen months to rebrand after dropping its former name, a process protracted by “legal hurdles” the team encountered based on trademarks held by other

1. *Cleveland changing name from Indians to Guardians after 2021 season*, ESPN (July 23, 2021), https://www.espn.com/mlb/story/_/id/31868331/cleveland-changing-name-indians-guardians; John Kelm, *Washington selects Commanders as new NFL team name after two-season process*, ESPN (Feb. 2, 2022), https://www.espn.com/nfl/story/_/id/33199548/washington-selects-commanders-new-team-name-two-season-search (reporting Native American pressure on the Kansas City Chiefs to similarly rebrand).

2. Zachary Zagger, *Wash. Team Rules Out ‘Wolves’ Name, Cites TM Legal Hurdles*, LAW360 (Jan. 4, 2022), <https://www.law360.com/articles/1452323/wash-team-rules-out-wolves-name-cites-tm-legal-hurdles> (reporting the name “RedWolves” was discarded because of use by college sports teams).

3. *Guardians Roller Derby v. Cleveland Guardians Baseball Company LLC*, 1:21-cv-02035 (N.D. Ohio Oct. 27, 2021). The case settled quickly, allowing both teams to continue using the “Guardians” name. See Zachary Zagger, *Cleveland MLB Club Settles TM Suit Over ‘Guardians’ Rebrand*, LAW360 (Nov. 16, 2021), <https://www.law360.com/articles/1440746/cleveland-mlb-club-settles-tm-suit-over-guardians-rebrand>.

4. Michael Shapiro, *Here’s Why Cleveland Chose “Guardians” for New Team Name*, SPORTS ILLUSTRATED (July 23, 2021), <https://www.si.com/mlb/2021/07/23/cleveland-guardians-name-change-decision-explained>.

teams.⁵ For example, the Washington team scrapped the name “RedWolves,” a fan favorite and in serious contention because of continuity lent by the word “red,” after learning that a professional minor league soccer team in Chattanooga, Tennessee was already battling Arkansas State University over trademark rights to the same name.⁶ In a procedural ruling in that dispute, the United States Patent and Trademark Office (USPTO) noted how both entities used the RedWolves name in conjunction with soccer teams, strongly suggesting that the federal registry has raised the bar for sharing team names across different geographic markets and levels of sport.⁷ Even with RedWolves off the table, the Washington team still had to contend with trademark squatters who had registered other potential new names to shake down the team.⁸ Trademark law has clearly taken us far from the day when multiple sports teams freely shared common names, with trust in consumers and fans to differentiate.⁹

At the same time, increasing numbers of athletes and sports personalities have registered their names, signature moves, and

5. Joe Rivera, *Why Washington Football Team's New Name Won't be RedWolves or Wolves*, THE SPORTING NEWS (Jan. 4, 2022), <https://www.sportingnews.com/us/nfl/news/why-washington-football-teams-new-name-wont-be-redwolves-or-wolves/3z4hlnfgw73y1ewg1n9hpf7q2>.

6. See Complaint in Chattanooga Professional Soccer Management, LLC v. Arkansas State University, No. 1:19CV00339 (E.D. Tenn. Nov. 25, 2019), <https://www.kark.com/wp-content/uploads/sites/85/2019/11/437202138-Red-Wolves.pdf> (seeking declaratory judgment that professional soccer team can use RedWolves name over opposition from Arkansas State University).

7. See Arkansas State University, Opposer v. Chattanooga Professional Soccer Management LLC, Respondent, 2020 WL 702088 (Trademark Tr. & App. Bd. Feb. 11, 2020) (allowing ASU opposition to proceed against pro soccer team's trademark application for RedWolves).

8. Zachary Zagger, *DC NFL Team Buys Time with Temporary Name Change*, LAW360 (July 23, 2020), <https://www.law360.com/articles/1294908?scroll=1&related=1>.

9. See Ted Curtis & Joel H. Stempler, *So What Do We Name the Team? Trademark Infringement, the Lanham Act and Sports Franchises*, 19 COLUM.-VLA J.L. & ARTS 23, 29 (1995) (citing as examples the National Hockey League (NHL) Winnipeg Jets and the NFL New York Jets, the NHL Los Angeles Kings and the National Basketball Association (NBA) Sacramento Kings). For 27 years, St. Louis was home to both the NFL Cardinals and the MLB Cardinals. See Ray Corio, *Question Box*, N.Y. TIMES (Feb. 12, 1990), <https://www.nytimes.com/1990/02/12/sports/question-box.html>.

personal slogans as both trademarks and service marks.¹⁰ That trend first gained public attention with the 1989 registration of “Three-Peat” by Los Angeles Lakers head coach Pat Riley in anticipation of the Lakers’ third consecutive NBA Championship.¹¹ Public outcry soon followed against this co-opting of what had been perceived as a generic term.¹² Yet the trend has only accelerated as athletes—now including college athletes¹³—maximize their sports fame through intellectual property exploitation. Thus, we see registrations like Greek Freak, Beast Mode, Mr. October, and Paige Buckets for categories of goods as varied as clothing, books, toys, sporting goods, sunglasses, and educational services.¹⁴ While trademark protection is contingent on the athletes ultimately using these marks in commerce—often a dubious proposition—their existence in the registry creates barriers to entry in both the specified categories and unrelated markets.¹⁵

10. Trademarks identify and distinguish the source and quality of tangible goods, and service marks perform the same function for intangible services. 15 U.S.C. § 1127.

11. See THREE-PEAT, Registration No. 1,552,980 (registered Aug. 22 1989 to Riles & Co. Inc.). The Lakers did not win the championship that year, and not again until 2000.

12. See Todd D. Kantorczyk, *How to Stop the Fast Break: An Evaluation of the “Three-Peat” Trademark and the FTC’s Role in Trademark Law Enforcement*, 2 UCLA ENT. L. REV. 195, 196 (1995).

13. See Tan Boston, *As California Goes, So Goes the Nation: A Title IX Analysis of the Fair Pay to Play Act*, 17 STAN. J. CIV. RTS. & CIV. LIBERTIES 1, 13 (2021) (providing history of state legislation giving student-athletes the legal right to receive compensation for use of names, images, and likenesses).

14. See GREEK FREAK, Registration No. 5401870 (registered Feb. 13, 2018 to NBA player Giannis Antetokounmpo); BEAST MODE, Registration No. 4582964 (registered May, 27, 2014 to NFL player Marshawn Lynch); MR. OCTOBER, Registration No. 2594621 (registered July 16, 2002 to MLB player Reggie Jackson); PAIGE BUCKETS, Serial No. 90826196 (application filed July 13, 2021 by college basketball player Paige Bueckers); see also Doug Williams, *Athletes Trademarking the Phrase That Pays*, ESPN (Oct. 10, 2014), https://www.espn.com/blog/playbook/fandom/post/_/id/6108/athlete-trademarks-becoming-commonplace.

15. For example, NBA superstar Giannis Antetokounmpo sued a mail-order meal-delivery company to prevent it from selling a spice blend branded “Greek Freak.” See *Antetokounmpo v. Paleo Prods. LLC*, No. 20-CV-6224 (JGK), 2021 WL 4864537, at *2 (S.D.N.Y. Oct. 18, 2021) (after defendants failed to appear, court awarded injunction but rejected statutory damages because of no likely confusion); see also *ETW Corp. v. Jireh Publishing, Inc.*, 99 F. Supp.2d 829 (N.D. Ohio 2000)

The ongoing controversy that epitomizes how far trademark has traveled from its traditional functions is Ohio State's attempt to register the word "The" as a trademark.¹⁶ Over time, because its full formal name under state law is "The Ohio State University," the school has made it a point of pride to emphasize "The." In this tradition, NFL players who went to Ohio State announced themselves in broadcasts using the school's full name and accentuating the definite article.¹⁷ Thus, the school sought to establish its exclusive right to use the stand-alone definite article—typically cited as the most common word in the English language—as a trademark for apparel.¹⁸ Federal registration for "The" was refused on the grounds that the specimen submitted to the USPTO displayed a merely decorative or ornamental use that did not indicate that Ohio State was the source of the shirt.¹⁹ But the USPTO allowed that the school could overcome the refusal by submitting evidence of acquired distinctiveness.²⁰

These phenomena are in large part an outgrowth of the judicial and later legislative establishment of a trademark merchandising right and dilution cause of action—both of which have been the frequent and

(images of Tiger Woods are not protectible as trademarks unless capable of repeated use in commerce as source indicator); *infra* note 121-24 and accompanying text.

16. THE, Application No. 88571984 (filed August 8, 2019 by The Ohio State University). Ohio State has a history of aggressive trademark enforcement, for example, opposing an online store's application to register the phrase "Hang on Sloopy" for merchandise like mugs and T-shirts, because it is the name of a 1960s pop song that the school's marching band famously plays during football games. See Bill Donahue, *Brand Battles: Ohio State, 'Purple Haze,' 'Wizard Of Oz,'* LAW360 (Feb. 22, 2019), <https://www.law360.com/articles/1132041/brand-battles-ohio-state-purple-haze-wizard-of-oz->.

17. Morgan Moriarty, *Why creative intros became a primetime football norm, and why everybody calls their alma mater 'THE' now*, SBNATION (Sept. 9, 2018, 5:00 PM), <https://www.sbnation.com/nfl/2018/9/9/17402796/player-introductions-primetime-football-nbc-sunday-night-football> (noting that players from other colleges have added the emphatic "the" upfront).

18. Bill Donahue, *Can Ohio State Register The Word 'The' As A Trademark?*, LAW360 (Aug. 14, 2019), <https://www.law360.com/articles/1188495/can-ohio-state-register-the-word-the-as-a-trademark->.

19. See THE, USPTO Nonfinal Office Action, Reference/Docket No. 0539066 (Sept. 11, 2019).

20. *Id.*; see 15 U.S.C. 1052(f).

longstanding subject of scholarly criticism.²¹ These doctrines have had special purchase in the sports industry, which generated some of the earliest case law establishing their contours.²² In combination, these doctrines have transformed the names, logos, catchphrases, and even colors of sports leagues and teams into commodities that can be monetized.²³ Sports leagues and teams now possess near-monopoly control over a broad swath of words and symbols.²⁴ In abandoning trademark's traditional purpose to identify the source and origin of goods, the commodification of trademark has harmed consumer welfare and competitive markets, and bolstered private entitlements to language and iconography, encroaching on freedom of expression.²⁵

Trademark law's historical focus has been to promote free and fair competition in the market for goods and services by facilitating consumer access to truthful information.²⁶ Under a traditional trademark regime, unaffiliated third parties would be free to

21. See generally Kenneth L. Port, *The Commodification of Trademarks: Some Final Thoughts on Trademark Dilution*, 46 HOFSTRA L. REV. 669, 676 (2017) (collecting literature critical of the federal Trade Dilution Act); Mark A. Lemley & Mark P. McKenna, *Owning Mark(et)s*, 109 MICH. L. REV. 137 (2010); Stacey L. Dogan & Mark A. Lemley, *The Merchandising Right: Fragile Theory or Fait Accompli?*, 54 EMORY L.J. 461 (2005); J. Gordon Hylton, *The Over-Protection of Intellectual Property Rights in Sport in the United States and Elsewhere*, 21 J. LEGAL ASPECTS SPORT 43 (2011); Glynn S. Lunney, Jr., *Trademark Monopolies*, 48 EMORY L.J. 367 (1999); Alex Kozinski, *Trademarks Unplugged*, 68 N.Y.U. L. REV. 960 (1993).

22. See *Dallas Cowboys Cheerleaders, Inc. v. Pussycat Cinema, Ltd.*, 604 F.2d 200, 205 (2d Cir. 1979); *Boston Professional Hockey Ass'n v. Dallas Cap & Emblem Manufacturing, Inc.*, 510 F.2d 1004, 1012 (5th Cir. 1975).

23. See Port, *supra* note 21, at 675. Although this phenomenon is especially present in sports, it occurs across other industries as well. See Irene Calboli, *The Case for A Limited Protection of Trademark Merchandising*, 2011 U. ILL. L. REV. 865, 868 (2011) (noting Harley-Davidson logo-ed merchandise); Kozinski, *supra* note 21, at 961 (noting Grateful Dead logo-ed merchandise).

24. See Hylton, *supra* note 21, at 50; Lunney, *Trademark Monopolies*, *supra* note 21, at 422.

25. See Lunney, *Trademark Monopolies*, *supra* note 21, at 422; Daniel J. Hemel & Lisa Larrimore Ouellette, *Trademark Law Pluralism*, 88 U. CHI. L. REV. 1025, 1038-39 (2021) (suggesting that the supply of words and symbols that make for strong trademarks is dwindling); William McGeeveran, *Rethinking Trademark Fair Use*, 94 IOWA L. REV. 49, 77 (2008) (describing the "chilling effect" of trademark doctrines on free speech).

26. See Dogan & Lemley, *supra* note 21, at 463.

manufacture and sell shirts with team logos as long as they accurately identified the source and origin of the goods and avoided creating “consumer confusion.”²⁷ They would not be liable for ornamental or expressive “non-trademark use” of logos.²⁸ Common sports team names would be available across different product and geographic markets.²⁹ Familiar fan locutions would reside in the public domain available for cultural appropriation and recodification.³⁰

27. “Consumer confusion” is the *sine qua non* of a trademark infringement claim under Lanham Act § 43(a), which imposes liability on “[a]ny person who, on or in connection with any goods or services, or any container for goods, uses in commerce any word, term, name, symbol, or device, or any combination thereof, or any false designation of origin, false or misleading description of fact, or false or misleading representation of fact, which ... is likely to cause confusion, or to cause mistake, or to deceive as to the affiliation, connection, or association of such person with another person, or as to the origin, sponsorship, or approval of his or her goods, services, or commercial activities by another person....” 15 U.S.C. § 1125(a) (2018). *See also* Lanham Act § 32, which imposes liability on “[a]ny person who ... use[s] in commerce any reproduction, counterfeit, copy, or colorable imitation of a registered mark in connection with the sale, offering for sale, distribution, or advertising of any goods or services on or in connection with which such use is likely to cause confusion, or to cause mistake, or to deceive....” 15 U.S.C. § 1114 (2018).

28. *See* Alexandra J. Roberts, *Trademark Failure to Function*, 104 IOWA L. REV. 1977, 1981 (2019) (arguing against trademark protection for marks that do not function to identify source or origin); Margreth Barrett, *Finding Trademark Use: The Historical Foundation for Limiting Infringement Liability to Uses “In the Manner of a Mark,”* 43 WAKE FOREST L. REV. 893 (2008) (“‘Trademark use’ can be generally understood as use of a word or symbol in close association with goods or services being offered for sale, in a manner that is likely to communicate the source of those goods or services to consumers”); Graeme B. Dinwoodie & Mark D. Janis, *Confusion Over Use: Contextualism in Trademark Law*, 92 IOWA L. REV. 1597, 1599 (2007) (explaining that a trademark use approach to infringement claims operates “as a threshold filter, requiring courts to engage in a preliminary inquiry regarding the nature of that use, thereby downgrading any analysis of its effects on consumer understanding”).

29. *See* Lemley & McKenna, *supra* note 21, at 182 -83.

30. *See* Keith Aoki, *How the World Dreams Itself to Be American: Reflections on the Relationship Between the Expanding Scope of Trademark Protection and Free Speech Norms*, 17 Loy. L.A. ENT. L.J. 523, 530 (1997); Joseph P. Liu, *Sports Merchandising, Publicity Rights, and the Missing Role of the Sports Fan*, 52 B.C. L. REV. 493, 513 (2011).

This approach needed to change, however, for the sports industry to capture the economic value of trademarks as commodities.³¹ It did so through a judicial and legislative expansion of property rights in trademarks, largely contrived by the sports leagues themselves.³² At this point, decades of judicial decisions have presumed that any use or display of sports industry marks will invariably confuse consumers, justifying a radical expansion of trademark protection and, in circular fashion, creating the modern consumer expectation that such use is authorized by the team.³³ Legal protection of this practice across all industries has effectively converted the consumer welfare orientation of US trademark law into “a form of corporate welfare.”³⁴ The result for sports fans is that they have no alternative but to buy high-priced “authorized” goods and curtail their expressions of allegiance to their teams.³⁵ Also at stake is the availability of language for both competitive market entry (trademark) and expressive (non-trademark) uses.³⁶

Across the Atlantic, European Union and United Kingdom laws have not traveled the full distance to the commodification of

31. The global market for licensed sports merchandise was estimated at \$34.3 billion in 2020. See *Global Licensed Sports Merchandise Market Report 2021: Market to Reach a Revised Size of \$49.8 Billion by 2027*, PRNEWswire (June 18, 2021), <https://www.prnewswire.com/news-releases/global-licensed-sports-merchandise-market-report-2021-market-to-reach-a-revised-size-of-49-8-billion-by-2027—301315552.html>.

32. See Matthew J. Mitten, *From Dallas Cap to American Needle and Beyond: Antitrust Law's Limited Capacity to Stitch Consumer Harm from Professional Sports Club Trademark Monopolies*, 86 TUL. L. REV. 901, 908-909 (2012) (collecting cases).

33. See Katya Assaf, *The Dilution of Culture and the Law of Trademarks*, 49 IDEA 1, 35 (2008) (“The more courts presume that consumers expect every use of a trademark to be licensed and condemn unlicensed uses, the more this presumption will become a reality.”); Lunney, *Trademark Monopolies*, *supra* note 21, at 396-97 (describing the “circular” reasoning that leads consumers to expect sports badges of allegiance to originate from the league or team).

34. Glynn S. Lunney, Jr., *Trademark's Judicial De-Evolution: Why Courts Get Trademark Cases Wrong Repeatedly*, 106 CALIF. L. REV. 1195, 1196 (2018).

35. Lunney, *Trademark Monopolies*, *supra* note 21, at 398; see Dogan & Lemley, *supra* note 21, at 482.

36. See Hemel & Larrimore Ouellette, *supra* note 25, at 1038-39 (suggesting that the supply of words and symbols that make for strong trademarks is dwindling); McGeveran, *supra* note 25, at 77 (describing the “chilling effect” of trademark doctrines on free speech).

trademark.³⁷ Courts there have taken a narrower view of the merchandising right and dilution doctrine.³⁸ Provisions of the European Union Trade Mark Regulation (EUTMR) have been invoked to delineate the traditional functions of trademark, in particular to refuse registration of marks devoid of “distinctive character” and to permit overlapping registrations in some situations.³⁹ And UK courts that apply the “trademark use” and “distinctiveness” doctrines to sports merchandising have suggested that trademark protection should attach only where it serves to guarantee the origin of the goods.⁴⁰

Five developments in the US and abroad, in part concentrated in the sports industry, are now coinciding to provide an opportunity for a timeout⁴¹ to reconsider the overprotection of trademark. First, the

37. See Port, *supra* note 21, at 685 (describing the US as the “world leader” who “has led other countries into an abyss where trademark rights are unlimited, where competition is irrelevant, and where the objective is to commodify and hypothecate the trademark”).

38. See *Manchester United Football Club Ltd. v. Sega Publishing Europe Ltd. & Anor* [2020] EWHC 1439 (Ch) (June 4, 2020) 111 TMR 641; *Intel Corporation Inc. v CPM United Kingdom Ltd*, C-252/07, 62007CJ0252 (Nov. 27, 2008 EUCJ), ¶ 71.

39. See *infra* notes 167-75 and accompanying text; Commission Regulation 2017/1001 of 16 June 2017 on the European Union Trade Mark (consolidated version) O.J. (L 154) 1-99 [hereinafter EUTMR] Art. 7(1)(b), available at <https://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1506417891296&uri=CELEX:32017R1001>. Although the English and European styling is to write “trade mark” as two words, rather than “trademark,” this article will use the latter except when quoting an English or European case, statute, or regulation.

40. See *Rugby Football Union v. Cotton Traders Ltd* [2002] EWHC 467 (Ch); [2002] E.T.M.R. 76; [2002] (Ch D) (rejecting infringement claim against apparel manufacturer who sold unlicensed classic rugby jerseys similar to RFU rugby rose because rose is national emblem associated with support of England team); *Arsenal Football Club PLC v. Reed* [2001] RPC 922 (trial court accepted street vendor’s argument that he sold soccer shirts bearing team logos as a “badge of allegiance” and not to designate origin), referred to the ECJ, Case C-206/01, judgment dated 12 November 2002, back to Chancery Division, [2002] EWHC 2695 (ch), appeal upheld [2003] EWCA Civ 96 (overturning trial court based on European Court of Justice interpretation of EU law with the United Kingdom’s withdrawal from the European Union, the force of that ruling may decline.)

41. A timeout in sports is when a team stops the clock and game to, among other things, go over game strategy and play. See *Football Timeouts*, ROOKIE ROAD, <https://www.rookieroad.com/football/101/timeouts/> (last visited Apr. 10, 2022).

growing unavailability of suitable team names complicates sports branding and rebranding.⁴² Second, as athletes increasingly seek to extend their intellectual property portfolios to trademark, they further clutter that “linguistic space.”⁴³ Third, Brexit has released the UK from an EU trademark regulatory regime and jurisprudence that historically have been more protective than UK law, enabling UK courts to revert to a more traditional view of trademark.⁴⁴ Fourth, free speech values have gained purchase in opposition to overprotective trademark doctrine, as evidenced in US Supreme Court decisions and EU trademark reforms.⁴⁵ Fifth, the Trademark Modernization Act of 2020 (TMA) provides mechanisms and incentives to declutter the US federal registry and reemphasize trademark use requirements.⁴⁶ These developments suggest an opportunity for trademark here and abroad to converge at a level of legal protection that better serves all constituencies.

Part II of this article tells the story of sports trademarks over the last half-century and describes their special significance as badges of identity and allegiance. It further examines how the expansion of trademark in the US has reified marks and logos beyond protecting against consumer confusion, focusing on the sports industry as a stark example of this phenomenon. Part III compares the approaches to trademark rights in the European Union and the United Kingdom, which offer pockets of resistance to overprotection of trademark, again focusing on the sports industry. Part IV explains how the overprotection of trademark has disserved sports fans and consumers and undermined competitive markets and access to language and iconography. It argues

42. See *infra* notes 274-86 and accompanying text.

43. Hemel & Larrimore Ouellette, *supra* note 25, at 1039 (observing that common US surnames available for trademark registration is dwindling).

44. See *infra* notes 190-228 and accompanying text.

45. See Lisa P. Ramsey, *Free Speech Challenges to Trademark Law After Matal v. Tam*, 56 HOUS. L. REV. 401, 415 (2018) (arguing that trademark laws are speech regulations subject to First Amendment scrutiny). Reforms to the EUTMR enacted in 2016 require trademark rules to be “applied in a way that ensures full respect for fundamental rights and freedoms, and in particular the freedom of expression.” EUTMR Recital 21.

46. Trademark Modernization Act of 2020 (TMA), Pub. L. No. 116-260, §§ 221-28, 134 Stat. 1182 (2020), codified at 15 U.S.C. § 1066a (allowing for ex parte expungement of a mark never used in commerce).

that the existing trademark regime, while ostensibly favoring sports industry mark owners, can backfire on them and impose unanticipated costs and consequences. Reflecting on the five cross-border developments mentioned above and the EU and UK approaches, this Part suggests new strategies and spheres of compromise where looser conception and enforcement of trademark rights will actually benefit the sports industry, and its fans and consumers. The article concludes with why the sports industry, in particular, should support reforms that serve the public good.

I. UNITED STATES OVERPROTECTION OF SPORTS TRADEMARKS

Sports leagues and teams are primarily in the business of producing sporting events. Under traditional trademark theory, their names and symbols would be protected to the extent necessary to prevent confusion as to the true identities of the contesting teams or the hosting league.⁴⁷ Over time, however, sports team names and symbols came to possess special significance beyond serving as identifiers of the athletic contests and events that fans love to watch. Fans began to purchase merchandise displaying sports trademarks to express their support for their teams and to identify with a like-minded community.⁴⁸ Fans bought these items with the understanding that the teams themselves are *not* in the business of producing consumer goods, but rather a third-party manufacturer, authorized or not, is the source of the logo-ed merchandise or apparel.⁴⁹ That manufacturer imprints its own label on the sports merchandise to serve the core trademark function of

47. See Hylton, *supra* note 21, at 48; see, e.g., *Indianapolis Colts, Inc. v. Metro. Baltimore Football Club Ltd. P'ship.*, 34 F.3d 410, 413 (7th Cir. 1994) (finding confusion based on consumer survey evidence that football fans mistakenly thought "Baltimore CFL Colts," a new Canadian Football League club, was either the former NFL Baltimore Colts or the Indianapolis Colts).

48. See Hylton, *supra* note 21, at 49-50.

49. See Matthew B. Kugler, *The Materiality of Sponsorship Confusion*, 50 U.C. DAVIS L. REV. 1911, 1913 (2017).

indicating source or origin.⁵⁰ The sports marks themselves are the product, or at least more product features than brands.⁵¹

Consumers buying sports merchandise as a badge of allegiance initially had only incidental concern for the quality or source of the underlying goods. Even if concerned about quality, consumers were not relying on the sports logo, as opposed to the manufacturer's label, to communicate that feature of the merchandise.⁵² It mattered not to the New Orleans sports fan whether Nike or Reebok manufactured the shirt, only that it displays the logo of the Saints football team or declares "Who Dat?"⁵³

Accordingly, in the early days of sports trademark merchandising, producers who manufactured and sold logo-ed items without team or league permission risked claims *not* for trademark infringement, but for "false advertising" and similar unfair competition torts.⁵⁴ As long as the goods displayed a conspicuous disclaimer, an unaffiliated manufacturer ostensibly could continue its business without tort or trademark liability.⁵⁵ Eventually trademark owners, sports leagues first among them, awakened to the economic value of merchandising and set out to capture that value through formal arrangements and litigation.

The first league out of the gate was the NFL, which in 1963 formed NFL Properties "to act as licensing representative for the trademarks and other commercial identifications of the member clubs."⁵⁶ Major

50. See Irene Calboli, *The Sunset of "Quality Control" in Modern Trademark Licensing*, 57 AM. U. L. REV. 341, 362 (2007) (observing that protection of trademark merchandising relies in part on the theory that "trademarks represented product source 'at large,' that is, the source 'controlling' the products regardless of the actual manufacture").

51. Dogan & Lemley, *supra* note 21, at 472.

52. See Mark A. Kahn, *May the Best Merchandise Win: The Law of Non-Trademark Uses of Sports Logos*, 14 MARQ. SPORTS L. REV. 283, 305 (2004).

53. See Lunney, *Trademark's Judicial De-Evolution*, *supra* note 34, at 1262 (describing trademark litigation over ownership of the Saints fan chant "Who Dat?").

54. Hylton, *supra* note 21, at 47-48.

55. See Dogan & Lemley, *supra* note 21, at 489 (recommending the use of disclaimers to dispel confusion in trademark merchandising); see also *University of Pittsburgh v. Champion Prods., Inc.*, 686 F.2d 1040 (3rd Cir. 1982), cert. denied, 495 US 1087 (1982) (university failed to object to unauthorized use of sports team name and logo over a period of 36 years).

56. *Nat'l Football League Properties, Inc. v. Wichita Falls Sportswear, Inc.*, 532 F. Supp. 651, 655 (W.D. Wash. 1982).

League Baseball created a similar entity in 1966, and in 1969 induced Topps Chewing Gum Company to officially license use of MLB team names and trademarks on its baseball cards even though its cards had depicted those marks without a license for decades.⁵⁷ The other major leagues—the National Basketball Association (NBA) and National Hockey League (NHL)—soon followed in forming business units tasked with, among other things, exploiting and enforcing member clubs' trademark rights.⁵⁸

A. Commodifying Trademark Through the Merchandising Right

To protect their investment, sports leagues and teams took litigation advantage of earlier re-theorizing of trademark law from deception-based to property-based.⁵⁹ The Fifth Circuit in 1975 delivered a seminal victory for this theory in *Boston Professional Hockey Ass'n v. Dallas Cap & Emblem Manufacturing, Inc.* There, the court ruled in favor of the NHL and its member teams against an unlicensed manufacturer of sew-on emblems depicting team marks.⁶⁰ It is worth first recapping the district court ruling in that case, after a bench trial, which found no

57. See Hylton, *supra* note 21, at 48; Dave Jamieson, *Mint Condition: How Baseball Cards Became an American Obsession* 90 (ATLANTIC MONTHLY PRESS 2010). While trading card manufacturers routinely contracted with ballplayers to use their images, until the advent of trademark merchandising protection, they assumed they could depict the players in their logo-ed uniforms without separately licensing those marks. See *Bowman Gum v. Topps Chewing Gum*, 103 F. Supp. 944, 946 (E.D.N.Y. 1952); J. Gordon Hylton, *Baseball Cards and the Birth of the Right of Publicity: The Curious Case of Haelan Laboratories v. Topps Chewing Gum*, 12 MARQ. SPORTS L. REV. 273, 279 (2001). MLB Properties now exclusively licenses league and team logos to a preferred trading card company, and pursues infringement claims against unlicensed card manufacturers who assert nominative fair use. See, e.g., Complaint in *Major League Baseball Properties Inc. v. The Upper Deck Co. LLC*, case number 10-cv-00732 (S.D.N.Y. Feb. 1, 2010) (No. 10-cv-00732), and Defendant Upper Deck's Memorandum of Law in Opposition to Plaintiff's Motion for a Temporary Restraining Order (S.D.N.Y. Feb. 2, 2010).

58. Mitten, *supra* note 32, at 902 (recounting the history of the formation of sports league properties subsidiaries).

59. See Lunney, *Trademark Monopolies*, *supra* note 21, at 372-73.

60. *Bos. Pro. Hockey Ass'n, Inc. v. Dallas Cap & Emblem Mfg., Inc.*, 510 F.2d 1004, 1014 (5th Cir. 1975) [Boston Pro Hockey 2].

infringement based on a traditional approach to trademark.⁶¹ The district court reasoned that “ornamental” sports emblems did not operate as trademarks when affixed to ancillary goods such as hats.⁶² Rather, the court characterized the designs as “functional,” creating a demand for the product “unrelated to its feature as an indica of source.”⁶³ Supporting this conclusion was a trial record that lacked evidence of confusion or that consumers expected an affiliation between the emblem seller and the hockey teams.⁶⁴

Importantly, the district court emphasized that the hockey designs were not copyrighted and that, under trademark, were entitled only to “the right to prohibit the use of it so far as to protect the owner’s goodwill against the sale of another’s product as his.”⁶⁵ The district court refused to grant protection to a trademark as the “product itself” because it would be “tantamount to a copyright monopoly”—but far broader, as copyrights expire while trademarks are perpetual as long as used in commerce.⁶⁶ Instead, the district court held that “the protection of the trademark law must give way to the public policy favoring free competition.”⁶⁷ That is, a consumer-focused trademark law prioritizes the greater variety and lower prices afforded by allowing unlicensed products to compete with licensed versions.⁶⁸

While rejecting the trademark infringement claim, the *Boston Professional Hockey* district court found that the emblem sellers’ actions constituted unfair competition.⁶⁹ The district court invoked its equity powers to require the emblem seller to place on its goods an appropriate disclaimer of affiliation with the hockey league, to ensure

61. *Bos. Pro. Hockey Ass’n Inc. v. Dallas Cap & Emblem Mfg., Inc.*, 360 F. Supp. 459, 463 (N.D. Tex. 1973), *aff’d in part, rev’d in part*, 510 F.2d 1004 (5th Cir. 1975) [*Boston Pro Hockey 1*].

62. *Id.* at 463.

63. *Id.* at 464.

64. *Id.* at 463.

65. *Id.* at 462 (quoting *Prestonettes, Inc. v. Coty*, 264 US 359, 368 (1924)).

66. *Id.* at 464.

67. *Id.*; *see* 17 U.S.C. §§ 302-305 (2018).

68. *See Dogan & Lemley, supra* note 21, at 481 (observing that “nonconfusing uses of marks on merchandise serve rather than impede competition in the marketplace and thus promote the overall goals of trademark and unfair competition law”).

69. *Boston Pro Hockey 1*, 360 F. Supp. at 465.

the public's right to know the origin of the goods and avoid any appropriation of the league's and teams' goodwill.⁷⁰

On appeal, the Fifth Circuit in *Boston Professional Hockey* bushwhacked a new path for trademark protection, cutting through established precedent and the lower court trial record to hold that duplication of NHL team marks constitutes both trademark infringement and unfair competition warranting injunctive relief.⁷¹ The circuit court found "irrelevant" and clearly erroneous the district court's record-based rejection of confusion as to who manufactured the physical articles.⁷² Instead, it held that "confusion is self-evident from the nature of defendant's use":

The certain knowledge of the buyer that the source and origin of the trademark symbols were in [the NHL and its teams] satisfies the requirement of the [Lanham Act]. The argument that confusion must be as to the source of the manufacture of the emblem itself is unpersuasive, where the trademark, originated by the team, is the triggering mechanism for the sale of the emblem.⁷³

This assertion by the Fifth Circuit collapses the distinction between the trademark and the underlying goods and rests the holding on a tautology: if consumers recognize the emblem as a team symbol then that emblem is "the triggering mechanism" for the purchase and establishes confusion.⁷⁴ By "equating recognition with confusion,"⁷⁵ the Fifth Circuit effectively presumed confusion as a matter of law rather than the factual record.⁷⁶ Acknowledging that its ruling "may slightly tilt the trademark laws from the purpose of protecting the public to the protection of the [sports league's] business interests," the court

70. *Id.*; see also Robert G. Bone, *Enforcement Costs and Trademark Puzzles*, 90 VA. L. REV. 2099, 2182-83 (2004) (proposing limiting relief in merchandising cases to disclaimer remedies).

71. *Boston Pro Hockey 2*, 510 F.2d at 1012.

72. *Id.* at 1012.

73. *Id.* The Fifth Circuit similarly rejected the lower court's characterization of the marks as "functional" because their association with the hockey teams and not their "aesthetic characteristic" triggered sales. *Id.* at 1013.

74. *Boston Pro Hockey 2*, 510 F.2d at 1012.

75. Robert C. Denicola, *Institutional Publicity Rights: An Analysis of the Merchandising of Famous Trade Symbols*, 62 N.C. L. REV. 603, 607 (1984).

76. *Boston Pro Hockey 2*, 510 F.2d at 1012.

offered the circular justification that professional sports created the commercial value of the emblems and now routinely exploit it themselves.⁷⁷ The court thus deemed a disclaimer inadequate to protect fair competition,⁷⁸ and conferred the very “trademark monopoly” abjured by the district court.⁷⁹

A 1977 Fifth Circuit decision attempted to walk back the *Boston Professional Hockey* rationale, stating that “[o]ur cases demonstrate unbroken insistence upon the likelihood of confusion, and by doing so they reject any notion that a trademark is an owner’s ‘property’ to be protected irrespective of its role in the operation of our markets.”⁸⁰ Other courts similarly rejected the implications of *Boston Professional Hockey*. The Ninth Circuit, for example, refused to endorse it and describing it as “an extraordinary extension of the protection heretofore afforded trademark owners.”⁸¹ However, those judicial disavowals of

77. *Id.* at 1011. Possibly concerned about too radical a reorientation of trademark law, the Fifth Circuit restricted the presumption of confusion “to the emblems sold principally through sporting goods stores for informal use by the public in connection with sports activities and to show public allegiance to or identification with the teams themselves.” *Id.*

78. *Id.* at 1013.

79. *Boston Pro Hockey 1*, 360 F. Supp. at 464; see Lunney, *Trademark Monopolies*, *supra* note 21, at 396; see also Assaf, *supra* note 33, at 35 (arguing that by assuming disclaimers are inadequate, courts create the public perception that ornamental trademark use must be authorized and that “the signs of modern culture are private possessions and sources of economic gain for their owners”); see also *Westchester Media v. PRL USA Holdings, Inc.*, 214 F.3d 658, 672 n.19 (5th Cir. 2000) (suggesting that disclaimer remedies best advance First Amendment interests).

80. *Kentucky Fried Chicken Corp. v. Diversified Packaging Corp.*, 549 F.2d 368, 388-89 (5th Cir. 1977).

81. *Int’l Ord. of Job’s Daughters v. Lindeburg & Co.*, 633 F.2d 912, 919-20 (9th Cir. 1980) (finding functional use of fraternal emblems does not infringe trademark); see also *United States v. Giles*, 213 F.3d 1247, 1250 (10th Cir. 2000) (criticizing *Boston Hockey* for “rel[ying] upon a novel and overly broad conception of the rights that a trademark entails”); *Ford Motor Co. v. Greatdomains.Com, Inc.*, 177 F. Supp. 2d 635, 655 (E.D. Mich. 2001) (in anti-cybersquatting claim over automobile domain names, rejecting the “implication in [*Boston Professional Hockey*] that trademarks are themselves ‘goods or services’”); *Bi-Rite Enters., Inc. v. Button Master*, 555 F. Supp. 1188, 1193-94 (S.D.N.Y. 1983).

Boston Professional Hockey involved trademarks outside the sports industry.⁸²

Inside the sports industry, protection of team marks as property took firm decisional hold, often based on theories of free-riding, unjust enrichment, and misappropriation.⁸³ A leading example is *NFL Properties, Inc. v. Consumer Enterprises, Inc.*, in which an Illinois court enjoined a different emblem seller from unlicensed manufacture and sale of emblems bearing NFL team marks.⁸⁴ The court held that the NFL and its clubs were entitled to control merchandising of the marks by virtue of their “expenditure of large sums of money” and “extensive licensing arrangements.”⁸⁵ The court rejected a disclaimer remedy because it would be inadequate to avoid unjustly enriching an emblem seller who was free-riding on the league’s investment in establishing secondary meaning and goodwill in the marks.⁸⁶ In *Boston Athletic Ass’n v. Sullivan*, the First Circuit upheld the Boston Marathon host entity’s exclusive right to refer to the race in shirts for sale, expressing concern about the defendant obtaining a “free ride at plaintiffs’ expense.”⁸⁷ As a result of such decisions, sports outstrips other industries as “one of the most pervasive of the merchandising domains.”⁸⁸

82. See Supreme Assembly, Ord. of Rainbow for Girls v. J. H. Ray Jewelry Co., 676 F.2d 1079, 1085 (5th Cir. 1982) (distinguishing sports trademarks from fraternal emblems).

83. See, e.g., Univ. of Georgia Athletic Ass’n v. Laite, 756 F.2d 1535, 1546 (11th Cir. 1985) (finding infringement solely because of the “public’s knowledge that the trademark . . . originate[d] with the plaintiff”); NFL Props., Inc. v. Consumer Enters., Inc., 327 N.E.2d 242 (Ill. App. Ct. 1975); NFL Props., Inc. v. Dall. Cap & Emblem Mfg., Inc., 327 N.E.2d 247 (Ill. App. Ct. 1975); Bos. Pro. Hockey Ass’n v. Reliable Knitting Works, Inc., 178 USPQ 274 (E.D. Wis. 1973).

84. NFL Props., Inc. v. Consumer Enters., Inc., 327 N.E.2d 242, 247 (Ill. App. Ct. 1975).

85. *Id.* at 245-56.

86. *Id.* at 247.

87. Bos. Athletic Ass’n v. Sullivan, 867 F.2d 22, 33 (1st Cir. 1989) (“Defendants’ shirts are clearly designed to take advantage of the Boston Marathon and to benefit from the good will associated with its promotion by plaintiffs.”); see Lemley & McKenna, *supra* note 21, at 147 (observing that the overprotection of trademark merchandising reflects concern about free-riding and market preemption).

88. See Kugler, *supra* note 49, at 1933.

B. Dilution and Sponsorship Protection for Sports TM

Parallel to these trademark merchandising cases, sports organizations sought to further reify their marks as property through sponsorship and dilution claims. An important victory came in 1979 in *Dallas Cowboys Cheerleaders, Inc. v. Pussycat Cinema, Ltd.*⁸⁹ There, the Second Circuit enjoined a pornographic film featuring a performer attired as a Dallas Cowboy cheerleader on the ground that use of the uniform would create confusion as to sponsorship or approval, which in turn would harm the mark owner's reputation.⁹⁰ Among this ruling's most problematic turns, the court rejected the argument that no reasonable person would believe the film originated with the team. Rather, without any record evidence of confusion, the court banned the film based on the likelihood that the public would think the team "approved" it.⁹¹ In doing so, the court rejected the First Amendment defense that the filmmaker was entitled to use the trademark to engage in social commentary.⁹² Instead, the court likened trademark to private real property, relying on Supreme Court precedent involving shopping centers to approve restrictions on expressive uses of trademark so long as there were "alternative" avenues available to the speaker.⁹³ Sports marks owners could thereafter rely on this ruling to protect against unwelcome expressive use.⁹⁴

89. *Dallas Cowboys Cheerleaders, Inc. v. Pussycat Cinema, Ltd.*, 604 F.2d 200 (2d Cir. 1979).

90. *Id.* at 205.

91. *Id.* at 204-205.

92. *Id.* at 205-206; see Assaf, *supra* note 33, at 67.

93. *Dallas Cowboys Cheerleaders*, 604 F.2d at 206, *citing* *Lloyd Corp. v. Tanner*, 407 US 551, 567 (1972) (approving restrictions on expressive activities on shopping center premises so long as alternative fora were available to the speaker).

94. See *Corp. of Gonzaga Univ. v. Pendleton Enters., LLC*, 55 F. Supp. 3d 1319, 1329 (E.D. Wash. 2014) (rejecting nominative fair use of university team marks because radio station and bar could find other ways of communicating their services); *NBA Props. v. Entertainment Recs. LLC*, No. 99 Civ. 2933 (HB), 1999 WL 335147, at *9 (S.D.N.Y. May 26, 1999) (enjoining record label parody of NBA logo because it associated basketball league with guns and drugs); *Nat'l Football League Props., Inc. v. New Jersey Giants, Inc.*, 637 F. Supp. 507, 510 (D.N.J. 1986) (rejecting First Amendment "right to comment" defense in enjoining shirt manufacturer's use of "New Jersey Giants").

Congress codified judicial protection of sponsorship rights in the 1988 amendments to the Lanham Act, authorizing infringement actions beyond source deception to encompass trademark uses that might suggest “affiliation, connection, or association” or “origin, sponsorship, or approval.”⁹⁵ True to trademark, the amendment retained the requirement that an unauthorized use “is likely to cause confusion, or to cause mistake, or to deceive.”⁹⁶ And before and after that legislative move, some sports trademark decisions insisted on evidence of actual “sponsorship confusion” over whether the league or its teams licensed or approved the offending goods.⁹⁷ But the 1988 amendments nevertheless greatly expanded the nature of the harms for which trademark owners could pursue relief, fueling propagation of far-reaching liability theories such as “post-sale” confusion experienced by non-purchasers who see a sports fan wearing unauthorized merchandise, even if the purchasing fan was not confused at the time of purchase.⁹⁸

These judicial and legislative victories emboldened sports league trademark legal demands. In the 1990s, MLB expanded its campaign to require nonprofit youth leagues and minor leagues whose teams use MLB names, to purchase uniforms and equipment only from MLB-

95. 15 U.S.C. § 1125(a)(1)(A).

96. *Id.*

97. *See, e.g.,* Bd. of Gov. of Univ. of N. Carolina v. Helpingstine, 714 F. Supp. 167, 173 (M.D.N.C. 1989) (requiring evidence that consumers viewed trademark use as indicia of sponsorship); Nat’l Football League Props., Inc. v. Wichita Falls Sportswear, Inc., 532 F. Supp. 651, 661 (W.D. Wash. 1982) (relying on evidence of defendant’s intent to create sponsorship confusion by deceptive placement of disclaimer labels); *see also* Dogan & Lemley, *supra* note 21, at 476-77.

98. *See* Lemley & McKenna, *supra* note 21, at 152 (noting that post-sale confusion mainly occurs in the context of luxury goods); Kahn, *supra* note 52, at 305 (arguing that post-sale confusion should not be available to sports mark owners because the logo does not perform a quality assurance function); *see, e.g.,* Adidas Am., Inc. v. Payless ShoeSource, Inc., No. CV 01-1655-KI, 2008 WL 4279812 (D. Ore. Sept. 12, 2008) (jury verdict awarding over \$300 million to shoe manufacturer for discount shoe retailers use of similarly striped basketball sneakers). Other new-found sources of harm include “initial interest confusion” and “endorsement confusion,” neither of which necessarily requires proof that the mark holder lost any sales or suffered any competitive injury. *See* Rebecca Tushnet, *What’s the Harm of Trademark Infringement?*, 49 AKRON L. REV. 627, 627 (2016).

licensed vendors.⁹⁹ Even when the teams used only the names and not the official logos, MLB insisted they buy the more expensive licensed goods, causing a Chicago youth league in 2008 to stop using MLB team names.¹⁰⁰ When MLB threatened litigation that same year against six teams in the amateur Cape Cod League, two teams changed their names in order to stay loyal to local uniform vendors, while four kept their major league names and agreed to purchase through the licensed vendor.¹⁰¹

The 1995 Trademark Dilution Act pushed trademark law further towards a property right by discarding the confusion requirement altogether for “famous marks.” Owners of famous marks could bring dilution claims against uses that blur their distinctiveness or tarnish their reputation, and obtain injunctive relief regardless of confusion.¹⁰² Arguably, the marks of all US major league professional teams are famous, entitling them to this high level of protection.¹⁰³

99. See Bill Haltom, *Little League Ballplayers Need Major League Trademark Lawyers*, TENN. B.J., Mar./Apr. 1995, at 25, 25 (criticizing MLB’s requirement that youth teams use officially licensed vendors); Michele Himmelberg, *Little League Outfits Causing Quite a Stir*, DENV. POST, Apr. 23, 1994, at C5, available at Factiva, Doc. No. dnv000020011029dq4n007k3 (reporting that the licensed-vendor requirement imposes costs on these leagues that many cannot afford to bear).

100. See Mike Masnick, *Stephen Colbert Takes on MLB’s Attempt to Bully Little Leaguers with Trademarks*, TECHDIRT (May 30, 2008, 9:39 AM), <http://www.techdirt.com/articles/20080529/2344361265.shtml>; contra Keegan Girodo, *Lookalike Logos: Is A High School’s Use of A Logo or Insignia Similar to That of A University A Violation Under the Lanham Act*, 28 MARQ. SPORTS L. REV. 463, 472 (2018) (observing that the NFL permits high schools to freely borrow its team names and logos to inspire youth football engagement).

101. Katie Thomas, *In Cape Cod League, It’s Tradition vs. Trademark*, N.Y. TIMES (Oct. 23, 2008), <https://www.nytimes.com/2008/10/24/sports/baseball/24capecod.html>.

102. Federal Trademark Dilution Act of 1995, Pub. L. No. 104–98, 109 Stat. 98515 (1996) (protecting against use that “causes dilution of the distinctive quality of the mark”); 15 U.S.C. § 1125(c). Although dilution is a recent addition to the federal statute, it has existed at common law and in various state statutes for many years.

103. A famous mark is one that is “widely recognized by the general consuming public of the United States as a designation of source of the goods or services” and exhibits famousness factors such as: (i) the duration and reach of publicity of the mark, (ii) the volume and extent of sales, (iii) actual recognition of the mark and (iv) meeting of procedural criteria regarding registration. 15 U.S.C. § 1125(c)(2)(A). See Assaf, *supra* note 33, at 32 (noting the fame of sports and university marks).

Famous marks acquired even greater protection in the 2006 amendments to the Lanham Act, which relaxed the standards for establishing dilution to require only a “likelihood of dilution,” rather than actual dilution.¹⁰⁴ The amendments also clarified that not only was “confusion” irrelevant to a dilution claim, but the trademark owner did not even need to show that the offender competed with the owner in any way or that the owner suffered any economic injury.¹⁰⁵ In the sports world, this led to claims like that of the University of Florida against a private K-12 day school located about 300 miles downstate, whose athletic teams used a gator logo similar to the university’s.¹⁰⁶ Although the day school had been using its gator logo for over 50 years and in no way competed with the university, it spent \$60,000 to change the logo, as litigation would be even more costly.¹⁰⁷

Sports trademark coverage expanded again in *Board of Supervisors for Louisiana State University v. Smack Apparel Co.*, a 2008 Fifth Circuit decision that granted protection to team color combinations and phrases commenting on the team, even when unregistered.¹⁰⁸ The defendant in that case, Smack Apparel, manufactured shirts that commented on the relative football prowess of Louisiana State University, University of Oklahoma, Ohio State University, and the University of Southern California, all plaintiffs in the case.¹⁰⁹ Using color schemes similar to those of the universities, Smack Apparel shirts displayed phrases such as “Bourbon Street or Bust,” “Beat Oklahoma,” and “Got 8?/We Do! Home of the 8 Time National Champions.”¹¹⁰ By eschewing official logos, Smack Apparel had hoped to “operate[] in the

104. Trademark Dilution Revision Act of 2006, Pub. L. No. 109–312, 120 Stat. 1730 (2006) (codified at 15 U.S.C. § 1125(c) (2018)).

105. 15 U.S.C. § 1125(c)(1); see Dogan & Lemley, *supra* note 21, at 494 (observing that “Merchandising uses do not blur the distinctive significance of a mark in the mind of consumers. Rather, they reinforce it.”).

106. Adam Himmelsbach, *Colleges Tell High Schools Logos Are Off Limits*, N.Y. TIMES (Nov. 26, 2010), <https://www.nytimes.com/2010/11/27/sports/football/27logos.html>.

107. *Id.* (reporting multiple incidents of universities bullying high schools to change logos).

108. *Bd. of Supervisors for L.S.U. Agric. & Mech. Coll. v. Smack Apparel Co.*, 550 F.3d 465, 472 (5th Cir. 2008) [hereinafter *Smack Apparel*].

109. *Id.* at 471-72.

110. *Id.* at 472-73.

shadows of *Boston Professional Hockey*” under the assumption that it could thereby avoid infringement claims.¹¹¹ That assumption turned out to be misplaced, as the universities sued to protect their own lucrative licensing deals.¹¹² In assessing whether consumers would be confused by Smack Apparel’s use, the Fifth Circuit again relied on the tautology that the “desire by consumers to associate with a particular university supports the conclusion that team colors and logos are, in the minds of the fans and other consumers, source indicators of team-related apparel.”¹¹³

In its defense, Smack Apparel argued functionality and expressive fair use, namely, that university colors on its shirts serve: (a) the functional purpose of bonding the wearers as a community and declaring school loyalty, and (b) the expressive purpose of identifying the universities as the subject matter of the shirts’ messages.¹¹⁴ Rejecting these arguments, the court instead construed them as admissions of bad faith, namely that Smack Apparel’s use was “designed to create the illusion of affiliation with the Universities and essentially obtain a ‘free ride.’”¹¹⁵

Other litigation victories emboldened universities to seek protection well beyond institutional marks and colors, encroaching on the use of popular catchphrases and similar expressions of support for sports teams.¹¹⁶ Texas A&M University notoriously sued two NFL

111. Lunney, *Trademark’s Judicial De-Evolution*, *supra* note 34, at 1254.

112. Smack Apparel, 550 F.3d at 485.

113. *Id.* at 478. Tellingly, the court observed “[w]hether or not a consumer *cares* about official sponsorship is a different question from whether that consumer would likely *believe* the product is officially sponsored.” *Id.* at 485. But it is the court’s own rulings that have generated widespread consumer belief about official sponsorship.

114. *Id.* at 486-90.

115. *Id.* at 483.

116. See Calboli, *supra* note 23, at 883–84; see, e.g., Texas Tech Univ. v. Spiegelberg, 461 F. Supp. 2d 510, 520 (N.D. Tex. 2006) (presuming confusion where defendant sold products using university team colors and logos and identified them as officially licensed after expiration of that license); cf. Univ. of Kansas v. Sinks, 565 F. Supp. 2d 1216, 1254 (D. Kan. 2008) (presuming confusion as to products with “striking similarities” to university marks); Univ. of Ala. Bd. of Trs. v. New Life Art Inc., 677 F. Supp. 2d 1238, 1240 (N.D. Ala. 2009) (allowing artist to reproduce football team uniform in artistic painting but not in promotional products displaying the painting); *but see* University of Pittsburgh v. Champion Prods., Inc., 686 F.2d

teams—the Seattle Seahawks and the Indianapolis Colts—for using the phrase “12th Man” in marketing campaigns.¹¹⁷ The university had obtained a trademark registration for the phrase in 1989, even though it is commonly used to refer to football fans cheering for the eleven players on the field.¹¹⁸ The university withdrew the suits only when the NFL teams agreed to license and pay royalties for use of the phrase.¹¹⁹ The Seattle Seahawks then took a page from the Texas A&M playbook and proceeded to claim trademark rights in variations on the phrase, including “12” and “the 12s.”¹²⁰

Athletes also got into the game of registering stock catchphrases, finding that such trademarks are “rarely, if ever, refused on the basis that they are informational slogans or lack distinctiveness.”¹²¹ Thus, for a period, basketball coach John Calipari owned the phrase “Refuse to Lose,” baseball player Ernie Banks owned the phrase “Let’s Play Two,” and football player Bart Scott owned the phrase “Can’t Wait.”¹²² Even though it was the fans, press, or social media who attached such phrases to these sports celebrities, they felt compelled to assert ownership to “stake their territory defensively to avoid exploitation by others.”¹²³ In

1040 (3rd Cir. 1982) (laches deprived university of remedy for past unauthorized use of sports team name and logo, but could pursue prospective relief).

117. See Zachary Zagger, *Texas A&M Drops Indianapolis Colts ‘12th Man’ TM Suit*, LAW360 (Feb. 18, 2016), <https://www.law360.com/articles/760593/texas-a-m-drops-indianapolis-colts-12th-man-tm-suit>.

118. Tyler Hood, *Who Claims to be the Real 12th Man?*, WAKE FOREST J. BUS. & INTELL. PROP. L. (Nov. 8, 2015), <http://ipjournal.law.wfu.edu/2015/11/who-has-the-real-12th-man/>.

119. See Zagger, *supra* note 117.

120. See Bill Donahue, *Football Fights: The NFL’s Litigious Year at The TTAB*, LAW360 (Feb. 2, 2017), <https://www.law360.com/articles/886789/football-fights-the-nfl-s-litigious-year-at-the-ttab>.

121. Alexandra J. Roberts, *Athlete Trademarks: Names, Nicknames, and Catchphrases*, in THE OXFORD HANDBOOK OF AMERICAN SPORTS LAW 478 (Michael A. McCann ed., 2018) (describing the experience of athletes and coaches who register trademarks for the control it affords).

122. REFUSE TO LOSE, Registration No. 2048577 (registered Apr. 1, 1997 to University of Kentucky basketball coach John Calipari); LET’S PLAY TWO, Registration No. 1886002 (registered March 28, 1995 to former Chicago Cubs shortstop Ernie Banks); CAN’T WAIT, Registration No. 4247527 (registered November 20, 2012 to New York Jets linebacker Bart Scott).

123. See Roberts, *supra* note 121, at 486; *Antetokounmpo v. Costantino*, No. 21CV2198JMFJLC, 2021 WL 5916512, at *6 (S.D.N.Y. Dec. 15, 2021), report and

esports, gamers are advised to register their pseudonyms, known as “tags,” as a negotiating tool to leverage against team, leagues, and sponsors seeking their services or attempting to avoid contract obligations.¹²⁴

Claims proceeded to multiply by universities, sports teams, and athletes alleging that unauthorized use of common sports imagery and fan locutions will cause confusion as to affiliation or approval.¹²⁵ These include:

- West Virginia University claimed that a manufacturer of blue and gold shirts emblazoned with “Let’s Go! Drink Some Beers!” infringed its rights in the phrase “Let’s Go Mountaineers,” despite that blue and gold are the official state colors and the words “Mountaineers,” “WVU,” and “West Virginia University” did not appear on the shirts.¹²⁶
- University of Delaware demanded that two undergraduates cease and desist their plans to sell T-shirts at home-coming bearing the slogan “U can suck our D,” despite the use of a different font than the interlocking UD logo used by the university.¹²⁷

recommendation adopted sub nom. *Antetokounmpo v. Constantino*, No. 21-CV-2198 (JMF), 2022 WL 36232 (S.D.N.Y. Jan. 4, 2022) (adopting rationale that use of Greek Freak and athlete’s image would necessarily lead consumers to assume he sponsored the products).

124. See John Bat, *Pre-Game Strategy for Long-Term Win: Using Trademark Registration and Right of Publicity to Protect Esports Gamers*, 29 CATH. U.J.L. & TECH. 203, 222 (2020); Scott M. Sisun, *The Ball Is in Your Court: An Update on Trademarks (and Copyright) in Sports (the Work)*, ENT. & SPORTS L., Summer 2017, at 21, 24.

125. See also James Boyle, Jennifer Jenkins, *Mark of the Devil: The University as Brand Bully*, 31 FORDHAM INTELL. PROP. MEDIA & ENT. L.J. 391, 393 (2020); Keegan Girodo, *Lookalike Logos: Is A High School’s Use of A Logo or Insignia Similar to That of A University A Violation Under the Lanham Act*, 28 MARQ. SPORTS L. REV. 463, 482 (2018) (describing how college athletic programs no longer demand same-name high school teams cease and desist, but instead bully them into licensing the college trademarks).

126. Jacob H. Rooksby, *University: Trademark Rights Accretion in Higher Education*, 27 HARV. J.L. & TECH. 349, 378 (2014).

127. *Id.* at 379.

- The National Collegiate Athletic Association (NCAA) claimed that the use of the terms “Final 3” and “April Madness” by a sports entertainment services company infringed and diluted its Final Four and March Madness marks for the annual Division I college basketball tournament.¹²⁸
- The NFL demanded New Orleans street vendors stop selling unlicensed shirts featuring the Saints’ “Who Dat?” cheer, extracting concessions in a litigation settlement despite public protest that the saying belongs to the city and is in the public domain.¹²⁹
- The NHL sued to stop a company from selling clear plastic beer steins that resembled the Stanley Cup championship trophy, although it did not depict any NHL names or logos, and disclaimed affiliation with the league.¹³⁰
- Champion boxer Jeff Lacy, nicknamed “Left Hook,” sued an oil company that used common boxing themes, including that phrase, to promote its business and store brand products.¹³¹

And, as mentioned earlier, the chutzpah award goes to The Ohio State University, which in 2019 tried to register the word “The” as a trademark.¹³² In most of these cases, the mere threat of litigation was

128. Nat’l Collegiate Athletic Ass’n v. Kizzang LLC, 304 F. Supp. 3d 800, 803 (S.D. Ind. 2018).

129. Who Dat Yat Chat, LLC v. Who Dat, Inc., Civ. A. Nos. 10-1333, 10-2296, 2012 US Dist. LEXIS 46733, at *2-3 (E.D. La. 2012); see Lauren A. Fields, *Who Owns Dat?*, 13 TUL. J. TECH. & INTELL. PROP. 251, 253 (2010) (describing how fans have been using the “Who Dat?” chant since the 1980s and that it is shortened version of a phrase from a musical recording: “Who dat say dey gonna beat dem Saints?”).

130. Nat’l Hockey League v. Hockey Cup LLC, No. 18CV6597(DLC), 2019 WL 130576, at *2 (S.D.N.Y. Jan. 8, 2019) (denying motion to dismiss infringement claims).

131. Lacy et al v. Racetrac Petroleum, Inc., No. 1:18CV01346, ¶¶ 33-35 (N.D. Ga. Mar. 30, 2018).

132. See *supra* notes 16-20 and accompanying text.

sufficiently chilling that the unaffiliated users abandoned their projects and identifiers, despite potentially valid defenses of lack of confusion, fair use, and free speech.¹³³

That brings us to the point that US consumers now expect that all merchandise bearing sports names, logos, colors, and catchphrases are necessarily licensed or authorized by the teams and leagues, accomplishing the commodification of trademark in that industry.¹³⁴ Not surprisingly, commodification across all industries has incentivized applications for trademark registration, with the number of trademark applications reaching an all-time high of 943,928 in 2021, double the number of filings just two years earlier.¹³⁵ Search and clearance costs imposed by this trademark clutter will raise barriers to market entry, further harming consumer welfare.¹³⁶

C. Prospects for Pushback: the First Amendment and the Trademark Modernization Act of 2020

Given extensive criticism of this situation, one would expect some pushback by the parties most aggrieved: consumers and competitors. It has not arisen largely because of the “standing” anomaly in trademark law, which authorizes only trademark owners to bring a lawsuit.¹³⁷ Because consumers do not have standing to sue, their interests are often underrepresented, despite the law’s ostensible focus on consumer

133. Rooksby, *supra* note 126, at 412 (observing that the very existence of these trademark registrations “serves to clutter the commercial market, chill competition, and cause risk aversion by well-intentioned individuals and companies”).

134. See Dogan & Lemley, *supra* note 21, at 486 (“consumers might assume a licensing relationship in the context of some famous marks, particularly in the field of professional sports”); Robert C. Denicola, Freedom to Copy, 108 YALE L.J. 1661, 1668 (1999) (observing that professional sports trademark owners’ rights “now seem well-secured” based on the circularity of litigation outcomes and licensing practices); see also Kugler, *supra* note 49, at 1915 (reporting results of survey that consumers consider sports team sponsorship material to their merchandise purchasing decisions).

135. USPTO, Trademark Dashboard, <https://www.uspto.gov/dashboard/trademarks/>. That number represents a 43% increase from 659,000 filings in 2020, and a 90% increase from 459,000 filings in 2019.

136. See Gundersen, et al., *Trademark Trends*, 33 No. 6 INTELL. PROP. & TECH. L.J. 3 (June 2021).

137. See Kahn, *supra* note 52, at 289.

welfare.¹³⁸ Collective action issues further deter competitors who might have standing from investing in a challenge to the status quo.¹³⁹ Courts consequently fall victim to a “framing bias” leading to decisions that fail to reflect “the substantial welfare gains that increased competition brings to consumers.”¹⁴⁰ That bias has led a US retreat from regarding trademarks as part of a trade regulation system that protects markets, and toward a property rights system that protects owners.¹⁴¹ In circular fashion, the expansion of the property right has propelled aggressive enforcement efforts, even beyond the owner’s established markets, as these efforts can be offered as evidence of a stronger mark.¹⁴²

Scholars have identified some prospect for weakening this cycle in two relatively recent Supreme Court decisions, at least insofar as trademark doctrine implicates First Amendment interests.¹⁴³ In *Matal v. Tam*¹⁴⁴ and *Iancu v. Brunetti*,¹⁴⁵ the Court invalidated provisions of the Lanham Act that prohibited the registration of “disparaging” marks

138. See Lunney, *Trademark’s Judicial De-Evolution*, *supra* note 34, at 1199-2000 (remarking how courts rarely ask “How do I rule so that consumers prevail?”); *cf.* Complaint in Santos v. National Football League, 3:22-cv-00855 (N.D. Cal. Feb. 9, 2022) (consumer class action alleging that the NFL, its teams, and major licensing partner violate the antitrust laws by prohibiting sale of NFL-licensed products through third-party online marketplaces that offer lower prices).

139. See Lunney, *Trademark’s Judicial De-Evolution*, *supra* note 34, at 1252-53; *cf.* Complaint in Casey’s Distributing, Inc. v. National Football League, 3:21-cv-09905, (N.D. Cal. Dec. 21, 2021) (merchandise seller antitrust action alleging that the NFL conspired with its major licensing partner to monopolize distribution of its licensed products).

140. See Lunney, *Trademark’s Judicial De-Evolution*, *supra* note 34, at 1204.

141. *Id.* at 1247.

142. See Stacey Dogan, *Bullying and Opportunism in Trademark and Right-of-Publicity Law*, 96 B.U. L. REV. 1293, 1319 (2016) (observing that trademark owners send cease-and-desist letters and pursue litigation “not because they risk losing their marks” if they do not enforce, “but because their rights will be more valuable if their objection succeeds”).

143. Jennifer E. Rothman, *Valuing the Freedom of Speech and the Freedom to Compete in Defenses to Trademark and Related Claims in the United States*, in THE CAMBRIDGE HANDBOOK OF INT’L AND COMPARATIVE TRADEMARK LAW 537, 553-55 (Irene Calboli & Jane C. Ginsburg eds., 2020); Mark A. Lemley, *Fame, Parody, and Policing in Trademark Law*, 2019 MICH. ST. L. REV. 1, 17 n. 53 (2019); Ramsey, *supra* note 45, at 423.

144. *Matal v. Tam*, 137 S. Ct. 1744 (2017).

145. *Iancu v. Brunetti*, 139 S. Ct. 2294, 2297 (2019).

and “immoral” or “scandalous” marks.¹⁴⁶ These provisions violated the First Amendment because they empowered a government actor—the USPTO—to restrict and discriminate against speech based on its content or the speaker’s viewpoint.¹⁴⁷

Drawing on the Court’s rationale in these cases, Lanham Act provisions that *allow* broad registration of virtually any word or symbol arguably overstep the First Amendment by chilling the use of “a descriptive term, popular slogan, informational phrase, culturally-significant symbol, color, representational shape, or other inherently valuable product feature that is deemed to have acquired distinctiveness.”¹⁴⁸ *Tam* and *Brunetti* could also fuel First Amendment challenges to trademark enforcement provisions. Dilution laws are especially vulnerable because they regulate expression based on the content of a junior use and whether it deviates from a famous mark’s preferred branding message. Lisa Ramsey has argued that constitutional analysis of dilution may well be “fatal” to the extent that this trademark enforcement mechanism stifles non-misleading commercial expression.¹⁴⁹

In addition, the Trademark Modernization Act of 2020 offers potential to declutter the federal registry and to reemphasize the requirement of use as a trademark.¹⁵⁰ Regulations that became effective in December 2021 created new *ex parte* expungement and reexamination proceedings to provide a faster, more efficient, and less expensive alternative to a contested inter parties cancellation proceeding.¹⁵¹ The process is available to anyone, not just interested parties, and the USPTO may also initiate proceedings *sua sponte*.¹⁵² The USPTO’s statement accompanying the regulations reflects an enforcement approach with the potential to elevate consumer welfare over property rights. Concern is expressed about the “cluttering” of the registry and the difficulty legitimate businesses face in clearing and

146. 15 U.S.C. §1052(a).

147. *Tam*, 137 S. Ct. at 1747, 1751; *Brunetti*, 139 S. Ct. at 2300.

148. *See Ramsey*, *supra* note 45, at 427.

149. *Id.* at 456-460.

150. Trademark Modernization Act of 2020, Pub. L. No. 116-260, §§ 221-28, 134 Stat. 1182 (2020) (codified at 15 U.S.C. §1066a).

151. *See* 37 C.F.R. § 2.91.

152. *See* 37 C.F.R. § 2.92.

registering marks.¹⁵³ Expungement petitioners are not required to identify the real party in interest, to avoid discouraging legitimate petitions by those who fear retaliation, and to invite participation by those who otherwise would not have standing.¹⁵⁴

Whether either First Amendment or expungement challenges will effectuate change is still a matter of speculation, as the US continues to outstrip other industrial nations in commodifying trademark.

II. EUROPEAN UNION AND UNITED KINGDOM TRADEMARK NORMS AS APPLIED TO SPORTS TRADEMARKS

European intellectual property norms offer insights into whether there is a possibility of resisting or reversing these trends. The trademark laws of the European Union and United Kingdom resemble those in the US in their basic objective of protecting distinctive symbols as indicators of commercial origin to inform and facilitate consumer purchasing decisions.¹⁵⁵ However, sufficient conceptual differences exist to offer a counterpoint in the treatment of trademark merchandising and dilution. This article addresses EU and UK law separately because the British exit from the EU may revive some of that nation's singular approaches to trademark protection.¹⁵⁶ Although historically other member states' approaches to trademark law were also diverse, they, unlike the UK, will necessarily continue to

153. Changes To Implement Provisions of the Trademark Modernization Act of 2020, 86 F.R. 64300.

154. *Id.* at 64308. One missed opportunity in crafting the Act is that it limits the grounds for expungement and reexamination to failure to use the mark in commerce and does not allow revisiting whether a mark should be cancelled for lacking distinctiveness. *Id.* at 64302.

155. Annette Kur, *Convergence After All? A Comparative View on the US and EU Trademark Systems in the Light of the "Trade Mark Study,"* 19 J. INTEL. PROP. L. 305, 306 (2012).

156. *See Introduction to Annual Review of EU Trademark Law*, 111 TRADEMARK REP. 506 (2021) (noting that at the December 31, 2020 conclusion of the Brexit transition period, the UK is no longer subject to EU trademark law, although its Trade Marks Act 1994 was compliant with EU law at that date).

harmonize their law through the Trade Mark Directive (TMD),¹⁵⁷ and the European Union Trade Mark Regulation (EUTMR).¹⁵⁸

As background, a dual system exists for trademarks in Europe, providing for registration at both: (1) the EU level as a European Union Trade Mark (EUTM) with the European Union Intellectual Property Office (EUIPO), and (2) the national level as a national trademark with the intellectual property office of individual EU member states.¹⁵⁹ The introduction of the EUTM created a single, unitary right effective throughout the EU, while the TMD's harmonization process has alleviated the burden of divergent national trademark laws on the operation of the single market.¹⁶⁰ At the same time, the Court of Justice of the European Union (CJEU) has produced a body of jurisprudence that interprets and delineates the regulatory framework.¹⁶¹

157. Directive 2015/2436 of the European Parliament and of the Council of 16 December 2015, to Approximate the laws of the Member States Relating to Trademarks, O.J. (L 336) 1-26, <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32015L2436> [hereinafter TMD]. The TMD obliges EU member states to harmonize their laws so as to conform with its provisions.

158. Commission Regulation 2017/1001 of 16 June 2017 on the European Union Trade Mark (consolidated version) O.J. (L 154) 1-99, <https://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1506417891296&uri=CELEX:32017R1001> [hereinafter EUTMR]. In parallel with the harmonization of EU intellectual property law, the TRIPS Agreement established international minimum standards for protecting and enforcing IP rights, which go beyond the subject of this article. Agreement on Trade-Related Aspects of Intellectual Property Rights, Apr. 15, 1994, Marrakesh Agreement Establishing the World Trade Organization, Annex 1C, Legal Instruments—Results of the Uruguay Round vol. 31, 33 I.L.M. 1197 (1994), https://www.wto.org/english/docs_e/legal_e/27-trips_01_e.htm.

159. ROLAND KNAAK, ANNETTE KUR, AND ALEXANDER VON MÜHLENDAHL, THE STUDY ON THE FUNCTIONING OF THE EUROPEAN TRADE MARK SYSTEM 3 (Nov. 1, 2012); Max Planck Institute for Intellectual Property & Competition Law Research Paper No. 12-13, available at SSRN: <https://ssrn.com/abstract=2172217>.

160. S.M. Maniatis, *Whither European Trade Mark Law? Arsenal and Davidoff: The Creative Disorder Stage*, 7 MARQ. INTELL. PROP. L. REV. 99, 100 (2003).

161. The Court of Justice of the European Union (CJEU) comprises two courts—the Court of Justice and the General Court—and “constitutes the judicial authority of the European Union and, in cooperation with the courts and tribunals of the Member States, it ensures the uniform application and interpretation of EU law.” The Institution, Court of Justice of the European Union,

A. *European Union Trademark Norms and Reforms*

A number of provisions of the EUTMR are especially relevant to the discussion of the overprotection and commodification of trademark, first and foremost its approach to registration. EU trademark protection is acquired by registration alone.¹⁶² Unlike US trademark law, the mark does not have to be used in commerce at the time of registration, although it can be invalidated if it has not been put to genuine use within five years.¹⁶³ In this sense, EU law “places more emphasis on the proprietary aspects of trademark protection” than US law.¹⁶⁴ However, EU rules provide for absolute refusal of registration if the mark is devoid of any distinctive character; may serve to designate the quality, value, geographical origin or other properties of the goods or services; or has become customary in bona fide trade.¹⁶⁵ While permitting registration without use potentially “clutters” trademark registers, the absolute refusal grounds offer some protection against the co-opting of generic, descriptive, or customary designations.¹⁶⁶

In practice, the EUIPO registration rulings appear informed by just such concerns about commercial linguistic scarcity, especially in the sports setting. Accordingly, it rejected trademark registrations of “World Hockey Association,” “World Cup,” and “European Cricket Network” as merely descriptive and devoid of distinctive character.¹⁶⁷

https://curia.europa.eu/jcms/jcms/Jo2_6999/en/; *see also* Maniatis, *supra* note 160, at 99.

162. EUTMR Art. 9(1).

163. EUTMR Art. 18, Art. 64(2).

164. Kur, *supra* note 155, at 306.

165. EUTMR Art. 7(b)-(d).

166. Kur, *supra* note 155, at 315.

167. CTM Application No. 003237931, World Hockey Association (Aug. 18, 2005, TM Department OHIM) (noting a Google search of the words generated over 27,000 hits, establishing wide trade usage); Ferrero OHG mbH v. Federation Internationale de Football Association (FIFA), R1466/2005-1 (June 20, 2008, 1st Board of Appeal OHIM) (holding that non-distinctive names “must remain available for competitors”); EUTM Application No. 017944715, European Cricket Network (Oct. 16, 2018, Operations Department EUIPO); *see also* EUTM Application No. 015182728, Tennis World Cup (May 24, 2016, Operations Department EUIPO) (rejecting registration of “Tennis World Cup”); CTM Application No. 006900997, Int’l Tennis Hall of Fame (October 31, 2008, TM Department OHIM) (rejecting “International Tennis Hall of Fame” for trademark protection in the category of tennis

In contrast, the US approach readily grants exclusive registration to marks that contain descriptive terms, as long as they are capable of becoming distinctive at some future point.¹⁶⁸ Thus, the USPTO allowed registration of “The Cheerleading Worlds” by the U.S. All Star Federation, which used it as a basis to sue other cheerleading competitions that incorporated the terms “World” and “Worlds” in their titles.¹⁶⁹

The EUIPO’s regard for competitive access to language is further evident in its decisions allowing multiple uses of similar team names. It permitted the registration of a German football club mark “AFC Lions 1987” over opposition by the NFL’s Detroit Lions, and registration of the mark “Chicano Bulls” over opposition by the NBA’s Chicago Bulls.¹⁷⁰ The NBA was permitted to register an EUTM for the New

museum, but registering mark in the category of retail and gift store products bearing that name). EUIPO decisions are all available at <https://euipo.europa.eu/ohimportal/en>.

168. While the Lanham Act contains a presumption against registration of a mark that is “merely descriptive” or “primarily geographically descriptive,” a mark can overcome that presumption and enjoy registration if it acquires the requisite distinctiveness, i.e., secondary meaning, over time. 15 U.S.C. §§ 1052(e), (f); 1091(a). *Compare* Little League Baseball, Inc. v. Kaplan, No. 08-60554-CIV, 2009 WL 10668763, at *5 (S.D. Fla. Mar. 3, 2009) (barring junior use of “Little League” because it is no longer merely descriptive and has become distinctive over time), *with* In re Major League Baseball Players Alumni Ass’n, 996 F.2d 1236 (Fed. Cir. 1993) (permitting registration of “Major League Baseball Players Alumni Association” over MLB’s objections, because name being used only descriptively). *See also* Alexandra J. Roberts, *How to Do Things with Word Marks: A Speech-Act Theory of Distinctiveness*, 65 ALA. L. REV. 1035, 1040 (2014) (arguing for the USPTO and TTAB should apply a stricter standard for distinctiveness to “preserve competitors’ ability to communicate information about their goods and protect consumers’ access to knowledge about new or lesser-known products”).

169. Complaint in U.S. All Star Fed., Inc. v. Open Cheer & Dance Championship Series, LLC, No. 21-cv-02135, ¶¶ 16-17, 30-31 (S.D.N.Y. Dec. 21, 2021).

170. NFL Props. Europe GmbH v. 1. FCC Braunschweig e.V., R184/2016-2 (Oct. 20, 2016 2d Board of Appeal EUIPO) (limiting registration to categories of goods not previously registered by the Detroit Lions); NBA Props., Inc. v. Haijiao Qiu, R2164/2017-4 (June 20, 2018, 4th Board of Appeal EUIPO) (permitting registration for all goods except bags).

Orleans Pelicans, over the opposition a German company that held the trademark in Pelikan.¹⁷¹

The CJEU decision in the widely reported *Messi* case confirms a more permissive approach to overlapping registrations.¹⁷² Soccer superstar Lionel Messi sought to use his last name as an EUTM for categories such as clothing and gym equipment.¹⁷³ The CJEU permitted the use, rejecting an opposition based on the existing registration of “Massi” for the same class of goods. In analyzing the likelihood of confusion, the CJEU looked not to the public at large, but to whether consumers of sporting goods and sports clothes would mistake the two names.¹⁷⁴ Based on Messi’s global fame, the answer was no, indicating a willingness by the CJEU to trust that consumer sophistication can counteract visual and phonetic similarities in trademarks.¹⁷⁵

A second EUTMR provision relevant to the commodification of trademark is the right of a mark with “a reputation in the Union” to prohibit dilution caused by another’s use of identical or similar signs.¹⁷⁶ As in the US, this anti-dilution law does not require likelihood of confusion or that the offending use involve similar products or services.¹⁷⁷ However, CJEU interpretation of the dilution provision has rendered this cause of action less advantageous to mark owners, especially sports teams and leagues, than its US analog.¹⁷⁸ That’s

171. Pelikan Vertriebsgesellschaft mbH & Co. KG v. EUIPO (NBA Props., Inc.), R408/2016-4 (Sept. 12, 2018 General Court).

172. EUIPO v. Lionel Andrés Messi Cuccittini, Case C-449/18P and P J.M.-E.V. e hijos v. Lionel Andrés Messi Cuccittini, Case C-474/18 (CJEU, September 17, 2020) (Google translated version) [hereinafter *Messi*].

173. *Messi*, ¶ 7.

174. *Messi*, ¶ 36.

175. *Messi*, ¶ 53; see Annual Review of EU Trademark Law, III. Conflict with Earlier Rights-Relative Grounds for Refusal of Registration, 111 TRADEMARK REP. 549, 566 (2021).

176. EUTMR Art. 9(2)(c); see also Art. 8(5) (refusing registration of a mark that dilutes an existing mark).

177. *Id.*

178. Granted the CJEU applies a more lenient standard for establishing “reputation” (i.e., famousness), requiring only that the mark is “known to a significant part of the relevant sectors of the public,” while in the US a mark must be “widely recognized by the general consuming public.” Compare 15 U.S.C. § 1125(c)(2) with *General Motors Corp. v. Yplon*, 1999 E.C.R. I-5421, ¶ 44 (1999). However, this distinction would be meaningless to US sports teams and leagues, which arguably

because the CJEU has interpreted the regulation to require that the trademark owner prove *actual*, rather than likelihood of dilution.¹⁷⁹ Actual dilution is further defined as “actual and present injury to its mark, ... or a serious likelihood that such an injury will occur in the future.”¹⁸⁰ With the actual dilution requirement, the EU has declined to adopt the US grant of vast property rights to famous mark owners.¹⁸¹

Yet, overall, the harmonization of European trademark law expanded its scope and strengthened the legal position of rights holders.¹⁸² In this regard, EU law converged somewhat with US law in elevating trademark protection to the detriment of its societal goals of promoting consumer welfare, competitive markets, and sequential innovation.¹⁸³ Scholars of EU trademark law have expressed concerns regarding free expression that mirror those in the US, namely, that holders of marks with strong reputations could use EU law to deter criticism, comment, and parody that may adversely affect brand image and goodwill, even in the absence of consumer confusion as to source.¹⁸⁴

The 2016 reforms to the EUTMR alleviated these concerns to a degree by reorienting some European trademark norms.¹⁸⁵ EU

possess the necessary fame to qualify for protection under either standard. *See supra* note 103 and accompanying text.

179. *Compare* 15 U.S.C. § 1125(c)(2) *with* Intel Corporation Inc. v CPM United Kingdom Ltd, C-252/07, 62007CJ0252 (Nov. 27, 2008 EUCJ), ¶ 71.

180. Intel Corporation Inc. v CPM United Kingdom Ltd, C-252/07, 62007CJ0252 (Nov. 27, 2008 EUCJ), ¶ 71, <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A62007CJ0252>.

181. *See* Sylianos Malliaris, *Protecting Famous Trademarks: Comparative Analysis of US and EU Diverging Approaches—The Battle Between Legislatures and the Judiciary, Who is the Ultimate Judge?*, 9 CHI.-KENT J. INTELL. PROP. 45, 57 (2010).

182. PETER K. YU, THE SECOND TRANSFORMATION OF THE INTERNATIONAL INTELLECTUAL PROPERTY REGIME, IN CONSTITUTIONAL HEDGES OF INTELLECTUAL PROPERTY (Jonathan Griffiths & Tuomas Mylly, eds., Oxford Univ. Press 2020).

183. Jens Schovsbo, “Mark My Words”—Trademarks and Fundamental Rights in the EU, 8 U.C. IRVINE L. REV. 555, 564 (2018).

184. Martin Senftleben, *Free Signs and Free Use—How to Offer Room for Freedom of Expression Within the Trademark System*, in CHRISTOPHER GEIGER, RESEARCH HANDBOOK ON HUMAN RIGHTS AND INTELLECTUAL PROPERTY 376 (Edward Elgar ed., 2015).

185. Regulation (EU) No 2015/2424 of the European Parliament and the Council amending the Community trade mark regulation of Dec. 16, 2015, entered

trademark applicants are now required to identify the goods and services for which the application is made with sufficient clarity and precision to delineate the extent of the protection.¹⁸⁶ Absolute grounds for refusal were extended to include signs consisting exclusively of a “shape, or another characteristic” that results from the nature of the goods themselves, is necessary to obtain a technical result, or gives substantial value to the goods.¹⁸⁷ This provision prevents protection of features or characteristics that are inherent in a product or are entirely functional.¹⁸⁸

Significantly, the 2016 reforms added a recital that requires trademark rules to be “applied in a way that ensures full respect for fundamental rights and freedoms, and in particular the freedom of expression.”¹⁸⁹ Among other things, this new interpretation prevents EUTM owners from interfering with:

“the use of signs or indications by third parties which are used fairly and thus in accordance with honest practices in industrial and commercial matters.”

“the use of descriptive or non-distinctive signs or indications in general.”

“the fair and honest use of the EU trademark for the purpose of identifying or referring to the goods or services as those of the proprietor.”

“[u]se of a trademark by third parties to draw the consumer’s attention to the resale of genuine goods that were originally sold by or with the consent of the proprietor of the EU trademark in the

into force on Mar. 23, 2016, <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=celex:32015R2424>.

186. EUTMR Art. 33(2).

187. EUTMR Art. 9(e).

188. *See, e.g.,* Société de Produits Nestlé SA v. Cadbury UK Ltd., Case C-215/14, EU:C:2015:604 (CJEU 2015), ¶ 42 (to be sufficiently distinctive for trademark registration, a shape must be more than recognizable but must indicate the origin of the goods); *Societe des Produits Nestle SA v Cadbury UK Ltd*, [2016] E.W.H.C. 50 (Ch); [2016] F.S.R. 19, ¶ 61 (applying CEJU guidance to refuse registration of Kit Kat chocolate bar’s four-finger wafer shape), *aff’d* *Societe des Produits Nestle SA v Cadbury UK Ltd*, [2017] E.W.C.A. Civ. 358; [2017] F.S.R. 34.

189. EUTMR Recital 21.

Union should be considered as being fair as long as it is at the same time in accordance with honest practices in industrial and commercial matters.”

“[u]se of a trademark by third parties for the purpose of artistic expression should be considered as being fair as long as it is at the same time in accordance with honest practices in industrial and commercial matters.”¹⁹⁰

Thus, EU law on its face now strikes a better balance between trademark exclusivity and freedom of competition and expression.¹⁹¹

B. United Kingdom Trademark Traditionalism

In the UK, the Trade Marks Act 1994 is the establishing legislation, and is currently framed to harmonize with the EUTMR.¹⁹² After December 31, 2021, under the Brexit withdrawal agreement, the UK no longer protects EU trademarks.¹⁹³ To manage this transition, the UK enacted legislation to create a comparable UK trademark for all right

190. EUTMR Recital 21. Recital 21 is consistent with the TRIPS Agreement and Paris Convention for the Protection of Industrial Property (Paris Convention) that limit the scope of trademark rights to protect freedom of expression. *See* Lisa P. Ramsey, *Free Speech and International Obligations to Protect Trademarks*, 35 *YALE J. INT'L L.* 405, 409 (2010).

191. *See* Schovsbo, *supra* note 183, at 562, 581 (observing that the recital “clearly exempts artistic use of trademarks from legal challenge” but “is not going to revolutionize EU trademark”); *see also Annual Review of EU Trademark Law, VI. Trademark Infringement*, 110 *TRADEMARK REP.* 575, 588-89, (2020) (describing Austrian Supreme Court decision acknowledging the right of a sports marketing agency to use a trademark to identify a soccer team as long as it did not do so to advertise its own services).

192. Trade Marks Act, 1994, c. 26 § 99 (Eng.) as amended 14:32, ¶ 1, Trade Marks (Amendment etc.) (EU Exit) Regulations 2019/269, http://www.opsi.gov.uk/acts/acts1994/ukpga_19940026_en_7#pt4-pb1-11g99; *see also* Trade Mark Rules 2008 (as amended).

193. European Union (Withdrawal Agreement) Act 2020, PARLIAMENT, <https://services.parliament.uk/bills/2019-20/europeanunionwithdrawalagreement.html>; *see also* UK Intellectual Property Office, Guidance on EU trade mark protection and comparable UK trade marks (Jan. 30, 2020), <https://www.gov.uk/guidance/eu-trade-mark-protection-and-comparable-uk-trade-marks#receiving-a-comparable-uk-trade-mark>.

holders with an existing EUTM as of that date.¹⁹⁴ The Brexit withdrawal agreement also provided that EU law will operate as UK domestic law after it leaves the EU.¹⁹⁵ So in the short term, Brexit has had little impact on trademark rights in the UK and throughout the EU.

In the medium to longer term, Brexit has opened the door for the UK to revert to an earlier, more traditional approach to trademark on both the legislative and judicial fronts. First, the Brexit withdrawal agreement granted the UK Parliament the authority to modify adopted EU laws as it sees fit.¹⁹⁶ While Parliament has not done so as of this writing, one example of how UK intellectual property law already differs from EU law is the UK Intellectual Property (Unjustified Threats) Act 2017.¹⁹⁷ That statute strengthened existing law that prohibited groundless threats of infringement proceedings by holders of intellectual property (IP) rights, including trademark. It protects businesses and entrepreneurs from bullying or aggressive tactics to gain an unfair advantage in situations where no IP infringement has actually occurred, and to provide a framework for resolving IP disputes without litigation.¹⁹⁸ Translated to the trademark merchandising context, the Act raises the stakes for a sports trademark owner in sending cease-and-desist letters to an unaffiliated user of the mark.

194. Trade Marks Act, 1994, c. 26, Schedule 2A (Eng.), <https://www.legislation.gov.uk/ukxi/2019/269/schedule/1/made>. Existing EUTMs still protect trademarks in EU member states, and UK businesses can still apply to the EU Intellectual Property Office for an EUTM. For new filings, registrants must apply to both jurisdictions. See UK Intellectual Property Office, Guidance EU trademark protection and comparable UK trade marks (Jan. 30, 2020), <https://www.gov.uk/guidance/eu-trade-mark-protection-and-comparable-uk-trade-marks#receiving-a-comparable-uk-trade-mark>.

195. European Union (Withdrawal Agreement) Act 2020, PARLIAMENT, <https://services.parliament.uk/bills/2019-20/europeanunionwithdrawalagreement.html>; see Emma Coffey, *Cutting Off the EU to Spite Its Face?: How to Promulgate the UK's Contractual Choice of Law Rules to Ensure Stability Post-Brexit*, 61 B.C. L. REV. 1447, 1448-49 (2020).

196. European Union (Withdrawal Agreement) Act 2020, PARLIAMENT, <https://services.parliament.uk/bills/2019-20/europeanunionwithdrawalagreement.html>.

197. Intellectual Property (Unjustified Threats) Act 2017, Trade Mark Acts 1994 § 21 *et seq.*; see Policy Paper-IP (Unjustified Threats) Act, gov.uk (July 3, 2017), <https://www.gov.uk/government/publications/ip-unjustified-threats-act>.

198. See *id.*

Second, after Brexit, UK courts have the power to diverge in their interpretation of trademark law.¹⁹⁹ Although much CJEU jurisprudence is likely to remain persuasive, UK courts have at times struggled to reconcile CJEU guidance with the relevant legislation, and resisted extending trademark protection where that tribunal would grant it.²⁰⁰ The UK national system may well chart a different course on some issues once it is no longer subject to evolving EU standards and future CJEU decisions.²⁰¹ Relatedly, the question remains whether past CJEU decisions, even if adopted into UK law, will act as binding precedent or will apply only to the rights of the parties adjudicated in those cases.²⁰² The potential for jurisprudential divergence will have significance beyond the UK, as international business parties have long favored litigating in English commercial courts for their quality and integrity.²⁰³

199. See Ron Moscona, *Extricating the UK from the European Union IP Systems—Contrasting Approaches Across the Channel*, 26 No. 3 CYBERSPACE LAW. NL 4 (Apr. 2021); Maimon Schwarzschild, *Complicated-but Not Too Complicated: The Sunset of E.U. Law in the U.K. After Brexit*, 39 CARDOZO L. REV. 905, 914 (2018).

200. See Gowling WLG, *What does Brexit mean for intellectual property?*, (Nov. 9, 2020), <https://gowlingwlg.com/en/insights-resources/articles/2020/what-does-brexit-mean-for-intellectual-property/> (citing as examples *Societe des Produits Nestle SA v Cadbury UK Ltd*, [2016] E.W.H.C. 50 (Ch); [2016] F.S.R. 19, ¶ 61 ((rejecting registration of the shape of Nestle’s Kit Kat bar as lacking inherent distinctiveness)); *Supreme Petfoods v. Henry Bell & Co* [2015] EWHC 256 (Ch) (holding the word “supreme” was descriptive when used in relation to animal food); *Sky v Skykick* [2018] EWHC 155 (Ch) (holding trademark registration contrary to public interest “because it confers on the proprietor a monopoly of immense breadth which cannot be justified by any legitimate commercial interest of the proprietor”); see also *Annual Review of EU Trademark Law, IV. Absolute Grounds for Refusal of Registration, and for Cancellation*, 108 TRADEMARK REP. 444, 472 (2018).

201. The likelihood of a return to trademark traditionalism is also suggested by the UK refusal to establish a specific right of publicity. See generally Hayley Stallard, *The Right of Publicity in the United Kingdom*, 18 LOY. L.A. ENT. L. REV. 565 (1998).

202. Schwarzschild, *supra* note 199, at 914.

203. Jan Erik Windthorst, James Freeman, Karolina Latasz, Holger Jacobs, *The Impact of Brexit on Dispute Resolution: EU and UK Perspectives*, 15 DISP. RESOL. INT’L 249, 260 (2021). Annette Kur has observed that differences between European and Anglo-American approaches to intellectual property law largely reflect their different theoretical foundations. Continental Europe historically based IP rights on an idealistic theory that emphasizes the moral rights of the creator to the intellectual creation. Anglo-American law rests on a more utilitarian rationale that focuses on how IP protection affects society, including with respect to innovation, competition, and

The recency of both the EU and UK legislative developments make it difficult to predict their impact in restraining the commodification of trademark. But existing jurisprudence, especially regarding the law's "trademark use" and "distinctiveness" requirements, offers some opportunity to trend-spot, most significantly the *Arsenal* case.²⁰⁴ Like the sequential court decisions in *Boston Professional Hockey*, the *Arsenal* case generated opposing perspectives on the phenomenon of trademark merchandising.²⁰⁵ In 1999, Arsenal FC, the English Premier League soccer club, initiated passing off and trademark infringement claims against Reed, who had been selling merchandise incorporating club marks in and around the team stadium for 30 years.²⁰⁶ The England and Wales High Court (EWHC) Chancery Division dismissed the passing off claim for lack of consumer confusion, but referred the claim of trademark infringement to the European court.²⁰⁷

Notably, the EWHC's rejection of the passing off claim was based on lack of evidence of deception or that Arsenal was damaged by Reed's activities. The court took great stock in the fact that Reed's stalls all displayed disclaimers that the products were not officially licensed.²⁰⁸ Accordingly, it found that the use of team marks on Reed's merchandise "carries no message of trade origin."²⁰⁹ The court implicitly rejected the "recognition equals confusion" logic of *Boston Professional Hockey* in stating:

Although I accept that some fans will want to purchase official Arsenal memorabilia so as to support their club, it is a *non-sequitur* to say that this means all Arsenal memorabilia.... will be taken by them to have come from or be licensed by [Arsenal].²¹⁰

consumer satisfaction. ANNETTE KUR, EUROPEAN INTELLECTUAL PROPERTY LAW 7 (Elgar Publishing 2nd Ed. 2019).

204. *Arsenal Football Club Plc v. Reed*, 2001 R.P.C. 46, [2001] 2 C.M.L.R. 23, [2001] E.T.M.R. 77, 2001 WL 272936 (Ch. D. 2001) [Arsenal 1].

205. *See supra* notes 61-73 and accompanying text.

206. *Arsenal* 1, ¶ 9. This article uses the term "soccer" to refer to the sport that most of the world refers to as "football," to avoid confusion with American football.

207. *Arsenal* 1, ¶ 69.

208. *Arsenal* 1, ¶ 40.

209. *Arsenal* 1, ¶ 42.

210. *Arsenal* 1, ¶ 42.

To establish passing off, the court required some additional circumstance that implied to the customer that Reed's goods came from the club itself.²¹¹

As to the infringement claim, the EWHC was receptive to Reed's argument that placing Arsenal marks on merchandise as a "badge of allegiance" is not a protectable "trademark use" because it does not indicate origin.²¹² Echoing the lower court in *Boston Professional Hockey*, the court observed that if registration of a sign creates a right to restrain its use for any non-trademark purpose, the UK's Trade Mark Act and the EU's Trade Mark Directive "will have created a new and very wide monopoly ... of open-ended duration .. [with] repercussion beyond the mere private rights of competing traders."²¹³ In particular, the court was concerned that such a "wide construction" of the law would undermine the requirement of trademark distinctiveness and create inconsistencies in the UK law.²¹⁴ Noting that other national courts had faced similar issues arising out of trademark merchandising, the UK court sought CJEU guidance as to whether a defense to infringement existed for uses that do not indicate trade origin.²¹⁵

The CJEU walked a fine line in its guidance, requiring some degree of confusion to justify trademark protection, but orienting that inquiry around whether a third party's use had "affect[ed] one of the functions of the mark," and not whether the third party had engaged in a "trademark use."²¹⁶ In doing so, the court focused on the expectations of the trademark holder, rather than the evidentiary record of consumer impact.²¹⁷ Like the Fifth Circuit in *Boston Professional Hockey*, the CJEU disregarded the lower court's factual findings and presumed that consumers necessarily interpreted the presence of Arsenal marks on Reed's goods to establish a "material link in the course of trade between the goods concerned and the trade mark proprietor."²¹⁸ Stated another

211. Arsenal 1, ¶ 42.

212. Arsenal 1, ¶ 53.

213. Arsenal 1, ¶ 54.

214. Arsenal 1, ¶ 59.

215. Arsenal 1, ¶ 63-69.

216. Arsenal Football Club Plc v Reed (C-206/01), [2003] 1 C.M.L.R. 12, ¶ 42 [Arsenal CJEU].

217. Arsenal CJEU, ¶ 51-60; see Maniatis, *supra* note 160, at 133.

218. Arsenal CJEU, ¶ 56.

way, the court found that team logos necessarily communicate that the goods “have been manufactured or supplied under the control of a single undertaking which is responsible for their quality”—namely, the team.²¹⁹

The CJEU was careful to exclude from infringement liability “purely descriptive” uses of a mark.²²⁰ However, it rejected Reed’s argument that his use fell within that category, as he was participating in “commercial activity with a view to economic advantage.”²²¹ Nor, in the court’s view, could Reed’s activity be saved from liability through point-of-sale disclaimers of affiliation with Arsenal, because such disclaimers would not mitigate post-sale confusion.²²² Further straying from the UK court’s factual record, the CJEU held it to be “immaterial that ... the sign is perceived as a badge of support for or loyalty or affiliation to the trade mark proprietor.”²²³ With this guidance, the CJEU came close to adopting the circular reasoning that leads consumers to expect any display of sports affiliation to originate from the team.²²⁴

When the matter returned to the UK courts, Arsenal eventually won the day, but not without some controversy. Appalled that the CJEU seemed to have “exceeded its jurisdiction” in ignoring the evidentiary record, the EWHC in turn ignored what it deemed improper CJEU factfinding.²²⁵ While purporting to apply the CJEU’s legal guidance, the EWHC rejected infringement liability based on record evidence that the Arsenal indicia on Reed’s products would be perceived as badges of allegiance and not an indication of origin.²²⁶ That ruling, however, was reversed by the English Court of Appeal, which latched onto the CJEU’s post-sale confusion rationale to hold that, even if primarily a badge of allegiance, Reed’s use of Arsenal marks jeopardized their

219. Arsenal CJEU, ¶ 58.

220. Arsenal CJEU, ¶ 54.

221. Arsenal CJEU, ¶ 40.

222. Arsenal CJEU, ¶ 58 (generally read as establishing post-sale confusion in the European Union).

223. Arsenal CJEU, ¶ R1.

224. See Maniatis, *supra* note 160, at 134; see also *supra* notes 90-91 and accompanying text.

225. Arsenal Football Club Plc v Reed (No.2), [2003] 1 C.M.L.R. 13, 2002 WL 31676299, ¶ 7 [Arsenal 2].

226. Arsenal 2, ¶¶ 10, 20.

guarantee of origin.²²⁷ The English Court of Appeal further categorized Reed's use as a "trademark use" because purchasers of his goods were likely to turn to Arsenal to complain about inferior quality.²²⁸

Despite both the CJEU's and the English Court of Appeal's protection of trademark merchandising in *Arsenal*, the doctrine has not established as firm a hold as in the US, and some decisions have pushed back. One notable example is *Rugby Football Union v. Cotton Traders, Ltd.*, where an apparel manufacturer successfully defended an infringement claim for selling unlicensed classic rugby jerseys bearing a design similar to the Rugby Football Union's (RFU) rugby rose.²²⁹ Although the RFU had terminated the manufacturer as an official licensee, the manufacturer continued to produce jerseys using a different design of the rose feature.²³⁰ The EWHC allowed it do so, holding that the English rugby rose is incapable of being distinctive or serving a trademark use because so many manufacturers and retailers use a version of it and the public primarily perceives it as an emblem of allegiance to the national team, not an indicia of association with the RFU.²³¹ In the alternative, the court ruled that even if the rose was a protectible mark, the manufacturer could defend against infringement claims on the basis of "honest use" of the mark to communicate the kind, quality, or other characteristics of the goods, that is, as a badge of allegiance.²³² While this ruling will likely have little impact beyond historic or national symbols, it reflects UK court resistance to expansive readings of trademark. It could also give pause to any sports team that incorporates an historic landmark into its logo, for example, the Cleveland Guardians use of the eponymous statues that famously occupy the ends of a bridge leading to its stadium.²³³

A 2020 case involving expressive use of a sports team mark offers further evidence of UK adherence to traditional trademark norms. In

227. *Arsenal Football Club Plc v. Reed*, [2003] EWCA Civ 96; [2003] 2 C.M.L.R. 25, 2003 WL 21047477, ¶ 48 [hereinafter *Arsenal CA*].

228. *Arsenal CA*, ¶¶ 55, 67.

229. *Rugby Football Union v. Cotton Traders Ltd*, 2002 E.W.H.C. 467, 2002 E.T.M.R. 76 (Ch. D. 2002) [hereinafter *Rugby Football Union*].

230. *Rugby Football Union*, ¶ 2.

231. *Rugby Football Union*, ¶ 50-52 (distinguishing *Arsenal* in part because there the team used the marks on merchandise labels, not just as design elements).

232. *Rugby Football Union*, ¶ 55.

233. See *supra* note 3 and accompanying text.

Manchester United Football Club Ltd. v. Sega Publishing Europe Ltd. & Anor, the celebrated soccer club sued to stop Sega's video game from using the Manchester United name and a simplified version of the team crest.²³⁴ While the case was pending, the club sought to amend the claim to allege accessory liability because the Sega game allowed gamers to download third-party video files known as "patches" that included exact replicas of team marks.²³⁵ The EWHC rejected this request, finding that the new claim would fail because downloading patches is a private, expressive, and non-trademark use.²³⁶ The case later settled and, although the agreement was confidential, the parties' announcement at the time suggested Sega did not pay any damages or need a license to use the Manchester United name going forward.²³⁷ If US courts applied this rationale, it could undo sports league and university trademark enforcement campaigns against youth and amateur leagues that borrow team names.²³⁸

Thus, like in the US, the EU and UK recognize that trademarks can function as a commodity to communicate identity and affiliation.²³⁹ They differ, however, in the extent to which the law should endow the trademark owner with exclusive rights to exploit that function, while promoting efficient competition and free expression.

III. TIMEOUT TO RECONSIDER SPORTS TRADEMARK OVERPROTECTION

Given how invested sports industry mark owners are in the current trademark regime, there seems to be little incentive for them to

234. *Manchester United Football Club Ltd. v. Sega Publishing Europe Ltd. & Anor* [2020] EWHC 1439 (Ch) (June 4, 2020), 111 TMR 641.

235. *Id.* ¶ 10.

236. *Id.* ¶ 30-33.

237. Jeremy Drew, et al., *Sega's Battle Against Man Utd In Football Manager Trade Mark Case Ends In Settlement*, LAWINSPORT (Nov. 17, 2020), <https://www.lawinsport.com/topics/item/sega-s-battle-against-man-utd-in-football-manager-trade-mark-case-ends-in-settlement>; *compare* Major League Baseball Properties, Inc. v. Salvino, Inc., 420 F. Supp. 2d 212, 223 (S.D.N.Y. 2005), *aff'd*, 542 F.3d 290 (2d Cir. 2008) (MLB allowed to pursue claim that team uniform colors have achieved secondary meaning prohibiting their unlicensed use).

238. *See supra* notes 99-101, 106-07, and accompanying text; David E. Armendariz, *Picking on the Little Guy? Asserting Trademark Rights Against Fans, Emulators, and Enthusiasts*, 90 TEX. L. REV. 1259, 1261 (2012).

239. *See KUR, supra* note 203, at 245.

welcome a second look at commodification of their names and logos.²⁴⁰ However, this may be unavoidable in view of the five cross-border developments this article has already touched upon: (1) the growing unavailability of suitable team names is complicating sports branding and rebranding; (2) athletes are increasingly and defensively seeking to extend their intellectual property portfolios to trademark, further cluttering that space; (3) Brexit has released the UK from the EU trademark regulatory regime and jurisprudence that historically have been more protective than UK law; (4) free speech values have gained purchase in opposition to overprotective trademark doctrine, as evidenced in US Supreme Court decisions and EU trademark reforms; and (5) the US Trademark Modernization Act and its enabling regulations have the potential to declutter the federal registry and reemphasize trademark use requirements.

A. Societal Values at Stake

Before exploring the potential impact of those developments, it is important to make clear what is at stake in trademark overprotection, in particular sports trademarks. Beyond debasement of traditional trademark principles, overprotection of trademark implicates at least four societal values: (1) consumer welfare, (2) competitive and efficient markets, (3) freedom of speech, and (4) the very meaning of words and symbols. First, the expansion of trademark to include absolute merchandising rights and dilution protection has transferred revenue to teams and licensees to the detriment of fans, advancing corporate welfare over trademark's original orientation around consumer welfare.²⁴¹ If unaffiliated and properly labeled merchandise were available in addition to officially licensed goods, fans would enjoy a

240. Frequently cited justifications for aggressive trademark enforcement include concerns about abandonment, the desire to preserve future market opportunities, and deterrent effects of establishing a reputation for trademark vigilance/bullying. *See* Boyle & Jenkins, *supra* note 125, at 448, 451.

241. *See* Lunney, *Trademark's Judicial De-Evolution*, *supra* note 34, at 1197 (blaming in part the lack of consumer standing and participation in trademark litigation for its "evolution from efficient market regulator to inefficient rent protector").

competitive market offering options at multiple price-points, and less affluent fans would find it easier to support their teams.²⁴²

Second, some trademark scholars have come to recognize that the expansion of trademark has limited the available supply of words and symbols to designate new goods and services.²⁴³ An empirical study conducted in 2016 found that “the supply of word marks that are at least reasonably competitively effective as trademarks is finite and exhaustible.”²⁴⁴ As a result new applicants must resort to suboptimal marks that are lengthier, unfamiliar, hard-to-pronounce, or discordant, raising barriers to entry and reducing the communicative value of trademarks.²⁴⁵ This “trademark depletion” gradually damages competition, increases consumer search costs, and compounds the free speech concerns addressed next.²⁴⁶

Third, the trademark merchandising right is in tension with the First Amendment’s free speech guarantee. As the Supreme Court recognized in its *Tam* and *Brunetti* decisions, trademarks are a form of speech entitled to some degree of First Amendment protection.²⁴⁷ This form of speech has become essential to public discourse precisely because trademark owners have invested their brands with secondary meaning

242. This point has been made in multiple commentaries on the phenomenon of sports trademark merchandising, including Liu, *supra* note 30, at 508; Hylton, *supra* note 21, at 49; Kahn, *supra* note 52, at 308-309.

243. See Hemel & Larrimore Ouellette, *supra* note 25, at 1026 (collecting commentary); Zachary Zagger, *Wash. Team Rules Out “Wolves” Name, Cites TM Legal Hurdles*, LAW360 (Jan. 4, 2022), https://www.law360.com/sports-and-betting/articles/1452323/wash-team-rules-out-wolves-name-cites-tm-legal-hurdles?nl_pk=70cbb14d-495d-4b25-863c-da2953f1df29&utm_source=newsletter&utm_medium=email&utm_campaign=sports-and-betting (ruling out candidate for renaming Washington Football Team because teams in other leagues use version of name).

244. Barton Beebe & Jeanne C. Fromer, *Are We Running Out of Trademarks? An Empirical Study of Trademark Depletion and Congestion*, 131 HARV. L. REV. 945, 950-51 (2018) (empirical study establishing “substantial word-mark depletion”).

245. *Id.* at 965-66.

246. *Id.* at 1023-25.

247. *Iancu v. Brunetti*, 139 S. Ct. 2294, 2302 (2019); *Matal v. Tam*, 137 S. Ct. 1744, 1760 (2017); see generally Ramsey, *supra* note 45, at 456 (arguing for examination of dilution laws as speech-suppressing).

and proliferated them across a wide range of ancillary products.²⁴⁸ Consequently, overprotection of trademark comes at the expense of public access to language and iconography.²⁴⁹ Trademark fair use doctrine works to restore the balance by permitting certain expressive references to a trademark owner and its products.²⁵⁰ And some have argued for broader application of the nominative fair use defense in the context of sports, because team names and trade dress have uniquely “communicative and associative functions.”²⁵¹ However, a fair use approach undervalues the constitutional dimension of the problem, as evidenced in the sports catchphrase apparel cases where trademark owners have succeeded in blocking commentary on sports team performance.²⁵²

Fourth, the merchandising right has usurped and calcified the meaning of words and symbols. Historically, the meanings of words and symbols change over time as a result of individual and cultural interactions.²⁵³ With the commodification of trademarks, their owners have become vested in “freezing” and “fencing off” the meaning of protected words and symbols, especially as indicators of status and identity.²⁵⁴ Nowhere is this more evident than in sports, where fans classify themselves and create identity through team symbols, “personalizing the part of the game over which they have control,

248. See McGeeveran, *supra* note 25, at 57 (“Their cultural importance makes trademarks increasingly necessary in any realistic portrayal of modern society.”); Kozinski, *supra* note 21, at 973 (giving as an example, “the Rolls Royce of its class”).

249. Steven Wilf, *Who Authors Trademarks?*, 17 CARDOZO ARTS & ENT. L.J. 1, 1 (1999).

250. See 15 U.S.C. § 1125(c)(3) (setting forth fair use defense to trademark dilution).

251. See Liu, *supra* note 30, at 513.

252. See *supra* notes 125-31 and accompanying text; see also Pratheepan Gulasekaram, *Policing the Border Between Trademarks and Free Speech: Protecting Unauthorized Trademark Use in Expressive Works*, 80 WASH. L. REV. 887, 916 (2005) (noting that parody, which invites trademark claims, may find the fair use defense inadequate: “The parodist-defendant purposely concedes many of the elements necessary to prove infringement and dilution, including the strength of trademark, similarity of the marks, and intentional reproduction of the mark.”).

253. Aoki, *supra* note 30, at 526.

254. Rosemary J. Coombe, *Objects of Property and Subjects of Politics: Intellectual Property Laws and Democratic Dialogue*, 69 TEX. L. REV. 1853, 1866 (1991).

themselves.”²⁵⁵ But with respect to phrases like the “12th Man” or symbols like the Dallas Cowboys blue and silver star, personalization has hit a dead end, as trademark law has empowered owners to stifle any attempts to repurpose and recodify. Investing one entity with exclusive ownership of a phrase or symbol risks stunting the public vocabulary and suppressing ideas.²⁵⁶

To return to the case of the Cleveland Guardians, we see all four concerns play out. The baseball team will certainly rely on the trademark merchandising right to thwart any unauthorized manufacture of items displaying the team’s new name and logos, arguing that such a use would create consumer confusion as to “origin,” “affiliation,” “sponsorship,” or “approval.” A hypothetical shirt seller offering consumers a lower-priced option for displaying team affinity would invariably find itself in the crosshairs of an infringement suit. The team would assert that most consumers are so naïve or preconditioned that they will invariably read the shirt’s message and imagery to mean that the underlying product was authorized by the league or team, as opposed to merely an ornamental expression. Even if the unauthorized seller simply displays the name “Cleveland Guardians” in ordinary script and an image of the Cleveland Hope Memorial Bridge statues that inspired the team logo, it will risk dilution and sponsorship confusion claims.²⁵⁷ Sports fans will find a less-competitive market offering fewer options and higher-prices.

Notably, the baseball team’s trademark settlement with the Cleveland Guardians roller derby team permits both parties to continue to use the “Guardians” name and similar logos based on the iconic statues.²⁵⁸ If a baseball fan mistakenly purchases a roller derby team jersey, both teams would undoubtedly protest to any consumer

255. Aoki, *supra* note 30, at 530; *see also* Liu, *supra* note 30, at 507.

256. *See* L.L. Bean, Inc. v. Drake Publishers, Inc., 811 F.2d 26, 30 (1st Cir. 1987) (reversing injunction against noncommercial parody of mark that owner found offensive); *see also* San Francisco Arts & Athletics, Inc. v. US Olympic Comm., 483 US 522, 569 (1987) (Brennan, J., dissenting) (observing that the word “Olympic” has “a life and force” of its own with no “adequate translation”).

257. *See* Md. Stadium Auth. v. Becker, 806 F. Supp. 1236 (D. Md. 1992) (enjoining vendor from using “Camden Yards” name on apparel in infringement action by owner of Baltimore Orioles’ new stadium named for the historic “Camden Yards” district).

258. *See* Zagger, *supra* note 3.

protection agency that their marks are sufficiently distinct and non-deceptive.²⁵⁹ The teams would likely claim that the additional branding elements—different color schemes and depictions of the statues—minimize potential consumer confusion. In other words, the parties’ settlement agreement implicitly acknowledges that consumers are sufficiently sophisticated to differentiate among two sports teams sharing the same name, hometown, and iconography.²⁶⁰ Sports teams are thus having it both ways—disavowing consumer confusion when they profit from sharing their marks, while asserting that any other use of their marks invariably deceives or harms.²⁶¹

Competitive markets will face further impairment as the baseball team will likely stake out its claim to the name beyond the business of baseball, or even the business of sports. Expect the league and team to challenge any future attempt to register the word “guardians” or related symbols as trademarks in any geographic or product market. At a minimum, they will likely seek to extract rents from a new product, service, or sports team that seeks to use the mark, even if the use raises no prospect of consumer confusion.

The free use and evolution of language is also at risk in this scenario. Any merchandise that expresses support of—or griping about—the Cleveland baseball team will face opposition from the trademark owner, who will scrutinize the message for whether it communicates team sponsorship or approval, or potentially dilutes the mark. The slim chances of a fair use defense will likely chill the speech altogether.²⁶² A byproduct of this exclusive use will be the stifling of any ongoing cultural critique and appropriation of the words and

259. See, e.g., Complaint in *Suero v. NFL et al.*, 1:22-cv-00031 (S.D.N.Y. Jan. 4, 2022) (alleging false advertising and deceptive practices by NFL and the Giants and Jets teams for using New York in the names of teams that play in New Jersey).

260. See Zagger, *supra* note 3.

261. See *Harlem Wizards Ent. Basketball, Inc. v. NBA Properties, Inc.*, 952 F. Supp. 1084, 1095 (D.N.J. 1997) (endorsing NBA’s argument that rebranded Washington “Wizards” team did not create confusion with senior user of same name for “show basketball” team); Keegan Girodo, *Lookalike Logos: Is A High School’s Use of A Logo or Insignia Similar to That of A University A Violation Under the Lanham Act*, 28 MARQ. SPORTS L. REV. 463, 482 (2018) (describing how college athletic programs no longer demand same-name high school teams cease and desist, but instead bully them into licensing the college trademarks).

262. See *supra* note 252 and accompanying text.

symbols embedded in the team's marks, empowering the owner to fix and control their meaning.

B. Costs to Sports TM Owners

Why should any sports trademark owner—leagues, teams, athletes—care about the harms identified above? Because they are not without cost to those owners. Beyond the normal costs of enforcement,²⁶³ trademark bullying can deplete the very goodwill the brand is trying to build, especially when action is taken against fans, out-of-market uses, and recreational, amateur, and other lower level sports leagues and teams.²⁶⁴ When a sports trademark bully demands that a college, high school, or youth league forfeit its name, logo, or mascot, it alienates that community by forcing them to spend time and money to rebrand themselves and rebuild an identity.²⁶⁵ Overenforcement also forfeits any potential benefit the use could have generated, such as multiplying opportunities for consumer awareness, intensifying existing fan engagement, promoting purchases of official merchandise, and even inspiring participation in the sport.²⁶⁶ As noted elsewhere, merchandise displaying team names and symbols, even if unlicensed, “serves as free advertising, reminding people to go see or tune into a ballgame.”²⁶⁷

In addition, and somewhat ironically, sports mark owners' contributions to trademark commodification and overenforcement have started to come back to haunt them in the form of mounting impediments to the introduction of new marks and logos, and use of the

263. See Boyle & Jenkins, *supra* note 125, at 447 (2020) (citing estimates that a single trademark opposition proceeding can cost between \$90,000 to \$500,000).

264. Stacey Dogan, *Bullying and Opportunism in Trademark and Right-of-Publicity Law*, 96 B.U. L. REV. 1293, 1299 (2016) (observing that overenforcement of trademark deters socially valuable behaviors that impose little or no harm on the trademark owner); Leah Chan Grinvald, *Shaming Trademark Bullies*, 2011 WIS. L. REV. 625, 676 (2011) (arguing for small businesses and individuals to shame trademark bullies and deter future overenforcement).

265. See Armendariz, *supra* note 238, at 1277-78 (describing fan backlash against MLB's Philadelphia Phillies when it demanded that contestants in a homemade flying machine contest remove a replica of the team mascot, the Phillie Phanatic, from their machine).

266. See Armendariz, *supra* note 238, at 1276-77.

267. Kozinski, *supra* note 21, at 967-68.

vernacular to promote their own sports. For example, when the NHL expanded to Las Vegas in 2016 and tried to register the “Golden Knights” name, its new team faced obstacles arising from the very consumer expectations of affiliation that sports leagues have spent decades of litigation to establish.²⁶⁸ First, the USPTO rejected the team’s application on the grounds that it is similar to the Golden Knights name and logo of the College of Saint Rose, a small school in Albany, New York that competes in NCAA Division II. The trademark examiner found a likelihood of consumer confusion because professional and college sports both “offer sports entertainment of a kind available in the same venues, broadcast on television, and are generally available to the same class of consumers.”²⁶⁹

The NHL fought back, arguing that professional teams routinely share the same nickname as college athletics programs, such as the Boston Bruins and UCLA Bruins, and that multiple “Knights” sports teams are already registered. Although the USPTO ultimately permitted the registration, it was limited to hockey exhibitions and not use on apparel and other merchandise because the modifier “Golden” appeared in only one other “Knights” registration—Saint Rose’s—and the college also used that mark for merchandise.²⁷⁰ Little consideration seems to have been given as to whether any consumer realistically would confuse the hockey team’s merchandise with that of a college with enrollment under 4,000 students.

The NHL Golden Knights also faced opposition from the US Army, which alleged that the hockey team’s name and logo are “confusingly similar in sound, meaning and appearance” to the Army’s parachute team also known as the Golden Knights.²⁷¹ The opposition further

268. See Lunney, *supra* note 21, at 396-97 (observing that legal prohibition of unlicensed uses of a mark will shape consumer expectations of sponsorship); Denicola, *supra* note 134, at 1668 (describing how sports trademark owners’ legal victories have fed consumer assumptions about whether the owners have the legal right to control all use).

269. *In re Las Vegas Golden Knights*, No. 87147269 (U.S.P.T.O. Dec. 16, 2016).

270. See Zachary Zagger, *Vegas Golden Knights Score Hockey TMs*, LAW360 (Aug. 7, 2017), <https://www.law360.com/articles/951877/vegas-golden-knights-score-hockey-tms> (reporting that the team also had to contend with trademark “squatters” on variations of the name, including Black Knights).

271. GOLDEN KNIGHTS, Opp’n No. 91238886 (filed Jan. 10, 2018). The Army’s sports teams are known as the Black Knights. See also UTAH ROYALS FC,

alleged that the hockey team's use of the name would dilute the Army's marks and damage the Army by falsely creating an association between the two entities.²⁷² Not surprisingly the NHL disagreed that confusion is likely between a parachute team and a major league hockey team. Ultimately, though, it agreed to enter into a co-existence agreement that allowed the hockey team to register its marks while preserving the name for the army's parachute team.²⁷³ As of 2022, the Golden Knights hockey team continued to rely on common law trademark rights and state registrations, rather than federal registration, to proceed with use of its name on apparel and merchandise.

Sports team rebrandings have encountered similar hurdles. The Cleveland Guardians roller derby team was able to lodge a credible infringement claim against the MLB team that its use of the same name would invariably confuse consumers and overwhelm the roller derby team's rightful first use.²⁷⁴ Although quickly settled, that lawsuit's allegations exposed the obstacles the baseball team faced in trying to adopt a new team name rooted in local history and concordant with its stadium geography and team ethos.²⁷⁵ The roller derby team's complaint recites how, in April 2021, the baseball team filed an application for the "Guardians" name outside the United States, in Mauritius where any prior user would find it difficult to search the database of pending trademark applications.²⁷⁶ By contrast, US trademark applications are maintained in a database that is searchable almost immediately. The baseball team filed a US trademark

Opp'n No. 91243302, ¶ 21 (filed Aug. 29, 2018) (MLB Kansas City Royals opposed National Women's Soccer League adoption of same name for Utah team, claiming it would dupe consumers into believing the teams are affiliated).

272. *Id.*

273. Emily Caron, *Golden Knights, U.S. Army End Trademark Dispute, Enter Coexistence Agreement*, SPORTS ILLUSTRATED (July 19, 2018), <https://www.si.com/nhl/2018/07/19/golden-knights-us-army-trademark-dispute-settled-agreement-reached>.

274. Complaint, ¶ 44 in *Guardians Roller Derby v. Cleveland Guardians Baseball Company LLC*, 1:21-cv-02035 (N.D. Ohio Oct. 27, 2021) [hereafter *Guardians Complaint*].

275. Michael Shapiro, *Here's Why Cleveland Chose "Guardians" for New Team Name*, SPORTS ILLUSTRATED (July 23, 2021), <https://www.si.com/mlb/2021/07/23/cleveland-guardians-name-change-decision-explained>.

276. *Guardians Complaint*, ¶ 22.

application only when it was ready to announce its new name in July 2021, claiming priority back to the Mauritius filing date.²⁷⁷

The roller derby team's complaint attributes this secrecy to the baseball team's scheme to bolster its negotiating position in settling any infringement suit.²⁷⁸ More likely, the baseball team was trying to minimize the risk that trademark squatters would file applications for the "Cleveland Guardians" name to extort the team. Keep in mind that any such squatter would necessarily be attaching the name to a dissimilar product or service, since no other major league baseball team plays in Cleveland. In a traditional trademark regime, such third-party applications would have far less nuisance value since it would be unlikely that consumers would confuse the baseball team and a squatter using the name in an unrelated industry. Historically, significant duplication and overlap has existed among sports teams, even in similar markets, reducing registration and branding costs.²⁷⁹ But under current trademark jurisprudence, the baseball team had to invest in stealth and, ultimately, in a settlement with the same-named roller derby team, despite the difference in the sports and their fan bases. Although the settlement agreement is confidential, both parties will continue to use the Guardians name, imposing additional costs on the baseball team to ensure it differentiates its colors and logos to counter consumer expectations of affiliation.²⁸⁰

Likewise the Washington Football Team struggled in its rebranding efforts after retiring its former "Redskins" name in July 2020.²⁸¹ Pending the selection of a new name, it sought to register "Washington Football Team," and was denied because of its generic geographic nature and a pending application for that name by a noted trademark squatter.²⁸² A favored name—the "RedWolves"—was ruled out

277. Guardians Complaint, ¶ 29.

278. Guardians Complaint, ¶ 30.

279. See Darryl C. Wilson, *The Legal Ramifications of Saving Face: An Integrated Analysis of Intellectual Property and Sport*, 4 VILL. SPORTS & ENT. L.J. 227, 260 n. 175 (1997) (noting "literally thousands of teams that share names across the country"); Curtis & Stempler, *supra* note 9, at 28-29 (noting that over 10 Division I college teams named "Tigers" or "Wildcats").

280. See Zagger, *supra* note 3.

281. See Zagger, *supra* note 8.

282. See Andrew Lind, *Washington Football Team's Application to Trademark Name Denied*, SPORTSLOGOS (June 21, 2021),

because of the “legal hurdles” and “the prospect of years of litigation” imposed by that name’s use by Arkansas State University, among others.²⁸³ Its ultimate choice—the Commanders²⁸⁴—is also the name of the San Antonio, Texas team in the once-and-future Alliance of American Football, a professional football league that folded in 2019 but reportedly may be making a comeback.²⁸⁵ As of this writing, information was not available regarding any trademark dispute between the two teams or how it was resolved, but the EUIPO approach would likely have permitted the overlap.²⁸⁶

Trademark’s protection of sports catchphrases imposed costs on Major League Baseball, which had to sue to protect its use of the term “opening day” in the face of a clothing manufacturer’s claim to own that term.²⁸⁷ Although MLB established its use was non-infringing, the rationale for the decision offers little comfort for future access to common sports parlance. The court did not reject the “opening day” mark outright as too generic.²⁸⁸ Instead, it found that the manufacturer could not show its use of the mark was sufficiently deliberate and continuous, or that MLB’s use would result in consumer confusion.²⁸⁹ Categorizing the mark as descriptive, the court allowed that if it had

<https://news.sportslogos.net/2021/06/21/washington-football-teams-application-to-trademark-name-denied/football/>.

283. See *supra* notes 5-9 and accompanying text.

284. John Kelm, *Washington selects Commanders as new NFL team name after two-season process*, ESPN (Feb. 2, 2022), https://www.espn.com/nfl/story/_/id/33199548/washington-selects-commanders-new-team-name-two-season-search (reporting Native American pressure on the Kansas City Chiefs to similarly rebrand).

285. W. Scott Bailey, *Commanders comeback a possibility for San Antonio*, SAN ANTONIO BUS. J. (Feb. 25, 2021), <https://www.bizjournals.com/sanantonio/news/2021/02/25/commanders-comeback-a-possibility-for-san-antonio.html>.

286. See *supra* notes 170-71 and accompanying text describing overlapping team name designations permitted by the EUIPO.

287. *Major League Baseball Properties, Inc. v. Opening Day Prods., Inc.*, 385 F. Supp. 2d 256 (S.D.N.Y. 2005).

288. *Opening Day Prods.*, 285 F. Supp. 2d at 272-73.

289. *Opening Day Prods.*, 285 F. Supp. 2d at 266.

acquired secondary meaning, the Lanham Act would indeed offer it protection.²⁹⁰

Major League Soccer (MLS) continues to face analogous obstacles to its use of “Inter Miami” in connection with its South Florida team. MLS registered trademarks for the team’s formal designation as Club Internacional de Futbol Miami, as well as its nickname Inter Miami.²⁹¹ It then opposed a trademark application for the term “inter” standing alone, filed by Inter Milan, the Italian Serie A soccer club. MLS protested that the term “inter” is descriptive and in widespread use in soccer at all levels as a shorthand for “international.”²⁹² Although there was little risk that the MLS team would have to change its name, it was concerned about future use of “inter” on team apparel and merchandise. Uncertainty remains after the Trademark Trial and Appeal Board (TTAB) rejected MLS’s opposition in part and directed the parties to litigate whether “inter” is descriptive and should not be registered, or whether the term has acquired sufficient distinctiveness to endow Inter Milan with exclusive rights.²⁹³ The ongoing fight over the use of the word complicates the worldwide practice of incorporating common descriptive terms like “inter,” “real,” and “united” into soccer team

290. *Opening Day Prods.*, 285 F. Supp. 2d at 273; *compare* *Bauer Bros., LLC v. Nike, Inc.*, 159 F. Supp. 3d 1202, 1207 (S.D. Cal. 2016) (rejecting descriptive fair use defense at summary judgment stage of infringement action against manufacturer of “Don’t Tread on Me” shirts used to promote the US men’s national soccer team); *Dallas Cowboys Football Club, Ltd. v. Am.’s Team Properties, Inc.*, 616 F. Supp. 2d 622, 636 (N.D. Tex. 2009) (finding the Dallas Cowboys’ use of “America’s Team” has acquired secondary meaning and justifies cancellation of shirt manufacturer’s registration for the mark).

291. CLUB INTERNACIONAL DE FUTBOL MIAMI MMXX, Registration No. 88129638 (filed Sept. 24, 2018 by Major League Soccer, L.L.C.); INTER MIAMI CF, Registration No. 88410795 (filed May 1, 2019 by Major League Soccer L.L.C.).

292. MAJOR LEAGUE SOCCER, L.L.C., Opposer, v. F.C. INTERNAZIONALE MILANO S.P.A., Applicant., 2020 WL 889958 (Trademark Tr. & App. Bd.).

293. MAJOR LEAGUE SOCCER, L.L.C., v. F.C. INTERNAZIONALE MILANO S.p.A., 2020 WL 8340222 (Trademark Tr. & App. Bd.); *Inter Milan Wins First Battle Against Inter Miami Over ‘Inter’ Trademark – Is Settlement Next?*, JDSUPRA (Mar. 16, 2021), <https://www.jdsupra.com/legalnews/inter-milan-wins-first-battle-against-3904275/> (reporting that the two teams were in settlement talks).

names “to project credibility in the sport’s culture.”²⁹⁴ Obstacles to sharing such cultural capital could stall soccer’s globalization and hamper the business and growth of American teams.

Another industry stakeholder—the athlete—also bears the cost of an overprotective trademark regime. The trademark merchandising right currently prevents athletes from, for example, using their team’s colors and logos descriptively when exploiting their own rights of publicity.²⁹⁵ A more permissive descriptive fair use doctrine would expand athlete opportunities and better communicate their identity to their audience. Like teams and leagues, athletes are also harmed by the vast increase in trademark applications, compelling them to register their own name and catchphrases “defensively to prevent others from capitalizing on their reputations.”²⁹⁶

Furthermore, any attempt by an athlete to incorporate popular images or slogans for cross-cultural and promotional purposes risks a challenge by trademark owners asserting their expressive monopoly.²⁹⁷ Thus, Australian tennis player Thanasi Kokkinakis found himself facing a court battle with breakfast cereal maker Kellogg’s following attempts to register the nickname “Special K,” which the sports media had bestowed on Kokkinakis and his doubles partner Nick Kyrgios.²⁹⁸ Kokkinakis planned to use the nickname to market branded clothing

294. Leander Schaerlaeckens, *Inter vs. Inter Is the Soccer Rivalry Trademark Lawyers Can Love*, N.Y. TIMES (Mar. 16, 2021), <https://www.nytimes.com/2021/02/18/sports/soccer/inter-milan-inter-miami.html>.

295. See *Major League Baseball Properties, Inc. v. Salvino, Inc.*, 420 F. Supp. 2d 212, 223 (S.D.N.Y. 2005), *aff’d*, 542 F.3d 290 (2d Cir. 2008) (MLB allowed to pursue claim that team uniform colors have achieved secondary meaning prohibiting their unlicensed use); *Nat’l Football League Props. v. Playoff Corp.*, 808 F. Supp. 1288, 1293 (N.D. Tex. 1992) (football card manufacturer who had licensed player likenesses for trading cards could not rely on fair use defense to include team logos as they appeared on player uniforms).

296. See Roberts, *supra* note 121, at 483 (describing the experience of athletes and coaches who register trademarks for the control it affords).

297. See, e.g., *Easter Unlimited, Inc. v. Rozier*, No. 18-CV-06637 (KAM), 2021 WL 4409729, at *1-*2 (E.D.N.Y. Sept. 27, 2021) (owner of “Scream” horror film mask claimed infringing use by NBA basketball player known for his on-court killer instincts).

298. See, e.g., Emma Kemp, *Kyrgios and Kokkinakis Revel in Another Wild Showing of Special K Double Act*, THE GUARDIAN (Jan. 25, 2022), <https://www.theguardian.com/sport/2022/jan/25/kyrgios-and-kokkinakis-revel-in-another-wild-showing-of-special-k-double-act-australian-open>.

and tennis wear. Kellogg's opposed his trademark application and in turn sought to register their own "Special K" trademark in identical classes to that of Kokkinakis—outside of the goods the company typically produces.²⁹⁹ Although most spectators would consider confusion as to source of origin unlikely, Kokkinakis backed down rather than litigate the claim.

For trademark owners, the question thus is whether the monopoly afforded by overprotection justifies its costs—loss of goodwill, missed exposure opportunities, increased expense of registration and clearance, litigation risk, reduced access to cultural capital, and commercial linguistic scarcity that burdens market entry and expansion. Recent developments in trademark, and the comparative approaches of the EU and UK, offer an opportunity to identify new strategies and spheres of compromise where looser conception and enforcement of trademark rights will actually benefit the sports industry, and its fans and consumers.

IV. BREAKING THE HUDDLE: A NEW SPORTS TRADEMARK STRATEGY

While trademark law is unlikely to revert to its early Lanham Act days, a new strategy for sports trademarks would go far to restore a more equitable balance at least in that industry, with possible spillover effects in others. This strategy entails some compromises and initiatives situated in approaches to trademark registration, litigation, and legislation.

First, trademark registration reforms offer the opportunity to recalibrate what could and should be afforded registry privileges. A consortium of sports mark owners should invest in a program to take advantage of the Trademark Modernization Act's *ex parte* expungement and reexamination procedures.³⁰⁰ Major league sports trademark owners already cooperate on intellectual property matters. MLB Properties, NBA Properties, NFL Properties, NHL Enterprises, and IMG College Licensing collaborate to combat counterfeit merchandise through an organization known as CAPS—Coalition to

299. *Special K: Tennis Player in Legal Battle with Kellogg's Over Nickname*, THE GUARDIAN (Jan. 8, 2017), <https://www.theguardian.com/sport/2017/jun/08/special-k-kokkinakis-legal-battle-kelloggs>.

300. See *supra* notes 150-54 and accompanying text.

Advance the Protection of Sports Logos. CAPS has established a joint trademark enforcement program—both civil and criminal—and a website that promotes consumer awareness of how to identify counterfeit jerseys and other merchandise.³⁰¹ A separate, overlapping group coordinates advocacy in front of the Copyright Royalty Board (CRB) to pursue statutory royalty fees. The CRB “Joint Sports Claimants” comprise MLB, NBA, NFL, NCAA, NHL, and the Women’s National Basketball Association.³⁰²

Likewise, in connection with the TMA, sports entities could enter a joint representation agreement, select intellectual property counsel, and have them scour the registry for unused sports-related trademarks. Ideally, this federal registry reform group would expand to include players associations and governing bodies of individual sports.³⁰³ Broad participation would keep the process honest and equitable, decluttering the registry of unused or abandoned trademarks of consortium members as well as squatters and other third parties. The rewards would inhere to both the sports entities and the broader sports market, ultimately making new trademarks more accessible and clearance and registration more cost-efficient for all. As a role model for this type of effort, the USPTO should avail itself of director-initiated proceedings to launch a sweeping review of dormant trademarks across all industries.

In the spirit of the TMA’s intent, the USPTO should also establish clearer guidelines for its examiners in evaluating registration applications, with the goal of simplifying the process for legitimate businesses to clear and register marks actually being used in commerce. That would entail closer attention to the trademark use and distinctiveness requirements for registration, rejecting purely functional

301. See *Quick Tips for Identifying CAPS Members’ Counterfeit Product*, CAPS, <http://www.capsinfo.com/index.php/quick-product-id/40-quick-tips-for-identifying-counterfeit-product> (last visited Apr. 10, 2022).

302. See *Adjustment of Cable Statutory License Royalty Rates*, 81 FR 24655-01, 24656 n.3 (Apr. 26, 2016) (identifying the members of the Joint Sports Claimants); *Indep. Producers Grp. v. Libr. of Cong.*, 792 F.3d 132, 136 (D.C. Cir. 2015) (noting arguments of Joint Sports Claimants in seeking a share of cable royalty funds).

303. These might include Major League Soccer, the Professional Golfers Association, the Association of Tennis Professional, and the Players Associations of all these entities.

attributes and stand-alone descriptive terms.³⁰⁴ The process should also incorporate a stronger *ex ante* inquiry into the likelihood that a consumer might confuse two separately owned trademarks, pursuant to the Lanham Act provision that allows registration of similar marks when the USPTO “determines that confusion, mistake, or deception is not likely to result.”³⁰⁵

With respect to sports industry marks, that inquiry should take into account the nature of the owners, the custom of the industry, and the categories of products and services. Accordingly, historical naming customs should permit legitimate applicants to register common team names in different sports and/or markets. So a professional baseball team could share a name with a local roller derby team or a little league team, a state university could share a name with a local high school, and any soccer team could incorporate “inter” into its name, without any of the litigation threats, co-existence agreements, and extortionate licensing deals currently in use.

Correspondingly, registration should be denied to names consisting of descriptive sports terms or common catchphrases, especially in light of the Supreme Court’s decisions in *Tam* and *Brunetti*.³⁰⁶ Those rulings sent a clear message to the USPTO that the registration process may not be effectuated in a manner that offends the First Amendment.³⁰⁷ Accordingly, in evaluating a mark’s “distinctiveness” to determine whether it has achieved secondary meaning, the examiners should take into account the risk of chilling the use of descriptive, informational, or popular terms and phrases.³⁰⁸ A 2021 decision of the Trademark Trial and Appeal Board suggests support for this view. In a precedential decision, the TTAB upheld the opposition of the University of Kentucky to deny a third party’s registration of “40-0,” a reference to a

304. See 15 U.S.C. § 1052(e); see Considerations Relevant to Determination of Descriptiveness or Genericness in the Trademark Manual of Examining Procedure § 1209.03 *et seq.* (2021).

305. 15 U.S.C. § 1052(d).

306. See *supra* note 143-149 and accompanying text.

307. See *Matal v. Tam*, 137 S. Ct. 1744, 1747, 1751 (2017); *Iancu v. Brunetti*, 139 S. Ct. 2294, 2300 (2019).

308. See *Ramsey*, *supra* note 45, at 466 (arguing that “[i]nherently valuable expression registered as a mark should never become immune from cancellation”).

perfect basketball season record in NCAA Division I competition.³⁰⁹ The TTAB found the term is merely an informational phrase that fails to function as a trademark.³¹⁰ More importantly, the TTAB acknowledged that an applicant “cannot appropriate the term exclusively to itself, denying the competing colleges, as well as their fans, the right to use it freely.”³¹¹

EUIPO registration decisions also take a common-sense approach, endorsing the peaceful co-existence of similar marks in adjacent markets.³¹² An example from sports is a case involving AC Milan, yet another Italian Serie A soccer team from Milan.³¹³ Marriott Hotels had filed an opposition to the EUTM registration of AC Milan, based on its ownership of the mark AC Hotels Marriott, including the AC Hotel Milano.³¹⁴ The CJEU found no risk of confusion between the two trademarks, reasoning that the abbreviation AC (an acronym for “Associazione Calcio” or football club) was descriptive, and that the two marks conveyed sufficiently different concepts to avoid a public impression that the two companies are economically linked.³¹⁵ The

309. Univ. of Ky. v. 40-0, LLC, Opposition No. 91224310, No. 86534269, 2021 TTAB LEXIS 68, at *42 (T.T.A.B. Mar. 4, 2021).

310. *Id.* at *37 (the term “indicat[es] historical or aspirational perfect basketball seasons, not the source of the T-shirts); see also In re DePorter, 129 U.S.P.Q. 2d 1298, 1302, 2019 TTAB LEXIS 7, *14 (T.T.A.B. Jan. 29, 2019) (rejecting as “merely informational” registration of #MAGICNUMBER108 to express affiliation for the Chicago Cubs baseball team and their pursuit of a 2016 World Series win 108 years after their last one).

311. Univ. of Ky. V. 40-0, at *42.

312. For example, the EUIPO allowed Valencia CF, a soccer club in the Spanish La Liga, to register an updated bat logo for use in all merchandise categories, over opposition by DC Comics, creators of the Batman superhero, which protested the similarity. See *Valencia and Batman Shake Hands*, MARCA (June 6, 2021), <https://www.marca.com/futbol/valencia/2021/06/06/60bc97aeca47415d478b4625.html> (reporting Valencia CF agreed not to use its logo on fictional characters); Mike Keegan, *Holy Trademark! Batman creators DC take on Valencia over logo*, BBC SPORT (Nov. 21, 2014), <https://www.bbc.com/sport/football/30143924> (reporting that Valencia CF had been using the bat logo since 1919, and the City of Valencia has been associated with bats since a 13th century military battle when one made a serendipitous appearance).

313. *Marriott Worldwide Corp v European Union Intellectual Property Office (EUIPO)* (T-28/18), [2019] E.T.M.R. 46.

314. *Marriott Worldwide*, ¶ 6.

315. *Marriott Worldwide*, ¶¶ 51, 95, 104, 116.

court preserved the use of AC for other soccer clubs in holding that “the consumer normally perceives a mark as a whole and does not engage in an analysis of its various details.”³¹⁶ The ruling reaffirms that likelihood of confusion analysis should be grounded in the realistic perceptions of the relevant public, a logic that would permit Inter Miami, Inter Milan, and soccer clubs worldwide to share use of the descriptive “inter.”³¹⁷

Second, sports industry mark holders should re-orient their approach to infringement litigation. The very circularity they have relied on to expand the property right has now imposed the cost of hypervigilance and fed a misplaced concern about the risk of a mark being deemed abandoned. As noted elsewhere, courts have been “highly forgiving” towards sports trademark owners where an unauthorized user has claimed abandonment.³¹⁸ Trademark owners are not required to sue every single infringer, and “can legitimately take a cost-effective litigation strategy” that focuses on situations presenting a significant likelihood of confusion.³¹⁹ Sports entities are safe in selectively objecting to uses that actually impose harm, while not opposing others.³²⁰ Instead, sports marks owners could invest in a

316. *Marriott Worldwide*, ¶ 101; *cf.* *Associazione Calcio Milan SpA v. EUIPO*, T-353/20 (Nov. 11, 2021) (rejecting registration of AC Milan for stationery and office supplies because of prior registration of Milan in that category).

317. *See supra* notes 291-94 and accompanying text.

318. Rebecca Tushnet, *What's the Harm of Trademark Infringement?*, 49 AKRON L. REV. 627, 632 and n. 16 (2016); *see, e.g., Indianapolis Colts, Inc. v. Metro. Baltimore Football Club Ltd. P'ship.*, 34 F.3d 410 (7th Cir. 1994) (rejecting claim that sports team had abandoned its former city-designation by relocating to a new home city).

319. J. Thomas McCarthy, “*Abandonment*” by failure to prosecute infringers in 3 McCarthy on Trademarks and Unfair Competition § 17:17 (5th ed.); *see* Mark A. Lemley, *Fame, Parody, and Policing in Trademark Law*, 2019 MICH. ST. L. REV. 1, 10–11 (2019) (arguing that trademark owners should not police against non-infringing uses like parody, criticism, and non-trademark or nominative use, which don't actually violate their rights).

320. *See New York City Triathlon, LLC v. NYC Triathlon Club, Inc.*, 704 F. Supp. 2d 305, 332, 95 U.S.P.Q.2d 1451 (S.D. N.Y. 2010) (NYC Triathlon athletic event succeeded in obtaining preliminary injunction against unaffiliated use for athletic equipment even though it had not sued a third party called the New York Triathlon Club); *Chicago Bears Football Club, Inc. v. 12th Man/Tennessee LLC*, 83 U.S.P.Q.2d 1073, 2007 WL 683778 (T.T.A.B. 2007) (NFL Chicago Bears' decision not to sue fan websites that used its name had no relevance to team's successful

communication strategy that welcomes all displays and expressions of sports affiliation while urging consumers to prefer products that originate from the team.³²¹

For their part, courts should adopt a more consumer-oriented and free speech-protective approach like that found in a 2021 New York district court decision permitting an NBA player to use a pop culture meme in his promotional efforts.³²² Boston Celtic player Terry Rozier had acquired the nickname “Scary Terry” after developing a reputation around the league as a dangerous scorer.³²³ He started marketing clothing featuring the nickname and a cartoon depiction of himself wearing the “Ghost Face” mask associated with the “Scream” horror films, without licensing that image from its copyright and trademark owner.³²⁴ In the infringement suit that followed, the court characterized Rozier’s use as parody, satire, and sufficiently transformative to establish both a copyright and trademark fair use defense.³²⁵ Significantly, the court found Rozier’s use of the image served a niche market that did not overlap with the Ghost Face owner’s consumer base, and did not result in any actual consumer confusion.³²⁶

Beyond fair use defenses, judicial enforcement of private trademark rights must defer to the speech-protective limitations imposed by *Tam* and *Brunetti*, just as in the registration context. While commercial speech, such as trademark, is protected by the First Amendment, a trademark plaintiff is able to overcome constitutional limitations when an unauthorized use of its mark is deceptive or

opposition to website registration of mark “12th Bear” for jewelry, clothing, and other merchandise).

321. See Kugler, *supra* note 49, at 1925 (noting mixed motives of sports fans wanting to wear team colors regardless of jersey quality while not wanting to buy unauthorized products if it cheats an organization to which they are loyal); Tushnet, *supra* note 98, at 629 (observing that consumers care about the sponsorship of and are willing to pay more for official sports memorabilia).

322. *Easter Unlimited, Inc. v. Rozier*, No. 18-CV-06637 (KAM), 2021 WL 4409729, at *2 (E.D.N.Y. Sept. 27, 2021).

323. Rozier, at *5.

324. Rozier, at *8.

325. Rozier, at *78-79.

326. Rozier, at *69.

confusing.³²⁷ However, to the extent that current trademark laws restrict more than false or misleading speech, they may be vulnerable to constitutional attack.³²⁸ Dilution laws are most susceptible, given that they spurn the need to establish consumer confusion, actual economic harm, or even actual blurring or tarnishing. Especially in the sports industry, dilution laws have thereby defied historical and cultural norms for naming teams, and have been used to encroach on other entities' access to a wide range of words, symbols, slogans, and colors to offer unrelated goods or services.³²⁹ In addition, noncommercial uses of sports marks in parodies and in fan and media commentary on websites and elsewhere have been curtailed based on a likelihood of tarnishing.³³⁰ First Amendment challenges to such applications of trademark law now have a better chance of success, especially where the challenge amounts to disapproval of expressive content or relies on vague standards that chill free speech.³³¹

In addition, as Glynn Lunney has suggested³³² and as is routinely the practice in the EU and UK, courts should award reasonable attorneys' fees to prevailing parties in trademark disputes.³³³ The Lanham Act already authorizes this shift in its provision for awarding reasonable attorney fees to prevailing parties in "exceptional cases."³³⁴ Further congressional authorization for fee-shifting would not be required if courts redefined "exceptional" to encompass cases that fall outside trademark's core zone of protecting purchasers from confusion

327. Mark A. Lemley & Eugene Volokh, *Freedom of Speech and Injunctions in Intellectual Property Cases*, 48 DUKE L.J. 147, 219 (1998).

328. See Ramsey, *supra* note 45, at 456-57.

329. Glynn Lunney distinguishes between imitation to deceive consumers, and imitation as competition, the latter of which is desirable because it promotes consumer welfare. See Lunney, *Trademark Monopolies*, *supra* note 21, at 481.

330. See, e.g., *supra* note 89-94 and accompanying text.

331. See *Dallas Cowboys Cheerleaders, Inc. v. Pussycat Cinema, Ltd.*, 604 F.2d 200, 205 (2d Cir. 1979) (enjoining film that parodied the Cowboys' cheerleaders in part because it was "sexually depraved"); Ramsey, *supra* note 45, at 460-61 (arguing that dilution laws cannot withstand constitutional scrutiny).

332. Lunney, *Trademark's Judicial De-Evolution*, *supra* note 34, at 1259.

333. See EUTMR Art. 109(1); Theodore Eisenberg, *Geoffrey P. Miller, The English Versus the American Rule on Attorney Fees: An Empirical Study of Public Company Contracts*, 98 CORNELL L. REV. 327, 329 (2013) (noting that the "English rule" of loser pays is the norm in most Western legal systems other than the U.S.).

334. 15 U.S.C.A. § 1117(a).

as to a good's source.³³⁵ So plaintiffs that pursued more esoteric theories of consumer confusion, such as sponsorship or post-sale confusion, would risk paying the defendant's litigation expenses should they lose.³³⁶ Such awards would serve as a deterrent to overly aggressive enforcement proceedings, as well as an incentive to trademark defendants to litigate when they otherwise might throw in the towel.³³⁷

Third, members of Congress have more work to do in reforming the Lanham Act's constitutionally suspect provisions—before the Supreme Court does it for them again. While it is unlikely that Congress will outright repeal the dilution laws, it could amend the statute to clarify its constitutional parameters and narrow the scope of protection. The EU Trade Mark Regulations provide a helpful model by immunizing from infringement liability third party uses that accord with industry norms or comprise artistic expression, and by expressly directing the law to be “applied in a way that ensures full respect for fundamental rights and freedoms, and in particular the freedom of expression.”³³⁸ Accordingly, Congress should elucidate statutory fair use defenses to include immunity for non-misleading use of words and symbols in a way that is ornamental, functional, informational, or culturally significant.³³⁹

Congress should also enact an “unjustified threats law,” styled after the one in the UK, to prevent the misuse of threats to intimidate or gain an unfair advantage in circumstances where no trademark infringement has actually occurred.³⁴⁰ Under the UK law, the threat test asks if the communication would reasonably be understood by a recipient to mean that someone intends to bring infringement proceedings, and it encompasses mass communications such as press releases, not just

335. Lunney, *Trademark's Judicial De-Evolution*, *supra* note 34, at 1260.

336. *Id.*

337. *Id.* at 1259.

338. EUTMR Recital 21.

339. *See* Ramsey, *supra* note 45, at 467 (advocating for expressly codifying fair use defenses for comparative advertising, news reporting, consumer product reviews, teaching, scholarship, criticism, commentary, parody, satire, and other editorial, educational, literary, or artistic uses).

340. *See* Intellectual Property (Unjustified Threats) Act 2017, Trade Marks Acts 1994 § 21 *et seq.*; *supra* note 197-98 and accompanying text.

those made to an identified individual.³⁴¹ A threat is considered unjustified if the asserted right is not infringed or is invalid.³⁴² The claimant in a threats action can seek a declaration that the threats lacked justification, damages, and an injunction to prevent further threats.³⁴³ Applied to the sports industry, the availability of such relief raises the stakes for a trademark owner in sending cease-and-desist letters in many of the cases described herein. It would inhibit trademark enforcement overreach and resolve some of the asymmetries and neglect of consumer welfare in trademark litigation.³⁴⁴

CONCLUSION

The greater distance we have traveled from traditional trademark, the greater harm to consumer welfare, competitive markets, and free expression. Overprotection of trademark also imposes costs on the trademark system itself, as it becomes the tool of bullies who use it to serve only corporate interests, to the detriment of the public interest. The sports industry offers a stark example of this phenomenon, as the originator of the merchandising right and one of the most aggressive exponents of proprietary rights over words, symbols, colors, and popular phrases. Despite how small the benefit derived from any one enforcement scenario, sports mark owners have insisted on excluding even non-trademark uses that pose no realistic threat of consumer confusion.

This trademark aggression is not without cost to the sports mark owners themselves, squandering goodwill and exposure opportunities, overspending on litigating the boundaries of their trademarks and on establishing new marks, and grappling with the increasing linguistic scarcity they helped create. Developments in the US and abroad, and the example of EU and UK trademark laws, recommend calling a timeout on this strategy. It would better serve sports mark owners to reallocate trademark protection budgets to help clear out the deadwood

341. Trade Marks Act 1994 § 21.

342. Trade Marks Act 1994 § 21A.

343. Trade Marks Act 1994 § 21C.

344. Glynn Lunney has analogously advocated to amend the Lanham Act to recognize a strategic lawsuit against competition (SLAC) defense—and a corresponding motion to strike—for all trademark defendants, akin to a SLAPP statute. See Lunney, *Trademark's Judicial De-Evolution*, *supra* note 34, at 1270-71.

from the federal trademark registry and reorient consumer expectations to allow for displays and expressions of sports affiliation that don't necessarily originate from the team. As a dominant force in the commodification of trademark, they are best situated to restore a balance that respects consumer interests and facilitates competitive markets.

Other actors—namely regulators, courts, and Congress—have an opportunity to redirect trademark law with new strategies for registration, adjudication, and legislation. Trademark examiners should internalize the import of the Trademark Modernization Act and recent Supreme Court decisions with a more speech-protective approach to registration and cancellation. Courts should similarly heed that message in considering whether legal prohibition is justified for a range of allegedly infringing or diluting uses that cause minimal or irrelevant confusion, where enforcement would inhibit market entry, free expression, and access to cultural capital. And Congress should enact countermeasures to deal with trademark overprotection, including clarifying available defenses, enacting a cause of action to deter and punish bullies, and reciting the societal values at stake.