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# The Proper Application of Nominative Fair Use in Trademark Law: Why International Information Systems Security Certification Consortium, Inc. v. Security University, LLC Sets the Preeminent Standard

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**THE PROPER APPLICATION OF NOMINATIVE  
FAIR USE IN TRADEMARK LAW: WHY  
INTERNATIONAL INFORMATION SYSTEMS  
SECURITY CERTIFICATION CONSORTIUM, INC. V.  
SECURITY UNIVERSITY, LLC SETS THE  
PREEMINENT STANDARD**

*Jonathan Oldham Ballard Jr.\**

I. INTRODUCTION

In 2011, the iconic “Google” trademark was estimated to be worth forty-four billion dollars, making up twenty-seven percent of the tech monolith’s total market value.<sup>1</sup> Similarly valuable trademarks are not uncommon.<sup>2</sup> For many of the world’s largest corporations, the goodwill and consumer magnetism fostered by their trademarks lay the foundation for their commercial success.<sup>3</sup>

The economic value of these marks is protected by a generally-exclusive right to use the mark in commerce.<sup>4</sup> However, statutory provisions and common law doctrines have created some exceptions to this general rule.<sup>5</sup> Perhaps the most notorious of these exceptions is the doctrine of nominative fair use.

Under the doctrine of nominative fair use, an alleged infringer is

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1. Sean Stonefield, *The 10 Most Valuable Trademarks*, FORBES (June 15, 2011), <https://www.forbes.com/sites/seanstonefield/2011/06/15/the-10-most-valuable-trademarks/#6abaf13536b8>.

2. *Id.*

3. See Kelvin King, *The Value of Intellectual Property, Intangible Assets and Goodwill*, WORLD INTELL. PROP. ORG., [http://www.wipo.int/sme/en/documents/value\\_ip\\_intangible\\_assets\\_fulltext.html](http://www.wipo.int/sme/en/documents/value_ip_intangible_assets_fulltext.html).

4. Darian B. Taylor, Annotation, *Nominative Fair Use Defense in Trademark Law*, 84 A.L.R. Fed. 2d 217, 234 (2015).

5. 15 U.S.C. § 1115(b)(1)–(9) (2012); 3 ANNE GILSON LALONDE, GILSON ON TRADEMARKS § 11.08 (2018).

immune from liability when the alleged infringer uses the plaintiff's trademark to refer to the trademark owner or trademark owner's product in a non-confusing manner.<sup>6</sup> While this doctrine has firmly embedded itself into established trademark jurisprudence since its original articulation in the Ninth Circuit, not all circuits acknowledge the doctrine's conceptual viability or implement the doctrine in the same way.<sup>7</sup>

In *International Information Systems Security Certification Consortium, Inc. v. Security University, LLC*,<sup>8</sup> the Second Circuit created its own nominative fair use test.<sup>9</sup> This Comment describes the circuit split relating to nominative fair use, and argues that the Second Circuit's nominative fair use test provides definitive guidance on the proper application of nominative fair use. Part II of this Comment discusses the Lanham Act and the standard for trademark infringement: likelihood of confusion. Part III discusses the history of nominative fair use. Part IV discusses the nominative fair use circuit split. Part V delves into the facts of *International Information*, and Part VI discusses why the Second Circuit's nominative fair use test stands out as preeminent. Part VII suggests that the Supreme Court should address the nominative fair use circuit split on certiorari and should adopt the *International Information* nominative fair use test thereafter.

## II. THE LANHAM ACT AND LIKELIHOOD OF CONFUSION

In 1946, Congress passed the Lanham Act to delineate trademark owners' rights.<sup>10</sup> Under the Lanham Act, trademark owners are afforded the right to use a "distinctive mark in the course of commerce" and the corresponding right to enjoin or recover damages from parties who use an identical or confusingly similar mark.<sup>11</sup>

When analyzing this likelihood of confusion, courts use one of several jurisdiction-specific, multi-factor balancing tests that vary in

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6. 3 GILSON LALONDE, *supra* note 5, at § 11.08.

7. Taylor, *supra* note 4, at 234–35.

8. 823 F.3d 153 (2d Cir. 2016).

9. *Id.* at 168.

10. Sondra Levine, *The Origins of the Lanham Act*, 19 J. CONTEMP. LEGAL ISSUES 22, 27 (2010).

11. Taylor, *supra* note 4, at 236.

length, phrasing, and organization.<sup>12</sup> The factors that make up these tests include:

- (1) strength of the mark; (2) proximity of the goods; (3) similarity of the marks; (4) evidence of actual confusion; (5) marketing channels used; (6) type of goods and the degree of care likely to be exercised by the purchaser; (7) defendant's intent in selecting the mark; and (8) likelihood of expansion of the product lines.<sup>13</sup>

Since the passage of the Lanham Act, common law development of trademark law has occurred in two phases.<sup>14</sup> From roughly 1946–1980, courts became increasingly wary of the anti-competitive effects of trademark monopolies and exercised greater restraint when extending trademark rights past those explicitly delineated in the Lanham Act.<sup>15</sup> Foreshadowing the Second Circuit's ultimate stance on nominative fair use, opinions from Second Circuit Judges Learned Hand and Jerome Frank helped to define this conservative era of trademark common law.<sup>16</sup>

The 1970's brought about a dramatic paradigm shift in prevailing law and economics theory.<sup>17</sup> Concerns of trademark rights' anti-competitive effects were supplanted with the theory that trademarks actually enhanced competition by improving the quality of information available to consumers.<sup>18</sup> This more optimistic view of trademark law led to a more liberal expansion of trademark rights through common law.<sup>19</sup>

Coinciding with this period of trademark rights expansion was a departure from the legal formalism that defined early, post-Lanham Act common law.<sup>20</sup> The liberal and elaborate interpretations of Lanham Act provisions that defined this prolific era eventually led to the original articulation of nominative fair use in the seminal Ninth Circuit case, *New Kids on the Block v. News America Publishing*,

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12. 2 ANNE GILSON LALONDE, *GILSON ON TRADEMARKS*, § 5.02 (2018).

13. 1 JAMES B. ASTRACHAN ET AL., *THE LAW OF ADVERTISING*, § 11.02 (2001).

14. Robert G. Bone, *Hunting Goodwill: A History of the Concept of Goodwill in Trademark Law*, 86 B.U. L. REV. 547, 593, 599 (2006).

15. *Id.* at 599.

16. *Id.* at 599–600.

17. *See id.* at 602–03.

18. *Id.* at 602.

19. *Id.* at 603.

20. *Id.* at 583.

*Inc.*<sup>21</sup>

### III. THE HISTORY OF NOMINATIVE FAIR USE

In *New Kids*, the Court rejected a trademark infringement claim brought by the famous '80s boy band, "New Kids on the Block," against a news organization that published the band's trademark-protected name in its newspaper.<sup>22</sup> The band's name was published in a poll that asked subscribers to call in and respond to questions about members of the band, such as "[w]ho's the best on the block?" and "which kid is the sexiest?"<sup>23</sup> Believing that the polls infringed on their trademark, New Kids on the Block brought claims for trademark infringement against the news organization.<sup>24</sup>

The court held that nominative fair use defeated the band's infringement claim because: 1) the news organization only referred to the group's trademarked name in order to identify it, 2) use of the name was the only practical way for the news organization to refer to the group, and 3) the use of the name was not confusing or suggestive that the charity event was sponsored by the musical group.<sup>25</sup> A three-part nominative fair use test was extracted from this holding.

Phrased in the abstract, nominative fair use applies when:

(1) the product or service in question was . . . one not readily identifiable without use of the trademark; (2) only so much of the mark or marks was used as was reasonably necessary to identify the product or service; and (3) the defendant did nothing that would have, in conjunction with the mark, suggested sponsorship or endorsement by the owner.<sup>26</sup>

The Ninth Circuit created this three-part, nominative fair use test to protect alleged trademark infringers who do not appropriate or obfuscate the source-identifying qualities of the mark, but to the contrary, use the mark specifically to identify the trademark owner.<sup>27</sup> The Ninth Circuit reasoned that such protection was warranted

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21. 971 F.2d 302 (9th Cir. 1992).

22. *Id.* at 309.

23. *Id.* at 304.

24. *Id.* at 304–05.

25. *Id.* at 308–09.

26. Taylor, *supra* note 4, at 238.

27. *New Kids on the Block*, 971 F.2d at 308.

because this type of use was not confusing or deceptive and thus fell outside the bounds of trademark law protection.<sup>28</sup>

While the creation of nominative fair use may have been predominantly the result of this nuanced understanding of trademark law's purview as it concerned the *New Kids* factual background, the Ninth Circuit also supported its position by acknowledging longstanding Supreme Court precedent that recognized the legality of comparative advertising using trademarks.<sup>29</sup> The rationale used to support nominative fair use is thus derived from the scope of trademark protection under the Lanham Act and an independent common law lineage that condones comparative advertising.

#### IV. THE CIRCUIT SPLIT

Since *New Kids*, three other circuits have adopted nominative fair use but apply the doctrine differently.<sup>30</sup> These competing adaptations of the doctrine will likely remain in effect in their respective circuits for the foreseeable future because the Supreme Court has explicitly declined to give guidance on the matter. In *KP Permanent Make-Up, Inc. v. Lasting Impression I, Inc.*,<sup>31</sup> the Court excluded any consideration of nominative fair use from its discussion of a similar issue concerning classic fair use.<sup>32</sup> The lack of guidance on this nominative fair use issue has since left the circuit courts in disagreement.

In the Ninth Circuit, the three-part nominative fair use test created in *New Kids* replaces the traditional likelihood of confusion test when the defense is at issue.<sup>33</sup> The burden of proving that the elements of the test are unsatisfied is bestowed on the plaintiff.<sup>34</sup>

The Fifth Circuit was the first to adopt the nominative fair use doctrine after its inception in the Ninth Circuit.<sup>35</sup> In *Pebble Beach*

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28. *Id.* at 308–09.

29. *See id.* at 308 (citing *Prestonettes, Inc. v. Coty*, 264 U.S. 359, 368 (1924)).

30. *Pebble Beach Co. v. Tour 18 I Ltd.*, 155 F.3d 526, 546 (5th Cir. 1998); *Century 21 Real Estate Corp. v. Lendingtree, Inc.*, 425 F.3d 211, 217 (3d Cir. 2005); *Int'l Info. Sys. Sec. Certification Consortium, Inc. v. Sec. Univ., LLC*, 823 F.3d 153, 156 (2d Cir. 2016).

31. 543 U.S. 111 (2004).

32. *Id.* at 115 n.3. 15 U.S.C. § 1115(b)(4) (2012) creates an affirmative defense to trademark infringement known colloquially as “classic” or “descriptive” fair use. This defense is outside the scope of this Comment.

33. *Toyota Motor Sales, U.S.A., Inc. v. Tabari*, 610 F.3d 1171, 1182 (9th Cir. 2010).

34. *Id.* at 1182–83.

35. Paul C. Llewellyn & Kyle D. Gooch, *Second Circuit Expands Split on Nominative Fair Use*, INTABULLETIN: INT'L TRADEMARK ASS'N (Nov. 16, 2016), <https://www.inta.org>

*Co. v. Tour 18 I Ltd.*,<sup>36</sup> the Fifth Circuit created its own nominative fair use test using two of the three *New Kids* factors.<sup>37</sup> Instead of using this test as a substitute for a likelihood of confusion analysis, however, courts in the Fifth Circuit analyze their two nominative fair use factors “in conjunction with [a] likelihood-of-confusion analysis.”<sup>38</sup> The two nominative fair use factors thus function as a “supplement” to the circuit’s traditional, multi-factor likelihood of confusion test.<sup>39</sup>

To the contrary, the Third Circuit recognizes nominative fair use as an affirmative defense.<sup>40</sup> Using this approach, an affirmative finding of a likelihood of confusion is moot if nominative fair use is found using the three-part test.<sup>41</sup> In these cases, a nominative fair use defense prevails regardless of the strength of the likelihood of confusion finding.<sup>42</sup>

This three-way circuit split between the Ninth, Fifth, and Third Circuits was fragmented once again by the Second Circuit in *International Information*.<sup>43</sup>

## V. STATEMENT OF THE CASE

International Information Systems Security Certification Consortium (“ISC<sup>2</sup>”) is a non-profit dedicated to developing standards for the information security industry.<sup>44</sup> “ISC<sup>2</sup> developed a certification program and began using the certification mark ‘CISSP®’ to denote a ‘Certified Information Systems Security Professional’ who has met certain requirements and standards of competency in the information security field.”<sup>45</sup> ISC<sup>2</sup> administers a

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36. 155 F.3d 526 (5th Cir. 1998).

37. *Id.* at 546 & n.13.

38. *Id.* at 547.

39. *Id.* at 546.

40. *See Century 21 Real Estate Corp. v. Lendingtree, Inc.*, 425 F.3d 211, 217 (3d Cir. 2005) (“[T]he legal framework still involves a showing that A’s reference to B’s mark will likely confuse the public, but the analysis does not end there, for the use may nonetheless be permissible if it is ‘fair.’”).

41. *Id.*

42. *Id.* at 217–18.

43. Llewellyn & Gooch, *supra* note 35.

44. *Int’l Info. Sys. Sec. Certification Consortium, Inc. v. Sec. Univ., LLC*, 823 F.3d 153, 156 (2d Cir. 2016).

45. *Id.*

CISSP certification exam that tests these qualifications.<sup>46</sup>

Security University (“SU”) offers classes that prepare people for the CISSP certification exam.<sup>47</sup> While it was undisputed that SU was allowed to use the CISSP mark to indicate that its classes were designed to prepare students for the CISSP certification exam, ISC<sup>2</sup> objected to several of SU’s advertisements that featured the CISSP mark.<sup>48</sup>

From 2010–2012, SU ran a variety of advertisements that referred to SU’s instructor, Clement DuPuis, as a “Master CISSP.”<sup>49</sup> ISC<sup>2</sup> claimed that SU fabricated this “Master” designation and that the designation was not related to ISC<sup>2</sup>’s certification standards.<sup>50</sup> After an unsuccessful cease and desist request, ISC<sup>2</sup> sued SU for trademark infringement on the basis that the use of the “Master” designation, in conjunction with the CISSP trademark, created a “false designation of origin.”<sup>51</sup>

SU countered ISC<sup>2</sup>’s infringement claims by raising a nominative fair use defense.<sup>52</sup>

#### *A. The District Court*

When assessing ISC<sup>2</sup>’s trademark infringement claim, the United States District Court for the District of Connecticut applied the three-part nominative fair use test from *New Kids* instead of the Second Circuit’s traditional, multi-factor likelihood of confusion test.<sup>53</sup> The district court held that, per this three-part test, SU’s use of the CISSP mark constituted nominative fair use<sup>54</sup> and accordingly granted SU’s motion for summary judgment on ISC<sup>2</sup>’s trademark infringement claims.<sup>55</sup>

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46. *Id.*

47. *Id.*

48. *Id.* at 157.

49. *Id.*

50. *Id.* at 158.

51. 15 U.S.C. § 1125(a) (2012); *Int’l Info. Sys. Sec. Certification Consortium*, 823 F.3d at 158.

52. *Int’l Info. Sys. Sec. Certification Consortium, Inc. v. Sec. Univ., LLC*, No. 3:10-cv-01239(MPS), 2014 U.S. Dist. LEXIS 108853, at \*8 (D. Conn. Aug. 7, 2014).

53. *Id.* at \*11.

54. *Id.* at \*27–28.

55. *Id.*



### B. *The Second Circuit*

On appeal, the Second Circuit vacated the district court's summary judgment orders, partially on the grounds that the district court erred in applying the three-part nominative fair use test instead of the circuit's traditional likelihood of confusion test.<sup>56</sup> The court then remanded the case with instructions for the district court to supplement the circuit's traditional likelihood of confusion factors, known in the Second Circuit as the "*Polaroid* factors,"<sup>57</sup> with the three nominative fair use factors.<sup>58</sup>

The Second Circuit made two key holdings that defined its adaptation of nominative fair use. First, the Second Circuit distanced itself from the Third Circuit by holding that nominative fair use is not an affirmative defense.<sup>59</sup> In a manner consistent with the Fifth Circuit's approach, the Second Circuit then held that nominative fair use should supplement, not replace, a likelihood of confusion test.<sup>60</sup>

To support its holding that nominative fair use should not be considered an affirmative defense, the Second Circuit noted the absence of any mention of nominative fair use in the Lanham Act's list of affirmative defenses and concluded: "If Congress had wanted nominative fair use to constitute an additional affirmative defense, it would have provided as such."<sup>61</sup>

The Court however conceded that the *Polaroid* factors are not a perfect fit for all cases involving nominative fair use.<sup>62</sup> To reconcile this apparent incompatibility, the Court emphasized the non-exclusivity of the *Polaroid* factors, inferring that supplemental nominative fair use considerations are consistent with the circuit's precedent.<sup>63</sup> This reasoning reiterated arguments made by the Patent and Trademark Office ("PTO") in an amicus brief that the Court

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56. *Int'l Info. Sys. Sec. Certification Consortium*, 823 F.3d at 156. The grounds for vacation that were unrelated to nominative fair use are outside the scope of this Comment.

57. The "Polaroid" factors are named after the Second Circuit case *Polaroid Corp. v. Polarad Electronics Corp.*, 287 F.2d 492 (2d Cir. 1961), in which the Circuit listed eight of the factors courts in the circuit consider when assessing likelihood of confusion. The Polaroid factors are analogous to the Ninth Circuit's "Sleekcraft" factors and the Third Circuit's "Lapp" factors. 1 ASTRACHAN ET AL., *supra* note 13, § 11.02(5)(c)(v).

58. *Int'l Info. Sys. Sec. Certification Consortium*, 823 F.3d at 156.

59. *Id.* at 167–68.

60. *Id.* at 168.

61. *Id.* at 167.

62. *Id.* at 168.

63. *Id.* at 160 (quoting *Arrow Fastener Co. v. Stanley Works*, 59 F.3d 384, 400 (2d Cir. 1995)).

found persuasive.<sup>64</sup>

In its brief, the PTO noted that trademark infringement is often a fact-specific issue that does not lend itself well to rigid factor-based tests.<sup>65</sup> The PTO therefore suggested that “all relevant factors probative of likelihood of confusion should be considered” including, when relevant, nominative fair use factors.<sup>66</sup> The PTO considered it unwise to “further cabin” the factors courts use to assess likelihood of confusion by replacing traditional, multi-factor tests with the three-part nominative fair use test.<sup>67</sup>

## VI. ARGUMENT IN FAVOR OF THE SECOND CIRCUIT TEST

The following subsections argue that the nominative fair use test announced in *International Information* properly applies the doctrine, and should be adopted as the national standard for the following reasons: (A) a trademark owner’s statutorily protected right in preventing trademark infringement outweighs the common law right to engage in comparative advertising; (B) nominative fair use is usually unnecessary; (C) nominative fair use is superfluous, and; (D) the three-part nominative fair use test does not competently address all likelihood of confusion factors.

### *A. A Trademark Owner’s Statutorily Protected Right in Preventing Trademark Infringement Outweighs the Common Law Right to Engage in Comparative Advertising*

As the Court noted in *International Information*, nominative fair use has no statutory basis.<sup>68</sup> On the other hand, infringement claims based on a likelihood of confusion are codified in the Lanham Act.<sup>69</sup> When the use of a trademark creates a likelihood of confusion and, unlike in *New Kids*, does fall within the Lanham Act’s purview, the only legal justification supporting nominative fair use is a common law tradition of condoning comparative advertising that originates in pre-Lanham Act case law.

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64. *Id.* at 167 n.5.

65. Brief for Int’l Trademark Ass’n as Amicus Curiae Supporting Petitioners at 14–15, Int’l Info. Sys. Sec. Certification Consortium, Inc. v. Sec. Univ., LLC, 823 F.3d 153 (2d Cir. 2016) (No. 14-3456-cv), 2016 WL 6213013.

66. *Id.*

67. *Id.* at 15.

68. *Int’l Info. Sys. Sec. Certification Consortium, Inc.*, 823 F.3d at 167.

69. 15 U.S.C. § 1114(1) (2012).

To make nominative fair use, a common law doctrine, an affirmative defense to a statutorily created cause of action would be a misapplication of legal authority.<sup>70</sup> For this reason, the Third Circuit errs in treating nominative fair use like an affirmative defense.

*B. Nominative Fair Use is Usually Unnecessary*

In many nominative fair use cases, traditional likelihood of confusion analyses will prove dispositive before a nominative fair use discussion becomes necessary. When an alleged infringer uses another's trademark to identify the trademark owner in good faith, the alleged infringer is likely trying to distinguish, not confound, the origin, source, or sponsorship of her own product. Accurately identifying the trademark owner or her product likely eliminates much of the consumer confusion relating to the similarity of the two parties' goods.

In comparative advertising, one of the archetypal nominative fair use scenarios, this distinction is made to make the impression that the alleged infringer's goods are somehow superior to the trademark owner's goods.<sup>71</sup> In these cases, traditional likelihood of confusion analyses would not find likelihood of confusion; rendering any subsequent nominative fair use analysis unnecessary.

*C. Nominative Fair Use is Superfluous*

Perhaps the strongest argument for incorporating nominative fair use into a likelihood of confusion analysis is that nominative fair use doctrine is merely a restatement of existing trademark law. The right to use another's trademark to reference the trademark owner in a non-confusing way was recognized by the Supreme Court long before nominative fair use was conceptualized.<sup>72</sup>

In *Prestonettes, Inc. v. Coty*,<sup>73</sup> the Supreme Court held that a defendant perfume producer had the right to repackage the plaintiff's

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70. See U.S. CONST. art. VI (“[T]he Laws of the United States . . . and all Treaties made, or which shall be made, under the Authority of the United States, shall be the supreme Law of the Land; and the Judges in every State shall be bound thereby, any Thing in the Constitution or Laws of any State to the Contrary notwithstanding.”).

71. Jacqueline Levasseur Patt, *Not All Is Fair (Use) in Trademarks and Copyrights*, INTABULLETIN: INT’L TRADEMARK ASS’N (Sep. 15, 2012), [https://www.inta.org/INTABulletin/Pages/NotAllIsFair\(Use\)inTrademarksandCopyrights.aspx](https://www.inta.org/INTABulletin/Pages/NotAllIsFair(Use)inTrademarksandCopyrights.aspx).

72. See *Prestonettes, Inc. v. Coty*, 264 U.S. 359, 369 (1924).

73. 264 U.S. 359 (1924).

perfume and could use the plaintiff's trademark to indicate that the plaintiff originally produced the perfume.<sup>74</sup> Courts successfully implemented the *Prestonettes* rule regarding referential uses of trademarks for over sixty-seven years before "nominative fair use" was coined by the Ninth Circuit.<sup>75</sup> Indeed, it was this very precedent that the Ninth Circuit relied on when it defined nominative fair use:

[W]e may generalize a class of cases where the use of the trademark does not attempt to capitalize on consumer confusion or to appropriate the cachet of one product for a different one. Such *nominative use* of a mark—where the only word reasonably available to describe a particular thing is pressed into service—lies outside the strictures of trademark law: Because it does not implicate the source-identification function that is the purpose of trademark, it does not constitute unfair competition; such use is fair because it does not imply sponsorship or endorsement by the trademark holder. "When the mark is used in a way that does not deceive the public we see no such sanctity in the word as to prevent its being used to tell the truth."<sup>76</sup>

From this reasoning, it appears as if the Ninth Circuit's original articulation of nominative fair use is best understood as a concise reiteration of existing trademark principles rather than a new doctrine worthy of independent consideration.<sup>77</sup>

Furthermore, traditional, multi-factor likelihood of confusion tests address all of the nominative fair use factors and would therefore ultimately produce the same result. The three nominative fair use factors focus on whether the defendant attempted to appropriate any source-identifying function of the mark for its own benefit in bad faith.<sup>78</sup> Because the defendant's intent in using the allegedly infringing mark is a factor in every federal circuit's likelihood of confusion test,<sup>79</sup> these concerns can be addressed in

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74. *Id.* at 368–69.

75. *New Kids on the Block v. News Am. Pub., Inc.*, 971 F.2d 302, 308 (9th Cir. 1992).

76. *Id.* at 307–08 (quoting *Prestonettes*, 264 U.S. at 368).

77. *See Nat'l Fed'n of the Blind, Inc. v. Loompanics Enters., Inc.*, 936 F. Supp. 1232, 1241 (D. Md. 1996) ("While perhaps novel in its precise formulation, the [three-part nominative fair use] test is, for the most part, a restatement of two basic principles of trademark law").

78. *See Fortune Dynamic, Inc. v. Victoria's Secret Stores Brand Mgmt.*, 618 F.3d 1025, 1043 (9th Cir. 2010).

79. 2 GILSON LALONDE, *supra* note 12, § 5.02.

detail without a separate nominative fair use analysis.

This is not to say that traditional likelihood of confusion tests are perfectly compatible with nominative fair use cases. For example, factors one through four of the *Polaroid* test—“the strength of the plaintiff’s mark,” “the similarity of the marks,” the “proximity of the products in the marketplace,” and the likelihood that the plaintiff will “bridge the gap”—evaluate the similarity of the marks and products being compared.<sup>80</sup> If courts were to weigh these factors in nominative fair use cases, their persuasive weight would conflict with the common law right to comparatively advertise. Without some reconciliation, a rigid application of these four *Polaroid* test factors appears incompatible with the nominative fair use doctrine.

However, a more comprehensive look at Second Circuit case law sheds light on how the Second Circuit deals with this incompatibility. In the Second Circuit, “the *Polaroid* factors are not . . . ‘exclusive’ and should not be applied ‘mechanically.’ No single factor is dispositive, and cases may certainly arise where a factor is irrelevant to the facts at hand.”<sup>81</sup>

The discretion to consider factors irrelevant on a case-by-case basis enables courts in the Second Circuit to consider *Polaroid* factors one through four irrelevant when nominative fair use is at issue. Doing so resolves the unfair prejudice these factors would otherwise create.

It is important however for district courts to be thorough when explaining why some factors may be irrelevant in certain situations.<sup>82</sup> Doing so facilitates consistent application of the *Polaroid* factor test over time.<sup>83</sup>

By failing to require courts in its jurisdiction to at least mention all of the jurisdiction’s traditional likelihood of confusion factors, the Fifth Circuit errs in missing this opportunity to provide clarity

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80. See *Nespresso USA, Inc. v. Afr. Am. Coffee Trading Co.*, No. 15CV5553-LTS, 2016 U.S. Dist. LEXIS 71942, at \*8 (S.D.N.Y. June 2, 2016) (holding *Polaroid* factors one through four weighed in favor of finding a likelihood of confusion even when nominative fair use was at issue).

81. *Int’l Info. Sys. Sec. Certification Consortium, Inc. v. Sec. Univ., LLC*, 823 F.3d 153, 160 (2d Cir. 2016) (quoting *Arrow Fastener Co. v. Stanley Works*, 59 F.3d 384, 400 (2d Cir. 1995)).

82. See *Arrow Fastener*, 59 F.3d at 399–400 (“The steady application of *Polaroid* is critical to the proper development of trademark law, for it is only when the *Polaroid* factors are applied consistently and clearly over time that the relevant distinctions between different factual configurations can emerge.”).

83. *Id.* at 400.

through precedent.<sup>84</sup>

*D. The Three-Part Nominative Fair Use Test Does Not Competently Address All Likelihood of Confusion Factors*

The total encompassment of nominative fair use considerations in existing likelihood of confusion tests is, however, not inversely true. As previously mentioned, nominative fair use factors are predominantly concerned with the intent of the alleged infringer and any coinciding bad faith. The Lanham Act, however, defines likelihood of confusion in relation to the allegedly infringing use's effect on the consuming public.<sup>85</sup>

Jurisdictions that supplant traditional likelihood of confusion analyses with nominative fair use tests ignore factors that assess an allegedly infringing use's effect on the consuming public. These concerns include: (1) "the proximity of the products and their competitiveness with one another," (2) "sophistication of consumers in the relevant market," and (3) "evidence of actual consumer confusion."<sup>86</sup>

1. The Proximity of the Products and Their Competitiveness With One Another

When assessing likelihood of confusion, the proximity or relatedness of the goods at issue is an important factor because the more closely the parties' goods or services are related in the minds of consumers, the more likely that consumer confusion will occur.<sup>87</sup> This possible risk of consumer confusion is unaccounted for in the three-part nominative fair use test.

*International Information* is illustrative. ISC<sup>2</sup> was in the business of developing standards for the information security industry, while SU offered classes that would aid students in meeting these standards.<sup>88</sup> The complementary nature of the parties' products

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84. See *Pebble Beach Co. v. Tour 18 I Ltd.*, 155 F.3d 526, 546 (5th Cir. 1998) ("The digits serve only as guides on the analytical route to the ultimate determination of whether confusion is likely to result.") (quoting *Champions Golf Club, Inc. v. Champions Golf Club, Inc.*, 78 F.3d 1111, 1122 (6th Cir. 1996)).

85. 15 U.S.C. § 1114(1) (2012).

86. *Int'l Info. Sys. Sec. Certification Consortium*, 823 F.3d at 160.

87. See *Team Tires Plus, Ltd. v. Tires Plus, Inc.*, 394 F.3d 831, 834 (10th Cir. 2005) (holding that "use of a mark on a directly competitive good is more likely to create confusion than use of the same mark on a distantly related good . . .").

88. *Int'l Info. Sys. Sec. Certification Consortium*, 823 F.3d at 156.

would indicate a close relationship, creating a likelihood of confusion.<sup>89</sup> By applying only the three-part nominative fair use test to the facts of this case, the district court ignored this concern entirely.

## 2. The Sophistication of the Buyers

When likelihood of confusion as to sponsorship or affiliation is alleged, this factor examines whether product characteristics or the usual conditions under which the products are bought make it more or less likely that the consumers will believe the alleged infringer's product is made or licensed by the plaintiff.<sup>90</sup> In this context, greater consumer sophistication results in a lesser likelihood of confusion.<sup>91</sup> Generally, low-cost products are associated with lesser consumer sophistication and high-cost products are associated with greater consumer sophistication.<sup>92</sup>

Information security system training sessions at SU are multiple-day commitments and currently cost about \$1,995 per student.<sup>93</sup> Consumers in the market for this training are thus likely taking great care in purchasing these programs, and are thus considered more sophisticated.<sup>94</sup> This factor would thus weigh against finding likelihood of confusion in *International Information*. This consideration is also not addressed by the three-part nominative fair use test.

## 3. Evidence of Actual Confusion

Evidence of confusion is often considered the most important factor in likelihood of confusion analyses,<sup>95</sup> and has been treated by courts as “persuasive proof” and “dispositive” in this determination.<sup>96</sup>

The persuasive value of such evidence is intuitive. Evidence of

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89. *See Team Tires Plus*, 394 F.3d at 834.

90. *Sports Authority, Inc. v. Prime Hosp. Corp.*, 89 F.3d 955, 965 (2d Cir. 1996).

91. *Starbucks Corp. v. Wolfe's Borough Coffee, Inc.*, 588 F.3d 97, 118–19 (2d Cir. 2009).

92. *Id.* at 119.

93. *CISSP Training Class*, SECURITY U., [http://www.securityuniversity.net/classes\\_CIS SP.php](http://www.securityuniversity.net/classes_CIS SP.php) (last visited Mar. 18, 2018).

94. *See id.*

95. Michael J. Allen, *The Role of Actual Confusion Evidence in Trademark Infringement Litigation*, 83 THE TRADEMARK REP. 267, 267–68 (1993).

96. *M2 Software, Inc. v. Madacy Entm't*, 421 F.3d 1073, 1082 (9th Cir. 2005); *Lyons P'ship v. Morris Costumes, Inc.*, 243 F.3d 789, 804 (4th Cir. 2001).

actual confusion is concrete evidence of a trademark's value depreciating because of an infringer's use of an identical or confusingly similar mark, the scenario the Lanham Act was enacted to prevent. The three-part nominative fair use test's failure to consider evidence of actual confusion is arguably the test's most egregious shortcoming.

By using the three-part nominative fair use test, the Ninth Circuit fails to account for the foregoing likelihood of confusion factors. The Ninth Circuit's three-part nominative fair use test is thus erroneous.

## VII. CONCLUSION

The Second Circuit's treatment of nominative fair use in *International Information* exemplifies the doctrine's proper place in trademark law. Supplementing likelihood of confusion analyses with nominative fair use factors is consistent with the Lanham Act and reflects a uniquely comprehensive understanding of the case law that supports the nominative fair use doctrine.

The circuit courts' disagreement over the proper application of nominative fair use calls for Supreme Court guidance. Some of the arguments that persuaded the Court to grant certiorari in *KP Permanent Make-Up, Inc. v. Lasting Impression I, Inc.* are applicable to this issue.

Namely, if nominative fair use is applied differently by the circuit courts, trademark owners that target a national consumer base will potentially avail themselves of jurisdictions with competing nominative fair use tests. These trademark owners would have great difficulty avoiding liability with ex ante business decisions and would "constantly be at risk when developing ad campaigns" if nominative fair use is not applied uniformly across the country.<sup>97</sup> Discouraging comparative advertising by allowing this danger to persist is against public interest.

The information conveyed to consumers by comparative advertising "encourages product improvement and innovation, and can lead to lower prices in the marketplace."<sup>98</sup> Providing clear guidance for companies using comparative advertising would foster

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97. Brief for Petitioner at 26, *KP Permanent Make-Up, Inc. v. Lasting Impressions, Inc.*, 543 U.S. 111 (2004) (No. 03-409).

98. 16 C.F.R. § 14.15(c); see also 3 GILSON LALONDE, *supra* note 5, § 11.08.



these public benefits.

For the foregoing reasons, the Supreme Court should address the nominative fair use circuit split and should adopt the Second Circuit's nominative fair use test from *International Information*.