March Madness: An Examination of Dual-Use Trademark Terms and Reverse Confusion

David Y. Gan
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by

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Introduction

The Seventh Circuit’s recent decision in *Illinois High School Ass’n v. GTE Vantage Inc.* (“IHSA v. GTE”), has been called the “case of the year” in trademark law. In *IHSA v. GTE*, Chief Judge Richard Posner stated that “for the sake of protecting effective communication,” plaintiff Illinois High School Association’s (“IHSA”) trademark infringement claim against defendant GTE Vantage, a licensee of the National Collegiate Athletic Association (“NCAA”), must fail because IHSA’s trademark, “March Madness,” had become a “dual-use” term. By “dual-use,” Judge Posner meant that “March Madness” had become associated by a certain portion of the public with the NCAA, while another portion of the public still associated “March Madness” with IHSA. IHSA had no remedy for

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1. 99 F.3d 244 (7th Cir. 1996), cert. denied, 117 S. Ct. 1083 (1997).
4. Id.
5. *See id.* This definition of “dual-use” differs from Professor McCarthy’s. McCarthy defines a term of “dual-usage” as one that is “generic to some portion of the market and a trademark to another class of consumers.” 2 J. MCCARTHY, TRADEMARKS AND UNFAIR COMPETITION § 12:51 (4th ed. 1996). Here, Judge Posner stated that “March Madness” had not become generic, i.e. the court did not contend that “March Madness” had come to describe basketball tournaments or any other event in general. *See IHSA*, 99 F.3d at 247.

[223]
the loss of its trademark even though its trademark had not become a generic term. With generic terms, the public's interest in "effective communication" outweighs the trademark owner's interest in protection for his mark. The Lanham Act governs federal trademark protection. The standard for finding trademark infringement under the Lanham Act is whether the alleged infringement causes a "likelihood of confusion," as to the origin of goods or services among the relevant class of consumers. The essence of trademark law, then, is to prevent consumer confusion. Accordingly, it is not the trademark itself that is infringed; rather it is the right of the public to be free from confusion and the synonymous right of the trademark owner to control the product's reputation.

The typical trademark infringement case is one of "forward confusion," where a junior user attempts to capitalize on a senior user's established trademark reputation by suggesting that the junior user's product comes from the same source as the senior user's product. IHSA, however, relied primarily on the "reverse

For a discussion of generic terms, see infra Part II(A).

6. A generic term is one which describes the genus or class of a thing. J. GILSON, TRADEMARK PROTECTION AND PRACTICE § 2.02 (1998).

7. See Robert N. Kravitz, Trademarks, Speech, and the Gay Olympics Case, 69 B.U. L. REV. 131, 136 (stating that generic terms may not be used as trademarks to prevent trademark law from "severely intruding" on others' freedom of expression). Also, giving trademark protection to generic terms would be in effect granting the trademark owner a monopoly, since competitors could not describe their goods as what they are. See 2 MCCARTHY, supra note 5, § 12:2.


9. See 1 GILSON, supra note 6, § 1.04(1).

10. Section 43(a) of the Lanham Act states:

Any person who shall, without the consent of the registrant—

(a) use in commerce any reproduction, counterfeit, copy, or colorable imitation of a registered mark in connection with the sale, offering for sale, distribution, or advertising of any goods or services on or in connection with which such use is likely to cause confusion, or to cause mistake, or to deceive as the affiliation, connection, or association... shall be liable.

The likelihood of confusion test applies to both federal statutory and common-law trademark infringement. 3 MCCARTHY, supra note 5, § 23:1.

11. See Kravitz, supra note 7, at 135; see also Robert C. Denicola, Trademarks as Speech: Constitutional Implications of the Emerging Rationales for Protection of the Trade Symbols, 1982 Wis. L. REV. 158, 160 (1982) ("The concept of consumer confusion is... the touchstone of traditional trademark theory.").


13. A junior user is one who employs a trademark after the first, or senior user.

confusion” theory. Reverse confusion typically occurs when a large junior user “saturates the market” with a trademark that is confusingly similar or identical to that of a smaller, senior user. This causes the public to assume that the senior user's products are either really the junior user's product or that the former is somehow connected to the latter.

This Note examines the holding of IHSA v. GTE, that dual-use terms should be treated in the same manner as generic terms, and thus receive no protection under reverse confusion or any other theory of trademark protection, for the sake of “effective communication.” This Note argues that a broad rule assimilating dual-use terms to generic terms is not consistent with the goals of trademark protection and the Lanham Act. Further, a successful reverse confusion infringement will inevitably create a dual-use term such that some portion of the public will associate the mark with the larger junior user while another portion of the public will still associate the mark with the senior user. By eliminating protection for dual-use terms, the rule of IHSA v. GTE potentially eliminates protection against reverse confusion infringement.

Part I of this Note examines the goals and conflicting interests of trademark protection under the Lanham Act. Part II briefly summarizes traditional trademark infringement analysis. Part III traces the development of the reverse confusion doctrine and provides examples of the typical pattern of reverse confusion. Part IV examines the facts and holding of IHSA v. GTE. Finally, in Part V this Note suggests that dual-use terms should be protectable trademarks, and that this treatment of dual-use terms would better serve the underlying goals and conflicting equitable considerations of trademark protection.

I. Goals of Trademark Protection

The use of trademarks began at least 3,500 years ago, when potters’ marks were used to identify the source of fired clay pots. Through the mark, the public could identify the potter with the quality of his craftsmanship. Professor Gilson identifies the following possible functions of trademarks: (a) designating the source or origin of the product; (b) symbolizing a particular standard of

15. IHSA v. GTE, 99 F.3d 244, 246 (7th Cir. 1996), cert. denied, 117 S.Ct. 1083 (1997). For an in-depth discussion of reverse confusion, see infra Part III.
18. IHSA, 99 F.3d at 247.
19. 1 GILSON, supra note 6, § 1.01(1).
quality; (c) identifying a product and distinguishing it from the products of others; (d) symbolizing the goodwill of the trademark owner and motivating consumers to purchase the product; (e) representing a substantial advertising investment; and (f) protecting the public from confusion and deception.20 For consumers, trademarks protect the freedom of choice by preventing confusion or deceit from an array of similarly trademarked products.21 Modern "consumer-minded" courts have emphasized the goal of protecting consumers from confusion.22

The basic federal trademark statute is the Lanham Act.23 Congress intended the Lanham Act to provide primarily two protections.24 First, the Lanham Act protects consumers, assuring that purchasers will receive the expected product when buying a product bearing a particular trademark.25 Second, the statute protects trademark owners, who have expended time and resources in the trademark, from misappropriation by other users.26 The Lanham Act's "likelihood of confusion" standard for trademark infringement serves to protect both enumerated Congressional interests.27

Restrictions on "commercial speech," including trademarks, were long thought to be exempt from constitutional scrutiny.28 However, in 1976 the United States Supreme Court held for the first time that commercial speech deserves protection under the free

20. Id. § 1.03(1).
21. See id. § 1.03(5)(b). The confusion to be considered is that among the relevant class of consumers as to the source of the good or service. 3 MCCARTHY, supra note 5, § 23:5.
22. See 1 GILSON, supra note 6, § 1.03(8)(a). See, e.g., James Burrough, Ltd. v. Sign of Beefeater, Inc., 540 F.2d 266, 274 (7th Cir. 1976) ("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."); Metropolitan Life Ins. Co. v. Metropolitan Ins. Co., 277 F.2d 896, 900-01 (7th Cir. 1960) ("However, the paramount concern of the courts is the protection of the public interest. To this end the courts have a duty to invoke their equitable powers to restrain such an invasion on the part of defendant. Otherwise, the likelihood of the commission of a fraud on the public is ever present; and this should be enjoined, unintentional though it may be."). The U.S. Supreme Court has stated that "the infringer deprives consumers of their ability to distinguish among the goods of competing manufacturers." Inwood Labs, Inc. v. Ives Labs, Inc., 456 U.S. 844, 854 n.14 (1982).
25. See id.; Hal Fullmer, Recent Decision, 69 TEMP. L. REV. 601, 606 (1996) (reiterating that one goal is to protect the "public confidence").
26. See id.
27. See Fullmer, supra note 25, at 607 ("[T]o ensure that its goals were being implemented properly, Congress has amended the Lanham Act so that the likelihood of confusion standard could be construed more expansively.").
28. Denicola, supra note 11, at 159.
speech clause of the First Amendment.\textsuperscript{29} However, commercial speech is entitled to limited First Amendment protection.\textsuperscript{30} For example, restrictions on misleading or untruthful commercial speech are not barred by the First Amendment.\textsuperscript{31} Since prevention of consumer confusion and deception is at the core of trademark law, most trademark actions are shielded from First Amendment challenges.\textsuperscript{32} Another buffer between trademark law and the First Amendment is that trademarks may not be granted for generic terms,\textsuperscript{33} a rule which strikes a balance between protection of freedom of expression and protection of the rights of creators of intellectual property.\textsuperscript{34}

In summary, trademark protection serves to safeguard the public from deceit and confusion, to foster fair competition, and to secure to the trademark owner the advantages of reputation and goodwill by preventing their diversion from the creator of the mark.\textsuperscript{35} Further, since the public interest in preventing consumer confusion is at the heart of trademark law, there are usually no serious First Amendment problems in granting trademark protection.\textsuperscript{36}

II. Traditional Trademark Infringement Analysis

In an action for trademark infringement, the plaintiff must prove two elements.\textsuperscript{37} The plaintiff must first show that there is a mark that merits protection.\textsuperscript{38} This showing depends in part on the category of

\textsuperscript{30} 4 MCCARTHY, supra note 5, § 31:141.
\textsuperscript{31} See id. § 31.140; Virginia Bd. of Pharmacy, 415 U.S. at 771-72 (government may insure "that the stream of commercial information flow cleanly as well as freely").
\textsuperscript{32} Kravitz, supra note 7, at 135; see also Denicola, supra note 11, at 159 (Traditional trademark theory, "with its historic emphasis on consumer deception and confusion, thus rests comfortably within contemporary constitutional principles.").
\textsuperscript{33} For a definition of generic terms, see infra Part II(A).
\textsuperscript{34} See Kravitz, supra note 7, at 136 (expressing that the "generic word defense in trademark law is closely analogous to idea/expression dichotomy in copyright” law).
\textsuperscript{35} S. REP. NO. 1333, supra note 24, at 3.
\textsuperscript{36} However, commentators have argued that this traditional model of trademark analysis does not provide enough First Amendment protections. See, e.g., Wendy J. Gordon, A Property Right in Self-Expression: Equality and Individualism in the Natural Law of Intellectual Property, 102 YALE L.J. 1533 (concluding that under a natural rights theory of intellectual property, courts should be providing more First Amendment protection in intellectual property cases).
\textsuperscript{37} A third showing that the plaintiff must make is that the plaintiff owns the mark. Opticians Ass'n. of Am. v. Independent Opticians of Am., 920 F.2d 187, 192 (3d Cir. 1990). In IHSA v. GTE, it is undisputed that IHSA owns the "March Madness" mark and has been using it for over fifty years. 99 F.3d 244, 245 (7th Cir. 1996).
\textsuperscript{38} See, e.g., Banff, Ltd. v. Federated Dep't Stores, 841 F.2d 486, 489 (2d Cir. 1988).
distinctiveness into which the court places the plaintiff’s mark. Second, the plaintiff must demonstrate a "likelihood of confusion," by proving "that an appreciable number of ordinarily prudent purchasers are likely to be misled, or indeed simply confused, as to the source of the goods in question." 

A. Protectability of Plaintiff's Mark

Trademarks are usually classified into the following categories, in order of increasing distinctiveness: (1) generic; (2) descriptive; (3) suggestive; (4) arbitrary; or (5) fanciful. The latter three categories, suggestive, arbitrary, and fanciful marks, are deemed inherently distinctive and are entitled to trademark protection.

At the other end of the spectrum, generic terms cannot be taken out of the public domain and are not protectable as trademarks. A generic term describes the genus or class of a thing. The generic term answers the question, "what is it?" For example, the term "thermos" is a generic term denoting vacuum bottles in general, instead of a trademark denoting products from a particular source.

B. Likelihood of Confusion

If the plaintiff's mark is entitled to protection, the second step is for the plaintiff to show a "likelihood of confusion." Each circuit has its own, similar, multi-factor test for likelihood of confusion. For example, the Third Circuit has identified factors such as similarity between the marks, evidence of actual confusion, and whether the product is marketed through the same channels of trade and advertised in the same media. Once a trademark owner

39. See Two Pesos, Inc. v. Taco Cabana, 505 U.S. 763, 768 (1992); see also infra Part II(A) (discussing the categories of distinctiveness).
40. Banff, 841 F.2d at 489 (quoting Mushroom Makers, Inc. v. R.G. Barry Corp., 580 F.2d 44, 47 (2d Cir. 1978); see also Harlem Wizards Entertainment Basketball, Inc. v. NBA Properties, Inc. 952 F. Supp. 1084, 1094 (D.NJ. 1997) (“Likelihood of confusion exists if the consuming public assumes upon viewing a mark that the product or service represented by the mark is associated with a different product or service represented by a similar mark.”).
41. See Two Pesos, 505 U.S. at 768.
42. See id.
43. In addition, descriptive marks which merely describe a product are not protectable unless they have achieved a distinctive secondary meaning. See id. at 769.
44. 1 GILSON, supra note 6, § 2.02.
45. See King-Seeley Thermos Co. v. Aladdin Indus., 321 F.2d 577, 580 (2d Cir. 1963); see also Bayer Co. v. United Drug Co., 272 F. 505 (S.D.N.Y. 1921) (holding that "aspirin" is a generic term); Dupont Cellophane Co. v. Waxod Prod. Co., 85 F.2d 75 (2d Cir. 1936) (holding that "cellophane" is a generic term).
46. The Third Circuit has identified ten factors for the trial court to consider in determining likelihood of confusion: (1) degree of similarity between the marks; (2)
demonstrates that its mark is legally protectable and there is a likelihood of confusion, the owner is entitled to relief based on trademark infringement.\textsuperscript{47}

III. Development of the Reverse Confusion Doctrine

A. Reverse Confusion: History and Principles

The reverse confusion doctrine was first alluded to in 1918 by Justice Holmes, in his concurring opinion in \textit{International News Service v. Associated Press}.\textsuperscript{48}

The ordinary case, I say, is palming off the defendant's product as the plaintiff's, but the same evil may follow from the opposite falsehood—from saying . . . that the plaintiff's product is the defendant's . . . . The falsehood is a little more subtle, the injury a little more indirect . . . but I think that the principle that condemns the one condemns the other.\textsuperscript{49}

In the typical reverse confusion scenario, the first or senior user, generally a small business, adopts and uses a trademark in a certain geographic area or product market.\textsuperscript{50} The mark is then adopted by a more powerful junior user, which may cause the public to believe that the senior user is actually the junior user, or that the senior user's products "somehow emanate from those of the junior user."\textsuperscript{51} The junior user in this situation is not a "free rider" and does not seek to profit from the goodwill associated with the senior user's trademark.\textsuperscript{52}

strength of the mark; (3) the care and attention expected of consumers purchasing the product; (4) length of time defendant has used the mark without evidence of actual confusion arising; (5) intent of defendant; (6) evidence of actual confusion; (7) whether the product is marketed though the same channels of trade and advertised in the same media; (8) the extent to which the targets of the parties' sales efforts are the same; (9) the relationship of the products in the minds of consumers because of similarity of function; and (10) other factors suggesting that the consuming public might expect the senior user to manufacture a product in the defendant's market, or that the senior user is likely to expand into that market. \textit{See} Interpace Corp. v. Lapp, Inc., 721 F.2d 460, 463 (3d Cir. 1983); Scott Paper Co. v. Scott's Liquid Gold Inc., 589 F.2d 1225, 1229 (3d Cir. 1978).

49. \textit{Id.} at 247 (Holmes, J., concurring).
50. \textit{See} Fullmer, \textit{supra} note 25, at 602.
51. Molly S. Cusson, Note, \textit{Reverse Confusion: Modifying the Polaroid Factors to Achieve Consistent Results}, 6 FORDHAM INTELL. PROP. MEDIA & ENT. L.J. 179, 182 (1995); \textit{see also} 3 MCCARTHY, \textit{supra} note 5, § 23:1 (actions of the junior user causing confusion about the origin of the goods or services).
52. \textit{See} Sands, Taylor & Wood Co. v. Quaker Oats Co., 978 F.2d 947, 957 (7th Cir. 1992); 3 MCCARTHY, \textit{supra} note 5, § 23:10 (suggesting that the junior user in reverse confusion scenario is not taking a "free ride" on the senior's goodwill).
The senior user is nevertheless injured "because the senior user loses the value of the trademark—its product identity, corporate identity, control over its goodwill and reputation, and ability to move into new markets."\(^{53}\)

The Tenth Circuit was the first circuit court to recognize the reverse confusion doctrine in \textit{Big O Tire Dealers v. Goodyear Tire \& Rubber Co.}\(^{54}\) Since that time, every circuit court which has considered the reverse confusion doctrine, i.e. that reverse confusion can satisfy the likelihood of confusion requirement for trademark infringement, has accepted the doctrine.\(^{55}\)

The courts have come to accept reverse confusion because of concerns regarding large "bully" companies who have the financial ability to promote marks taken from smaller competitors.\(^{56}\) The rationale for protecting the senior user in a reverse confusion scenario is "especially compelling" because with the junior user saturating the market with advertising, the senior user may be seen by the public as the infringer.\(^{57}\) The protection afforded the senior user in this scenario is consistent with the goals of trademark protection, including protection of the senior user's goodwill and prevention of public confusion.\(^{58}\) As the Tenth Circuit stated:

The logical consequence of accepting [defendant's position that reverse confusion is not actionable] would be the immunization from unfair competition liability of a company with a well established trade name and with the economic power to advertise extensively for a product name taken from a competitor. If the law is to limit recovery ... anyone with adequate size and resources can adopt any trademark and develop a new meaning for that trademark as identification of the second user's products. The activities of [the defendant] are unquestionably unfair competition through an improper use of a trademark and that must be actionable.\(^{59}\)

B. Reverse Confusion: Examples

The two examples given below demonstrate the typical pattern of reverse confusion, where a larger, economically stronger junior user appropriates the senior user's trademark, damaging the senior user's goodwill in the mark and its future ability to expand into other

\(^{54}\) 561 F.2d 1365, 1372 (10th Cir. 1977).
\(^{56}\) See Long \& Marks, \textit{supra} note 55, at 10.
\(^{57}\) \textit{Sands, Taylor \& Wood}, 978 F.2d at 958.
\(^{58}\) See \textit{id.}
\(^{59}\) \textit{Big O Tire Dealers v. Goodyear Tire \& Rubber Co.}, 561 F.2d 1365, 1372 (10th Cir. 1977) (emphasis added).
markets.

(1) Big O Tire Dealers, Inc. v. Goodyear Tire & Rubber Co.

In the “Bigfoot” case, plaintiff Big O Tire Dealers (“Big O”) brought a trademark infringement action against defendant Goodyear Tire & Rubber Co. (“Goodyear”), including a claim of reverse confusion. Big O is a tire-buying organization that had approximately two hundred independent retail tire dealers in fourteen states that identified themselves to the public as “Big O” dealers. The dealers sell Big O private label tires, as well as other companies’ brands. Big O’s net worth at the time of trial was approximately two hundred thousand dollars. Goodyear, on the other hand, was the world’s largest tire manufacturer and had a net income of over $157 million per year.

In February, 1974, Big O began selling “Big O Big Foot” tires to the public. Shortly thereafter, Goodyear decided to use the term “Bigfoot” to promote its new line of tires. Over Big O’s objections, Goodyear launched a nationwide campaign in September of 1974, and spent over $9.5 million within a month and a half of beginning this massive advertising campaign. The Tenth Circuit recognized Big O’s reverse confusion claim and upheld awards against Goodyear for compensatory and punitive damages.

(2) Sands, Taylor & Wood Co. v. Quaker Oats Co.

In the “Thirst-Aid” case, the Seventh Circuit addressed and recognized the doctrine of reverse confusion. Plaintiff Sands, Taylor & Wood Co. (“STW”) was a small, Vermont-based company that owned the trademark “Thirst-Aid,” which it used for soft drinks, soda fountain syrups, and ice cream toppings. In the late 1970s, STW test-marketed a new “Thirst-Aid” isotonic beverage which would

60. See id. at 1371.
61. See id. at 1367.
62. See id.
63. See id.
64. See id.
65. See id. at 1367-68.
66. See id. at 1368.
67. See id.
68. See id. at 1371-72, 1375-76 (compensatory damages not to exceed $678,302, and punitive damages set at $4,069,812).
70. See id. at 949.
71. An isotonic beverage is one which is “specifically formulated to replenish fluids and minerals lost by the human body, particularly through strenuous exercise.” Id. at 949 n.1.
compete with Defendant’s Gatorade brand isotonic beverage. Although the project was fairly successful, it did not go forward. Defendant then began a large advertising campaign for its Gatorade brand beverage using the slogan “Gatorade is Thirst-Aid, for that deep-down body thirst.” In finding for STW on a theory of reverse confusion, the court emphasized, among other factors, the intent of STW to re-enter the isotonic beverage market.

IV. IHSA v. GTE

IHSA is the sponsor of the annual Illinois high school basketball tournament. The tournament is held every year in March and is sometimes broadcast on television to a nationwide audience. Since the early 1940s, IHSA has used the trademark “March Madness” to designate the annual basketball tournament. IHSA has licensed the use of the “March Madness” trademark on merchandise associated with the Illinois high school basketball tournament.

The National Collegiate Athletic Association (“NCAA”) also holds its annual basketball tournament in the month of March. In 1982, when CBS began televising the NCAA’s “Final Four” championship games, CBS broadcaster Brent Musburger used the term “March Madness” to designate the games. The term caught on, and became used by the public to denote the NCAA’s basketball tournament as well as IHSA’s tournament.

In 1993 or 1994, the NCAA began licensing the use of the term “March Madness” to producers of products related to the NCAA tournament. Defendant GTE Vantage, Inc. (“Vantage”) licensed the term and began using “March Madness” to promote a computer game it calls “NCAA Championship Basketball.” The term “March Madness” appears on the packaging in which the game is sold and in some of the game’s computer graphics.

72. See id. at 949.
73. See id.
74. Id. at 950.
75. See id. at 958-59.
76. See IHSA v. GTE, 99 F.3d 244, 245 (7th Cir. 1996), cert. denied, 117 S. Ct. 1083 (1997).
77. See id.
78. See id.
79. See id.
80. See id.
81. See id.
82. See id.
83. See id.
84. See id.
85. See id.
IHSA sought injunctive relief under section 43(a) of the Lanham Act, arguing that it should be awarded relief under a reverse confusion theory. IHSA contended that consumers would be confused by the NCAA licensees' use of "March Madness" and think that IHSA's use of its own trademark was either sponsored by the NCAA, infringed the NCAA's "trademark rights" in "March Madness," or simply directly referred to the NCAA's basketball tournament.

Chief Judge Posner, writing for a three-judge panel, began by stating that the issue of reverse confusion or any other type of confusion does not arise until after it is determined that IHSA has a protectable trademark. Judge Posner then noted that it had been fourteen years since the media first appropriated the term "March Madness" to describe the NCAA tournament, and that IHSA "was not assiduous" in protecting its trademark.

The court accepted that "March Madness" had not become a generic term, i.e. "March Madness" is not the name of basketball tournaments or any other event in general. However, the court held, in this "novel issue of trademark law," that since "March Madness" had become affixed to both the NCAA's and IHSA's tournaments, IHSA no longer had a protectable trademark in the "dual-use" term. The rationale and rule stated by the court was that "for the sake of protecting effective communication... dual-use or multiple-use terms" should be "assimilated" to generic terms.

Judge Posner focused on two points in particular in deciding the issue. First, he pointed out that it was the media, and not the NCAA or Vantage who was responsible for eradicating the exclusive association of "March Madness" with IHSA. The court emphasized that "a trademark is not nearly so secure an entitlement as a property right... and dies when it ceases to designate [a source], for whatever reason other than the culpable conduct of the defendant."

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86. For the text of Lanham Act section 43(a), see supra note 10.
87. See IHSA, 99 F.3d at 246.
88. Id.; see also supra Part III (discussing the types of consumer confusion engendered in a reverse confusion scenario).
89. For a discussion of the two elements plaintiff must prove in order to prevail on a claim of trademark infringement, see supra Part II.
90. IHSA, 99 F.3d at 246 ("A serious trademark holder is assiduous in endeavoring to convince dictionary editors, magazine and newspaper editors, journalists and columnists, judges, and other lexicographically influential persons to avoid using his trademark to denote anything other than the trademarked good or service.")
91. See id. at 247.
92. Id. at 245.
93. Id. at 247.
94. See id. at 246-47 (media "appropriated" the term "March Madness").
95. Id. at 246.
since it was the media, and not the NCAA or Vantage, who initially caused the confusion, IHSA had no remedy. Second, Judge Posner sought to protect the public's interest in "effective communication." Since the public had a dual association with the term "March Madness," IHSA was "not allowed to withdraw from the public domain a name that the public is using to denote someone else's good or service, leaving that someone and his customers speechless." Because of the above considerations, the court determined that IHSA did not have a trademark that the law would protect.

V. Proposal

In this section, this Note examines the implications of the holding in IHSA v. GTE and proposes that dual-use terms should be recognized as protectable trademarks. Dual-use terms present too many conflicting interests for a bright line test such as that applied to generic terms to be workable. This approach will provide a level of trademark protection that is consistent with the goals of trademark law, while still addressing Judge Posner's concerns regarding "effective communication" and the distinctions between media and non-media causes of consumer confusion.

At the outset, however, notice that the fact that IHSA was "not assiduous" in protecting its trademark is not a factor in considering whether dual-use terms should receive greater protection than generic terms. Judge Posner notes that a "serious trademark holder" would endeavor to "supplicate" and convince all "lexicographically influential persons," such as editors and journalists, to avoid using its trademark in a confusing manner. But as the opinion later acknowledges, whether IHSA has been diligent in defending its trademark "is in fact irrelevant," because the fundamental inquiry remains unchanged. If IHSA's trademark was converted into a dual-use term, should that term no longer receive any trademark protection?

96. Id. at 247.
97. Id.
98. I.e. it should at least be possible for dual-use terms to satisfy step one of trademark infringement analysis—that there is a mark that merits protection.
99. Id. at 246.
100. Id.
101. Note that in cases of reverse confusion, "supplication" of the junior user, whose intention is to leverage its greater resources to gain a competitive advantage, is most likely futile without the assurance that the senior user will be able to enforce its rights in the mark.
A. Implications of Assimilating Dual-Use Terms to Generic Terms

When the typical pattern of reverse confusion is examined, as in the Bigfoot case,\(^{102}\) where the public is confused as to whether "Bigfoot" tires come from the senior user, Big O, or the larger junior user, Goodyear, what emerges is a pattern that will inevitably create a "dual association" in the minds of the public. When the economically stronger junior user employs the senior's trademark, some, probably most, of the relevant consumers will come to associate the senior's mark with the junior user. Since reverse confusion will create a dual-use term, a blanket rule stating that dual-use terms should be treated as generic terms and afforded no protection provides no protection against reverse confusion infringement.\(^{103}\)

The IHSA court did suggest that "were the NCAA responsible for blotting out [IHSA's trademark] . . . IHSA might have a remedy."\(^{104}\) In that scenario, the court would seemingly find that IHSA satisfied the first element of trademark infringement, i.e., that IHSA had a trademark the law would protect. Then, the court would analyze the second element, i.e., whether there is a likelihood of confusion. However, if the effect of reverse confusion is to create a dual-use term, and dual-use terms are not protectable marks, potential victims of reverse confusion infringement such as IHSA would never advance past the first element of the infringement analysis since they would own a non-protectable dual-use term. The effect would be that "anyone with adequate size and resources can adopt any trademark and develop a new meaning for that trademark as identification of the second user's products."\(^{105}\)

Yet every circuit that has considered the question of whether to provide a remedy for reverse confusion infringement has answered in the affirmative.\(^{106}\) These courts have recognized that providing a remedy for reverse confusion furthers the twin goals of the Lanham Act—to prevent consumer confusion as to the source of goods and services and to protect the trademark owner's goodwill and ability to distinguish his goods.\(^{107}\) As noted earlier in Part III(A), the case for providing protection may be especially compelling in a case of reverse confusion, since the senior user may come to be seen as the

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102. See Big O Tire Dealers, Inc. v. Goodyear Tire & Rubber Co., 561 F.2d 1365 (10th Cir. 1977).

103. See Roundup of Recent Developments, 3 NO. 3 INTELL. PROP. STRATEGIST 9, 12 (1996) (IHSA v. GTE's holding "renders the doctrine of 'reverse confusion' a virtual nullity.").

104. 99 F.3d at 246-47.

105. See Big O, 561 F.2d at 1372 (quoting Big O Tire Dealers, Inc. v. Goodyear Tire & Rubber Co., 408 F. Supp 1219, 1236 (D. Colo. 1975)).

106. See Long & Marks, supra note 55, at 4.

107. See supra Part I (discussing the goals of the Lanham Act).
infringer. Adopting the rule of *IHSA v. GTE*, then, eliminates protection for reverse confusion claims, and would be inconsistent with the stated goals of federal trademark law.

### B. Toward a More Balanced Approach to Dual-Use Terms

Some commentators have described the equities underlying trademark law as vectors that all point in the same direction in a simple case, but which can become a "collection of vectors which point in different directions."\(^{109}\) This is true when a court is faced with a dual-use term or a reverse confusion case, and an unyielding rule that all dual-use terms receive no protection cannot adequately address all of the conflicting interests involved.

A recent case which addressed the holding from *IHSA v. GTE* is *Dream Team Collectibles, Inc. v. NBA Properties, Inc.*\(^{110}\) Plaintiff Dream Team Collectibles ("DTC") alleged that defendant NBA Properties, Inc.'s ("NBAP") use of DTC's trademark "Dream Team" in connection with the 1992 and 1996 Olympic basketball teams created "reverse confusion."\(^{111}\) Defendant NBAP began using the "Dream Team" mark after a 1991 Sports Illustrated cover featured a photograph of five star players of the Olympic under the headline "DREAM TEAM."\(^{112}\) Defendant NBAP cited *IHSA v. GTE* to support the proposition that since widespread use of "Dream Team" had created a dual association among consumers, DTC no longer had a protectable trademark.\(^{113}\) Judge Stohr, perhaps sensing that the broad rule of *IHSA v. GTE* was problematic, rejected NBAP's motion for summary judgment and read *IHSA v. GTE* to apply only when it is undisputed that the media has created the confusion.\(^{114}\)

Judge Stohr's ruling in *Dream Team* preserves the means to deal with the larger "bully newcomer" in a reverse confusion scenario by making a distinction between media and non-media causes of confusion. Yet it should not matter whether a powerful junior user decides to appropriate a smaller senior user's trademark before, simultaneously with, or after the actions of the media. The confusion, and thus the injury to the public interest, remains in each situation. There may be situations where it would be proper to impose liability on a junior user even though that junior user began to use the senior's

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111. *Id.* at 1404.
112. See *id.* at 1406 (the players were National Basketball Association stars Magic Johnson, Michael Jordan, Charles Barkley, Patrick Ewing, and Karl Malone).
113. See *id.* at 1409.
114. *Id.* at 1410.
mark after the media has already begun to do so.

For example, one can imagine situations where the junior user was a factor in the media’s use of the senior’s mark, or opportunistically capitalized on media action that had only heretofore created limited “dual-association” in the public. The junior user would escape even partial liability under these circumstances if it is found that the media technically “caused” the confusion. Under the rationale of *Dream Team*, *IHSA v. GTE* would then apply and the senior user would be left with an unprotectable dual-use term. Note further that the media, in using the trademark, would not be liable for using it in a news program or even in advertising if the term were only used for identification.115 Thus a standard where the dispositive issue is whether the media “caused” the confusion in many instances will create an “all or nothing” situation for the plaintiff, since a finding that the media caused the confusion will preclude any remedy regardless of the relative culpability of the junior user. The more flexible standard suggested in this Note would be better able to accommodate these situations. A bright line distinction between media and non-media causes of confusion would produce inequitable results in these scenarios.

And it is to the equities that one should look. Dual-use terms should be recognized as protectable trademarks. The equitable and First Amendment considerations that arise from possible protection of dual-use terms can be addressed by fashioning a proper remedy.116 Of course, a plaintiff would still have to prove likelihood of confusion to warrant receiving a remedy, and all trademark defenses such as laches and unclean hands are still available to the defendant to defeat the plaintiff’s claim.117 The suggested approach would be better able to balance the various “vectors” of conflicting interests and reach equitable results.

For example, where the great majority of the public uses the senior’s trademark to denote the junior’s products, the court will have First Amendment concerns in vindicating the senior’s trademark

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115. See *IHSA v. GTE*, 99 F.3d 244, 246 (7th Cir. 1996), *cert. denied*, 117 S. Ct. 1083 (1997) (citing *L.L. Bean Inc. v. Drake Publishers, Inc.*, 811 F.2d 26 (1st Cir. 1987); *New Kids on the Block v. News America Publishing Inc.*, 971 F.2d 302, 308 (9th Cir. 1992)).

116. See Robert C. Denicola, *Institutional Publicity Rights: An Analysis of the Merchandising of Famous Trade Symbols*, 62 N.C. L. REV 603, 613 (1984) (“There is of course an alternative. Qualified injunctions permitting continued use of names or symbols under specified conditions can redress confusion while minimizing anticompetitive consequences.”); Long & Marks, *supra* note 55, at 32 (“courts should consider whether there are remedies which ameliorate a harsh winner-take-all result”).

rights. A qualified injunction\(^\text{118}\) such as a disclaimer or a geographic prohibition may address the conflicting concerns. For more egregious violations by the junior user, even where injunctive relief is not practical,\(^\text{119}\) remedies such as a reasonable royalty\(^\text{120}\) and remedial advertising\(^\text{121}\) may serve to preserve freedom of expression, prevent defendant from obtaining unjust profits, and provide some relief for the obliteration of plaintiff's trademark. Similarly, whether the media created the confusion now becomes but one factor in the analysis and is no longer dispositive. The court could still choose to deny relief when it appears the defendant has done no wrong.\(^\text{122}\) That a mark is protectable does not mean that it will be protected in every instance.

Finally, although the court in *IHSA v. GTE* was rightly concerned with "effective communication" in the context of dual-use terms, that cannot be the justification for a rule providing dual-use terms with no protection, since there are less restrictive means of addressing this concern. As shown above, a more balanced and equitable approach is possible by recognizing that dual-use terms are entitled to trademark protection and fashioning a remedy according to the equities involved. Dual use terms simply present too many conflicting interests for a bright line test such as that applied to generic terms to be workable. This treatment of dual-use terms would provide a greater number of satisfactory outcomes due to its flexibility and ability to address the competing concerns.

**Conclusion**

There are many conflicting interests involved when fashioning a rule of trademark protection. In the context of *IHSA v. GTE*, conflicts between the interests of the trademark owner, the underlying goals of trademark law, the public's interest in effective communication, and the public's freedom from confusion constitute different vectors of equity, each pulling a different direction. A hard rule of decision regarding dual-use terms, such as that offered in *IHSA v. GTE*, cannot effectively address the conflicting interests involved. Rather, a rule recognizing dual-use terms as protectable

\(^{118}\) See 4 *MCCARTHY*, *supra* note 5, § 30:3, for a discussion of balancing the equities via a qualified injunction.

\(^{119}\) See, e.g., *IHSA*, 99 F.3d at 247 (*IHSA* would not have an injunctive remedy since granting injunctive relief would promote "more confusion.").

\(^{120}\) See 4 *MCCARTHY*, *supra* note 5, § 30:85 (stating that a reasonable royalty is a more workable measure of damages than an accounting of profits).

\(^{121}\) See *id.*, §§ 30:80-30:84, for a discussion and criticism of corrective advertising awards.

\(^{122}\) This would appear to be the case with defendant Vantage. Thus the result of *IHSA v. GTE* would likely be the same under the proposed framework.
marks would maintain the protections courts have installed for reverse confusion infringement, more effectively deal with the conflicting interests, and protect the goals underlying trademark protection and the Lanham Act.