"SCHLURPPES TONIC BUBBLE BATH": IN DEFENSE OF PARODY*

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Solventur risu tabulae
(The case will be dismissed with laughter)

HORACE, SATIRES***

1. INTRODUCTION

The copyright laws of both the United States* and Great Britain** grant to a copyright owner the exclusive right to reproduce, distribute or display the copyrighted work or to prepare derivative works based on the copyrighted work. There is, however, a limitation on the rights of the copyright owner; this limitation is called "fair use" in the United States and "fair dealing" in Britain. The doctrine is similar in both jurisdictions. In particular, the Copyright Act of 1976 codifies some of the usages that the common law has considered to be fair use, such as reproduction of a work for purposes of criticism, comment, news reporting, teaching or scholarship. Parody is regarded as a type of criticism that falls under the rubric of fair use.

Both the United States and the British courts have generally recognized the legitimacy of a parody defense to allegations of copyright infringement. On November 29, 1983, however, Judge Falconer in the Chancery Division of the English High Court of Justice denied the legitimacy of the parody defense to Wellingtons Ltd., the maker of a

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*** HORACE, SATIRES, Bk. ii, sat. 1, l. 86 (H.R. Fairclough trans.) (London 1961). Said of any question which only succeeds in raising general laughter, and is so dismissed, or "laughed out of court."

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"Schlurpves Tonic Bubble Bath." An injunction was granted to the plaintiff, Schweppes Ltd., on a motion for summary judgment. Until this decision, the parody defense had been upheld against allegations of copyright infringement in Britain.

The decision in *Schweppes Ltd. v. Wellingtons Ltd.* has several negative implications. First, holders of a copyright in their trademark will be virtually immune from satiric parody in Britain, thus shielding them from a socially beneficial and entertaining form of criticism.

Second, the British consumer public will be denied a humorous type of commercial product. Gag gifts which poke fun at a consumer-oriented and status-preoccupied society by mocking a "serious" type of consumer product through parody will become rare in Britain. "Parodists will seldom get permission from those whose works are parodied. Self-esteem is seldom strong enough to permit the granting of permission even in exchange for a reasonable fee." In the United States, the parody defense to copyright infringement exists precisely to make possible a use that generally cannot be bought.

While "every commercial use of copyrighted material is presumptively an unfair exploitation of the monopoly privilege that belongs to the owner of the copyright," it is important to recognize that "[t]he sole interest of the United States and the primary object in conferring

5 Joy Music, Ltd. v. Sunday Pictorial Newspapers, Ltd., [1960] 2 Q.B. 60 (holding that the copyright of the song "Rock-a-Billy" was not infringed by a newspaper parody entitled "Rock-a-Phillip Rock!" The court found that defendants had contributed sufficient independent labor to make the parody an original work).
6 For more on the relevance of trademark issues, see infra notes 81-121 and accompanying text.
7 "Satire, according to Juvenal's useful if hackneyed formula, has an interest in anything men do." N. Frye, *Anatomy of Criticism: Four Essays* 229 (1971). "Two things... are essential to satire; one is wit or humor... the other is an object of attack." *Id.* at 224.
9 See 3 M. Nimmer, *Nimmer on Copyright*, § 13.05[C], at 13-90.10 (1989); Gordon, *Fair Use as Market Failure: A Structural and Economic Analysis of the Betamax Case and its Predecessors*, 82 Colum. L. Rev. 1600 (1982), reprinted in 30 J. Copyright Soc'y 253 (1983) (discussing Sony Corp. of Am. v. Universal City Studios, Inc., 464 U.S. 417 (1984)); Fisher v. Dees, 794 F.2d 432 (9th Cir. 1986) (Plaintiffs were composers of a song released and copyrighted in the 1950's entitled "When Sonny Gets Blue." Attorneys for the defendant, Rick Dees, contacted the plaintiffs to obtain permission to record a parody of the aforementioned song. The plaintiffs refused to consent. Soon thereafter, the defendant released a recording entitled, "When Sonny Sniffs Glue." The court found that the appropriation was fair use). See also, Neterville, *Copyright and Tort Aspects of Parody, Mimicry and Humorous Commentary*, 35 S. Cal. L. Rev. 225, 233 (1962) (one copyright owner licensed a parody of his work for a rumored $100,000).
the monopoly lie in the general benefits derived by the public from the labors of authors.”¹¹ British copyright law, too, was derived not so much to promote the good of the author as from “the fundamental notion that no one person should be able to compete unfairly against another by appropriating the fruits of his intellectual labour.”¹² In addition, “[t]he granting of such exclusive rights [i.e. copyright], under the proper terms and conditions, confers a benefit upon the public that outweighs the evils of the temporary monopoly.”¹³ Thus, the ultimate aim of the copyright laws is to benefit the public interest. Leaving questions of personal taste aside, the humor of parody benefits the public and is an exercise of freedom of expression.

Finally, the parody defense has been litigated in copyright cases of the United States,¹⁴ Canada¹⁵ and Great Britain.¹⁶ Other European countries such as France¹⁷ and Germany¹⁸ have also had the “fair use”

¹¹ Fox Film Corp. v. Doyal, 286 U.S. 123, 127 (1932) (Chief Justice Hughes referring to the copyright monopoly granted by Congress).
¹³ H.R. REP. NO. 2222, 60th Cong., 2d Sess. 7 (1909).
¹⁴ In the United States, an element of humor aimed at some aspect of the copyrighted material is a requirement for the defendant to justify a parody defense. See Steinberg v. Columbia Pictures Indus. Inc., 663 F. Supp. 706 (S.D.N.Y. 1987) (Judge Stanton held that an advertisement for the movie “Moscow on the Hudson” that copied the well known Steinberg illustration for the New Yorker of a bird’s eye view across Manhattan past the Hudson was infringement because no element of humor was aimed at the illustration itself). See also infra note 88.
¹⁶ See infra notes 35-61 and accompanying text.
¹⁷ For commentary on a French case of 1934 involving a parody of the “Toreador” air from “Carmen” (Jugement du Tribunal de Commerce de la Seine le 26 juin 1934), see H. DESBOIS, LE DROIT D’AUTEUR EN FRANCE 321-23 (1978) (the parody of a couple measures from “Carmen” sung in an operetta was held not to be infringement). The French law with regard to parody is as follows: “Lorsque l’oeuvre a été divulguée, l’auteur ne peut interdire... la parodie, la pastiche la caricature compte tenu des lois du genre.” [“Once the work has been published, the author may not forbid... parody, pastiche or caricature according to the applicable laws.” (my translation)]. L0i no. 57-298 du 11 Mars 1957 sur la propriété littéraire et artistique, Art. 41, l.4.
¹⁸ The German equivalent of the fair use defense is freie Benutzung. For references to the parody defense in German law see, E. HEFTI, DIE PARODIE IM URHEBERRECHT (1977); Vinck, Parodie und Urheberschutz, 1973 GEWERBLICHER RECHTSSCHUTZ UND URHEBERRECHT [hereinafter GRUR] 251. See also G. SCHRICKE, URHEBERRECHT: KOMMENTAR (1987). Some German cases involving the parody defense are the following: Judgment of Nov. 15, 1957, Bundesgerichtshof, GRSZ, W. Ger., 26 Bundesgerichtshof in Zivilsachen [BGHZ] 52 (Concerning a movie called “The Man who was Sherlock Holmes” about a man who dressed up like Sherlock
defense of parody used in copyright cases. In addition, the Japanese Supreme Court considered a parody defense in a recent case. Despite similarities in the cases involving a parody defense, there is no common rule of law that governs all of the above-mentioned countries. Nevertheless, the copyright laws of the United States and Britain have been similar for most of this century. Indeed, British courts have looked to United States case law for direction in copyright cases. By denying the validity of the parody defense, Britain’s concept of “fair dealing” has become dissimilar to the concept of “fair use” in the copyright law of the United States. This result is incongruous because the British and United States copyright statutes are very similar.

The United States experience demonstrates that the parody defense (1) is consistent with the provisions of the copyright statute; (2) Holmes as a disguise when he committed crimes, the court held that there was no substantial similarity since the audience knew the character was not the original character Sherlock Holmes and that the work was a new work of original authorship; Judgment of Mar. 26, 1971, Landgericht, Berlin, 1971 GRUR 588 (Court held there was infringement by a satirical magazine that had reproduced the Disney characters in a comic strip called “Wouldn’t it be nice if Disney was colorized.” The court reasoned that parody does not give free access to copyrighted material and that free speech is limited by the German copyright statute § 24(1) of the Urheberrechtsgesetz); Judgment of Dec. 13, 1972, 1974 GRUR 231 (A parody of the Marlene Dietrich song “Von Kopf bis Fuß” (about Ulricke Baader-Meinhof) published in “Bild” held to be infringement because the parody was not aimed at the work parodied). The Federal Republic of Germany Copyright Statute is available in English translation in COPYRIGHT LAWS AND TREATIES OF THE WORLD (Supp. 1984-86). The official German text of the Urheberrechtsgesetz is published in 1965 Bundesgesetzblatt, Teil 1, 1273.

19 The case involved defendant’s parodic montage composition based on a popular photograph taken by the plaintiff. Judgment of Nov. 20, 1972, K sai (District Court), Japan, 639 HANJI 57 (finding infringement due to defendant making a modification work and not merely quoting), rev’d, Judgment of May 19, 1976, Ksai (High Court), Japan, 815 HANJI 21 (reversing district court because defendant quoted work to express his own thought and criticism), rev’d, Judgment of March 28, 1980, Saikosai (Supreme Court), Japan 967 HANJI 45 (reversing on grounds that, “although the quoted work became different by quotation, the essential characteristics of the original work can still be perceived.”). The original photograph was of a mountain side with skiers seen from a distance. The defendant added (through the technique of photo montage) a huge tire that appeared to be rolling down after the skiers. The Tokyo High Court recognized that the defendant “intended... to satirize the current world... .” Sugiyama, The First Parody Case in Japan, 9 EUR. INTELL. PROP. REV. 285, 286 (1987).

20 See, e.g., the reference to Berlin v. E.C. Publications, 329 F.2d 541 (1964) in the English case Williamson Music Ltd. v. The Pearson Partnership Ltd., 1987 Fleet Street Rep. 97, 103-04 (Ch. 1986) (quoting Judge Kaufman’s proposition that “parody and satire are deserving of substantial freedom” (italics in original), but denying the parody defense to the defendant by relying on the holding of Schweppes Ltd. v. Wellingtons Ltd., 1984 Fleet Service Rep. 210 (Ch. 1983)).

21 For more on the meaning of “fair use” and “fair dealing” see supra text accompanying notes 122-33.

22 Britain and the United States share a common statute of “fair dealing” or “fair
allows for freedom of expression for the producer of the parody, for the public and for the consumer; and, (3) does not prevent those whose work has been infringed for purely commercial reasons from being protected from harm. Where there is no direct competition with the original, the social value of parody outweighs the copyright holder’s inter-

use” in their respective copyright acts. Section 6(2) of the British statute provides the meaning of statutory “fair dealing”: “No fair dealing with a literary . . . work shall constitute an infringement of the copyright in the work if it is for purposes of criticism or review . . . .” The Copyright Act of 1956, 4 & 5 Eliz. 2, ch. 74, reprinted in 11 HALSBURY’S STATUTES (4th ed. 1985). Case law in Britain has looked to § 49 of the Copyright Act of 1956 (which states the requirement that in order to find an infringement “a substantial part” of the copyrighted material must be reproduced) in support of a common law parody defense.

In the United States, 17 U.S.C. § 107 (1988) provides the statutory definition of “fair use.” The House Report to the law states that the section “is intended to restate the present judicial doctrine of fair use, not to change, narrow, or enlarge it in any way” and that the fair use doctrine is an “equitable rule of reason.” H.R. REP. NO. 1476, 94th Cong., 2d Sess., 65, 66, reprinted in 1976 U.S. CODE CONG. & ADMIN. NEWS 5659, 5680.

Britain recognizes the importance of free speech with regard to “fair dealing.” “[I]njunctions should not in general be used to restrain free speech.” Kennard v. Lewis, 1983 Fleet Street Rep. 346 (Ch.) (members of the Campaign for Nuclear Disarmament were denied an injunction against The Coalition for Peace through Security whose pamphlet entitled “30 Questions and Honest Answers about CND” had a substantially similar layout to plaintiffs’ pamphlet “30 Questions and Answers about CND”).

In general, the issue of free speech is distinct from the issue of “fair use.” In a copyright case a court will look first to the issue of whether or not infringement of a copyrighted work is “fair use” before considering the constitutional issue of free speech. See, e.g., New York Times Co. v. United States, 403 U.S. 713, 726 n.* (1971) (Brennan, J. concurring) (copyright laws are not restrictions on freedom of speech as copyright protects only form of expression and not the ideas expressed).

The United States Supreme Court has recently recognized that the commercial factor of 17 U.S.C. § 107(4) “is undoubtedly the single most important element of fair use.” Harper & Row Publishers, Inc. v. Nation Enters., 471 U.S. 539, 566 (1985). See Fisher v. Dees, 794 F.2d 432 (9th Cir. 1986). In deciding Fisher, the court analyzed the first, third and fourth fair use factors. First, the court found that the value of the original would not be decreased. Second, since the parody would not fulfill the demand for the original, it did not infringe upon plaintiff’s copyright. Finally, as to the amount taken, the court recognized that the “conjure up” principle may be unfair if not applied in a flexible manner and held that the appropriation of the plaintiff’s song was fair use. Id. at 437-40.

While the social value of “Schluurpes Tonic Bubble Bath” is minimal, the principle involved is extremely valuable to the public interest. The parody of a label may seem of significantly less value than parody of a literary work, but the principle is the same. Indeed, it is a central doctrine to the law of copyright that the “merit” of a work is not to be decided by the courts, but simply that if the work is “original” then it is copyrightable. Bleistein v. Donaldson Lithographing Co., 188 U.S. 239 (1903) (“A picture is none the less a picture and none the less a subject of copyright that it is used for an advertisement.” Id. at 251). Following this doctrine, once something has been copyrighted it is capable of being parodied; no issue of “merit” is involved. If the parody adds something original to the underlying work and does not directly compete with it, then (this Comment argues) the parody defense is legitimate.

Trademarks and labels are a form of advertising and become at times part of general public knowledge. Some labels and trademarks have even achieved a type of
est in protecting the copyrighted material from being imitated in a parody. Parody is a legitimate and fair use of copyrighted material even if the parody has commercial value—such as the commercial value Schlurppes Tonic Bubble Bath would have had to Wellingtons Ltd.—as long as there is no injury or commercial harm done to the copyright holder. "[I]n today's world of unrelieved solemnity, copyright law should be hospitable to the humor of parody." \[26\]

2. The Schweppes Decision

The "fair dealing" defense of parody was dealt a heavy blow in Britain by Judge Falconer in *Schweppes Ltd. v. Wellingtons Ltd.* 27 In *Schweppes*, the plaintiffs held a copyright on their yellow and gold label 28 bearing the royal arms and the word SCHWEPPES; this label was placed on their tonic water bottles. The defendants placed a similar label which bore the word SCHLURPPES on their bottles of "tonic bubble bath." This action by the defendants "was intended as a joke, their labels being parodies of the plaintiffs' labels. The plaintiffs, who did not share the defendants' point of view, commenced proceedings for *inter alia* copyright infringement and sought summary judgment against the defendants under Order 14. 29 Judge Falconer held for the artistic stature and become part of the national culture. The American Advertising Museum of Portland, Oregon which opened in 1986 offers a display of some of the better known labels and trademarks of the United States.

26 Elsmere Music, Inc. v. National Broadcasting Co., 623 F.2d 252, 253 (2d Cir. 1980) (aff'g per curiam 482 F. Supp. 741 (S.D.N.Y. 1980)) ("I love New York" sung by Saturday Night Live actors as "I Love Sodom" held to be fair use because the parody did not affect the value of plaintiff's song).


28 Copyrights are granted to trademark labels in both Britain and the United States. See Charles Walker & Co. v. The British Picker Co., 1961 R.P.C. 57 (holding that a label is an artistic work); Callaghan v. Myers, 128 U.S. 617 (1888) (a label which is not purely descriptive may be made the subject of copyright); Drop Dead Co. v. S.C. Johnson & Son, Inc., 326 F.2d 87 (9th Cir. 1963) (holding copyright on PLEDGE label valid); see generally Bleistein v. Donaldson Lithographing Co., 188 U.S. 239 (1903); Pattishall, *Protection of Labels Through Copyright Infringement and Unfair Competition Laws*, 56 TRADEMARK REP. 408 (1966). A mere name, however, does not qualify for copyright protection. In Exxon Corp. v. Exxon Ins. Consultants Ltd., [1982] Ch. 119, the argument that EXXON might be protected by copyright was rejected on two grounds: 1) nothing could be a literary work unless it conveyed information, provided instruction or gave pleasure; and 2) EXXON is a name and since other statutory protection exists for the protection of names the Copyright Act of 1956 could not be taken to have been intended to provide protection for "denominative works". This decision is criticized by Phillips who states that, contrary to the court's reasoning, a name is information and there is no legal principle that deprives copyright protection to a symbol registered as a trademark. PHILLIPS, supra note 12, at 119.

29 Schweppes, 1984 Fleet Street Rep. at 210. Order 14 of the Rules of the Chancery Court in Britain is a proceeding for summary judgment. "[T]o succeed under Order 14 the plaintiff must not only be able to prove his claim clearly, but, if a defence is
plaintiffs by considering a single issue: "Has there been a reproduction in the defendant's work of a substantial part of the plaintiff's work?" The Judge rejected defendant's defense that the plaintiff's work had been altered by way of parody.

The fact that the defendant in reproducing his work may have himself employed labour and produced something original, or some part of his work which is original, is beside the point if none the less the resulting defendant's work reproduces without the licence of the plaintiff a substantial part of the plaintiff's work.

As one commentator has pointed out, the decision of Judge Falconer "would appear to leave no scope whatever for a 'parody' defence in copyright law. It is thus unlikely that the question whether there has been a parody will ever be determinative of copyright infringement liability."

Despite this recent holding of the British courts the parody defense is a legitimate affirmative defense to allegations of trademark or copyright infringement. Many aspects of the parody defense were not discussed in the adjudication of Schweppes by Judge Falconer. The following issues merit a more extensive analysis: (1) the difference between trademark and copyright, (2) the significance of competition put in, [he] must satisfy the court that it is not a bona fide defence." Williams & Humbert Ltd. v. International Distillers & Vintners Ltd., 1986 Fleet Street Rep. 150, 151.

In the United States, "[s]ummary judgment is often disfavored in copyright cases, for courts are generally reluctant to make subjective comparisons and determinations." Steinberg v. Columbia Pictures Indus., Inc., 663 F. Supp. 706, 709 (S.D.N.Y. 1987), citing Hoehling v. Universal City Studios, Inc., 618 F.2d 972, 977 (2d Cir. 1980), citing Arnstein v. Porter, 154 F.2d 464, 474 (2d Cir. 1946).

There is a great difference between the objective of trademark protection and the objective of copyright protection. The two legal doctrines are distinct, different, and separate.

The objective of trademark protection is to protect the maker of goods and the public from confusion as to the origin of goods where confusion is caused by the use of false and counterfeit trademarks. A trademark shows the origin of goods. The word 'counterfeit' is used in the statutory law of trademarks. (15 U.S.C. §§ 1114(1)(a), 1116(d)(1)(A), 1127). To use a false trademark is to misrepresent the origin of goods, to 'sail under false
in a common market, (3) the legal principles of dilution and disparagement, and (4) most importantly, the validity from a public interest viewpoint, of a parody "fair dealing" defense. The facts of Schweppes offer a springboard for the discussion of these issues.

The parody of trademarks is an important counter-balance to the power that these symbols have over consumers and the public in general. Parody serves the public interest by ridiculing the power of these symbols, by achieving a provocative effect and by producing laughter.  

3. THE PARODY DEFENSE IN BRITISH COPYRIGHT LAW

3.1 Early Case Law in Great Britain

In the English case of Hanfstaengl v. Empire Palace, which implicitly involved the parody defense, the plaintiff was an artist whose paintings had been imitated in tableaux vivants. The artist brought infringement actions against a newspaper for printing sketches of the theaters' performances. The Court of Appeals stated that copyrights are not "to be made instruments of oppression and extortion" and held that there was no possibility of confusion since the defendant's sketch was "a work of a different class, intended for a different purpose" than the plaintiff's work. In dictum the Court added: "The amusing sketches in Punch of the pictures in the Royal Academy are not, in my opinion, infringements of the copyrights in these pictures, although

The objective of copyright protection is to encourage the creator of an original work in a medium of expression — such as literature, music, art and the like. The encouragement is by giving the creator the exclusive right 'to reproduce' the work, 'to prepare derivative works', 'to distribute copies or phonorecords', 'to perform' the work, and 'to display' the work (17 U.S.C. § 106). A copyright does not show the origin of goods; that is not its purpose. The word 'counterfeit' does not appear in the statutory law of copyrights.

Id. at 760 (emphasis in original).

Laughter has a deep philosophical meaning, it is one of the essential forms of the truth concerning the world as a whole, concerning history and man; it is a peculiar point of view relative to the world; the world is seen anew, no less (and perhaps more) profoundly than when seen from the serious standpoint. . . . Certain essential aspects of the world are accessible only to laughter.

M. BAKHTIN, RABELAIS AND HIS WORLD 66 (Iswolsky trans. 1968).

35 [1894] 3 Ch. 109.

36 Scenes "presented on stage by costumed actors who remain silent and motionless as if in a picture." [French, "living pictures."] AMERICAN HERITAGE DICTIONARY 1236 (1982).

37 Hanfstaengl v. Empire Palace, [1894] 3 Ch. at 128.

38 Id. at 132.
probably made from the pictures themselves. . . . [For] there is no piracy, actual or intended."³⁹

In *Tate v. Fulbrook*,⁴⁰ the English Court considered the issue of whether or not the public would be deceived (an issue more often discussed in trademark than copyright infringement cases in the United States). There the Court of Appeals noted in dictum that, "[p]arody is permissible, but then, parody shows at the very time that it is [imitating] that it is an imitation, it shows the difference as well as the resemblance."⁴¹

The holding in *Glyn v. Weston Feature Film Co.*⁴² demonstrates the significance of the amount of the original work used in the dispute. The case involved copyright infringement by a filmmaker of Elinor Glyn's novel *Three Weeks*, which portrayed an act of adultery in an attractive light. The court in *Glyn* held that the amount of the taking was not substantial and the Judge wrote, in *obiter dictum*, that "no infringement of the plaintiff’s rights takes place where a defendant has bestowed such mental labour upon what he has taken and has subjected it to such revision and alteration as to produce an *original result*."⁴³

3.2 The Copyright Act of 1956 and Its Application by the British Courts

The English Copyright Act of 1956 provides that the reproduction of a work for the purpose of a finding of copyright infringement means the reproduction of "a substantial part of the [original] work."⁴⁴ This provision was applied by the English Court in the case of *Joy Music, Ltd. v. Sunday Pictorial Newspapers (1920), Ltd.*⁴⁵

In *Joy Music*, the owners of the copyright to the song "Rock-a-Billy" claimed their copyright was infringed by a parody entitled "Rock-a-Phillip Rock!" published by the defendant newspaper. The court held that the defendants had not reproduced "a substantial part"
of the plaintiff’s song and that the defendant had demonstrated sufficient independent labor to make the parody an original work. Relying on *Glyn*, the Court found that the parody of the song had its origin in the work parodied, but did not amount to reproduction of such a substantial part of that work as to amount to an infringement.

Professor Jeremy Phillips, an English scholar, criticizes the *Joy Music* holding and supports the decision in *Schweppes*.

A parody is a work which consciously mimics and “sends up” the form of another work, while its content may be entirely different. Should the fact that the original work and its parody are aimed at different audiences and fulfil different aesthetic functions excuse the parody from being stigmatized as a copyright infringement? At one time it was thought that no infringement was committed if the amount of effort and skill which the parodist expended upon his work was so great that the parody could be regarded as an original work in its own right. This view, which was only *obiter*, was founded upon the misapprehension that a work was either an original work or an infringing one. Since a work can be both original and infringing it is not surprising that, in *Schweppes Ltd v. Wellington*, Falconer, J. held that parody could not of itself affect the question of infringement: either a substantial part of a work was copied or it was not.

Contrary to the view expressed by Professor Phillips, where there is a significant element of originality in the parody, especially where free speech issues are concerned, a parody may copy even a ‘substantial’ part of the original work and still not be an infringement of copyright law.

### 3.3 The Element of Originality

United States and British courts deciding copyright and trademark cases should recognize the importance of originality in deciding whether

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46 English law until the *Schweppes* case was in fact not unfavorable to the parody defense. It is the *Schweppes* case that changed the law in this area. One commentator remarked shortly after the *Joy* decision that “[t]he present English law then, affords the parodist... considerable freedom.” Note, *supra* note 39, at 558.


50 *J. PHILLIPS, supra* note 12, at 144.
or not a parody is to be adjudicated as an infringement. The problem is that a parody is by definition at least partly imitative of the original. The key question is whether or not the defendant produced an original result in the parody.

A parody has a different theme, tone, artistic quality, genre, form and intended audience than the work it imitates. A parody mimics the style of the original at the same time that it holds it up to ridicule. Thus, one substantial difference that may exist between a parody and the original is an element of satire, humor, irony or comedy. If no such comic intent was apparent in the original, then there is a substantial difference between it and the parody. The British Court recognized this element in Carlton v. Mortimer.

In Carlton, the defendant’s parody of Edgar Rice Burroughs’ Tarzan novel was an acrobatic show entitled, “Warzan and his Apes.” While the defendant had copied two incidents from the novel, the Court found that “[i]n the book both these [incidents] were serious, perhaps they might be described as sentimental. In the defendant’s performance they were both comic to the last degree. They were intended to be comic and produce nothing but laughter.” Having distinguished between comic and serious intent, the court held for the defendant.

A British court recently denied defendant’s use of a parody defense in Williamson Music, Ltd. v. Pearson Partnership, Inc. In considering a parody of the song “There is Nothin’ Like a Dame” from Rogers & Hammerstein’s “South Pacific” used in an advertisement for Rapide Coach Service, Judge Baker followed the test used in Schweppes. The plaintiffs’ motion for an interlocutory injunction was granted and the defendants were prevented from showing the commercial.

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61 One other problem posed by parody is that § 102 of the Copyright Act of 1976 provides that the right to produce “derivative works,” which a parody may well be, is an exclusive right of the holder of the copyright in the original work.

62 See E. MacGillivray, Copyright Cases 1920, at 194-96 (1921). See also Note, supra note 39, at 556-57.

63 E. MacGillivray, supra note 52, at 195.

64 1987 Fleet Street Rep. 97 (Ch. 1986).

65 The original words “We got sunlight on the sand/We got moonlight on the sea/We got mangoes and bananas/We can pick right off the tree” were parodied by the phrase “We got coffee, we got tea,/We’ve got toilets if need be/We’ve got films on video, so there’s lots for you to see.” Id. at 98-99.

66 “The sole test is whether the defendant’s work has reproduced a substantial part of the plaintiff’s ex hypothesi copyright work.” Williamson Music, Ltd. v. The Pearson Partnership, Ltd., 1987 Fleet Service Rep. 97, 106 (Ch. 1986) (quoting Schweppes Ltd. v. Wellingtons Ltd., 1984 Fleet Street Rep. 210, 212 (Ch. 1983)).
3.4 British Courts' Reliance on United States Copyright Law

In considering the possibility of a parody defense, the British court in *Williamson Music* referred to the United States case of *Berlin v. E.C. Publications*. However, the British court used a more stringent test than that used in the United States case.

The case of *Berlin v. E.C. Publications* was brought in response to Mad Magazine's publication of parodies of Irving Berlin songs. The Second Circuit held that there was no infringement since the theme and content of the parodies differed markedly from those of the originals. Judge Kaufman remarked that "[a]s a general proposition, we believe that parody and satire are deserving of substantial freedom—both as entertainment and as a form of social and literary criticism" and held that the test is whether or not the parody is a "creative effort possessing distinctive literary qualities worthy of judicial protection in the public interest." Unlike the United States court's decision in *Berlin*, the British court in *Williamson Music* found that the Rogers and Hammerstein estates' refusal to authorize the use of their works in television advertisements was more significant than the value of parody as a form of entertainment to the public interest. Authorization, however, should not be required for a "fair dealing" such as parody.

The British court looks at United States law for direction regarding "fair use." In the United States, the parody defense has gained recognition as a legitimate aspect of the "fair use" doctrine. Judge Kaufman's decision in *Berlin* stresses that there is indeed a public interest in allowing parody to exist without being judicially enjoined. On the other hand, the decisions of the British Court in the *Schweppes* and *Williamson Music* cases have denied the parody defense, and have thus severely limited the availability of entertaining and satirical parodies. For the purpose of consistency between United States and British law, and because the parody defense is a valid defense even to a sub-

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57 219 F. Supp. 911 (S.D.N.Y. 1963), aff'd, 329 F.2d 541 (2d Cir.), cert. denied, 379 U.S. 822 (1964) (holding that Mad Magazine's parodies of Irving Berlin songs were not infringements of copyright).
58 For example, the words of Irving Berlin, "Blue Skies/Smiling at me/Nothing but Blue Skies/Do I see" were parodied by the line "Blue Cross/Had me agree/To a new Blue Cross/Policy!" 219 F. Supp. at 913 n.1.
59 329 F.2d at 543-45.
60 Mad Magazine's songs were indeed parodies. Judge Kaufman called them satires perhaps to avoid overturning Loew's Inc. v. Columbia Broadcasting System, 131 F. Supp. 165 (S.D. Cal. 1955), aff'd sub nom. Benny v. Loew's Inc., 239 F.2d 532 (9th Cir. 1956), aff'd per curiam by an equally divided Court, 356 U.S. 43 (1957) (Douglas, J. abstaining), reh'g. denied, 356 U.S. 934 (1958) (Loew's had the motion picture rights for "Gas Light.") Jack Benny produced a parody of "Gas Light." The court held that a substantial amount of material was taken and denied the fair use defense).
stsal reproduction of a protected work, the parody defense should be upheld.61

4. THE PARODY DEFENSE IN UNITED STATES COPYRIGHT LAW

The parody defense in the United States has gained legitimacy despite the early decision of Judge Carter in Loew's Inc. v. Columbia Broadcasting System.62 In Loew's, plaintiff had the motion picture rights for "Gas Light." Jack Benny produced "Autolight," a CBS television show parody of "Gas Light." The court ruled that a substantial amount of material had been taken and that, in spite of the "fair use" defense, consent was required from the copyright holder. The court stated:

One cannot copy the substance of another's work without infringing his copyright. A burlesque presentation of such a copy is no defense to an action for infringement of copyright. . . . [A] parodized or burlesqued taking is treated no differently from any other appropriation. . . . [I]f it is determined that there was a substantial taking, infringement exists.63

Insisting that his decision did not sound the "death knell on burlesque,"64 Judge Carter asserted in dicta that there is plenty of material in the public domain available for parody.65 The Court of Appeals for the Ninth Circuit affirmed Judge Carter's decision.

Judge Carter's views changed in a subsequent parody case, namely, Columbia Pictures Corp. v. National Broadcasting Co.66 This case involved a burlesque of "From Here to Eternity" entitled "From
Here to Obscurity” by Sid Caesar. Judge Carter held that there was no infringement of copyright because “[s]ome limited taking should be permitted under the doctrine of fair use, in the case of burlesque, to bring about [the] recalling or conjuring up of the original.” Indeed, Judge Carter went so far as to add that “[t]he doctrine of fair use permits burlesque to go somewhat farther so long as the taking is not substantial.”

Judge Carter’s statement concerning the amount of material that may be legitimately copied in a “fair use” such as parody is comparable to the amount the British court allows under its equivalent doctrine of “fair dealing.” “This defence [of fair dealing] only arises where it is first established that a substantial part of the work has been taken...” The “fair dealing” defence in British common law also exists in the United States. In the 1976 Copyright Act, criticism is mentioned as a type of “fair use”, and parody is regarded as a form of criticism.

The legislative notes relating to the fair use doctrine listed examples of the “sort of activities the courts might regard as fair use under the circumstances.” Congress indicated that one of these activities is “use in a parody of some of the content of the work parodied.” Parody, however, was “not classified as a presumptively fair use,” and thus, an assertion of the parody defense “must be considered individually, in light of the statutory factors, reason, experience, and, of course, the general principles developed in past cases.”

There is a growing awareness by United States courts that the parody defense is generally legitimate. To cite one example, in Elsmere Music, Inc. v. National Broadcasting Co., the song “I Love New York” was sung on the show “Saturday Night Live” as “I Love Sodom.” The Second Circuit held that the parody was “fair use” be-

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67 Id. at 350.
68 Id.
70 See W. CORNISH, INTELLECTUAL PROPERTY 363-64 (1981).
74 Id.
cause the parody did not affect the value of plaintiff's song. "Even more extensive use would still be fair use, provided the parody builds upon the original, using the original as a known element of modern culture and contributing something new for humorous effect or commentary."\footnote{Id., 623 F.2d at 253 n.1.}

Only when the parodic work competes directly with the original work in the same market should the parody defense be unavailable. As long as the work is found to be a parody and not simply an unauthorized reproduction, the parody defense should be upheld unless the parody is a product that will be sold in the plaintiffs' market. Thus, in a recent case,\footnote{New Line Cinema v. Bertlesman Music Group, Inc., 693 F. Supp. 1517 (S.D.N.Y. 1988).} Zomba, the maker of a music-video starring D.J. Jazzy Jeff, claimed that the video entitled "A Nightmare on My Street" was protected "fair use." Zomba claimed that the purpose and nature of the video's copying of the movie "A Nightmare on Elm Street" and of the movie's character Freddy, was parody. The court, distinguishing Zomba's use of the borrowed material from the defendant's use of the material in \\textit{Elsmere},\footnote{Id. at 1529 (citing to Elsmere Music, Inc. v. National Broadcasting Co., 623 F.2d 252, 253 (2d Cir.) affg per curiam 482 F. Supp. 741 (S.D.N.Y.), cert. denied, 439 U.S. 1132 (1980)).} held that while more extensive copying is permitted in creating a parody than in creating other types of fictional and dramatic works, in the instant case "Zomba stands to profit financially by using Freddy without making the usual licensing arrangements."\footnote{Id. at 1526.}

Central to the court's decision to grant a preliminary injunction was the fact that the plaintiffs had already granted the rights to make a derivative work (a music-video by the group "The Fat Boys") which would be in direct competition with the D.J. Jazzy Jeff video.

5. TRADEMARK PARODY ALLOWED UNLESS IT RESULTS IN CONFUSION AS TO SOURCE

The owners of a trademark have legitimate reasons to protect their trademark from infringement. A considerable economic investment is involved in the promotion of the good will associated with a trademark. Schweppes' advertising, for example, is conducted by Ogilvy & Mather in the United States (who also advertise for Rolls-Royce) and Schweppes spends a considerable amount of money on advertising.\footnote{Some of Schweppes' promotions include an advertisement by the Chess Champion Anatoly Karpov, and others feature Dobbs the butler who shores up a Duke's declining fortune. The duke personifies Schweppes], said Nancy McNally, account supervisor at Ammiratis & Puris, New York. He recognizes quality and expects the}
not every product or mark that is similar to another trademark is an infringement. For example, Lever Brothers “has spent $30 million in promoting ‘Snuggle’ fabric softener” which involved promoting the image of a “Snuggle” bear.\textsuperscript{82} When Lever Brothers sought an injunction against Mattel for manufacturing a “Snuggles the Seal” stuffed doll marketed for children, Judge Motley found that (1) there was no likelihood of confusion and (2) there was no misappropriation because the plaintiff had no trademark in the word “Snuggle” as applied to all stuffed animals.\textsuperscript{83}

best . . . .” Giges, Hot Weather Breeds Promotions; Smaller Soda Brands Make Summer Plans, \textit{Advertising Age}, April 27, 1987, at 10. The trade journal \textit{Advertising Age} judged ads by Schweppes to be amongst the ten best ads of all time.


\textsuperscript{83} Id. at 1401. Any action involving a claim of trademark infringement, dilution or disparagement is only valid if the defendant has made commercial use of the trademark owner’s mark, slogan or symbol. No trademark action can be brought against someone for non-commercial use of a trademark such as David Letterman’s parody of Lever Brother’s trademark in his “Top 10 Fears of Snuggle the Fabric Softener Bear”: 1) The Pillsbury Dough Boy will ask him to poke lower; 2) Too much fabric softener will prevent him from functioning as a male; 3) Something will happen to George Bush; 4) Smokey the Bear will get drunk and tell him that he should be the Fabric Softener Bear; 5) He’ll end up in the washer with Al Sharpton’s T-Shirts; 6) The company will fix him so that he remains “snuggly” forever; 7) The fear that he’ll have to chew his leg off to get free from a trap, etc. (from \textit{Late Night with David Letterman}, November 29, 1988). The following night Mr. Letterman quipped that “For the Michelin Man, using a condom is kind of superfluous.”

Other trademarks involving a heavily promoted character include the Pillsbury Doughboy, Charlie the Tuna, Morris the Cat, Frank and Ed Jaymes of Bartles & James wine cooler fame, Life cereal’s Mikey, Ronald McDonald, Kellogg’s Tony the Tiger, and the California Raisin Advisory Board’s animated raisins. See Johnson, Outtakes: Soft Sell, \textit{The L.A. Times}, April 26, 1987, (Calendar), at 18. \textit{See also} Walt Disney Prods. v. Mature Pictures Corp., 389 F. Supp. 1397 (S.D.N.Y. 1975) (parodic use of copyrighted “Mickey Mouse March” in the film “The Life and Times of the Happy Hooker” was not a “fair use,” in part because defendants’ repetitive use exceeded the amount necessary to “conjure [it] up”); Walt Disney Productions v. Air Pirates, 345 F. Supp. 108 (N.D. Cal. 1972), aff’d, 581 F.2d 751 (9th Cir. 1978), cert. denied, 439 U.S. 1132 (1979) (The parody of Mickey Mouse was found to be copyright infringement because the characters were copied. The court found the taking too extensive since the Walt Disney characters are easy to “conjure up” without much copying, but rejected plaintiff’s claims of trademark infringement and disparagement.). When the Academy of Motion Picture Arts and Sciences used a woman dressed as Snow White in the 1989 Academy Awards without authorization, the Walt Disney Company sued. The academy apologized and stipulated it would not re-use the segment. “In another segment of the awards show, Robin Williams, dressed as a giant mouse, made comments about Disney’s chairman, Michael Eisner. ‘We think Robin’s use was fair parody,’ Mr. Okun [the vice president of corporate communications at Disney] said.” Harmetz, \textit{An Apology to Disney}, \textit{N.Y. Times}, Apr. 7, 1989, at C19, col. 4. ‘Fair parody’ would seem to be a conflation of the ‘parody defense’ and the statutory ‘fair use’ doctrine from which the parody defense derives.

For more on the special problems that these fictional characters bring to the law, see Kurtz, \textit{The Independent Legal Lives of Fictional Characters}, 1986 Wis. L. Rev. 429 (1986).
In contrast to copyright law, the thrust of trademark law is to protect the consumer from confusion as to source. A non-confusing parody of a famous mark is not a trademark infringement because the owner of the mark "does not own in gross the penumbral customer awareness of its name, nor the fallout from its advertising." Where there is parody there is generally no confusion as to source. When, however, a trademark is copied without parody, confusion would result in the mind of the consumer as to the source of the product or service. Thus, in Quality Inns International, Inc. v. McDonald’s Corp., a typical trademark case turning on the issue of confusion as to source, Quality Inns was enjoined from using the name "McSleep Inns" for a hotel chain. The District Court held that: (1) McDonald’s has a property right to the “Mc” prefix; (2) there is likelihood of confusion as to source; and (3) defendants made a "deliberate attempt to benefit by the goodwill and reputation of McDonald’s.

Applying the rationale of Quality Inns to the Schweppes case leads to the conclusion that (1) Schweppes has a property right in the Schweppes Tonic Water label and name; (2) there is no likelihood of confusion between Schweppes and Schlurppes since the two names are readily distinguishable and the two products would be sold in completely disparate markets; and (3) it is unlikely that defendants were attempting to benefit from the goodwill and reputation of Schweppes.

84 Jordache Enter., Inc. v. Hogg Wyld, Ltd., 625 F. Supp. 48, 56 (D.N.M. 1985), aff’d, 828 F.2d 1482 (10th Cir. 1987) (the parody of Jordache Jeans by a "Lardashe" label for a brand of jeans for larger women held not a trademark infringement).
86 Id. The Lanham Act prohibits any “false description or representation” of origin. 15 U.S.C. § 1125(a) (1988). Even identical marks are not likely to confuse if products and channels of trade are sufficiently different. See J. Gilson, TRADEMARK PROTECTION AND PRACTICE, § 5.01 at 5-6 (1984).
87 The Seventh Circuit has held that ‘if the same trademark is used in an unrelated field, there is no likelihood of confusion.’ Blazon, Inc. v. Balzon Mobile Homes Corp., 416 F.2d 598, 599 (7th Cir. 1969). This is, of course, only a general proposition that may not hold in the face of a strong, famous trademark. See, e.g., Wall v. Rolls-Royce of America, 4 F.2d 333 (3d Cir. 1925) (finding name “Rolls-Royce” for a radio tube company infringes on trademark of automobile manufacturer).

88 It is supposed that confusion would exist only if the change in the characters of the word Schweppes was so small as to be insignificant. See Les Parfums de Dana, Inc. v. Novoa Cosmetics Ltd, No. 81 Civ. 6653 (S.D.N.Y. October 4, 1982) (Judge Motley) (available on LEXIS) (where plaintiffs (marketers of DANA perfume) enjoined defendant from producing a DAMA perfume on a finding of trademark infringement).
because "Schlurppes" sounds "funny," and the parody pokes fun at the very name copied. This third factor might be particularly important because without this element of humor, the parody defense would be invalid.88

The owner of a trademark has the exclusive right to exploit the mark. Thus, the parody defense cannot be used to justify freeloading. Where there is actual confusion as to source, or where the jurisdiction has an anti-dilution89 or anti-disparagement90 statute, the trademark owner can successfully enjoin the infringer. The mere parody of a trademark, however, where there is little if any potential economic harm, should not be enjoined by the court. In judging a case involving the parody defense, a court should attempt to strike a balance among

88 "Defendant's variation on ... plaintiff's illustration does not, without an element of humor aimed at some aspect of the illustration itself, render it a parody and therefore a fair use of plaintiff's work." Steinberg v. Columbia Pictures Indus., 663 F. Supp. 706, 714 (S.D.N.Y. 1987). See also, supra note 14. But cf., Comment, supra note 32. "[I]t is difficult to see how the 'Schlurppes' enterprise could ever pass as parody. It was a strongly allusive imitation of the plaintiff's work, and it was not without its humorous aspect; but it was not so much an attempt to ridicule or poke fun at the plaintiff's product as an attempt to cash in upon consumer familiarity with the plaintiff's product as a means of enhancing the defendants' sales of their own produce." Id. at 247-48.

The dissent of Judge Mansfield in MCA, Inc. v. Wilson, 677 F.2d 180 (2d Cir. 1981) supports the proposition stated in the text. "The humorous twist would not exist if the 'boogie woogie' sound of the original (incidentally not copyrighted) were not recalled. The whole point of the fair use defense is to allow some use of the copyrighted material." Id. at 190. MCA, Inc. concerned the production of defendant's "Cunnilingus Champion of Company C." The majority found that plaintiffs and defendants were both competitors in the entertainment field and that defendant's parody was not a fair use of plaintiff's song because it was not a parody of plaintiff's song or a parody of the music of the 40's but simply the substitution of lyrics for commercial gain. "While commercial motivation and fair use can exist side by side, the court may consider whether the alleged infringing use was primarily for public benefit or for private commercial gain." Id. at 182.


See infra notes 91-104 and accompanying text.

See infra notes 105-12 and accompanying text.
the interests of the owner of the trademark, the interests of the parodist to express itself and the interests of the public to receive the parody’s entertainment value, message, satiric comment or criticism. The equitable doctrine involved in trademark infringement cases and the doctrines of “fair use” (in the United States) or “fair dealing” (in Britain) require that only the unfair use of a registered trademark, which exists when the parody is sold in the same market as the original and can serve as a substitute for the original, should be adjudicated as an infringement of the mark.

5.1. Dilution

The concept of trademark dilution originated in England when a British court prohibited the trademark “Kodak” from being used on bicycles.\(^91\) Although the sale of “Kodak” bicycles for photographers was unlikely to mislead consumers into believing the bicycles were associated with the camera manufacturer, the British court found that the distinctiveness of the “Kodak” mark would be lessened in the public’s mind by its association with products other than the cameras of its owner.

In the United States, the theory of trademark dilution was developed, most notably, in an article by Schecter in 1927.\(^92\) The Lanham Act does not recognize the dilution theory of trademark protection, but approximately half the states have enacted “anti-dilution” statutes.\(^93\) The dilution statute of New York, for example, states that the “likelihood of injury to business reputation or of dilution of the distinctive quality of a mark or trade name shall be a ground for injunctive relief in cases of infringement of a mark registered or not registered or in cases of unfair competition, notwithstanding the absence of competition between the parties or the absence of confusion as to the source of goods or services.”\(^94\) The legislative intent was to curb “the whittling

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away of an established trade-mark’s selling power and value through its unauthorized use by others upon dissimilar products.\textsuperscript{5}

The dilution principle protects owners of a trademark from unauthorized imitation of the trademark even in areas where there is no “common field of activity.”\textsuperscript{6} The idea behind this type of protection is that a trade name such as Coca-Cola, McDonald’s, Tiffany or Schweppes is worthy of protection from any unauthorized use that would lessen the mark’s “distinctiveness.” Thus, the dilution principle is separate from the traditional “confusion” definition of infringement of a trademark.

An important distinction in a discussion of trademark parody is whether or not the parody is itself a use of the trademark as trademark. One example of the parody being itself a trademark is Gucci Shops, Inc. v. R.H. Macy & Co., Inc.\textsuperscript{9} In this case, diaper bags bearing the GUCCI green-red-green diagonal stripes and the legend GUCCHI GOO were found by the court to infringe the GUCCI trademark. A dilution violation was suggested by the court in a footnote.\textsuperscript{98} The court held that a validly established trademark may be protected from ridicule which rises to the level of infringement of the mark. Judge Motley found it “not unreasonable to assume that defendant’s use of the GUCCHI mark and the stripe on the ‘diaper bag’ would mislead members of the public into believing that plaintiff is somehow connected with the ‘diaper bag.’”\textsuperscript{99}

In L.L. Bean, Inc. v. Drake Publishers, Inc.,\textsuperscript{100} defendant, publisher of “High Society” magazine, published a “prurient parody of Bean’s famous catalog,” entitled “L.L. Bean’s Back-To-School-Sex-Catalog.”\textsuperscript{101} The District Court of Maine held that the parody was not protected from injunction under Maine’s trademark dilution statute.\textsuperscript{102} The Court of Appeals for the First Circuit reversed the lower court, stating that “the district court’s injunction [of the parody] falls not only


\textsuperscript{6} See infra text accompanying notes 113-21 for more on common field of activity.

\textsuperscript{9} 446 F. Supp. 838 (S.D.N.Y. 1977).

\textsuperscript{98} Id. at 840 n.6.

\textsuperscript{99} Id. at 840.


\textsuperscript{101} Id. 811 F.2d at 27.

\textsuperscript{102} ME. REV. STAT. ANN. tit. 10, § 1530 (1964). The statute provides: “Likelihood of injury to business reputation or of dilution of the distinctive mark under this chapter . . . shall be a ground for injunctive relief, notwithstanding the absence of a competition between the parties or the absence of confusion as to the source of the goods or services.” Id.
because it trammels upon a protected form of expression, but also because it depends upon an untoward judicial evaluation of the offensiveness or unwholesomeness of the appellant’s materials."

The parody defense is legitimate unless the parodic product competes directly with the original product, in the same market, and can serve as a substitute for the original product. The dilution principle, though, ignores the question of whether or not there is direct competition between the plaintiff’s and the defendant’s product. However, the dilution principle is not part of United States or British copyright or trademark statutes and is only applicable in the United States in states which have enacted an anti-dilution statute. While the name Schlurppes may “dilute” the name Schweppes, no dilution statute applies and thus dilution is not a relevant issue in determining the outcome of the Schweppes case.

5.2. Disparagement

Claims of trademark disparagement have not been extremely successful in the United States. The reason for this is that trademark law requires “that a likely confusion as to source, sponsorship or affiliation must be proven, which is not the same thing as a ‘right’ not to be made fun of.” Disparagement was an issue, however, in a case involving a parody of the slogan, “Where there’s life, there’s Bud.” The defendant in the case was enjoined from using as a slogan for his combination floor wax and insecticide the phrase, “Where there’s life, there’s bugs.” The court noted that the plaintiff has “a property interest in the slogan, built up at great expense, and that it and its products are favorably known as a result of its use of this property right.”

Florida law did

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104 The U.S. Trademark Association (“U.S.T.A.”) began a study of the Lanham Act in 1985. U.S.T.A. gave its recommendations to the Senate and the House. The National Association of Broadcasters (“NAB”) stated that three short proposals could have posed serious First Amendment problems. The clauses concerning the prohibition of “dilution” and “tarnishment and disparagement” of trademarks posed “serious First Amendment implications.” The NAB stated that the anti-dilution clause would allow “owners of ‘Coca-Cola-type’ trademarks to sue over satire, consumer reports and editorial matter. . . . In a letter to the NAB, the subcommittee said that in the committee report on the bill it will state that the legislation is not intended to affect satire, consumer reporting or editorials.” Prior Restraints Taken From Bill, 12 THE NEWS MEDIA & THE LAW 49 (Spring 1988) (referring to S. 1883 and H.R. 4156).
not require actual confusion between the two products\textsuperscript{107} and the court held that the defendant's use of "a deceptively similar slogan in a manner that will bring direct financial loss to the plaintiff, ... by reason of the peculiarly unwholesome association of ideas when the word 'bugs' was substituted in the slogan for the word 'Bud,'"\textsuperscript{108} was sufficient for an injunction.

While the "Bud" case above was decided in favor of the plaintiff, cases brought under a disparagement claim are often won by the defendant. For example, the owner of the trademark "Betty Crocker" was denied a temporary injunction under the Lanham Act against a defendant who published a cookbook with the title, "Betty Cooker's Crock Book for Drunks." In this case, the court held that the Lanham Act requires proof of some confusion.\textsuperscript{109} Another example of a successful defendant was the use of "Lardashe" as a trademark to identify a commercial product, which defendant characterized as "jeans for larger women." The district court held that the use of the trademark did not interfere with the "Jordache" mark since there was no likelihood of confusion.\textsuperscript{110}

One writer has commented that if the parody is used to make a social comment, as well as entertain, the chances of success in defending against a claim are good. However, if the purpose of the use is simply to advertise a directly competitive product, the parody justification is less compelling.\textsuperscript{111} Given this limited requirement for the parody defense—that the parody make a social comment and entertain—it is certain that the parody defense will continue to gain prominence in the United States because "trademarks have become a natural target of satirists who seek to comment on this integral part of the national culture."\textsuperscript{112} The claim that another has "disparaged" an owner's trade-

\textsuperscript{107} Id. 306 F.2d at 438.
\textsuperscript{108} Id. at 437.
\textsuperscript{110} "[W]here a party chooses a mark as a parody of an existing mark, the intent is not necessarily to confuse the public but rather to amuse. See Note, Trademark Parody: A Fair Use and First Amendment Analysis, 72 Va. L. Rev. 1079, 1079-80 n.4 (1986) (the purpose of a parody is 'to create a comic or satiric contrast to a serious work.')" Jordache Enter. Inc. v. Hogg Wyld, Ltd., 828 F.2d 1482, 1486 (10th Cir. 1987), aff'd, 625 F. Supp. 48 (D.N.M. 1985).
\textsuperscript{111} See Kane, Developments in the Law of Trademark Parody: If It's Funny, Does That Mean It's Fair?, in CURRENT DEVELOPMENTS IN TRADEMARK LAW AND UNFAIR COMPETITION 263, 272 (P.L.I. 1984).

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mark through parody in a way that requires an injunction has not met with success in United States courts.

5.3. Passing Off

Passing off, as defined in British case law, is similar to the eight factor test used in the United States.\textsuperscript{113} As in the United States, a trademark infringement action in Britain does not preclude the proprietor of a mark from proceeding with an action for "passing off."\textsuperscript{114}

The issue of a "common field of activity" has been a significant

\textit{Symbols,} 1982 Wis. L. Rev. 158; Note, supra note 110.

Note that the parody defense was unsuccessful in the following cases: Mutual of Omaha Ins. Co. v. Novak, 648 F. Supp. 905 (D. Neb. 1986), aff'd, 836 F.2d 397 (8th Cir.), cert. denied, 109 S.Ct. 326 (1988) (defendant barred from selling "Mutant of Omaha" T-Shirts to dramatize his concerns about nuclear war); Dallas Cowboys Cheerleaders, Inc. v. Scoreboard Posters, Inc., 600 F.2d 1184 (5th Cir. 1979) (Preliminary injunction against infringement of copyrighted poster of Dallas Cowboy cheerleaders granted. Infringing poster showed five ex-cheerleaders with bare breasts. The parody fair use defense was rejected.); Dallas Cowboys Cheerleaders, Inc. v. Pussy Cat Cinema, Ltd., 467 F. Supp. 366 (S.D.N.Y.), aff'd, 604 F.2d 200 (2d Cir. 1979) (likelihood of association with the Dallas Cowboys Cheerleader was found where defendant's "Debbie Does Dallas" pornographic movie featured performers wearing uniforms simulating Dallas Cowboys Cheerleader uniforms. Dilution found in footnote. Id. 604 F.2d at 204 n.8. "Where defense of 'parody' is invoked in bad faith to justify a substantial copying of the original, the defense will be rejected." Id. 467 F. Supp. at 375 (citations omitted) (this case was criticized by Denicola, who stated that "the sweeping rejection of the defendant's first amendment claim . . . is dangerously simplistic." Denicola, supra at 206)).

\textsuperscript{113} The British test comes from the "Advocaat" case. Erven Warnink BV v. Townend & Sons (Hull) Ltd., [1979] App. Cas. 731. The characteristics of "passing off" are:

i) a misrepresentation

ii) made by a trader in the course of trade

iii) to prospective customers

iv) which is calculated to injure the goodwill or business of another or the likelihood thereof and

v) which causes actual damage to that other or likelihood thereof.

J. Phillips, supra note 12, at 216.

In the United States, courts generally rely on the eight factor test of Polaroid Corp. v. Polarad Electronics Corp., 287 F.2d 492, 495 (2d Cir.), cert. denied, 368 U.S. 820 (1961): 1) strength of mark; 2) degree of similarity of marks 3) proximity of the products' channel of trade; 4) quality of defendant's products; 5) actual confusion; 6) defendant's good faith in adopting mark; 7) sophistication of buyers; 8) bridging the gap—will the plaintiff be entering the market or has the plaintiff licensed to that market already? This same test was adopted in McGregor-Doniger Inc. v. Drizzle Inc., 599 F.2d 1126 (2d Cir. 1979).

See also 1 J. McCarthy, TRADEMARKS AND UNFAIR COMPETITION § 5.2, at 133 (2d ed. 1984) (discussing the parallel development of English and American common law relating to unfair competition or "passing off" in the eighteenth century).

one in British trademark law. Judge Falconer (who decided the Schlurppes case) has concluded that a "common field of activity" is evidence of the likelihood of public confusion. Likelihood of confusion is the single most important element in a claim of "passing off" in both the United States and Britain. The likelihood of confusion test used in Britain was stated by Lord Halsbury in Schweppes v. Gibbens: "The whole question in these cases is whether the thing—taken in its entirety looking at the whole thing—is such that in the ordinary course of things a person with reasonable apprehension and with proper eyesight would be deceived.

The British court requires a common field of activity for a claim of "passing off" to be successful. For example, in a recent case, plaintiff was the licensee of the copyright on fictional characters called "Wombles" who inhabited Wimbledon Common for the purpose of keeping it clean. The defendant, without permission, used the term "Wombles" to identify its "skips" (small containers used at construction sites for garbage). The court dismissed the plaintiff's claim for passing off:

[W]here what is alleged is that one person is passing off his goods or his business . . . as the business of somebody else, there must be a common field of activity. It seems to me that that common field of activity may be one which is actual, in which case there is no room for any possibility of argument at all, or it may be one . . . which is not actual, but which is reasonably to be assumed by the reasonable man from the use of the same or a similar name.

Applying this to the Schlurppes case, a claim against defendants of "passing off" would surely fail since bubble bath and soda are commercial products too disparate to be considered marketed in a common field.

The principle of a common field of activity has at times been crucial to claims of passing off in the United States. Judge Learned Hand, for example, would not find infringement where there was no competition in a common market: "There is always the danger that we may be
merely granting a monopoly, based upon the notion that by advertising one can obtain some 'property' in a name.\textsuperscript{121}

There is a close relationship between copyright actions and "passing off" in borderline areas such as labels and trademark designs. If all Wellingtons had done was to build up an atmosphere by relating the upper-class aspects and goodwill of Schweppes Tonic Water to Wellingtons bubble bath, by reproducing in substantial part the Schweppes label, then there would have been infringement of copyright. In such an instance Wellingtons would clearly have been enjoined if it was likely consumers would be confused into thinking that the bubble bath was a product manufactured or in some way sponsored by Schweppes. However, it is unlikely that a consumer would be so confused because the name Schlurppes is clearly a parody of the name Schweppes. Further, bubble bath is not an item in the same channel of trade as tonic water.

6. FAIR USE AND FAIR DEALING

United States copyright law derives from the Constitution which provides that, "[t]he Congress shall have Power . . . to Promote the Progress of Science and useful Arts, by securing for limited Times to Authors . . . the exclusive Right to their respective Writings . . ."\textsuperscript{122} According to one legal scholar "[t]he goal of the constitutional grant is to increase public access to the expression of authors, and ultimately to serve society's interest in the free flow of ideas and information."\textsuperscript{123} Copyright law in the United States accommodates the interests of both parodists and copyright holders through the doctrine of "fair use."\textsuperscript{124} This doctrine provides some guidance in the trademark area as well.\textsuperscript{125} In Sony Corp. of America v. Universal City Studios, Inc.,\textsuperscript{126} the

\textsuperscript{121} S.C. Johnson & Son, Inc. v. Johnson, 116 F.2d 427 (2d Cir. 1940). This analysis was modified in Polaroid Corp. v. Polarad Electronics Corp., 287 F.2d 492 (2d Cir.), cert. denied, 368 U.S. 820 (1961). See supra note 113.

\textsuperscript{122} U.S. Const. art. I, § 8, cl. 8.


\textsuperscript{125} See Tasker, supra note 123, for a discussion of the limitations involved in applying copyright "fair use" doctrine to trademark law.

United States Supreme Court held that the "fair use" exception applied to defendant manufacturers of video-cassette machines because plaintiff film producers had not demonstrated the potential economic harm of time-shifting on the market for their works. In *Harper & Row Publishers, Inc. v. Nation Enter.* 127 the Supreme Court declared the economic harm to the work's potential market "undoubtedly the single most important element of fair use."128

"Fair dealing" (the British equivalent to the United States concept of fair use) is a defense to an allegation of copyright infringement in Britain.129 "Fair dealing" allows for the quotation of a copyrighted work in a critique so long as sufficient acknowledgment is given of the work criticized.130

A recent article lists five meanings of the parody defense in trademark infringement cases:

(1) a factor tending to negate a finding of likelihood of public confusion as to source, sponsorship or approval; (2) a factor tending to negate a finding of dilution; (3) a fair use defense imported from copyright law; (4) a First Amendment defense; and, (5) a fair use defense which is an intrinsic part of trademark law.131

Although a parody may at first glance be taken for the genuine article, especially in a case such as *Schweppes* where a label is involved, this momentary impression merely adds to the parody's effectiveness and further inspection dispels the confusion. A parody will typically differ from the original in a humorous or grotesque way so that the average consumer is unlikely to believe that the parody comes from or is sponsored by the trademark owner.132 SCHLURPPES TONIC BUBBLE BATH is a legitimate parody of SCHWEPPES TONIC WATER: it is a "fair use" of the mark since it copies the mark in order to produce a parody. In the United States the parody defense would have been valid in a trademark infringement cause of action because there is no likelihood of confusion between the two products.

The problem with the British "substantial" test is that the question of whether a "substantial" amount has been copied is too indeter-
minate. Such a test ignores the fact that a successful parody may copy a "substantial" amount and still merit a parody defense against an action to enjoin the parody. The crux of the problem is that copyright only pertains to expression, not ideas. Parodies are often the objects of litigation because they do indeed copy protected expressions and the unauthorized reproduction of copyrighted material is infringement. In parody, however, while the material expression is indeed copied, the idea of the parody is different from the idea of the material parodied. The similarity of the parodied material to the parody is a superficial similarity—the meaning, the idea, the intended audience and the message of the parody are different. Parody only copies as a means of effecting its satiric purpose; it uses, not simply reproduces material, in order to effectively comment on it, thereby placing the object of satire in a different context so that something new and original is produced. The result of this transposition is parody and satire. Parody is different from both "passing off" and misappropriation and is not an infringement of either copyright or trademark. This difference is one that courts must recognize. Something of value is lost when this difference is ignored, and, as a result, an original and entertaining parody is enjoined rather than enjoyed.

7. CONCLUSION

Since a successful parody will inevitably copy the original to some extent, in order for parodies to be allowed at all, a parody defense must be recognized as a legitimate shield to a prima facie finding of infringement. If the judicial test is to be simply stated as: Is there a substantial copying?—as Judge Falconer seems to imply—then equity is far from guaranteed. "Substantial," as can be seen from the volume of litigation

133 Copying less than the whole of a work is still infringement if a "substantial part" is copied. Copyright Act, 1956, 4 & 5 Eliz. 2, ch. 74, § 49(1). See Sillitoe v. McGraw-Hill Book Co., 1983 Fleet Street Rep. 545 (Ch. 1982) (a large proportion of a work is a "substantial part"); University of London Press v. University Tutorial Press, [1916] 2 Ch. 601, 610 ("what is worth copying [of a commercial work] is prima facie worth protecting" per Judge Peterson); Express Newspapers Plc v. Liverpool Daily Post & Echo Plc, 1985 Fleet Street Rep. 306 (one seven-hundredth of a literary work was a "substantial part" per Judge Whitford); Spelling-Goldberg Pro., Inc. v. B.P.C. Publishing, 1981 R.P.C. 283 (even a tiny feature of a work may well be a "substantial part" if it possesses key features by which the whole is identified or recognized); J. PHILLIPS, supra note 12, at 153.

Problems with the "substantially similar" test have been recognized in the United States by courts and by commentators. See, e.g., Warner Bros., Inc. v. American Broadcasting Cos., Inc., 720 F.2d 231, 235 (2d Cir. 1983); Chagares, Parody or Piracy: The Protective Scope of the Fair Use Defense to Copyright Infringement Actions Regarding Parodies, 12 COLUM. J. L. & ARTS 229, 233 (1988). See generally 3 M. NIMMER, supra note 9, at § 13.03 (discussing notion of substantial similarity).
surrounding the word in a corporate context, is a murky term. The parody defense offers a way of testing the motivation behind, and the modality of, the copying. The issue of whether the allegedly infringing work is a parody or not is primarily a matter of fact but will take on a legal definition in the courtroom. Parody is no more easily defined than any other literary or artistic genre, but a jury is as capable of determining whether or not a work is a parody as it is of determining whether or not the amount of copied material is "substantial." Whether a work is a parody may even be a less difficult judgment for the judge or jury than whether a "substantial amount" of the original has been copied. An additional question for the fact finder is whether or not the parody has copied more than necessary in order to "conjure up the original."

If a court determines that a work is a parody of copyrighted material, there are several additional factors to consider. The Sony case held that one of the factors to consider after the initial finding that a work is a parody is whether the parody directly competes with the market for the original copyrighted material. If the parody is in direct competition with the original, Sony holds that it must be considered an infringement. If it is not in direct competition, then, since there is no economic harm, the parody of the copyrighted material may not be enjoined.

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135 Compare Justice Stewart's remark on the difficulty of defining obscenity, "I shall not today attempt further to define the kinds of material I understand to be embraced with that shorthand description; and perhaps I could never succeed in intelligibly doing so. But [sic] I know it when I see it, and the motion picture involved in this case is not that." Jacobellis v. Ohio, 378 U.S. 184, 197 (1964) (Stewart, J., concurring).

136 See Columbia Pictures Corp. v. National Broadcasting Co., 137 F. Supp. 348, 350 (S.D. Cal. 1955) ("Some limited taking should be permitted under the doctrine of fair use, in the case of burlesque, to bring about . . . [the] recalling or conjuring up of the original.") The problem with the "conjure up" standard is that if only enough was taken to conjure up the original then there would probably be no infringement in the first place and thus no need for the parody defense of fair use.


138 Lower courts have held that the potential for economic harm is also determinative. D.C. Comics Inc. v. Unlimited Monkey Business, Inc., 598 F. Supp. 110 (N.D. Ga. 1984) (Holder of copyrights to "Superman" and "Wonder Woman" brought suit against a singing telegram franchiser and franchisee on the ground that the defendants' skits featuring "Super Stud" and "Wonder Wench" violated plaintiff's copyrights. In rejecting the parody defense and finding that defendants' use was not fair, the court found that defendants' business infringed on plaintiff's potential market. "There is a clear potential market for genuine SUPERMAN singing telegrams . . . and plaintiff has the ability to exploit that market. Whether or not plaintiff now exploits that mar-
Trademarks are symbols of corporate good will, and vast amounts of money are spent to promote the trademarks of a corporate source. Some courts and state legislatures have developed legal principles of "dilution" and "disparagement" in trademark law. A parody of a trademark can be seen as causing harm even without the factor of direct market competition.

Unless special protective legislation is controlling, however, parody of a trademark should not be enjoined simply because it dilutes or disparages the original trademark. Free speech issues should be determinative. The mere fact that a corporation has spent a good deal of money on a trademark does not of itself require that courts enjoin humorous satire of the trademark. It is nowhere provided that the more money that is spent on an item of intellectual property, the greater the shield from satiric criticism. Indeed, the more the public is exposed to

ket, the effect of defendants' practices upon plaintiff's potential market is clear: they satisfy demand, at least in part, and create competition for plaintiff as a potential entrant. Id. at 118).

The issue of economic harm is central to trademark law as well. See Original Appalachian Artworks, Inc. v. Topps Chewing Gum, Inc., 642 F. Supp. 1031 (N.D. Ga. 1986) (Merchandiser of "Garbage Pail Kids" stickers sold with gum injured owner of Cabbage Patch Kids mark and thus enjoined). Judge Tidwell stated there is "a fine line between parody and piracy" and found the stickers were "an attempt to make money." Id. at 1034. "The infringement case was settled with an agreement to change the Garbage Pail Kids so as not to parody the Cabbage Patch Kids as closely as Topps was doing." Discount Store News, Mar. 16, 1987, at 77, col. 3. But cf., Tetley, Inc. v. Topps Chewing Gum, Inc., 556 F. Supp. 785 (E.D.N.Y. 1983) (Court refused to enjoin sale of a sticker that satirically parodied plaintiff's "Tetley" and "The Tiny Little Tea Leaf Tea" marks on a sticker for "Petley's Tiny Little Flea Bags." The stickers also depicted a box resembling the Tetley Tea box with the sayings, "40 Flea Bags," "Orange Pekingese Fleas," and "Tiny Little Dog Fleas", accompanied by a picture of a scratching dog. Held: Trademark not infringed or diluted since no economic harm).


Judge Feinberg's decision in Cliffs Notes followed the Second Circuit's holding in Rogers v. Grimaldi, 875 F.2d 994 (2d Cir. 1989) in which Ginger Rogers brought a Lanham Act claim against the Italian film-maker Federico Fellini for his film entitled "Ginger and Fred." The Second Circuit found for the defendants in both cases because where "overextension of the Lanham Act . . . might intrude on First Amendment values, we must construe the Act narrowly to avoid such a conflict." 875 F.2d at 998
The effectiveness of a recent ad campaign by Schweppes in the United States can be tested by the reader by whether or not he or she recognizes the term “Schweppervescence.”

"[I]n today’s world of unrelieved solemnity, copyright law should be hospitable to the humor of parody . . . ." Elsmere Music, Inc. v. National Broadcasting Co., 623 F.2d 252, 253 (2d Cir.) aff’d per curiam, 482 F. Supp. 741 (S.D.N.Y.), cert. denied, 439 U.S. 1132 (1980) (“I love New York” sung by Saturday Night Live actors as “I Love Sodom” held to be fair use because the parody did not affect the value of plaintiff’s song). See supra notes 26 and 76-77 and accompanying text.