

Trademark Protection for Cartoon Characters

by Tonya Gisselberg

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Trademark protection for cartoon characters is the same as the protection for any other trademark. Cartoon characters are different from other trademarks in that the product, the cartoon, is the same as the trademark, the cartoon. However, courts do not use this difference to distinguish cartoons from other trademarks. This article discusses trademark protection for cartoons under the following theories: Protection before the Lanham Act, the likelihood of confusion, trade dress, free speech on the Internet, parody, dilution and anticybersquatting.

A. Protection before the Lanham Act

In *Fisher v. Star*¹, the Plaintiff cartoonist, Fisher, created the Mutt and Jeff cartoons. Defendant Star contracted to carry the cartoons in its newspapers. Star changed some of the captions on Fisher's cartoons and Fisher revoked his contract with Star. Star's employees then drew and published cartoons, representing them as Fisher's cartoons. The trial court enjoined Star from using Fisher's trademark in connection with cartoons.² The appellate court affirmed, stating, "[a] person who uses an unregistered name or mark can prevent others using the same so as to deceive the public into thinking that the business carried on by such persons and the goods sold by them are his."³ In defining what a trademark is, the court stated, "[t]rade marks may consist of pictures, symbols or a peculiar form, or fashion of label, or they may consist simply of a word or words."⁴ The court viewed a trademark as a property right. It decided the case on the basis of unfair competition and indicated that the use of "Mutt and Jeff" by another "would be unfair to the public and to [Fisher]."⁵

¹ *Fisher v Star*, 231 N.Y. 414, 132 N.E. 133 (1921).

² *Id.* at 414 - 425.

³ *Id.* at 427.

⁴ *Id.* at 428.

⁵ *Id.* at 433.

Interestingly, the court also stated, the “[f]igures in [Fisher’s] cartoons, as well as the names “Mutt” and “Jeff” applied to them have in consequence of the way in which they have been exploited by [Fisher] and the appearance and assumed characters of the imaginary figures have been maintained, acquired a meaning apart from their primary meaning, which is known as a secondary meaning. The secondary meaning that is applicable to the figures and the names is that [Fisher] originated them and that his genius pervades all that they appear to do or say.”⁶ The concept of secondary meaning in trademark law has been used by the courts since at least 1921, when this opinion was decided.

B. Lanham Act Protection

1. Likelihood of Confusion

New Dana Perfumes Corp. v. The Disney Store, Inc.,⁷ is a case about Tinker Bell, from the Disney movie, Peter Pan. Disney released an animated movie version of the Peter Pan story in 1953. Since then, products conveying Disney’s depiction of the fairy image have been sold by Disney entities. The Tinker Bell character came from the 1911 play and the 1921 novel, “Peter and Wendy,” by Sir James Matthew Barrie. Barrie died, leaving the copyright to the Peter Pan works to the Hospital for Sick Children in London, England. In 1952, a predecessor of New Dana⁸ paid an honorarium to the hospital for the use of the trademark “Tinkerbelle.” New Dana’s predecessors used the trademark for children’s cosmetics and toiletries. The use of “Tinker Bell” by Disney and the use of “Tinkerbelle” by New Dana’s predecessors coexisted until 2000, when New Dana and other plaintiffs filed suit and brought a motion for a preliminary injunction

⁶ *Id.* at 432.

⁷ *New Dana Perfumes, Corp. v. The Disney Store, Inc.*, 131 F. Supp.2d. 616 (M.D. Pa. 2001).

⁸ The plaintiffs New Dana Perfumes Corporation, New Tinkerbelle Inc., St. Honore Holding Inc. and Finanz St. Honore, B.V. are collectively referred to in this article as “New Dana.”

against all uses by Disney, except for exact replicas of Disney's cartoon version of Tinker Bell. The court called it a "blunderbuss request." Disney has a copyright on its cartoon Tinker Bell.⁹

Ruling on the preliminary injunction motion, the court held that, given Disney's nearly 40 year use of the words "Tinker Bell" on a wide variety of products and New Dana's predecessors' knowledge of such use, New Dana failed to show an urgent need for relief. The court also considered the failure of New Dana's predecessors to take action in enforcing the Tinkerbell trademark against Disney as another factor weighing against New Dana's motion.¹⁰

Ruling on the likelihood of confusion, court stated that "[l]ikelihood of confusion exists when consumers viewing the mark would probably assume that the product or service it represents is associated with the source of a different product or service identified by a similar mark."¹¹ The court applied the likelihood of confusion factors used by the Third Circuit, summarized as follows: 1. similarity between the marks; 2. strength of the owner's mark; 3. price of the goods; 4. length of time defendant has used the mark; 5. intent of the defendant; 6. actual confusion; 7. channels of distribution; 8. sales targets; 9. relationship of the goods in the minds of consumers; and 10. market expansion. The court did not perform a detailed analysis of the individual factors, but instead focused on similarity and actual confusion. The court found no similarity between the marks, as New Dana's mark was a word mark and Disney's use was the depiction of a pixie character "with attitude." The court then seized upon Disney's nearly 50 year use of the allegedly infringing mark with no evidence of actual confusion to cement its finding that New Dana failed to establish a likelihood of confusion.¹² New Dana also had the nerve to allege dilution, which fared no better than its infringement claim. The court decided the

⁹ *Id.* at 618 - 623.

¹⁰ *Id.* at 626.

¹¹ *Id.* at 631.

¹² *Id.* at 632.

issue on the basis of the dissimilarity of the marks and did not address the issue of whether New Dana's use of the Tinkerbell mark was actually famous.¹³

2. Trade Dress

The Mighty Morphin Power Rangers are the subject of *Saban Entertainment, Inc. v. 222 World Corp.*¹⁴ The Power Rangers cartoon depicts six ordinary teenagers that morph into powerful, dinosaur-type beings, a "costumed action hero," as described by the court. Each of the Rangers is distinctively dressed in a particular color, such as the "Red Ranger" or "Pink Ranger." Plaintiff Saban owns all copyrights and trademarks to the Power Rangers. Saban created and marketed Power Ranger-related merchandise, such as clothing and toys. Saban brought suit for copyright and trademark infringement claims against 222 World Corp and other defendants for selling similar allegedly infringing items.¹⁵

The court stated that "[o]ne way to designate a product's origin falsely is to copy its trade dress....Trade dress involves the total image of a product and may include features such as size, shape, color, or color combinations, texture, graphics, or even particular sales techniques."¹⁶ Citing *Two Pesos, Inc. v. Taco Cabana, Inc.*,¹⁷ the court found that the trade dress of the Power Rangers was inherently distinctive and that no showing of secondary meaning was required. The court did not provide detailed analysis on this point. Neither did the court provide detailed analysis in its likelihood of confusion discussion. The court applied the Second Circuit *Polaroid*¹⁸ factors in finding that 5 of the 8 factors strongly indicated likelihood of confusion.

¹³ *Id.* at 633.

¹⁴ *Saban Entertainment, Inc. v. 222 World Corp.*, 865 F. Supp. 1047 (S.D.N.Y. 1994).

¹⁵ *Id.* at 1049 - 1050, 1055.

¹⁶ *Id.* at 1055.

¹⁷ *Two Pesos, Inc. v. Taco Cabana, Inc.*, 112 S. Ct. 2753 (1992).

¹⁸ *Polaroid Corp. v. Polarad Electronics Corp.*, 287 F.2d 492 (2d Cir. 1961).

The court ruled that Saban showed a likelihood of success on its Lanham Act claim. The court also found irreparable harm and granted Saban's motion for a preliminary injunction.¹⁹

3. First Amendment Protection

a. Free Speech on the Internet

CPC International v. Skippy, Inc.,²⁰ involves an ongoing feud between the trademark owner of Skippy the cartoon and CPC, the maker of Skippy peanut butter. In 1923, Percy L. Crosby created a cartoon, Skippy, about a school-aged child. Crosby received the federal trademark SKIPPY for cartoons depicting that character. The trademark was later transferred to Skippy, Incorporated, whose president at the time of this case was Joan Crosby Tibbetts, Percy Crosby's daughter. Since 1933, CPC International and its predecessors have sold peanut butter under the trademark SKIPPY. CPC also holds a federal trademark SKIPPY for peanut butter. It is unclear from the opinion which party received federal trademark registration first.²¹

Skippy, Inc. licensed its trademark SKIPPY for use on packaging caramel corn, popcorn and nuts in 1986. CPC brought suit, alleging trademark infringement and unfair competition. The district court found that licensing SKIPPY the cartoon trademark for food products caused a likelihood of confusion and infringed CPC's trademark. The district court enjoined Skippy Inc. from licensing SKIPPY for use with food products and "from communicating in any manner with anyone that [Skippy Inc.'s] rights in the trademark SKIPPY include the right to use SKIPPY on peanut butter and food products and, conversely, that CPC has no rights in the SKIPPY trademark in connection with these products."²²

¹⁹ *Saban*, 865 F. Supp. at 1055, 1057.

²⁰ *CPC International v. Skippy, Inc.*, 214 F.3d. 456 (4th Cir. 2000).

²¹ *Id.* at 458.

²² *Id.*

Skippy, Inc. registered the domain name Skippy.com in 1997. Included on the website were stories about “CPC’s Malicious Prosecution” and “CPC’s Fraud on the Courts.” Also on the website was a notice that SKIPPY was a trademark of Skippy, Inc. and could not be used without the permission of Skippy, Inc. The website accused CPC of corporate bullying, of stealing Percy Crosby’s trademark and said things about CPC and its lawyers that CPC believed to be untrue. CPC brought a motion to show cause why Skippy, Inc. should not be held in contempt of the district court’s 1986 order. The district court ordered Skippy, Inc. to permanently remove substantial portions of its website. Attached to the district court’s order were pages from the website showing which portions were to be redacted. The district court did not provide the reasons for redacting the content from Skippy, Inc.’s website in its order.²³

On appeal, the Fourth Circuit indicated that the action was not a defamation action, but an unfair competition action challenging Skippy, Inc.’s compliance with the 1986 order. The court found that the district court failed to comply with Rule 65(d), Injunctions and Restraining Orders,²⁴ which requires the specific reasons for its issuance to be set forth in the injunction. The court indicated that it was not clear how Skippy, Inc.’s website violated the 1986 order. The court found that Skippy, Inc.’s website was entitled to full First Amendment protection, as the purpose of the website was primarily informational, not commercial. The court remanded the case, instructing the district court to “articulate the state’s interest and then narrowly draw an injunction to prohibit only illegal conduct and nothing more.”²⁵

²³ *Id.* at 458 - 461.

²⁴ Fed.R.Civ.P. 65(d).

²⁵ *CPC International*, 214 F.3d. at 459, 462 - 463.

b. The Parody Defense

In *Charles Atlas, Ltd. v. DC Comics*,²⁶ Plaintiff Atlas used a comic strip entitled “The Insult that Made a Man out of Mac” as an advertisement for the sale of its body building courses. In the comic strip, the bully at the beach kicks sand in Mac’s face, Mac takes the Atlas course and becomes muscular, Mac goes back and beats up the bully and Mac receives newfound respect from everyone, including his female companion. Atlas’ ad was well known and appeared in DC comic books many times. Atlas registered the ad as a trademark with the USPTO. Atlas did not own the copyright.²⁷

Defendant DC Comics published a comic book in which it included a comic strip entitled “Muscle-bound - The Secret Origin of Flex Mentallo.” The comic strip copied key elements of the dialogue and artwork from Atlas’ ad. The copied elements included the words spoken by the characters and the placement of and clothing worn by the characters. The DC story line then deviates from Atlas’ version, as after Flex Mentallo gains his powers, he beats up his female companion, declaring, “I don’t need a tramp like you anymore!” Atlas contended that this “sexist and vulgar portrayal of the character tarnishes the trademark Atlas developed and imbued with goodwill over nearly 70 years.” Atlas filed suit for trademark infringement against DC Comics, alleging that DC misappropriated its comic ad.²⁸

DC alleged that its use of Atlas’ ad was not a use in commerce. The court indicated that even parodic uses can be infringing uses and that the use had to be evaluated under the likelihood of confusion to determine whether it was an infringing use. DC also alleged that its use was a parody entitled to free speech protection under the First Amendment. The court stated that the ultimate question was “whether defendant used the mark for an expressive purpose, or to create

²⁶ *Charles Atlas, Ltd. v. DC Comics*, 112 F. Supp.2d. 330 (S.D.N.Y. 2000).

²⁷ *Id.* at 331 -332.

²⁸ *Id.* at 332 - 333.

an incorrect association in order to confuse the public.” The court defined “parody” in a couple of ways, including “an imitation of a work more or less closely modeled on the original, but turned so as to produce a ridiculous effect.” The court found that “the character Flex Mentallo is a farcical commentary on [Atlas’] implied promises of physical and sexual prowess through use of the Atlas method.” The court then found that DC’s use of Atlas’ ad did not advance a competing product, but conveyed an idea through a literary/artistic work. The court ruled that DC’s use was a protected form of expression under the First Amendment. The court then addressed the likelihood of confusion. Applying the *Polaroid* factors, the court found that the likelihood of confusion was slim and clearly outweighed by the public interest in parodic expression.²⁹

Parody was also successfully used as a defense in *Cardtoons, L.C. v. Major League Baseball Players Association*.³⁰ While the case was decided on the basis of copyright law, it contains language that is applicable to trademark and an interesting analysis of the interplay between parody and the right of publicity. Plaintiff Cardtoons created cartoon images of popular baseball players on its trading cards. After receiving a cease-and-desist letter from the Major League Baseball Players Association (MLBPA), the exclusive licensing association for active major league players, Cardtoons brought a declaratory judgment action seeking an order that its cards did not violate MLBPA’s publicity rights. The district court initially ruled in favor of the MLBPA, but revised its decision on the basis of the Supreme Court’s opinion in *Campbell v. Acuff-Rose Music, Inc.*³¹³² The district court stated:

Creating a successful commercial parody of a well-known person is not as simple as creating a successful commercial counterfeit of a well-known product. A

²⁹ *Id.* at 335 - 341.

³⁰ *Cardtoons, L.C. v. Major League Baseball Players Association*, 868 F. Supp. 1266 (N.D. Okla.).

³¹ *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569 (1994).

³² *Cardtoons, L.C. v. Major League Baseball Players Association*, 335 F.3d 1161 (10th Cir. 2003).

counterfeiter adds nothing to the original. A parodist takes a person, exaggerates and distorts facets of the person until hilarity ensues, and markets the result. The result is not the equivalent of the original: the parodist has studied the original and modified it until it is something that could never be mistaken for its progenitor....though the parodist takes substantial inspiration from his subject, he creates something that did not exist before.³³

Describing the respective rights of the parties, the district court stated, “[t]here is no Constitutional right to control one’s right of publicity; there is a Constitutional right to free speech.” The district court recognized a parody exception to the Oklahoma publicity statute in ruling in favor of *Cardtoons*.³⁴

4. Dilution

Arthur, the cartoon aardvark, is the subject of this case. In *Marc Brown v. It’s Entertainment, Inc.*,³⁵ Plaintiff Marc Brown created a children’s cartoon character, Arthur, the aardvark. The character is a stylized aardvark dressed like a schoolboy. “The Arthur Characters” include Arthur, his sister D.W. and Puppy Pal, their dog. Arthur and D.W. are federally registered trademarks. The Arthur Characters are the featured characters in many books and a television show. The *Arthur* television show earned higher ratings than *Sesame Street* and *Barney*. The Arthur balloon was the lead balloon in the Macy’s Thanksgiving Day Parade in 1997. Brown wanted the Arthur Characters to remain children’s cartoons and, with rare exceptions, did not license any adult costume likenesses of Arthur. Defendant It’s Entertainment, Inc. (IEI), furnished costumes and costumed entertainment for promotional events and parties. IEI rented an Arthur costume to a toy store for one of its store openings. Brown filed suit against IEI, alleging unfair competition and copyright and trademark

³³ *Cardtoons*, 868 F. Supp. at 1268.

³⁴ *Id.* at 1274 - 1276.

³⁵ *Marc Brown v. It’s Entertainment*, 34 F. Supp.2d. 854 (E.D.N.Y. 1999).

infringement. Brown sought a preliminary injunction to enjoin IEI from copying or using any of the Arthur trademarked characters.³⁶

The court stated that “[d]ilution is grounded on the idea that a trademark can lose its ability to clearly and unmistakably distinguish one source through unauthorized use.” The elements of dilution are: “(1) ownership of a distinctive mark, and (2) a likelihood of dilution.”³⁷ “Blurring” and “tarnishment are the two ways dilution can occur. Blurring occurs when the trademark is used on a number of different goods, such that it no longer serves as a unique identifier of the plaintiff’s product. Tarnishment occurs when the public associates plaintiff’s goods with the lack of prestige or quality associated with defendant’s unrelated goods.”³⁸

The court ruled that Plaintiff Brown established a likelihood of success on the merits and was entitled to a preliminary injunction. The court found that Brown established Arthur’s fame and that there was a clear likelihood of dilution. The court found both dilution by blurring and dilution by tarnishment, stating, “[s]hould unauthorized Arthur impersonators proliferate, espousing a multitude of causes, some potentially unwholesome, the image sought by [Brown] for Arthur will be difficult to control and might easily become blurred or tarnished, resulting in a loss of credibility, public affection, and consumer interest.”³⁹ The court did not cite the Federal Trademark Dilution Act or any other portion of the Lanham Act in making its dilution ruling. This case was decided in 1999. The Federal Trademark Dilution Act was enacted in 1995.⁴⁰

³⁶ *Id.* at 856 - 857, 859.

³⁷ *Id.* at 859.

³⁸ *Id.*

³⁹ *Id.* at 859 - 860.

⁴⁰ *Moseley v. V Secret Catalogue*, 537 U.S. 418, 420 (2003).

5. Anticybersquatting

*Shields v. Zuccarini*⁴¹ was one of the first cases brought under the Anticybersquatting Consumer Protection Act (ACPA). Plaintiff Joseph Shields was a graphic artist who used the names “Joe Cartoon” and “The Joe Cartoon Co.” for the cartoons he created, exhibited and marketed. Some of his creations included “Frog Blender,” “Micro-Gerbil” and “Live and Let Dive” animations. Shields also licensed his cartoons for use on merchandise, such as T-shirts, mugs and other gift store items. Merchandise with his cartoons was sold across the country and he had marketed his cartoons under the “Joe Cartoon” label for fifteen years at the time of the litigation. Shields registered the domain name joecartoon.com and offered animation downloads and merchandise for sale on the site. He won an award from Macromedia, “shock site of the day,” in April 1998, after which traffic to his website dramatically increased. At the time of the litigation, his website averaged over 700,000 visits per month.⁴²

Defendant Zuccarini was an Internet domain name wholesaler. He registered five variations on Shield’s domain name. Before Shields filed this suit, Zuccarini’s websites contained advertisements for other websites and for credit card companies. Visitors to the sites were “mousetrapped,” unable to leave the site without clicking on a number of ads. Zuccarini was paid ten to twenty-five cents for every click. After the suit was filed, Zuccarini used his websites to protest against Shield’s website, saying such things as

joecartoon.com is a web site that depicts the mutilation and killing of animals in a shockwave based cartoon format - many children are inticed [sic] to the web site, not knowing what is really there and then encouraged to join in the mutilation and killing through use of the shockwave cartoon presented to them.⁴³

⁴¹ *Shields v. Zuccarini*, 89 F. Supp.2d 634 (E.D. Pa. 2000).

⁴² *Id.* at 635.

⁴³ *Id.*

Although Shields attempted to resolve the dispute before filing suit, Zuccarini refused to release the domain names. Shields filed suit, alleging ACPA and federal and state unfair competition law violations.⁴⁴

At the time this case was decided, the ACPA was so new that it was not even available in the United States Code Annotated yet, so the first major subsection of the statute was carried in full in the opinion. The court determined that three inquiries were required under the ACPA: (1) “whether ‘Joe Cartoon’ is a distinctive or famous mark;” (2) whether “Zuccarini’s domain names are ‘identical or confusingly similar to’ Shields’s mark;” and (3) whether “Zuccarini registered the domain names with a bad-faith intent to profit from them (and, similarly, if Zuccarini is entitled to protection under the safe harbor of §1125(d)(1)(B)(ii).”⁴⁵

The court determined that “Joe Cartoon” is both distinctive and famous. It based its findings on the facts that Shields runs the only “Joe Cartoon” business in the nation and had for fifteen years, that the name “Joe Cartoon” is unique and colorful, that “Joe Cartoon” acquired some fame in the marketplace, which was further indicated by a story about him on page one of *The New York Times*, that Joe Cartoon merchandise had been for sale across the country for a number of years and that the joecartoon.com website attracted almost ten million visitors per year. The court determined that Zuccarini’s domain names were identical to joecartoon.com for all practical purposes, and therefore confusingly similar, and that Zuccarini registered them for that reason. The court noted that Zuccarini made what it called “parasitic use of others’ names,” including Gwyneth Paltrow, Sony Television and Star Wars. Lastly, the court found overwhelming evidence that Zuccarini acted with bad faith intent to profit in registering the domain names. Zuccarini had registered numerous domain names containing misspellings of the

⁴⁴ *Id.* at 636.

⁴⁵ *Id.* at 638.

names of famous people and companies and conducted no bona fide business through his websites, which numbered over three thousand.⁴⁶

Zuccarini claimed that he was entitled to the 15 U.S.C §1125(d)(1)(B)(ii) safe harbor, which protects a person who reasonably believes that his use of the domain name is a fair use or an otherwise lawful use.⁴⁷ Zuccarini argued that “his only intent was to protest the graphic and gruesome depictions of brutality to animals in Shields’s cartoons.” The court rejected this argument, as Zuccarini initially used the websites for commercial purposes, most of his other websites were used to make money, and it found that Shields’s cartoons were not realistic or graphic. The court granted Shields’s motion for a preliminary injunction and enjoined Zuccarini’s use of the infringing domain names and ordered him to deactivate those domain names. The court indicated that Zuccarini’s behavior was the exact behavior the ACPA was designed to prevent.⁴⁸

Conclusion

Cases involving cartoons arise in the same contexts as other trademark cases. Cartoon cases are unique in that the cartoon and the trademark being protected are one and the same, but the courts do not distinguish cartoon cases on that basis. The above cases show that cartoons trademarks are protected with the same rigor as the trademarks for serious, commercial products. Some of the earliest cases in which trademarks were protected were cartoon cases.

⁴⁶ *Id.* at 638 - 640, 642.

⁴⁷ 15 U.S.C 1125(d)(1)(B)(ii) (2006).

⁴⁸ *Shields v. Zuccarini*, 89 F. Supp.2d at 640 - 643.