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## Anti-Monopoly, Inc. v. General Mills Fun Group, Inc.: Ending the Monopoly on Monopoly

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# ANTI-MONOPOLY, INC. v. GENERAL MILLS FUN GROUP, INC.: ENDING THE MONOPOLY ON "MONOPOLY"

## I. INTRODUCTION

In *Anti-Monopoly, Inc. v. General Mills Fun Group, Inc. (Anti-Monopoly II)*,<sup>1</sup> the Ninth Circuit Court of Appeals held that the trademark registration of MONOPOLY<sup>2</sup> for Parker Brothers' popular real estate board game was invalid because the term had become "generic."<sup>3</sup> This followed an earlier decision by the Ninth Circuit in the same case (*Anti-Monopoly I*),<sup>4</sup> which set out the basic test to be used to determine if MONOPOLY was "generic."

These decisions have received criticism from commentators<sup>5</sup> and trademark lawyers,<sup>6</sup> have provoked alarm among trademark owners,<sup>7</sup> and have prompted political activity aimed at amending the Lanham Trademark Act.<sup>8</sup> This response is due to the court's departure from

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1. 684 F.2d 1316 (9th Cir. 1982), *cert. denied*, 103 S. Ct. 1234, *reh'g denied*, 103 S. Ct. 1805 (1983).

2. This Note uses MONOPOLY to refer to the trademark and "Monopoly" to refer to the game.

3. 684 F.2d at 1326. The Lanham Trademark Act, 15 U.S.C. §§ 1051-1127 (1976), provides for cancellation of a registered trademark "at any time if the registered mark becomes the common descriptive name of an article or substance." 15 U.S.C. § 1064(c) (1976). This is referred to as "genericness" in this Note.

4. *Anti-Monopoly, Inc. v. General Mills Fun Group*, 611 F.2d 296 (9th Cir. 1979).

5. 1 J. GILSON, TRADEMARK PROTECTION AND PRACTICES § 2.02(8) (1983); Zeisel, *The Surveys that Broke Monopoly*, 50 U. CHI. L. REV. 896 (1983); Note, *Monopoly, Anti-Monopoly: The Loss of Trademark Monopolies*, 8 COLUM. J. ART & L. 95 (1983); Note, *Genericide: Cancellation of a Registered Trademark*, 51 FORDHAM L. REV. 666 (1983).

6. Greenbaum, Ginsburg & Weinberg, *A Proposal for Evaluating Genericism After "Anti-Monopoly"*, 73 TRADE-MARK REP. 101 (1983); Hewitt & Krieger, *Anti-Monopoly—An Autopsy for Trademarks*, 11 AM. PAT. L.A. Q.J. 151 (1983); Barnaby, "Anti-Monopoly" and the Future of Trademarks in the Ninth Circuit, MERCHANDISING REP., Mar. 1983, at 4; Lefkowitz & Graham, *Court rules that "Monopoly" has Suffered Genericide*, LEGAL TIMES, Mar. 7, 1983, at 14; Sammons, *The Name of the Game, INC.*, Sept. 1983, at 28; L.A. Daily Journal, Sept. 12, 1983, at 7, col. 1. *Contra* Leiser & Schwartz, *Techniques for Ascertaining Whether a Term is Generic*, 73 TRADE-MARK REP. 376 (1983).

7. Barnaby, *supra* note 6, at 4-5; Lefkowitz & Graham, *supra* note 6, at 18; Sammons, *supra* note 6, at 28-29; L.A. Daily Journal, *supra* note 6.

8. 15 U.S.C. §§ 1051-1127 (1976). Senator Orrin G. Hatch (R. Utah) first introduced a bill, S. 1440, 98th Cong., 1st Sess., 129 CONG. REC. S8136-37 (daily ed. June 9, 1983), which would have amended 15 U.S.C. § 1064(c) by adding:

except that no registration of a mark shall be cancelled on the grounds that such mark has become a common descriptive name unless it is clear that in the minds of the consuming public the mark fails to indicate the source or quality of goods or

traditional trademark law in three areas: (1) the basic test used to determine when a trademark has become "generic;"<sup>9</sup> (2) the public opinion survey evidence which is applied to the basic test;<sup>10</sup> and (3) the effect of genus definition on the selection of survey evidence.<sup>11</sup>

This Note examines these three areas of departure and concludes that the approach adopted by the Ninth Circuit in these decisions is not clearly defined and as a result introduces confusion into the "genericness" determination. This Note also offers an alternative way of handling the facts of *Anti-Monopoly I & II* that would be more in harmony with traditional trademark functions and discusses less drastic remedies the court could have employed to protect the public from confusion while promoting fair competition.

## II. HISTORY OF "MONOPOLY"

The game "Monopoly" developed at some time between 1904 and 1934. From 1920 to 1932 it was played only on a few college campuses by a small group of individuals.<sup>12</sup> In 1931, the game was brought to Atlantic City, New Jersey, and the street names changed to Atlantic City street names. Charles Darrow, an unemployed salesman, was

services on which it is used. Purchaser motivation shall not be used to determine whether a mark is generic.

This was later revised and expanded and introduced by Senator Hatch and thirteen cosponsors as bill, S. 1990, 98th Cong., 1st Sess., 129 CONG. REC. S14,378-83 (daily ed. Oct. 21, 1983), which would amend 15 U.S.C. § 1064(c) by adding:

except that a registered mark shall not be deemed to be the common descriptive name of goods or services merely because such mark is also used as a proper name of or to identify a unique product or service. The primary significance of the registered mark to the purchasing public rather than purchaser motivation shall be the test for determining whether the registered mark has become the common descriptive name of goods or services in connection with which it has been used.

Representative Robert W. Kastenmeier (R. Wisc.) has also introduced a bill, H.R. 4460, 98th Cong., 1st Sess., 129 CONG. REC. H10,192 (daily ed. Nov. 17, 1983), which would amend 15 U.S.C. § 1064 by adding:

For purposes of subsection (c) of this section, a registered mark shall not be deemed to be the common descriptive name of a product merely because the mark is used to identify a unique product or service. The exclusive test for determining whether a registered trademark has become a common descriptive name shall be whether a majority of the relevant public understands the trademark to function as a mark or as a common descriptive name.

A Cabinet Council Working Group on Intellectual Property has been formed which will be chaired by Gerald J. Mossinghoff, Commissioner of Patents and Trademarks, and will consider the necessity for legislative redress to counteract the "mischief" of *Anti-Monopoly*. UNITED STATES TRADEMARK ASS'N, 38 GOVERNMENT AFFAIRS BULLETIN 21 (1983).

9. See *infra* notes 68-109 and accompanying text.

10. See *infra* notes 110-61 and accompanying text.

11. See *infra* notes 161-88 and accompanying text.

12. 684 F.2d at 1320; 611 F.2d at 299.

taught the game in late 1932 or early 1933 and given a handmade game board, rules and associated equipment.<sup>13</sup> Immediately thereafter, Darrow commenced commercially producing and selling "Monopoly" game equipment.<sup>14</sup>

In October 1933, Darrow obtained a copyright<sup>15</sup> on the game rules. Parker Brothers acquired all of Darrow's existing rights to "Monopoly" in March 1935.<sup>16</sup> In August 1935, Darrow applied for a patent<sup>17</sup> on "Monopoly" which was issued on December 31, 1935. He promptly assigned the patent to Parker Brothers.<sup>18</sup> It expired seventeen years later.<sup>19</sup>

From 1935 to 1952 Parker Brothers relied primarily on its patents to protect its rights to "Monopoly." After the patents expired, however, it began to concentrate on preserving the value of its MONOPOLY trademarks issued July 30, 1935, and September 15, 1936.<sup>20</sup> References to becoming the "monopolist" were eliminated from the game rules<sup>21</sup> and the "generic" expression "real estate trading game equipment" was

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13. 684 F.2d at 1320; 611 F.2d at 299. Darrow claimed to have invented the game, 684 F.2d at 1320, and is traditionally credited with having done so. L.A. Times, July 31, 1983, § 6 (View), at 2, col. 1.

14. 611 F.2d at 299. By late 1934, there had been 17,000 orders and Darrow decided to take on a professional partner. L.A. Times, *supra* note 13, at 2, col. 4.

15. Copyrights protect an author's original and fixed expressions from unlawful copying for a limited time as governed by the Copyright Act, 17 U.S.C. §§ 101-810 (1982). The Constitution confers on Congress the power "to promote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries." U.S. CONST. art. I, § 8, cl. 8.

16. 684 F.2d at 1320; 611 F.2d at 299. Parker Brothers also bought an alternate version called "Finance" from its owners in 1935 and the prior year had purchased a precursor to "Monopoly," "The Landlords Game," invented by Mrs. Elizabeth Maggie Phillips and patented by her in 1904 and again in 1924, to fully secure their rights to the game "Monopoly." 684 F.2d at 1320.

17. Patents protect an inventor's new, useful and unobvious inventions from unlawful use by others for a limited time as governed by the Patent Act, 35 U.S.C. §§ 1-376 (1976 & Supp. V 1981). The Patent Act arises under the same provision of the Constitution as the Copyright Act. *See supra* note 15. The Lanham Trademark Act, however, arises under the commerce clause, U.S. CONST. art. I, § 8, cl. 3, so that trademark registration is designed to regulate interstate commerce and need not be for a limited time. *Cf.* United States v. Steffens, 100 U.S. 82, 93-94 (1879) (Trademark Acts of 1870 and 1876 held unconstitutional when enacted under U.S. CONST. art. I, § 8, cl. 8).

18. 611 F.2d at 299.

19. *Id.*

20. *Id.* The *Anti-Monopoly I* court incorrectly listed one trademark registration as number 38,834. *Id.* The registered trademarks were actually numbered 326,723 and 338,834 respectively. *See Anti-Monopoly, Inc. v. General Mills Fun Group, Inc.*, 515 F. Supp. 448, 450 (N.D. Cal. 1981); *Anti-Monopoly, Inc. v. General Mills Fun Group, Inc.*, 195 U.S.P.Q. 634, 636-37 (N.D. Cal. 1977).

21. 611 F.2d at 299.

created to be used in conjunction with the MONOPOLY trademark on the game carton and in advertisements.<sup>22</sup> Since 1935 Parker Brothers has sold over 80 million sets of the "Monopoly" game for \$125 million and has spent over \$4 million in publicizing the trademark.<sup>23</sup>

### III. FACTS OF THE CASE

In 1971 Ralph Anspach, an economics professor, created a game to emphasize and support the values of the competitive private enterprise system.<sup>24</sup> It was first marketed unsuccessfully under the name "Bust the Trust" but achieved notable market success when the name was changed to "Anti-Monopoly." Since first being sold in December 1973, about 419,000 "Anti-Monopoly" games have been sold for close to \$1 million.<sup>25</sup> The United States Patent and Trademark Office rejected a 1973 trademark application for "Anti-Monopoly" because it concluded there was a possibility of confusion, mistake or deception.<sup>26</sup> This application was not pursued further.

Anti-Monopoly, Inc. (hereinafter Anti-Monopoly), a California corporation formed to produce and sell the game "Anti-Monopoly," sought a declaratory judgment in the Northern District of California<sup>27</sup> that, among other things, the trademark MONOPOLY was invalid and should be cancelled because it was initially or had become "generic."<sup>28</sup>

22. *Id.* These steps were taken "to keep the word MONOPOLY from falling into the public domain as a 'generic' term." *Id.* See generally 3 R. CALLMANN, UNFAIR COMPETITION, TRADEMARKS AND MONOPOLIES § 18.25 (L. Altman rev. 4th ed. 1983); 1 J. GILSON, *supra* note 5, § 2.02(7), (8)(c); 1 J. MCCARTHY, TRADEMARKS AND UNFAIR COMPETITION § 12:9 (1973); E. VANDENBURGH, TRADEMARK LAW AND PROCEDURE § 7.20 (2d ed. 1968); Diamond, *Properly Used, Trademarks Are Forever*, 68 A.B.A. J. 1575 (1982).

23. 515 F. Supp. at 450; 195 U.S.P.Q. at 637.

24. 611 F.2d at 299-300; 515 F. Supp. at 450; 195 U.S.P.Q. at 636. Anspach evidently set out to make the game after his son asked him what was wrong with being a monopolist after they had played a game of "Monopoly." Sammons, *supra* note 6, at 28.

25. 515 F. Supp. at 450; 195 U.S.P.Q. at 636.

26. 611 F.2d at 300. A trademark may be refused registration if it:

(d) Consists of or comprises a mark which so resembles a mark registered in the Patent and Trademark Office or a mark or trade name previously used in the United States by another and not abandoned, as to be likely, when applied to the goods of the applicant, to cause confusion, or to cause mistake, or to deceive . . . .

15 U.S.C. § 1052(d) (1976).

27. After Parker Brothers threatened suit, Anspach filed suit, locally, in order to keep expenses down. Sammons, *supra* note 6, at 28.

28. 195 U.S.P.Q. at 637. In addition, Anti-Monopoly sought a declaratory judgment that the trademark MONOPOLY was not infringed by its actions and was obtained by fraud, or the right to use it was acquired by means of a fraudulently obtained patent. *Id.* A registered mark which has been in continuous use for five consecutive years subsequent to its registration, as MONOPOLY had been, is incontestable, 15 U.S.C. § 1065 (1976), except if it "becomes the common descriptive name of an article or substance," 15 U.S.C. § 1064(c)

General Mills Fun Group, Inc. (hereinafter Parker Brothers), the successor to Parker Brothers, Inc.,<sup>29</sup> counterclaimed seeking a declaratory judgment of trademark validity and infringement as well as seeking an injunction precluding the use of "Anti-Monopoly" and destruction of all materials bearing that name.<sup>30</sup>

#### IV. REASONING OF THE COURTS

The *Anti-Monopoly I* district court found<sup>31</sup> that the trademark MONOPOLY, as applied to the real estate board game in question, was arbitrary and unique, or at most a suggestive title, so that it was validly registered without the necessity of proof of secondary meaning.<sup>32</sup> Arbitrary and fanciful<sup>33</sup> or suggestive<sup>34</sup> terms are entitled to registration without a showing that they have acquired a secondary meaning, while descriptive terms<sup>35</sup> require this showing.<sup>36</sup> In *Anti-Monopoly I* the district court noted that, secondary meaning would attach "to a word or phrase originally incapable of registration which has nevertheless been used so long and exclusively by a producer with regard to a product, that the word or phrase has come to mean that the article is that producer's product."<sup>37</sup>

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(1976), "the registration or the incontestable right to use the mark was obtained fraudulently," 15 U.S.C. § 1115(b)(1) (1976), or it comes under other sections not relevant here.

29. Parker Brothers is an unincorporated division of General Mills Fun Group, Inc. which has since become, by merger and change of name, CPG Products Corp., a subsidiary of General Mills, Inc. Petition for a Writ of Certiorari to the United States Court of Appeals for the Ninth Circuit at 1 n.1, CPG Prods. Corp v. Anti-Monopoly, Inc., 103 S. Ct. 1234 (1983).

30. 195 U.S.P.Q. at 637. Trademark infringement is defined at 15 U.S.C. § 1114 (1976), injunctive relief provided for by 15 U.S.C. § 1116 (1976), and destruction of infringing articles provided for by 15 U.S.C. § 1118 (1976).

31. Anti-Monopoly's demand for a jury trial was denied by the district court, *Anti-Monopoly, Inc. v. General Mills Fun Group, Inc.*, 195 U.S.P.Q. 633 (N.D. Cal. 1976), and the Ninth Circuit affirmed the district court's decision on this point. 611 F.2d at 307-08.

32. 195 U.S.P.Q. at 638 (citing *Abercrombie & Fitch Co. v. Hunting World, Inc.*, 537 F.2d 4, 11 (2d Cir. 1976)).

33. Arbitrary and fanciful terms have no meaning relative to the products with which they are used. Zivin, *Understanding Generic Words*, 63 TRADE-MARK REP. 173, 173 (1973). Examples are KODAK for cameras and CAMEL for cigarettes. *Id.*

34. Suggestive terms suggest or imply the characteristics of the products with which they are used. *Id.* Examples are BULLDOG for wall hangers and TALON for zippers.

35. Descriptive terms directly convey the characteristics of the product with which they are used, such as the product's color, order, function, dimensions, properties or ingredients. *Id.* at 174. Examples are FORMICA for a plastic laminate used as a substitute for mica and FEATHERCOMBS for a lightweight hair retainer. *Id.*

36. 195 U.S.P.Q. at 637-38. See *infra* notes 76-80 and accompanying text.

37. 195 U.S.P.Q. at 637. The Ninth Circuit in affirming a finding that the "pocket tab" on Levi Strauss blue jeans had acquired secondary meaning defined it as "a mental recogni-

The district court also found that MONOPOLY was not a "generic" term because it had not become the common descriptive name of the article: "The primary significance of MONOPOLY . . . is not that it describes all board games involving real estate trading but rather that it is the title of a particular and very popular board game produced by a single company."<sup>38</sup> Thus, MONOPOLY was different from trademarks found "generic" in the past.<sup>39</sup>

On Anti-Monopoly's appeal of the district court decision, the Ninth Circuit held that the district court had erred in determining the "genericness" of the trademark MONOPOLY by failing to differentiate between two crucial alternative meanings the trademark could have: (1) "a particular and very popular board game" or (2) a game "produced by a single company."<sup>40</sup> The Ninth Circuit was concerned that "if consumers think of MONOPOLY as a unique game, and differentiate it from all other real estate trading games by source-irrelevant characteristics, . . . MONOPOLY may constitute its own genus."<sup>41</sup> One approach to "genericness" has been determining whether a term refers to a genus like automobiles or a species like CHEVROLET. The Ninth Circuit held that the district court had short circuited this determination by presuming the relevant genus to be "all board games involving real estate trading"<sup>42</sup> when it might be "the game played by the rules of 'Monopoly.'<sup>43</sup> The Ninth Circuit stated the proper test for "genericness" as: "Do consumers use the term MONOPOLY primarily to denote the product, or instead to denote its producer?"<sup>44</sup> This test, in the Ninth Circuit's opinion, would avoid improper presumptions by courts as to the relevant genus by focusing entirely on con-

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tion in buyers' and potential buyers' minds that products connected with the symbol or device emanate from or are associated with the same source." *Levi Strauss & Co. v. Blue Bell, Inc.*, 632 F.2d 817, 820 (9th Cir. 1980). See also *Treece & Stephenson, Another Look at Descriptive and Generic Terms in American Trademark Law*, 66 TRADE-MARK REP. 452, 456-57 (1976) ("Secondary meaning, as a term of art, describes only a conclusion that a sufficient number of consumers regard a word as a symbol of source to justify treating it legally as a symbol of source.").

38. 195 U.S.P.Q. at 638.

39. *Id.* The court specifically named the "generic" terms, formerly trademarks, cellophane, *DuPont Cellophane Co. v. Waxed Prods. Co.*, 85 F.2d 75 (2d Cir.), cert. denied, 299 U.S. 601 (1936), thermos, *King-Seeley Thermos Co. v. Aladdin Indus.*, 321 F.2d 577 (2d Cir. 1963), and aspirin, *Bayer Co. v. United Drug Co.*, 272 F. 505 (S.D.N.Y. 1921). 195 U.S.P.Q. at 638.

40. 611 F.2d at 305-06.

41. *Id.* at 305.

42. *Id.* (quoting 195 U.S.P.Q. at 638).

43. 611 F.2d at 305.

44. *Id.*

sumer understanding.<sup>45</sup> The Ninth Circuit, therefore, reversed and remanded for further findings on the validity and enforceability of the MONOPOLY trademark consistent with the “proper” test.<sup>46</sup>

On remand, the *Anti-Monopoly II* district court considered further evidence but again found that MONOPOLY was not a “generic” term.<sup>47</sup> It relied on survey evidence introduced by Parker Brothers that showed 63% of those polled recognized MONOPOLY as a “brand name”<sup>48</sup> and over 55% correctly identified Parker Brothers as the sole producer of the game.<sup>49</sup> The district court rejected survey evidence, directed to why consumers buy the game “Monopoly,” offered by Anti-Monopoly because of methodological deficiencies<sup>50</sup> and because it viewed the dispositive issue as “not why consumers buy [‘Monopoly’] sets, but rather, what is their *understanding* of the name MONOPOLY?”<sup>51</sup> The court also thought a survey directed to why consumers buy a product would be unfair for a unique product like “Monopoly” because questions directed to whether a person buys a product for source-related as opposed to source-irrelevant characteristics<sup>52</sup> will elicit source-related responses only if the person can make a comparison with product substitutes, or near substitutes.<sup>53</sup>

On Anti-Monopoly’s appeal of the district court *Anti-Monopoly II* decision, the Ninth Circuit held that the district court’s finding that the trademark MONOPOLY primarily denoted its producer was clearly erroneous,<sup>54</sup> and that MONOPOLY had become “generic” so that it

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45. *Id.* at 306.

46. *Id.*

47. 515 F. Supp. at 455. The court received two additional surveys, *id.* at 453, and the testimony of four witnesses on the consuming public’s perception and usage of the term MONOPOLY. *Id.* at 450.

48. *Id.* at 454.

49. *Id.*

50. *Id.* at 453 n.4. The court found this evidence to be inherently biased towards a favorable outcome for Anti-Monopoly based on its part in choosing the survey language, overwhelmingly prone to errors of subjective grading and internally inconsistent. *Id.*

51. *Id.* at 454 (emphasis in original).

52. Some examples of source-related characteristics are price, style, durability or quality. *Id.* Source-irrelevant characteristics would describe some aspect of playing the game, such as enjoyable, fun, interesting or educational. 684 F.2d at 1324.

53. 515 F. Supp. at 454. Anti-Monopoly’s survey showed that of the people who had purchased “Monopoly” within the last couple of years or were planning to purchase it in the near future, 82% had bought or would buy it because of some aspect of the game (enjoyable, fun or interesting), 14% because it was educational, 7% because of some aspect of the equipment (style, durability or quality), and 1% because of price (percentages total more than 100 because some respondents gave more than one reason). 684 F.2d at 1324.

54. 684 F.2d at 1321-22.



was no longer a valid trademark.<sup>55</sup> The circuit court in reaching its decision relied on the two surveys offered by Anti-Monopoly which had been rejected by the district court. The first survey showed that 53% of the people polled were familiar with a business board game in which players buy, sell, mortgage and trade city streets, utilities and railroads, build houses, collect rents and win by bankrupting all other players; of that 53%, 80% would ask for MONOPOLY to buy the game.<sup>56</sup> The second survey, based in part on a hypothetical situation suggested in the Ninth Circuit *Anti-Monopoly I* decision,<sup>57</sup> showed that 92% of the people polled were aware of "Monopoly," the business board game produced by Parker Brothers; of that 92%, 62% had purchased "Monopoly" within the last couple of years or were planning to purchase it in the near future; of that 62%, 65% wanted a "Monopoly" game primarily because they were interested in playing "Monopoly" and did not much care who made it as opposed to wanting a "Monopoly" game primarily because they liked Parker Brothers' products.<sup>58</sup> The Ninth Circuit found no merit in the objections the district court had to this survey evidence;<sup>59</sup> it held that the first survey was compelling evidence that those familiar with the game would ask for it by the name "Monopoly"<sup>60</sup> and the second survey was a reasonable effort to support the conclusion that the purchaser asking for it by that name was using it in the sense of product.<sup>61</sup> The "brand-name" survey relied upon by the district court was rejected by the Ninth Circuit because: "Under the survey definition, 'Monopoly' would have to be a 'brand name' because it is made by only one company."<sup>62</sup>

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55. *Id.* at 1326.

56. *Id.* at 1323-24. The court called this the "Thermos" survey because it was based upon a survey used in *American Thermos Prods. Co. v. Aladdin Indus., Inc.*, 207 F. Supp. 9 (D. Conn. 1962), *aff'd sub nom. King-Seeley Thermos Co. v. Aladdin Indus.*, 321 F.2d 577 (2d Cir. 1963), where the trademark THERMOS was found to be "generic." 684 F.2d at 1323.

57. The Ninth Circuit had stated in *Anti-Monopoly I*:

It may be that when a customer enters a game store and asks for MONOPOLY, he means: "I would like Parker Brothers' version of a real estate trading game, because I like Parker Brothers' products. Thus, I am not interested in board games made by Anti-Monopoly, or anyone other than Parker Brothers." On the other hand, the consumer may mean: "I want a 'Monopoly' game. Don't bother showing me Anti-Monopoly, or EASY MONEY, or backgammon. I am interested in playing the game of Monopoly. I don't much care who makes it."

611 F.2d at 305-06.

58. 684 F.2d at 1324. The court called this the motivation survey. *Id.*

59. *Id.* at 1325-26. See *supra* notes 50-53 and accompanying text.

60. 684 F.2d at 1324.

61. *Id.* at 1325.

62. *Id.* at 1323. The people polled were told: "By brand name, I mean a name like *Chevrolet*, which is made by one company; by common name, I mean 'automobile,' which is

Thus, in finding the trademark MONOPOLY invalid because it had become "generic," the Ninth Circuit rejected the commonly used "brand-name" survey apparently because of "Monopoly's" status as a unique game made by only one company. Instead the Ninth Circuit embraced a new type of survey, the results of which purport to show that purchaser understanding of a product's name is reflected in the motivation of purchasers in using the name to ask for the product.

## V. ANALYSIS

### A. Departures from Traditional Trademark Law

The Ninth Circuit, in the two appeals by Anti-Monopoly, departed from traditional trademark law in three interrelated ways. First, the court, in a subtle departure from the traditional basic "genericness" test, moved away from tests giving a large measure of protection to registered trademarks.<sup>63</sup> The second departure, which created most of the adverse public reaction,<sup>64</sup> was the court's reliance upon the new "motivation" survey.<sup>65</sup> The final and most confusing departure was the court's definition of the relevant market and its determination that "Monopoly" constituted its own genus,<sup>66</sup> which led to the rejection of Parker Brothers' "brand-name" survey.<sup>67</sup> Each of these departures will be analyzed critically below.

#### 1. The basic test

The primary function of a trademark is the designation of the source of the goods to which it is affixed rather than the designation of the goods themselves.<sup>68</sup> Originally this source identification was important to ensure that a buyer could return to the same manufacturer from whom he had previously purchased goods in order to purchase additional goods or to fix the blame for faulty manufacture. The development of a highly complex industrialized society with multinational corporations, distributorships and franchise operations, however, has resulted in a separation of buyer and manufacturer.<sup>69</sup>

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made by a number of different companies." *Id.* (emphasis in original). See *supra* text accompanying notes 48-49 for survey results.

63. See *infra* notes 68-109 and accompanying text.

64. See *supra* notes 5-6.

65. See *infra* notes 121-61 and accompanying text.

66. See *infra* notes 162-69, 175-90, and accompanying text.

67. See *infra* notes 170-74 and accompanying text.

68. See 3 R. CALLMANN, *supra* note 22, § 18.01; 1 J. GILSON, *supra* note 5, § 2.01; 1 J. MCCARTHY, *supra* note 22, § 12:1; E. VANDENBURGH, *supra* note 22, § 9.20.

69. See 1 J. GILSON, *supra* note 5, § 1.03(1).

As early as 1927, a commentator argued that source identification was obsolete and that buyers had come to rely on the trademark as a guarantee of product quality emanating from a common, though anonymous, source.<sup>70</sup> In 1971, the Ninth Circuit expressed agreement with this viewpoint in *Siegel v. Chicken Delight, Inc.*,<sup>71</sup> an antitrust class action suit alleging a tying arrangement violating the Sherman Anti-Trust Act.<sup>72</sup> The court stated:

The historical conception of a trade-mark as a strict emblem of source of the product to which it attaches has largely been abandoned. The burgeoning business of franchising has made trade-mark licensing a widespread commercial practice and has resulted in the development of a new rationale for trade-marks as representations of product quality.<sup>73</sup>

The Lanham Trademark Act (the Act),<sup>74</sup> in line with the primary function of trademarks, provides for cancellation of a registered trademark "at any time if the registered mark becomes the common descriptive name of an article or substance."<sup>75</sup> The problem is to determine when a trademark has become the common descriptive name of a product rather than a guarantee of product quality.

The Act does not provide a precise standard for this determination;<sup>76</sup> the courts have developed a hierarchy of categories that relate to the trademark registrability of proposed terms.<sup>77</sup> The categories are: (1) "generic"—cannot become a trademark under any circumstances;

70. Comment, *The Rational Basis of Trademark Protection*, 40 HARV. L. REV. 813 (1927). See also Diamond, *The Public Interest and the Trademark System*, 62 J. PAT. OFF. SOC'Y 528, 528-29 (1980) ("[I]t is the quality function of trademarks that is most important to the general consuming public."); Hanak, *The Quality Assurance Function of Trademarks*, 65 TRADE-MARK REP. 318, 319 (1975) ("[I]n the world of modern marketing the primary function of a trademark is to indicate degree of quality, and only secondarily to indicate origin or source.").

71. 448 F.2d 43 (9th Cir. 1971), cert. denied, 405 U.S. 955 (1972).

72. 15 U.S.C. § 1 (1976).

73. 448 F.2d at 48. *Contra* Lunsford, *Consumers and Trademarks: The Function of Trademarks in the Market Place*, 64 TRADE-MARK REP. 75, 87-88 (1974) (source indication function not obsolete but coexistent with quality guarantee function).

74. 15 U.S.C. §§ 1051-1127 (1976).

75. 15 U.S.C. § 1064(c) (1976).

76. See Comment, *Generic Term or Trademark?: Confusing Legal Standards and Inadequate Protection*, 29 AM. U.L. REV. 109, 112-13 (1979).

77. *Abercrombie & Fitch Co. v. Hunting World, Inc.*, 537 F.2d 4, 9 (9th Cir. 1976). See Comment, *Generic Term or Trademark?: Confusing Legal Standards and Inadequate Protection*, *supra* note 76, at 113-14. This hierarchy is based on the registration provisions of the Lanham Trademark Act which provide that a mark may be refused registration if "when applied to the goods of the applicant [the mark] is merely descriptive . . . of them," 15 U.S.C. § 1052(e)(1) (1976), but "nothing . . . shall prevent the registration of a mark used by

(2) descriptive—can become a valid trademark if it acquires secondary meaning as denoting the applicant's goods; (3) suggestive—entitled to registration without proof of secondary meaning; and (4) arbitrary or fanciful—entitled to registration without proof of secondary meaning.<sup>78</sup> Although these categories aid in determining registrability of proposed terms, they are often difficult to apply because they are not entirely distinct. For example, a word may be arbitrary or fanciful when applied to one product and “generic” when applied to another,<sup>79</sup> more importantly, a term which initially is in one of the registrable categories may through use become “generic” so that it cannot be registered, or if it is registered, is no longer valid.<sup>80</sup>

The traditional test for determining whether a term in a registrable category has become “generic” was set out by Judge (later Justice) Learned Hand in *Bayer Co. v. United Drug Co.*:<sup>81</sup> “[T]he question is whether the buyers merely understood that the word ‘Aspirin’ meant this kind of drug, or whether it meant that and more than that; i.e., that it came from the same single, though, if one please anonymous, source from which they had got it before.”<sup>82</sup> Thus, the *Bayer* test looks to the consumer's understanding of the term at issue and requires that for the trademark to be valid proponents must show *some*, although rather limited, producer significance so that the term does not have only product significance.<sup>83</sup>

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the applicant which has become distinctive of the applicant's goods in commerce.” 15 U.S.C. § 1052(f) (1976).

78. 537 F.2d at 9-11; *Surgicenters of America, Inc. v. Medical Dental Surgeries Co.*, 601 F.2d 1011, 1014-15 (9th Cir. 1979). See *supra* notes 33-39 and accompanying text.

79. 537 F.2d at 9; Comment, *Generic Term or Trademark?: Confusing Legal Standards and Inadequate Protection*, *supra* note 76, at 114-15. A familiar example is “Ivory,” which would be arbitrary when applied to soap but “generic” when applied to products made from elephant tusks. 537 F.2d at 9 n.6.

80. 537 F.2d at 9.

81. 272 F. 505 (S.D.N.Y. 1921).

82. *Id.* at 509.

83. See Comment, *Generic Term or Trademark?: Confusing Legal Standards and Inadequate Protection*, *supra* note 76, at 117-19. Several courts have interpreted the *Bayer* test this way. The most literal interpretation was stated as: “[A] defendant alleging invalidity of a trademark for genericness must show that to the *consuming public as a whole* the word has lost all its trademark significance.” *Marks v. Polaroid Corp.*, 129 F. Supp. 243, 270 (D. Mass. 1955) (emphasis in original). The Second Circuit's interpretation was stated as:

[A] mark is not generic merely because it has *some* significance to the public as an indication of the nature or class of an article. . . . In order to become generic the *principal* significance of the word must be its indication of the nature or class of an article, rather than an indication of its origin.

*King-Seeley Thermos Co. v. Aladdin Indus., Inc.*, 321 F.2d 577, 580 (2d Cir. 1963) (quoting *Feathercombs, Inc. v. Solo Prods. Corp.*, 306 F.2d 251, 256 (2d Cir.) (emphasis in original), *cert. denied*, 371 U.S. 910 (1962)). In fact, the Ninth Circuit interpreted it in much this way

In *Surgicenters of America, Inc. v. Medical Dental Surgeries Co.*,<sup>84</sup> a 1979 case, the Ninth Circuit recognized *Bayer* as the source of the traditional test but quoted only that portion of *Bayer* directing attention to consumer understanding: "What do the buyers understand by the word for whose use the parties are contending?"<sup>85</sup> Then, the *Surgicenters* court went on to quote the 1938 United States Supreme Court decision in *Kellogg Co. v. National Biscuit Co.*<sup>86</sup> for what the Ninth Circuit described as a sharpened "genericness" test: "[T]o establish a trade name in the term 'shredded wheat' the plaintiff must show more than a subordinate meaning which applies to it. It must show that the primary significance of the term in the minds of the consuming public is not the product but the producer."<sup>87</sup> This *Kellogg* test was applied by the Ninth Circuit to MONOPOLY in *Anti-Monopoly I*<sup>88</sup> & *II*.<sup>89</sup>

The *Kellogg* test, unlike the *Bayer* test, requires that producer significance be the *primary* concern for trademark validity;<sup>90</sup> it is a tougher validity standard for the trademark proponent to meet. This substantive difference in the two tests can be explained in terms of the registrability categories discussed earlier.<sup>91</sup> In *Bayer*, the court dealt

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in upholding the validity of the trademark DEXEDRINE for dextro-amphetamine sulfate: "[T]o the extent that the given name is identified in the mind of the consumer with the source of the product, the name may be protected." *Ross-Whitney Corp. v. Smith Kline & French Laboratories*, 207 F.2d 190, 195 (9th Cir. 1953) (footnote omitted).

84. 601 F.2d 1011 (9th Cir. 1979).

85. *Id.* at 1016 (quoting *Bayer Co. v. United Drug Co.*, 272 F. at 509).

86. 305 U.S. 111 (1938).

87. 601 F.2d at 1016 (quoting *Kellogg Co. v. National Biscuit Co.*, 305 U.S. at 118).

88. 611 F.2d at 302.

89. 684 F.2d at 1319.

90. 305 U.S. at 120-22.

91. *See supra* notes 76-78 and accompanying text. *See also* Brief of *Amicus Curiae*, the United States Trademark Association, in Support of a Petition for Writ of Certiorari at 6 n.6, *CPG Prods. Corp. v. Anti-Monopoly, Inc.*, 103 S. Ct. 1234 (1983). This explanation is based on an argument that determination of trademark validity should focus solely on likelihood of confusion. Pattishall, *Trade-Marks and the Monopoly Phobia*, 50 MICH. L. REV. 967, 977-79 (1952) ("For the law to concern itself with the nature of the word or mark in any way other than to inquire as to the likelihood of confusion is to place the cart before the horse." (emphasis in original)). *See infra* note 206 and accompanying text. One factor considered in deciding whether there is likelihood of confusion is the strength or weakness of the marks:

A "strong" mark is one which is used only in a "fictitious, arbitrary and fanciful manner," *see National Lead Co. v. Wolfe*, 223 F.2d 195, 199 (9th Cir. 1955), whereas a "weak" mark is a mark that is a meaningful word in common usage, *see Sunbeam Lighting Co. v. Sunbeam Corp.*, 183 F.2d 969, 972-73 (9th Cir. 1950), or is merely a suggestive or descriptive trademark, *see Majestic Mfg. Co. v. Majestic Electric Appliance Co.*, 172 F.2d 862 (6th Cir. 1949). A "strong" mark is entitled to a greater degree of protection than is a "weak" one because of its unique usage, *see Stork Restaurant v. Sahati*, 166 F.2d 348, 355 (9th Cir. 1948).

*New West Corp. v. NYM Co. of Cal.*, 595 F.2d 1194, 1201-02 (9th Cir. 1979) (quoting J.B.

with an arbitrary or fanciful term which had become "generic."<sup>92</sup> By contrast, in *Kellogg* the Supreme Court considered a descriptive term which had become "generic," as evidenced by the Court's statement that "[Shredded Wheat] is the generic term of the article, which describes it with a fair degree of accuracy; and is the term by which the biscuit in pillow-shaped form is generally known by the public."<sup>93</sup>

The question in all such cases is what the buyer understands the term to mean now<sup>94</sup> and not whether this present understanding differs either a little or a lot from the initial understanding of the term. Therefore, although it might be true that it is more difficult for an arbitrary or fanciful—as opposed to a descriptive—term to become "generic," there should still be only one test for "genericness."

The result of the Ninth Circuit's *Surgicenters* decision is that, based on an erroneous interpretation of the *Kellogg* test, the Ninth Circuit no longer follows the traditional *Bayer* test to which the Second Circuit ascribes.<sup>95</sup> The language adopted by the Ninth Circuit in *Surgicenters* as a "genericness" test was intended by the Supreme Court to be a test for secondary meaning, not a sharpening of the *Bayer* "genericness" test. The *Bayer* court considered whether a term functioning as a registered trademark popularized by and used exclusively by the Bayer Company<sup>96</sup> should be dedicated to the public because it had become "generic" (lost distinctiveness).<sup>97</sup> In *Kellogg*, on the other hand,

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Williams Co. v. LeConte Cosmetics, Inc., 523 F.2d 187, 192 (9th Cir. 1975), cert. denied, 424 U.S. 913 (1976)). On this basis, however, MONOPOLY was determined to be a "famous" mark entitled to broad protection. General Mills Fun Group, Inc. v. Tuxedo Monopoly, Inc., 204 U.S.P.Q. 396, 401 (T.T.A.B. 1979), aff'd, 648 F.2d 1335 (C.C.P.A. 1981).

92. The court stated that "the word is coined and means nothing by itself." 272 F. at 509.

93. 305 U.S. at 116.

94. Even the Ninth Circuit agreed that MONOPOLY was not "generic" at the time it was registered, 684 F.2d at 1321, but then went on to consider its current status. *Id.*

95. See *supra* note 83. Professor McCarthy has argued that "both word formulations arrive at the same result from different directions: Majority usage of the word is controlling." 1 J. MCCARTHY, *supra* note 22, § 12:2C. This argument ignores the Second Circuit's greater solicitude for registered trademarks, see *King-Seeley Thermos Co. v. Aladdin Indus., Inc.*, 321 F.2d 577, 581 (2d Cir. 1963) ("Since the great majority of the public who use the word 'thermos' are not aware of any trademark significance, there is not enough dual use to support King-Seeley's claims to monopoly of the word as a trademark." (emphasis added)), and its use of the *Kellogg* formulation in traditional secondary meaning situations. See, e.g., *American Footwear Corp. v. General Footwear Co.*, 609 F.2d 655, 663 (2d Cir. 1979).

96. 272 F. at 507-08. Some 20 months after the patent on "Aspirin" expired an examiner in the Patent Office cancelled the ASPIRIN trademark. *Id.* at 508.

97. *Id.* at 509. For a different analysis of the *Bayer* case, see Swann, *The Validity of Dual Functioning Trademarks: Genericism Tested by Consumer Understanding Rather than by Consumer Use*, 69 TRADE-MARK REP. 357, 359-61 (1979) (ASPIRIN had already fallen into the public domain during the life of the patent on "Aspirin").

the term at issue never had been registered as a trademark.<sup>98</sup> The *Kellogg* Court noted that the descriptive term "Shredded Wheat" had been used since 1894 as the "generic" designation for the product.<sup>99</sup> The Court, however, considered, at the plaintiff's insistence, whether the term had acquired secondary meaning (gained distinctiveness) which would take it out of the public domain and thereby accord the plaintiff exclusive rights to the term.<sup>100</sup> The *Kellogg* Court reasoned that because the term "Shredded Wheat" was now "generic," rather than descriptive, there was "no basis . . . for applying the doctrine of secondary meaning," since "generic" terms are not registrable under any circumstances.<sup>101</sup> In dicta, the Court stated its producer-significance test for secondary meaning<sup>102</sup> and indicated that even if "Shredded Wheat" was descriptive, rather than "generic," it would not meet the Court's test.<sup>103</sup> This dicta relating to secondary meaning has become the Ninth Circuit's test for "genericness."<sup>104</sup>

A secondary meaning test should be different from a "genericness" test because they are applied in different situations. Before investing a descriptive term with enforceable trademark rights the term must acquire a secondary meaning to the extent that it *primarily* signifies to the consumer the producer of the goods. This stringent test ensures that no terms now in the public domain are easily captured for exclusive use.<sup>105</sup>

98. 305 U.S. at 117.

99. *Id.* at 116-17.

100. *Id.* at 118.

101. *Id.* See *infra* note 221.

102. See *supra* text accompanying note 87.

103. 305 U.S. at 118. The Ninth Circuit has cited *Kellogg* for the secondary meaning test when considering the descriptive slogan "Use ARRID To Be Sure." *Carter-Wallace, Inc. v. Procter & Gamble Co.*, 434 F.2d 794, 802 (9th Cir. 1970). See also *Hewitt & Krieger, supra* note 6, at 164-65; *Treece & Stephenson, supra* note 37, at 474-75; *Zivin, supra* note 33, at 184-86. *But see Folsom & Teply, Trademarked Generic Words*, 70 TRADE-MARK REP. 206, 211 (1980) (*Kellogg* test is the most widely accepted modern test of genericness).

104. 611 F.2d at 302; 684 F.2d at 1319. The First Circuit has characterized the *Kellogg* test as erroneous dicta that "a generic trademark might be entitled to protection." *Miller Brewing Co. v. Falstaff Brewing Corp.*, 655 F.2d 5, 7 n.2 (1st Cir. 1981). See also *Zeisel, supra* note 5, at 907.

105. The Second Circuit has stated:

[T]he law strikes the balance, with respect to registration, between the hardships to a competitor in hampering the use of an appropriate word and those to the owner who, having invested money and energy to endow a word with the good will adhering to his enterprise, would be deprived of the fruits of his efforts.

*Abercrombie & Fitch Co. v. Hunting World, Inc.*, 537 F.2d 4, 10 (2d Cir. 1976). See also *Beran, Trademark or Mere Unregistrable Matter—Where Do You Draw the Line*, 52 TRADE-MARK REP. 953 (1962) (discussion of registration of descriptive or "weak" marks).

Some courts have stated that a party developing secondary meaning in a descriptive term should be protected against those who appropriate it with knowledge or good reason to

On the other hand, in the “genericness” situation, once a term has developed enforceable trademark rights or been validly registered through the owner’s investment of time and money, a court should be slow to work a forfeiture of these rights.<sup>106</sup> The tests, therefore, serve distinct purposes and should not be used interchangeably.<sup>107</sup>

In *Anti-Monopoly I & II*, the Ninth Circuit considered a validly registered trademark.<sup>108</sup> The *Bayer* test, a test for “genericness,” should have been applied. The court’s use of the *Kellogg* test, a test for secondary meaning, resulted in a lesser protection for the owner of the originally arbitrary and fanciful or suggestive term with respect to which source indication had developed. Following also from the application of the *Kellogg* test in this situation—one in which the term was originally arbitrary and fanciful or suggestive and supposedly registrable without a showing of secondary meaning—is the result that owners face trademark invalidation at any time, in the guise of a “genericness” challenge, for failure of the mark to have acquired such secondary meaning. The conclusion inevitably follows that once the trademark has developed into a symbol of goodwill worth protecting, its very popularity will motivate competitors to attack its validity and make it more

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know of its potential in that regard, or with an intent to capitalize on its connotation of quality. *Emra Corp. v. Superclips Ltd.*, 559 F. Supp. 705, 714 (E.D. Mich. 1983); *Orion Pictures Co. v. Dell Publishing Co.*, 471 F. Supp. 392, 396 (S.D.N.Y. 1979); *Glamorene Prods. Corp. v. Boyle-Midway, Inc.*, 188 U.S.P.Q. 145, 165 (S.D.N.Y. 1975); *National Lampoon, Inc. v. American Broadcasting Cos.*, 376 F. Supp. 733, 747 (S.D.N.Y.), *aff’d*, 497 F.2d 1343 (2d Cir. 1974). See generally 3 R. CALLMANN, *supra* note 22, § 19.27 (favorable view of protecting developing secondary meaning in these situations); 1 J. GILSON, *supra* note 5, § 2.09. *Contra* *Black & Decker Mfg. Co. v. Ever-Ready Appliance Mfg. Co.*, 684 F.2d 546, 550 (8th Cir. 1982) (protecting secondary meaning developing by virtue of substantial advertising outlay “focuses solely upon the intent and actions of the seller of the product to the exclusion of the consuming public”); Scagnelli, *Dawn of a New Doctrine?—Trademark Protection for Incipient Secondary Meaning*, 71 TRADE-MARK REP. 527 (1981).

106. *Coca-Cola Co. v. Overland, Inc.*, 692 F.2d 1250, 1254 (9th Cir. 1982). See also Swann, *The Economic Approach to Genericism: A Reply to Folsom and Teply*, 70 TRADE-MARK REP. 243, 250-51 (1980) (“[B]ecause of uncertainties in the principal methods of proof, the potentially disastrous consequences of trademark loss and other fairness considerations, doubts as to genericism are currently resolved rather strongly ‘in favor of the trademark owner.’” (footnote and citations omitted)); Note, *Genericide: Cancellation of a Registered Trademark*, *supra* note 5, at 691-95 (argument made that requiring a heavier burden of proof than preponderance of the evidence to show “genericness” is appropriate to protect trademark owners).

107. The Court of Customs and Patent Appeals made a similar observation in the context of an opposition proceeding when it noted: “[T]here are real and logical reasons for protecting the private property in a trademark with a wider moat or a higher fence than is required to be built around publicly owned descriptive words or phrases.” *Minnesota Mining & Mfg. Co. v. Johnson & Johnson*, 454 F.2d 1179, 1180 (C.C.P.A. 1972).

108. 684 F.2d at 1321.



susceptible to invalidity for becoming "generic." Therefore, pursuant to the Ninth Circuit approach, trademark registration would fail to achieve its purpose of preventing "impairment of the value of the enterprise which owns the trademark."<sup>109</sup>

## 2. The survey evidence

In determining "genericness," the consumer's understanding of the term is at issue. Consequently, public opinion surveys play an important evidentiary role.<sup>110</sup> Surveys probing the consumer perception of a term have been admitted by courts with increasing frequency under the state of mind exception to the hearsay rule.<sup>111</sup> When properly conducted, a survey can provide an accurate measurement of the level of consumer understanding that a term enjoys and allow selection of a relevant universe of prospective purchasers from the general population.<sup>112</sup> The validity, or trustworthiness, of a survey generally depends on three factors: (1) selection of a representative sample of respondents that can be validly projected to the relevant universe of purchasers or prospective purchasers;<sup>113</sup> (2) selection of unbiased and unambiguous

109. 611 F.2d at 300-01. *See also* *Artype, Inc. v. Zappulla*, 228 F.2d 695, 697-98 (2d Cir. 1956); *Aetna Casualty & Sur. Co. v. Aetna Auto Fin., Inc.*, 123 F.2d 582, 584 (5th Cir. 1941); *Yale Elec. Corp. v. Robertson*, 26 F.2d 972, 974 (2d Cir. 1928).

110. 1 J. GILSON, *supra* note 5, § 8.11(1); Dutka, *The Use of Survey Research in Legal Proceedings*, 68 A.B.A. J. 1508, 1508 (1982); Comment, *Generic Term or Trademark?: Confusing Legal Standards and Inadequate Protection*, *supra* note 76, at 130-32.

111. *Zippo Mfg. Co. v. Rogers Imports, Inc.*, 216 F. Supp. 670, 682-83 (S.D.N.Y. 1963); JUDICIAL CONFERENCE STUDY GROUP ON PROCEDURE IN PROTRACTED LITIGATION, HANDBOOK OF RECOMMENDED PROCEDURES FOR THE TRIAL OF PROTRACTED CASES, 25 F.R.D. 351, 427-28 (1960) [hereinafter cited as PROTRACTED CASES—RECOMMENDED PROCEDURES]; 1 J. GILSON, *supra* note 5, § 8.11(2); Dutka, *supra* note 109, at 1508; Shryock, *Survey Evidence in Contested Trademark Cases*, 57 TRADE-MARK REP. 377, 378 (1967).

112. *Union Carbide Corp. v. Ever-Ready Inc.*, 531 F.2d 366, 388 (7th Cir. 1976); *James Burrough Ltd. v. Sign of the Beefeater, Inc.*, 540 F.2d 266, 278 (7th Cir. 1976); Dutka, *supra* note 110, at 1509-10. For survey evidence to be relevant to the litigation it must be directed to that segment of the general population which is comprised of prospective purchasers of the subject product. *Amstar Corp. v. Domino's Pizza, Inc.*, 615 F.2d 252, 264 (5th Cir.), *cert. denied*, 449 U.S. 899 (1980); *American Footwear Corp. v. General Footwear Co.*, 609 F.2d 655, 661 (2d Cir. 1979), *cert. denied*, 445 U.S. 951 (1981); *Hawley Prods. Co. v. United States Trunk Co.*, 259 F.2d 69, 77 (1st Cir. 1958); *National Football League Properties, Inc. v. Wichita Falls Sportswear*, 532 F. Supp. 651, 657-58 (W.D. Wash. 1982); *Scotch Whiskey Ass'n v. Consolidated Distilled Prods., Inc.*, 209 U.S.P.Q. 130, 133 (N.D. Ill. 1980); *Dictaphone Corp. v. Dictamatic Corp.*, 199 U.S.P.Q. 437, 445-46 (D. Or. 1978); *American Basketball Ass'n v. AMF Voit, Inc.*, 358 F. Supp. 981, 986 (S.D.N.Y.), *aff'd*, 487 F.2d 1393 (2d Cir. 1973), *cert. denied*, 416 U.S. 986 (1974); *General Motors Corp. v. Cadillac Marine & Boat Co.*, 226 F. Supp. 716, 737 (W.D. Mich. 1964); *McDonough Power Equip., Inc. v. Weed Eater, Inc.*, 208 U.S.P.Q. 676, 685 (T.T.A.B. 1981).

113. *Union Carbide Corp. v. Ever-Ready Inc.*, 531 F.2d at 388; *James Burrough Ltd. v. Sign of the Beefeater, Inc.*, 540 F.2d at 278; PROTRACTED CASES—RECOMMENDED PROCE-

questions;<sup>114</sup> and (3) administration by qualified and objective interviewers.<sup>115</sup> Employment of an expert to carry out these three functions who should be required to testify as to the survey methodology and its relevance to the issues at trial is the most direct way to ensure that the validity of a survey is described adequately for a court.<sup>116</sup>

Trademark owners have come to rely on results of "brand-name" surveys to refute "genericness" challenges.<sup>117</sup> A brand-name survey asks people whether a given term is a brand name for a product made by one company—like CHEVROLET—or a common name for a product made by a number of different companies—like automobile.<sup>118</sup> This type of survey was accepted by the court considering the validity of the TEFLON trademark in *E.I. du Pont de Nemours & Co. v. Yoshida International, Inc.*<sup>119</sup> In *Anti-Monopoly II*, however, the Ninth Circuit held that this type of survey had no relevance where the product was made by only one company.<sup>120</sup>

The Ninth Circuit instead adopted as trustworthy two surveys offered by Anti-Monopoly. The first was a survey similar to that adopted in *American Thermos Products Co. v. Aladdin Industries, Inc.*,<sup>121</sup> where the court found the trademark THERMOS to be "generic," and the second was a new kind of survey based in part on a hypothetical situation suggested by the Ninth Circuit in *Anti-Monopoly I*.<sup>122</sup> The THERMOS-type survey conducted by Anti-Monopoly sought to determine what term purchasers would use to ask for the game "Monopoly." The

DURES, 25 F.R.D. at 429; Dutka, *supra* note 110, at 1509-10. The sample size should be large enough to give statistically valid results and should represent a good cross section of the relevant universe. *General Motors Corp. v. Cadillac Marine & Boat Co.*, 226 F. Supp. at 737.

114. *Zippo Mfg. Co. v. Rogers Imports, Inc.*, 216 F. Supp. at 684; PROTRACTED CASES—RECOMMENDED PROCEDURES, 25 F.R.D. at 429; Dutka, *supra* note 110, at 1510.

115. *See supra* note 113.

116. PROTRACTED CASES—RECOMMENDED PROCEDURES, 25 F.R.D. at 429; Dutka, *supra* note 110, at 1510; Comment, *Public Opinion Surveys as Evidence: The Pollsters Go to Court*, 66 HARV. L. REV. 498, 506-08 (1953). *See generally* 1 J. GILSON, *supra* note 5, § 8.11(3); Bonyng, *Trademark Surveys and Techniques and Their Use in Litigation*, 52 TRADE-MARK REP. 363 (1962); Kunin, *The Structure and Uses of Survey Evidence in Trademark Cases*, 67 TRADE-MARK REP. 97 (1977); Sorenson & Sorenson, *The Admissibility and Use of Opinion Research Evidence*, 28 N.Y.U. L. REV. 1213 (1953).

117. 1 J. GILSON, *supra* note 5, § 2.02(8)(a); Note, *Genericide: Cancellation of a Registered Trademark*, *supra* note 5, at 668-69.

118. 684 F.2d at 1323. *See supra* note 62 and accompanying text.

119. 393 F. Supp. 502 (E.D.N.Y. 1975).

120. 684 F.2d at 1323.

121. 207 F. Supp. 9 (D. Conn. 1962), *aff'd sub nom.* *King-Seeley Thermos Co. v. Aladdin Indus., Inc.*, 321 F.2d 577 (2d Cir. 1963).

122. *See supra* notes 56-58 and accompanying text.

survey described the game in some detail and then asked the purchasers what they would call the product just described,<sup>123</sup> just as purchasers in the *American Thermos* case had been asked what term they would use to identify a container that keeps liquids hot or cold for a period of time.<sup>124</sup> The second survey, which the Ninth Circuit called a motivation survey, sought to determine whether individuals were motivated to buy "Monopoly" because of their interest in playing the game or because of their admiration for Parker Brothers' products.<sup>125</sup>

The Ninth Circuit's reliance on these two surveys as evidence concerns trademark owners who believe that most trademarks would fail to survive a motivation survey.<sup>126</sup> This concern results from the fact that Parker Brothers offered evidence in the *Anti-Monopoly II* district court of a motivation survey that showed 68% of consumers polled would buy Proctor and Gamble's TIDE primarily because they liked that detergent and not because they liked Proctor and Gamble's products.<sup>127</sup> The Ninth Circuit replied that "Proctor and Gamble might have cause for alarm"<sup>128</sup> if the reasoning of *Anti-Monopoly I* could be extended to detergents. The fears of trademark owners may be unfounded, however, because the rejection of brand-name surveys appears to be limited to the unique product situation,<sup>129</sup> as will be discussed below,<sup>130</sup> and the motivation survey may not be accepted in other circuits.<sup>131</sup>

Additionally, these fears may be unfounded because it appears the

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123. See *supra* note 56 and accompanying text.

124. 207 F. Supp. at 21-22 & n.8.

125. See *supra* note 58 and accompanying text.

126. See *supra* note 7.

127. 684 F.2d at 1326. The Ninth Circuit noted that this evidence "was intended as a *reductio ad absurdum* of the motivation survey." *Id.*

128. *Id.*

129. The Ninth Circuit's TIDE comment was made with the suspicion that consumers consider "'Tide' as the name of a particular detergent, having particular qualities, rather than as one producer's name for the same detergent which is available from a variety of sources." *Id.*

130. See *infra* notes 170-74 and accompanying text.

131. The Ninth Circuit's *Anti-Monopoly II* reasoning was indirectly castigated as an "esoteric and extraneous inquiry focusing on what motivates the purchasing public to buy particular goods, the product itself or the source." *In re DC Comics, Inc.*, 689 F.2d 1042, 1054 (C.C.P.A. 1982) (Nies, J., especially concurring). The decision in *DC Comics* was handed down on September 30, 1982, the last day before the United States Court of Customs and Patent Appeals became the United States Court of Appeals for the Federal Circuit, established by the Federal Courts Improvement Act of 1982, Pub. L. No. 97-164, 96 Stat. 25 (codified as amended in scattered sections of 28 U.S.C.). The new court indicated, in the first appeal heard, that it would consider the holdings of its predecessor courts as binding precedent. *South Corp. v. United States*, 690 F.2d 1368, 1369 (C.A.F.C. 1982) (en banc).

results of a motivation survey alone will not result in a finding of "genericness." The Ninth Circuit accepted that based on the results of the THERMOS-type survey,<sup>132</sup> "an overwhelming proportion of those who are familiar with the game would ask for it by the name [MONOPOLY]." <sup>133</sup> The court then considered "the sense in which a purchaser used the word [MONOPOLY] when asking for the game by that name" <sup>134</sup> and concluded MONOPOLY was used primarily in a product sense. <sup>135</sup> This second determination was the result of the motivation survey. <sup>136</sup> Since this second determination in *Anti-Monopoly II* necessarily depended on the court's interpretation of the THERMOS-type survey results, it can be said that the Ninth Circuit used a two-step analysis in order to determine whether the term MONOPOLY was "generic."

The Ninth Circuit's use of a THERMOS-type survey places a premium on the existence of other terms a consumer can use to refer to the product described. Thus, if the product description is drawn narrowly enough it will elicit identification of only one manufacturer's product. The issue consequently becomes whether the public has accepted the "generic" term selected by the manufacturer to refer to the product or has come to use the trademark for this purpose. To this extent, the THERMOS-type survey is highly susceptible to manipulation. For example, in the case of "Monopoly," given "that people tend to adopt and use the shortest and simplest word which will adequately communicate the idea or call to mind the object or product that they want to tell about," <sup>137</sup> it was fairly easy to construct a THERMOS-type survey that described only the game "Monopoly" and the results were bound to show the public would use MONOPOLY rather than "real estate trading game equipment" <sup>138</sup> to refer to the game. In contrast, to find TIDE "generic" based on the results of the motivation survey offered by Parker Brothers it would first be necessary to construct a THERMOS-type survey which would elicit TIDE as a major response to: "What would you call a product which is added to the washer to aid in cleaning clothes?" This would be difficult because TIDE is protected by its competitors' trademarks and the widely recognized "generic" term, laundry detergent.

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132. 684 F.2d at 1323-24.

133. *Id.* at 1324.

134. *Id.* at 1325.

135. *Id.* at 1326.

136. *Id.* at 1324-26.

137. *American Thermos Prods. Co. v. Aladdin Indus., Inc.*, 207 F. Supp. at 20.

138. *See supra* note 22 and accompanying text.

A factor important for courts to consider, which the *Anti-Monopoly II* opinion failed to consider, is the trustworthiness of a THERMOS-type survey in light of its susceptibility to manipulation. Thus, in order to make fair decisions as to the weight to give such a survey, courts should require, as a preliminary matter, a showing that the product description used in the THERMOS-type survey is such that products the trademarked product actually competes with in commerce are necessarily covered by the question asked.<sup>139</sup> This would avoid the unfairness of penalizing the trademark owner for a lack of competitors unless he is exerting an unfair monopoly over the product market but would still place the burden of existence of an accepted "generic" term on the trademark owner who has some control over this factor in packaging and advertising.<sup>140</sup>

Motivation surveys are also susceptible to manipulation.<sup>141</sup> In *Nestle Co. v. Chester's Market, Inc.*,<sup>142</sup> a motivation survey conducted by the trademark owner was offered into evidence which gave consumers a choice of:

A. I buy TOLL HOUSE morsels because I believe I need that brand to bake TOLL HOUSE chocolate chip cookies. I care who makes them and I rely on the TOLL HOUSE trademark for quality.

B. I buy TOLL HOUSE morsels because I need them to bake chocolate chip cookies. I don't care who makes them and I don't rely on the TOLL HOUSE trademark for quality.<sup>143</sup>

The court rejected this survey on procedural grounds;<sup>144</sup> however, the court discussed survey trustworthiness in a manner that indicated it would have evaluated such a party-designed survey rigorously. The court stated:

The trustworthiness of surveys depends upon foundation evidence that (1) the 'universe' was properly defined, (2) a representative sample of that universe was selected, (3) the questions to be asked of interviewees were framed in a clear, precise and non-leading manner, (4) sound interview proce-

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139. See *infra* notes 179-90 and accompanying text. See also Zeisel, *supra* note 5, at 900-01.

140. See *supra* note 22 and accompanying text.

141. See *supra* text accompanying note 137.

142. 571 F. Supp. 763 (D. Conn. 1983).

143. *Id.* at 772.

144. *Id.* at 772-73.

dures were followed by competent interviewers who had no knowledge of the litigation or the purpose for which the survey was conducted, (5) the data gathered was accurately reported, (6) the data was analyzed in accordance with accepted statistical principles and (7) objectivity of the entire process was assured. Failure to satisfy one or more of these criteria may lead to exclusion of the survey . . . .<sup>145</sup>

The court thus excluded a survey where the questioning was conducted personally by the expert after being contacted by the lawyers for one party on the grounds that such contact cast "sufficient doubt on the essential objectivity of the survey."<sup>146</sup> The *Nestle* court also accorded less weight to surveys conducted in response to the lawsuit.<sup>147</sup>

The Nestle Company by including "product quality guarantee" language in its motivation survey achieved favorable results when approximately 74% of the people polled selected the response that indicated quality was a factor in their motivation to purchase TOLL HOUSE morsels.<sup>148</sup> The *Anti-Monopoly II* motivation survey was intended to reveal the consumer's motivation for using the term MONOPOLY.<sup>149</sup> As it was phrased, however, it revealed the consumer's motivation for buying the product "Monopoly." These examples make it clear that widespread application of motivation surveys could result in the introduction of extraneous biases into "genericness" determinations because the "reason the public is motivated to buy the product, whether because of quality, particular features, source, pleasing design, association with other goods, price, durability, taste, or prestige of ownership, is of concern to market researchers but is legally immaterial to the issue of whether a particular designation is generic."<sup>150</sup> Consumers can be presumed to purchase products primarily because they desire the functional aspects of the product and perhaps secondarily because

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145. *Id.* at 774 (quoting *Toys "R" Us, Inc. v. Canarsie Kiddie Shop, Inc.*, 559 F. Supp. 1189, 1205 (E.D.N.Y. 1983)).

146. 571 F. Supp. at 775.

147. *Id.* at 776. The trademark TOLL HOUSE performed well on a THERMOS-type survey and a brand-name survey, *id.* at 776-77, but the court was most impressed by inverted THERMOS-type surveys where people primarily responded with the "generic" term "chocolate chip cookies" when asked what TOLL HOUSE meant to them. *Id.* at 770. An inverted THERMOS-type survey reveals what product market the trademark is in, but does not distinguish between a response which means "chocolate chip cookies in general" rather than "chocolate chip cookies made by a specific company."

148. *Id.* at 772.

149. *See supra* text accompanying notes 134-36.

150. *In re DC Comics, Inc.*, 689 F.2d at 1054; 515 F. Supp. at 454.

they like the producer.<sup>151</sup> This fact, however, should not serve to invalidate the product's trademark if the trademark is still functioning to allow purchasers who are motivated by identity of the producer or by quality guarantees to distinguish between similar products on these bases. In short, a motivation survey, particularly when it is designed by an interested party, can be designed to evoke one purchase motivation over another without ever illuminating what purchase information the trademark is communicating to the purchaser.<sup>152</sup>

Professor McCarthy has noted that courts demonstrate two tendencies when considering survey evidence: "[A] survey is accepted and relied upon when the judge already ha[s] his mind made up in favor of the survey results; and a survey is rejected and torn apart when the judge subjectively disagrees with the survey results."<sup>153</sup> That the *Anti-Monopoly II* court engaged in such result-oriented analysis cannot be doubted. In rejecting the brand-name survey, the Ninth Circuit stated: "[O]n cross-examination and redirect examination it became clear that this witness had done no more than reduplicate the 'Teflon' survey (with appropriate substitutions and slight additions) and had no opinion on the relevance of this survey to any issue in the present case."<sup>154</sup> When it affirmed the validity of the THERMOS-type survey, however, the court stated: "The witness . . . testified that Anti-Monopoly gave his firm the questions used in the 'Thermos' survey and asked it to conduct a similar one . . . . The witness gave no testimony as to the relevance of the results of the survey to the issues in the case."<sup>155</sup> The court apparently did not rely on any expert interpretation of the survey evidence it considered.

The *Anti-Monopoly II* court accepted the THERMOS-type survey without questioning its trustworthiness after noting that "Anti-Monopoly provided the wording of the questions"<sup>156</sup> and the motivation survey after noting that "[t]he wording of the questions was provided by Dr. Anspach, Anti-Monopoly's president, and by the expert who testi-

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151. *Mishawaka Rubber & Woolen Mfg. Co. v. S.S. Kresge Co.*, 316 U.S. 203, 205 (1942); *Coca-Cola Co. v. Koke Co.*, 254 U.S. 143, 146 (1920); *In re DC Comics, Inc.*, 689 F.2d at 1054; 515 F. Supp. at 454.

152. *See supra* notes 141-47 and accompanying text. *See also* Zeisel, *supra* note 5, at 903-05.

153. 2 J. MCCARTHY, *supra* note 22, § 32:55. *See also* Comment, *Opinion Surveys as Evidence: The Pollsters Go to Court*, *supra* note 116, at 506 ("The use of expert testimony is at least preferable to evaluating a poll by measuring its results against a judge's own 'knowledge' of public opinion or of polling techniques." (footnotes omitted)).

154. 684 F.2d at 1323.

155. *Id.*

156. *Id.*

fied at trial.”<sup>157</sup> If the *Anti-Monopoly II* court had approached this survey evidence by looking at the criteria set out by the *Nestle* court,<sup>158</sup> rather than by engaging in a result-oriented approach, the result in the opinion may not have been different, but a closer look at the language of the questions in the THERMOS-type survey and the motivation survey may have revealed the manipulation problems discussed above.<sup>159</sup> These problems go to the relevance of the survey results to the issues in the case. In the absence of testimony that would have explained whether the survey results were relevant to resolving the issues in the case the court should have remanded for expert testimony on this point.

By failing to engage in any evaluation of the trustworthiness of the survey evidence and by selectively scrutinizing the language of only the brand-name survey to determine relevance, the *Anti-Monopoly II* court introduced a great deal of confusion into the determination of “genericness.” In *Prudential Insurance Co. v. Gibraltar Financial Corp.*,<sup>160</sup> the Ninth Circuit cited *Anti-Monopoly II* for the proposition: “Surveys conducted according to accepted principles are routinely admitted.”<sup>161</sup> The lack of any indication in the *Anti-Monopoly II* opinion of what those accepted principles might be highlights the absence of clear guidelines in the Ninth Circuit for evaluating survey trustworthiness. Future litigants will be less likely to engage in survey manipulation if courts take on a greater role in ensuring the basic trustworthiness of surveys before they are introduced into evidence by setting out clear guidelines by which trustworthiness will be evaluated.

### 3. The genus definition

The *Anti-Monopoly I* court suggested that “MONOPOLY may constitute its own genus.”<sup>162</sup> This approach to determining “genericness” refers to whether a trademark has come to represent a genus, such as chess games, or a species, such as a particular manufacturer’s

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157. *Id.* at 1324.

158. *See supra* text accompanying note 145.

159. *See supra* notes 137-52 and accompanying text.

160. 694 F.2d 1150 (9th Cir. 1982).

161. *Id.* at 1156. The court also stated that: “Technical unreliability goes to the weight accorded a survey, not its admissibility.” *Id.* (citing *C.A. May Marine Supply Co. v. Brunswick Corp.*, 649 F.2d 1049, 1055 & n.10 (5th Cir. 1981)). The Ninth Circuit is apparently liberal in admitting survey evidence, although what minimum level of acceptability is required is not clear. While the survey evidence admitted in *Anti-Monopoly* might have been acceptable, it was not acquired by the most preferred methods because the questions were constructed by the parties and no worthwhile expert testimony was available on the trustworthiness of the polling techniques. *See supra* notes 111, 113 and accompanying text.

162. 611 F.2d at 305.



chess game, *e.g.*, EN PASSANT.<sup>163</sup> The Ninth Circuit reasoned that the existence of the broad classifier "chess" permits the inference that a consumer using the term EN PASSANT is using it as a valid trademark because EN PASSANT differs from other chess games in only source-related ways.<sup>164</sup> If EN PASSANT, however, has different rules from other chess games and therefore is a unique product, this inference would collapse; the consumer in that situation might then use the term EN PASSANT to make source-irrelevant distinctions.<sup>165</sup>

The *Anti-Monopoly I* court also suggested the cross elasticity of demand theory, used in antitrust for market definition, as a way of defining a genus.<sup>166</sup> Under this approach, a genus would be comprised of products that are "reasonably interchangeable by consumers for the same purpose,"<sup>167</sup> reasonable interchangeability being measured by consumer use, product quality and price.<sup>168</sup> Genus members, then, compete for the same customers. The court viewed either of these approaches as valid to determine genus as long as the focus is on consumer understanding.<sup>169</sup>

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163. *Id.* at 302-04. The Ninth Circuit used these examples of a genus and a species in its analysis. *Id.* at 303.

164. *Id.* See *supra* note 52.

165. 611 F.2d at 303. See *supra* note 52. Not all courts considering unique product trademarks have been concerned with this possibility. In *Selchow & Righter Co. v. McGraw-Hill Book Co.*, 198 U.S.P.Q. 557, 559 (S.D.N.Y. 1977), the court found SCRABBLE had not "become a term referring to all word games," though "Scrabble" is arguably unique from other word games.

166. 611 F.2d at 303 n.4. This was first suggested by Professor McCarthy, 1 J. MCCARTHY, *supra* note 22, § 12:7, based on the definition of cross-elasticity of demand from *United States v. E.I. duPont de Nemours & Co.*, 351 U.S. 377, 403-04 (1956) (Court held that flexible packaging materials is the relevant market for determining the extent of market control rather than cellophane alone).

167. *United States v. E.I. duPont de Nemours & Co.*, 351 U.S. at 395.

168. *Id.* at 396.

169. 611 F.2d at 303 n.4. The United States Supreme Court in considering cross elasticity of demand as a way of defining a relevant product market stated:

An element for consideration as to cross-elasticity of demand between products is the responsiveness of the sales of one product to price changes of the other. If a slight decrease in the price of cellophane causes a considerable number of customers of other flexible wrappings to switch to cellophane, it would be an indication that a high cross-elasticity of demand exists between them; that the products compete in the same market.

351 U.S. at 400 (footnote omitted). Presumably, the *Anti-Monopoly I* court would agree that an economic analysis of consumer reaction to price changes is an analysis focused on consumer understanding.

Interestingly, cellophane was invalidated as a trademark in 1936 primarily because of "generic" use by the manufacturer in advertising. *DuPont Cellophane Co. v. Waxed Prods. Co.*, 85 F.2d 75 (2d Cir.), *cert. denied*, 299 U.S. 601 (1936). The Second Circuit there mentioned that cellophane had become the only word to describe the particular flexible, transparent cellulose product, but no specific genus determination was made. 85 F.2d at 79-80.

The importance of properly defining the genus becomes clear when the context in which the Ninth Circuit will reject brand-name surveys is examined. The Ninth Circuit rejected the brand-name survey in *Anti-Monopoly II* because "Monopoly" is made by only one company.<sup>170</sup> In *Coca-Cola Co. v. Overland, Inc.*,<sup>171</sup> decided by the Ninth Circuit three months after its *Anti-Monopoly II* decision, the panel determined that COKE was not "generic." In so doing, the *Coca-Cola* court cited favorably the results of a brand-name survey in *E.I. duPont de Nemours & Co. v. Yoshida International, Inc.*,<sup>172</sup> where the court adopted a brand-name survey as trustworthy in finding that the trademark TEFLON was not "generic." No distinction was made by the Ninth Circuit between "Monopoly" and "Coke" and, therefore, a rationale has not been expressed for rejecting brand-name surveys in one situation but not the other. Although "Coke" is also made by only one company, an argument could be made that it has more direct competitors than the game "Monopoly." Colas made by competitors have different formulas but they have virtually the same taste.<sup>173</sup> Thus, rejection by the Ninth Circuit of brand-name surveys appears to be limited to cases in which a unique product made by only one company is involved where the trademark may have become the "generic" term for that unique product genus. Why a brand-name survey should be rejected in this situation is not clear. A unique product need not necessarily be made by only one company<sup>174</sup> and the fact that a product is in fact made by only one company should not invalidate a brand-name survey designed to determine whether a consumer understands this to be the case.

The Ninth Circuit did more than simply presume it was dealing with a unique product in *Anti-Monopoly II*; it applied survey results which were particularly burdensome on the manufacturer of the unique product as it was defined. First, it concurred in the results of

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170. 684 F.2d at 1323. See *supra* notes 117-28 and accompanying text.

171. 692 F.2d 1250, 1254 & n.11 (9th Cir. 1982). One of the judges on the *Coca-Cola* panel, Judge Wallace, wrote the court's opinion in *Anti-Monopoly I*. This suggests an awareness, on his part at least, of the rejection of the brand-name survey in *Anti-Monopoly II*.

172. 393 F. Supp. 502, 526 n.54 (E.D.N.Y. 1975). COKE, included in the TEFLON brand-name survey as a control, was recognized by 76% of the people sampled as a brand name. 692 F.2d at 1254 n.11.

173. As noted by the Court in *Coca-Cola Co. v. Koke Co.*, 254 U.S. at 146: "Coca-Cola probably means to most persons the plaintiff's familiar product, to be had everywhere, rather than a compound of particular substances."

174. See *Ideal Toy Corp. v. Plawner Toy Mfg. Corp.*, 685 F.2d 78 (3d Cir. 1982), where the unique product "Rubik's Cube" was being made by two manufacturers.

the THERMOS-type survey which asked consumers to come up with a name to fit a very detailed description of a game for which no "generic" term or competitor's term existed.<sup>175</sup> Then, it validated the results of the motivation survey which asked consumers to make product comparisons where only one manufacturer's product existed.<sup>176</sup> Instead of inquiring whether consumers perceived "Monopoly" as its own genus, these surveys presumed that "Monopoly" was its own genus. The Ninth Circuit in *Anti-Monopoly I* reversed the district court findings because it had presumed the relevant genus to be all real estate trading games. The Ninth Circuit proposed a "genericness" test designed to avoid such genus presumptions.<sup>177</sup> Yet, in *Anti-Monopoly II* the Ninth Circuit proceeded to apply survey evidence that presumed the relevant genus was the game "Monopoly." To fairly approach the "genericness" issue, the Ninth Circuit should have either addressed the determination of the relevant genus directly or adopted the brand-name survey. The brand-name survey would have determined consumer understanding without incorporating genus presumptions because it allowed respondents to choose whether the term designated a genus or a species.<sup>178</sup>

With so much riding on the definition of the "Monopoly" genus, the Ninth Circuit did not discuss directly how it determined that "Monopoly" was in a genus by itself.<sup>179</sup> The motivation survey showed that 92% of people polled recognized "Monopoly" as the business board game produced by Parker Brothers, while the THERMOS-type survey revealed that only 80% of 53%, or 42%, recognized "Monopoly" as a business board game in which players buy, sell, mortgage and trade city streets, utilities and railroads, build houses, collect rents and win by bankrupting all the other players.<sup>180</sup> These results indicate that a majority of consumers would lump "Monopoly" together with other business board games, not that consumers would view it as its own genus. Likewise, the results of the brand-name survey indicate 63% of consumers would liken MONOPOLY to the species designation CHEVROLET. If the Ninth Circuit had required a direct showing of

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175. See *supra* notes 56, 136-38 and accompanying text.

176. The district court made a strong argument along these lines. See *supra* notes 52-53 and accompanying text. See also Rogers, *The Lanham Act and the Social Value of Trade-Marks*, 14 LAW & CONTEMP. PROBS. 173, 176-77 (1949).

177. See *supra* notes 42-45 and accompanying text.

178. See *supra* note 118 and accompanying text. See also Zeisel, *supra* note 5, at 902.

179. See *supra* notes 153-55 and accompanying text.

180. 684 F.2d at 1323-24.

the relevant genus, expert testimony might have been able to provide that showing by using the survey evidence already collected.

A unique product made by only one company, which would trigger the Ninth Circuit survey analysis of *Anti-Monopoly II*, most often occurs when a patent expires on the product with which a trademark has been associated.<sup>181</sup> A trademark should not be used to unlawfully extend the life of the patent.<sup>182</sup> In *Singer Manufacturing Co. v. June Manufacturing Co.*,<sup>183</sup> the Supreme Court stated:

It equally follows from the cessation of the monopoly and the falling of the patented device into the domain of things public, that along with the public ownership of the device there must also necessarily pass to the public the generic designation of the thing which has arisen during the monopoly  
 . . . .<sup>184</sup>

Thus, it is still "genericness" which must be determined. Only when a trademark becomes the "generic" description for an item is a competitor unable to communicate to the buyer what it is he or she is selling.<sup>185</sup>

In *Anti-Monopoly I* the Ninth Circuit enumerated the policies underlying trademark law:

- (1) to protect consumers from being misled as to the enterprise, or enterprises, from which the goods or services emanate or with which they are associated;
- (2) to prevent an impairment of the value of the enterprise which owns the trademark; and
- (3) to achieve these ends in a manner consistent with the objectives of free competition.<sup>186</sup>

The first two policy bases are traditionally associated with the goals of the trademark system;<sup>187</sup> the last is more an antitrust limitation on the trademark system.<sup>188</sup>

181. See 3 R. CALLMANN, *supra* note 22, § 18.27; 1 J. GILSON, *supra* note 5, § 2.02(3); 1 J. MCCARTHY, *supra* note 22, § 12:17; E. VANDENBURGH, *supra* note 22, § 9.30.

182. *Kellogg Co. v. National Biscuit Co.*, 305 U.S. 111, 116-18 (1938); *Singer Mfg. Co. v. June Mfg. Co.*, 163 U.S. 169, 184-86 (1896).

183. 163 U.S. 169 (1896).

184. *Id.* at 185.

185. *Ross-Whitney Corp. v. Smith Kline & French Laboratories*, 207 F.2d 190, 194-95 (9th Cir. 1953); *Zivin*, *supra* note 33, at 188.

186. 611 F.2d at 300-01 (quoting *HMH Publishing Co. v. Brincat*, 504 F.2d 713, 716 (9th Cir. 1974)).

187. See 3 R. CALLMANN, *supra* note 22, § 17.01; 1 J. GILSON, *supra* note 5, § 1.03.

188. 504 F.2d at 716. Several commentators have disputed the need for an express antitrust limitation on the trademark system. See *Diamond*, *supra* note 70, at 532-37 ("It is a paradox that trademarks should be attacked as anticompetitive when their basic purpose is

Because the court clearly was concerned with what it viewed as a lack of competitors in the "Monopoly" market, a better direct approach to determining the relevant genus would have been to borrow the cross elasticity of demand theory of antitrust law to define the product genus,<sup>189</sup> especially since normal genus/species distinctions blur in a unique product situation. The court then should have required Anti-Monopoly to show that under this definition "Monopoly" was indeed perceived as its own genus. Only if the specific game "Monopoly" was the genus would a THERMOS-type survey, designed to determine what term consumers use to refer to this genus, validly determine that consumers used MONOPOLY to refer to a genus. If the court had taken this approach, it need not have considered the motivation survey, which is of dubious value in providing information on consumer understanding of a term.<sup>190</sup>

### B. *Alternate Remedies*

#### 1. Introduction

If all the survey evidence before the Ninth Circuit in *Anti-Monopoly II* had been accepted as trustworthy and not partially rejected, as the Ninth Circuit rejected the brand-name survey<sup>191</sup> and as the district court rejected the THERMOS-type survey and the motivation survey,<sup>192</sup> the Ninth Circuit could have advanced a better interpretation of the function of the term MONOPOLY in relation to the unique product genus it had defined. There are three possible ways the term for a product can function: (1) as a valid trademark indicating the source of the product to which it is attached, whether it be "some indication" or

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to facilitate the operation of the competitive process."); Oppenheim, *The Public Interest in Legal Protection of Industrial and Intellectual Property*, 40 TRADE-MARK REP. 613, 625-26 (1950) ("The fact that trade-marks may be a part of contracts, combinations or conspiracies, or similar arrangements, in violation of the anti-trust laws is insufficient ground for creating the impression that trade-marks are inherently an anti-trust problem." (footnote omitted)); Pattishall, *supra* note 91, at 968-70 ("[T]o affirm and further the doctrines of the anti-trust acts, but to inhibit the protection of trade-marks and other means for commercial identification, is patently contradictory.").

189. The cross elasticity of demand approach would also eliminate the inconsistency of an action for "genericness" brought by a company arguing that it is being unfairly kept out of a market that it is not in because its product is in a different genus. In the pending antitrust action Anti-Monopoly brought against Parker-Brothers, *see Anti-Monopoly, Inc. v. General Mills, Inc.*, 684 F.2d 1326 (9th Cir. 1982), Anti-Monopoly asserts the monopolization of the business of making and distributing certain games. Such an allegation tends to show that Anti-Monopoly would consider its game to be in the same market as "Monopoly."

190. *See supra* note 150 and accompanying text.

191. 684 F.2d at 1323.

192. 515 F. Supp. at 453-54.

the "primary indication," depending on the basic test applied;<sup>193</sup> (2) as the name of a product which is perceived by consumers as coming from one source; or (3) as the name of a product.

A brand-name survey reveals that a certain amount of source indication exists.<sup>194</sup> It does not reveal whether the reason for this indication is the term for the unique product or the unique product itself. A THERMOS-type survey and a motivation survey tend to show whether the unique qualities of the product itself accomplish a large measure of source indication. In the case of a unique product such as "Monopoly," therefore, one could argue that a court could interpret the term MONOPOLY to fall into the second possible function noted above—the name of a game perceived as coming from one source—based on the specific results of the survey evidence.

While a term falling into this second category may be technically invalid as a trademark, especially under the more burdensome basic "genericness" test used by the Ninth Circuit,<sup>195</sup> it would be more equitable to apply a more lenient remedy than invalidation of the trademark, as will be discussed below.<sup>196</sup> Whatever the ultimate remedy, however, all the survey evidence should be analyzed on an equal footing. All survey evidence should be screened initially for trustworthiness by requiring foundation evidence by experts on the criteria set out by the *Nestle* court.<sup>197</sup> Once determined trustworthy, further expert testimony on the relevance of a survey to the issues in the case should be carefully considered.<sup>198</sup> Survey evidence can provide valuable insight into consumers' use of a trademark.<sup>199</sup> Under this approach courts will face situations in which they will have to make difficult choices between equally trustworthy survey evidence. The *Anti-Monopoly II* total rejection of the brand-name survey, however, obscured the fact that something was providing consumers with source indication.

One function of trademarks recognized by the Ninth Circuit is the protection of the good will a manufacturer has built up in its product—

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193. See *supra* notes 82-83, 87-90 and accompanying text.

194. Parker Brothers was correctly identified as the manufacturer of "Monopoly" by 55% of the people polled.

195. See *supra* notes 87-104 and accompanying text. The demarcation between these possible functions is not complete because both the game and the trademark could be contributing to the source indication. Where source indication occurs, a more burdensome basic test treats more terms as fulfilling the second possible function.

196. See *infra* notes 207-39 and accompanying text.

197. See *supra* notes 113-16, 146-48 and accompanying text.

198. See *supra* notes 156-61 and accompanying text.

199. See *supra* notes 110, 112 and accompanying text.

through quality control and advertising—which allows a buyer to distinguish it from other available products.<sup>200</sup> The Supreme Court recognized this function in *Mishawaka Rubber & Woolen Manufacturing Co. v. S.S. Kresge Co.*,<sup>201</sup> where it stated:

A trade-mark is a merchandising short-cut which induces a purchaser to select what he wants, or what he has been led to believe he wants. The owner of a mark exploits this human propensity by making every effort to impregnate the atmosphere of the market with the drawing power of a congenial symbol. Whatever the means employed, the aim is the same—to convey through the mark, in the minds of potential customers, the desirability of the commodity upon which it appears. Once this is attained, the trade-mark owner has something of value. If another poaches upon the commercial magnetism of the symbol he [the owner] has created, the owner can obtain legal redress.<sup>202</sup>

In addition, the Ninth Circuit has recognized that in fulfilling the goals of guaranteeing consistent quality<sup>203</sup> and of distinguishing among manufacturers, trademarks benefit the public by preventing confusion and deception.<sup>204</sup> This function is seen in the Lanham Trademark Act<sup>205</sup> requirement that there be “likelihood of confusion” in the consumer’s mind before a court may grant remedies for trademark infringement.<sup>206</sup>

MONOPOLY is a term that has become the name of a game con-

200. 611 F.2d at 300-01; *HMH Publishing Co. v. Brincat*, 504 F.2d 713, 716 (9th Cir. 1974); *Smith v. Chanel, Inc.*, 402 F.2d 562, 566 & n.13 (9th Cir. 1968).

201. 316 U.S. 203 (1942).

202. *Id.* at 205.

203. A trademark owner risks abandonment of his mark if quality control is not exercised in licensing the mark because the mark “may be used legitimately [only] by related companies.” 15 U.S.C. § 1055 (1976). See 3 R. CALLMANN, *supra* note 22, § 19.50; 1 J. GILSON, *supra* note 5, § 6.01(4)-(6).

204. See *supra* note 200.

205. 15 U.S.C. §§ 1051-1127 (1976).

206. Infringement is defined at 15 U.S.C. § 1114 (1976). As the Seventh Circuit has stated:

In the consideration of evidence relating to trademark infringement, therefore, a court must expand the more frequent, one-on-one, contest-between-two sides, approach. A third party, the consuming public, is present and its interests are paramount. Hence infringement is found when the evidence indicates a likelihood of confusion, deception or mistake on the part of the consuming public.

*James Burrough Ltd. v. Sign of the Beefeater, Inc.*, 540 F.2d 266, 274 (7th Cir. 1976). Expanding on this, the court continued: “A ‘trademark’ is not that which is infringed. What is infringed is the right of the public to be free of confusion and the synonymous right of a trademark owner to control his product’s reputation.” *Id.*

sumers recognize as coming from one manufacturer. As such, the term functions to protect the good will Parker Brothers has built up in the game and to prevent confusion and deception of the public. Because of MONOPOLY's continuing viability in performing these functions, a remedy less severe than the invalidation imposed by the Ninth Circuit seems more equitable, particularly in light of the Ninth Circuit's recognition in *Siegel v. Chicken Delight, Inc.* of the shift of the primary function of a trademark from source indication to quality guarantee<sup>207</sup> and the difficulty in distinguishing source-related from source-irrelevant qualities in a game whose goal is entertainment. Two possible remedies, comparative advertising and compulsory licensing, will be considered here.

## 2. Comparative advertising

The Ninth Circuit in *Smith v. Chanel, Inc.*<sup>208</sup> held that the appellant could advertise that his perfume "duplicate[s] 100% perfect the exact scent of" Chanel No. 5, as long as the claim was truthful and did not confuse the public as to the source of the perfume.<sup>209</sup> Under these conditions the court held the appellant would not be interfering with the only legally protectable function of a trademark—"to impart information as to the source or sponsorship of the product."<sup>210</sup> This decision, like *Anti-Monopoly II*, was based on preventing a trademark from becoming "a barrier to the entry of new competition into the market."<sup>211</sup> The Ninth Circuit in its *Anti-Monopoly I* decision cited *Chanel* for the proposition that: "Trademarks . . . are not properly used as patent substitutes to further or perpetuate product monopolies."<sup>212</sup> Given its reliance on the reasoning of *Chanel*, the Ninth Circuit should have considered the effectiveness of comparative advertising, which *Anti-Monopoly* could have used to break down barriers to competition.<sup>213</sup>

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207. See *supra* notes 71-73 and accompanying text.

208. 402 F.2d 562 (9th Cir. 1968).

209. *Id.* at 569. On remand the district court found the claim to be untruthful and the resulting injunction was affirmed on appeal. *Chanel, Inc. v. Smith*, 528 F.2d 284, 285 (9th Cir. 1976). See also *Societe Comptoir de l'Industrie Cotonniere Etablissements Boussac v. Alexander's Dep't Stores, Inc.*, 299 F.2d 33 (2d Cir. 1962) (defendant allowed to use plaintiff's trademarks DIOR and CHRISTIAN DIOR to promote sale of its garments as copies).

210. *Smith v. Chanel, Inc.*, 402 F.2d at 566 (footnote omitted).

211. *Id.* at 567.

212. 611 F.2d at 300 (citing *Smith v. Chanel, Inc.*, 402 F.2d at 566-69).

213. See Swann, *supra* note 97, at 373 ("marketing methods will expose consumers to competitive items, thereby diluting generic conceptions"). But see Folsom & Teply, *supra* note 103, at 229 (competitors will avoid comparative advertising because others may get a



A company wishing to compete with "Monopoly" could use comparative advertising to indicate that its game is merely the same game by a different manufacturer. Since the public already realizes that the game "Monopoly" has a particular source, this advertising would immediately relegate MONOPOLY to indicating that source. The court could specify the type of comparative advertising the competitor could employ to ensure the public would not be confused. In addition, to aid further entry into the market, the court could devise a more acceptable "generic" term and require advertising aimed at alerting the public to the "generic" term and its placement on the game cartons.<sup>214</sup>

The final judgment of the district court in *Anti-Monopoly*, after the second remand by the Ninth Circuit, incorporated similar techniques to prevent consumer deception. In addition to other restrictions,<sup>215</sup> Anti-Monopoly must for the next five years follow any use of the name ANTI-MONOPOLY on labeling, packaging, advertising or promotional material with the statement: "This game is not licensed or produced by Parker Brothers, the producers of MONOPOLY game equipment."<sup>216</sup> Similarly, in *Eastern Air Lines, Inc. v. New York Air Lines, Inc.*,<sup>217</sup> the court found AIR-SHUTTLE "generic" but enjoined use of the term "shuttle" by New York Air Lines in advertising because it was used in a misleading way.<sup>218</sup> These orders acknowledged the importance of avoiding public deception and the role trademarks can play in that avoidance.<sup>219</sup> In *Eastern*, survey evidence showed that only 10% of the people polled connected AIR-SHUTTLE with Eastern

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free-ride on the resultant consumer education and because of fear of retaliation by the trademark owner). See generally Robin, *Advertising and the Law: How Far Does Protection Extend*, 64 TRADE-MARK REP. 173 (1974).

214. A good example of an acceptable "generic" name is polyester, which DuPont adopted as the "generic" name for its DACRON material. Zivin, *supra* note 33, at 194.

215. Anti-Monopoly may use its corporate name only in connection with the manufacturing, marketing or sale of the game "Anti-Monopoly" and may not use, in any prominent manner, the words "Monopoly," "Monopolist" or "Monopolistic" in advertising, offering or selling game equipment. UNITED STATES TRADEMARK ASS'N, 38 GENERAL NEWS BULLETIN 32 (1983).

216. *Id.*

217. 559 F. Supp. 1270 (S.D.N.Y. 1983).

218. *Id.* at 1278-80. Eastern's "Air-Shuttle" service provided a guaranteed seat without a reservation and a back-up airplane in reserve to make sure everybody would get a seat. *Id.* at 1272. New York's "shuttle" service did not provide these features although their advertising led 47% of the surveyed individuals to believe it did. *Id.* at 1278-79.

219. Other courts have felt compelled to structure their orders to prevent deception of consumers still recognizing the trademark function of a term, e.g., *American Thermos Prods. Co. v. Aladdin Indus., Inc.*, 207 F. Supp. at 27, or to deny relief altogether if the possibility of some deception remained real, e.g., *Marks v. Polaroid Corp.*, 129 F. Supp. at 270. See Swann, *supra* note 106, at 246-47; Treece & Stephenson, *supra* note 37, at 467-68.

Air Lines so that even the product did not have source indication.<sup>220</sup> Under these circumstances invalidation coupled with an injunction to prevent public deception is probably a fair approach. In the *Anti-Monopoly* situation, however, a less drastic remedy would similarly prevent public deception and effect a hasty "recapture" of the trademark.<sup>221</sup>

In *Ideal Toy Corp. v. Plawner Toy Manufacturing Corp.*,<sup>222</sup> the Third Circuit tried to determine whether the trade dress of Ideal's RUBIK'S CUBE, the color of the faces and the solid color on each side start position, had achieved secondary meaning as an indication of

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220. 559 F. Supp. at 1275.

221. Another problem with labeling a trademark "generic" and invalidating it, is the view expressed by some courts that "even proof of secondary meaning, by virtue of which some 'merely descriptive' marks may be registered, cannot transform a generic term into a subject for trademark." *Abercrombie & Fitch Co. v. Hunting World, Inc.*, 537 F.2d 4, 9 (2d Cir. 1976). For this reason, commentators have developed the term "de facto secondary meaning" to refer to the secondary meaning a "generic" term develops. See 1 J. GILSON, *supra* note 5, § 2.09(2); 1 J. MCCARTHY, *supra* note 22, §§ 12:15 & 15:7; Treece & Stephenson, *supra* note 37, at 457-60. See also *Surgicenters of America, Inc. v. Medical Dental Surgeries, Co.*, 601 F.2d 1011 (9th Cir. 1979) (possible that term "Surgicenter" was "generic" and therefore not registrable as a trademark even with a showing of secondary meaning); *Miller Brewing Co. v. G. Heileman Brewing Co.*, 561 F.2d 75 (7th Cir. 1977) (term "light" or its phonetic equivalent "lite" held to be "generic" as applied to lower calorie beer and incapable of appropriation as a trademark), *cert. denied*, 434 U.S. 1025 (1978); *CES Publishing Corp. v. St. Regis Publications, Inc.*, 531 F.2d 11 (2d Cir. 1975) (term "Consumer Electronics" "generic" as the title of a trade magazine and not subject to trademark protection); *In re Chesapeake Corp. of Va.*, 420 F.2d 754 (C.C.P.A. 1970) (term "Superwaterfinish" as applied to Kraft paper not so highly descriptive as to be incapable of registration as a trademark); *American Aloe Corp. v. Aloe Creme Laboratories, Inc.*, 420 F.2d 1248 (7th Cir.) (term "Alo" as applied to cosmetics is "generic" and cannot be appropriated as a trademark), *cert. denied*, 400 U.S. 820 (1970); *Cummins Engine Co. v. Continental Motors Corp.*, 359 F.2d 892 (C.C.P.A. 1966) (trademark TURBODIESEL cancelled despite money spent promoting it because it is naturally and adequately nominative of engine type); *Weiss Noodle Co. v. Golden Cracknel & Specialty Co.*, 290 F.2d 845 (C.C.P.A. 1961) (trademark HALUSH-KA cancelled for egg noodles as phonetic version of the Hungarian word for that product despite acquired secondary meaning); *J. Kohnstam, Ltd. v. Louis Marx & Co.*, 280 F.2d 437 (C.C.P.A. 1960) (term "Matchbox" not registrable even with showing of secondary meaning as it is common descriptive term for toys packaged in small boxes); *Rohr Aircraft Corp. v. Rubber Teck, Inc.*, 266 F.2d 613 (9th Cir. 1959) ("generic" term "Seal" not capable of appropriation as a trademark). If strictly followed for former trademarks, this de facto secondary meaning theory seems particularly harsh in light of the history of marks being "recaptured" from the public domain. See 1 J. GILSON, *supra* note 5, § 2.02(6). In fact, the trademark SINGER found "generic" in *Singer Mfg. Co. v. June Mfg. Co.*, 163 U.S. 169 (1896), was held to have regained validity in *Singer Mfg. Co. v. Briley*, 207 F.2d 519 (5th Cir. 1953). Professor Callman has called this theory "ill-considered" and suggests that "the better view is that secondary meaning is purely a question of fact to be decided independently in each case." 3 R. CALLMANN, *supra* note 22, §§ 18.03 & 19.27.

222. 685 F.2d 78 (3d Cir. 1982).

source.<sup>223</sup> The court considered the following evidence from the trial transcript:

THE COURT: If someone went into a store and said to the store owner, "give me Rubik's Cube," and they handed them the defendant's product, is there any question in your mind that the customer would think that he was getting what he asked for?

COUNSEL FOR PLAWNER: No question in my mind.<sup>224</sup>

While this exchange shows likelihood of confusion, it also tends to show that buyer motivation is product-related. This illustrates that the same evidence which can show a product's trademark is "generic" even though there is source indication might be interpreted as also showing the product's configuration has acquired secondary meaning. If people use MONOPOLY to refer to a particular product but they also realize that the game comes from a single source, it might be that the trade dress of the game (Atlantic City street names, the colors of the properties, or the markers used by the players) is indicating source.<sup>225</sup> Although one court has observed that "no matter how much money and effort the user of a generic term has poured into promoting the sale of its merchandise and what success it has achieved in securing public identification, it cannot deprive competing manufacturers of the product of the right to call an article by its name."<sup>226</sup> Money spent on promotion has been considered in determining secondary meaning for trade dress.<sup>227</sup> Whether it is by analogy to trade dress cases<sup>228</sup> or the

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223. *Id.* at 82-83. See *supra* note 37.

224. *Id.* at 82.

225. See *In re Mogen David Wine Corp.*, 328 F.2d 925 (C.C.P.A. 1964) (applicant not precluded from obtaining trademark registration covering decanter configuration during life of design patent on that configuration as long as evidence showed the design functioned as a trademark); *Tas-T-Nut Co. v. Variety Nut & Date Co.*, 245 F.2d 3 (6th Cir. 1957) (relief granted for simulation of arrangement and design of printing and ornamentation on nut packages which had acquired secondary meaning); *Oriental Foods, Inc. v. Chun King Sales, Inc.*, 244 F.2d 909 (9th Cir. 1957) (no relief granted for partial similarity in packaging without showing that similarity would mislead or confuse an appreciable number of prospective purchasers); *Coca-Cola Co. v. Glee-Nol Bottling Co.*, 221 F. 61 (5th Cir. 1915) (no relief granted for simulation of bottle and lettering appearance where they had not acquired secondary meaning); *Charles E. Hires Co. v. Consumers' Co.*, 100 F. 809 (7th Cir. 1900) (injunctive relief granted for intentional imitation of new and peculiar form of bottle which had acquired secondary meaning). See generally 3 R. CALLMANN, *supra* note 22, §§ 18.12 & 19.38; 1 J. GILSON, *supra* note 5, § 2.12; 1 J. MCCARTHY, *supra* note 22, §§ 7:23-7:33 & 8:1-8:8; E. VANDENBURGH, *supra* note 22, § 1.21(b).

226. *Abercrombie & Fitch Co. v. Hunting World, Inc.*, 537 F.2d at 9 (citing *J. Kohnstam, Ltd. v. Louis Marx & Co.*, 280 F.2d 437, 440 (C.C.P.A. 1960)).

227. *Ideal Toy Corp. v. Plawner Toy Mfg. Corp.*, 685 F.2d at 82.

228. See *supra* note 225.

recognition that the name for a unique product is easily "recaptured" from "generic" status,<sup>229</sup> courts should apply remedies which account for all the functions of a trademark.<sup>230</sup> This is particularly true when invalidation affects not only the trademark owner but the public as well.

### 3. Compulsory licensing

In *Anti-Monopoly*, the Ninth Circuit used a finding of "genericness" to impose an antitrust limitation on the trademark system.<sup>231</sup> Earlier, it was suggested that this should compel the court to borrow from antitrust law in defining the genus for a product.<sup>232</sup> The court also should consider remedies suggested in antitrust cases to "effectively pry open to competition a market that has been closed."<sup>233</sup> This consideration of a broader range of remedies will allow the court to choose the "least drastic" alternative remedy for the facts of the case.<sup>234</sup>

Unfortunately, the use of compulsory trademark relief has been sparse in the antitrust area.<sup>235</sup> Temporary injunctions against use of a trademark have been imposed,<sup>236</sup> and the Federal Trade Commission has suggested it would order compulsory licensing in an appropriate case.<sup>237</sup> While the Federal Trade Commission was considering a royalty-free compulsory license, the less drastic remedy of a reasonable-royalty compulsory license might be effective in the unique product situation. Licensed use of the mark would allow competitive entry into the market and the reasonable royalty would allow the trademark owner to recoup promotional expenses. Provision would have to be made, however, for quality control and product distinguishment to avoid deceiving consumers.<sup>238</sup> Care would also have to be taken to ensure that further "generic" use of the mark is not promoted. Prop-

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229. See *supra* note 221.

230. See *supra* notes 200-06 and accompanying text.

231. See *supra* notes 186-88 and accompanying text.

232. See *supra* notes 162-90 and accompanying text.

233. *International Salt Co. v. United States*, 332 U.S. 392, 401 (1947).

234. See *Diamond*, *supra* note 70, at 537-38; Holmes, *Compulsory Patent and Trademark Licensing: A Framework for Analysis*, 12 *LOY. U. CHI. L.J.* 43, 44-46 (1980).

235. Holmes, *supra* note 234, at 66.

236. See, e.g., *Ford Motor Co. v. United States*, 405 U.S. 562 (1972); *United States v. General Electric Co.*, 115 F. Supp. 835 (D.N.J. 1953).

237. *In re Borden, Inc.*, 92 F.T.C. 669 (1978).

238. In *Manhattan Indus., Inc. v. Sweater Bee by Banff, Ltd.*, 627 F.2d 628, 631 (2d Cir. 1980), the court held that both parties would be allowed to use the "Kimberly" mark recently abandoned by General Mills and stated: "No doubt the parties can create and present to the district court sufficiently distinct labels bearing the 'Kimberly' mark so that the

erly effected, compulsory licensing is a less drastic alternative to the loss, which accompanies invalidation, of the right to protect a trademark from infringement.<sup>239</sup>

## VI. CONCLUSION

The two Ninth Circuit *Anti-Monopoly* decisions set a dangerous precedent for subsequent decisions on "genericness." In using a test for secondary meaning as the basic test for "genericness," the court continued the trend away from tests giving greater protection to registered trademarks. This shift fails to consider the different equities involved in determinations of secondary meaning and "genericness" of a registered trademark. The motivation survey accepted by the Ninth Circuit provides largely irrelevant information and, absent stricter standards of trustworthiness, seems particularly prone to manipulation by the party conducting the survey. The Ninth Circuit should have required a showing that "Monopoly" was indeed perceived by consumers as its own genus before rejecting the brand-name survey and allowing the THERMOS-type survey to take a unique product form.

Even assuming "Monopoly" is its own genus, the Ninth Circuit should have recognized that the brand-name survey evidence of source indication would allow application of a remedy less drastic than invalidation. Such a remedy could prevent consumer confusion as well as forfeiture of the trademark owner's rights without stifling fair competition. In particular, court-regulated comparative advertising or compulsory licensing coupled with designation of an acceptable "generic" term would protect the public and the trademark owner while allowing competitor entry into the market.

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purchasers of high quality women's clothing can distinguish appellees' 'Kimberly' goods from appellant's." *See supra* notes 215-18 and accompanying text.

239. *See supra* note 221.

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