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Charitable Trademarks

Leah Chan Grinvald

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CHARITABLE TRADEMARKS

*Leah Chan Grinvald**

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INTRODUCTION

In the world of charitable organizations in the United States, donations are big business. In 2015, it was estimated that private individuals donated over \$350 billion, which accounted for approximately two percent of the U.S. Gross Domestic Product.¹ While impressive, this figure represents a somewhat static donation pie, as the number of individual donations has not increased in the past few years, and neither has the percentage.² Since the 1970s, the percentage of giving has consistently remained at around two percent (peaking to 2.3 percent in 2001).³ At the same time, the number of charitable organizations registered with the U.S. government has grown quickly over the last decade.⁴ This means that although there is a lot of money available, the competition for donations increases each year. Therefore, it should come as no surprise that many charitable organizations have turned to branding and trademarks in order to increase their ability to capture a bigger share of the available dollars.⁵

Branding gives charities the ability to tell a story in a single trademark.⁶ Instead of just signing up for any old 5K run and happening to wear a pink shirt, you are now part of a community that is running “For the Cure.”⁷ As one of the larger charitable organizations to embrace branding, the Susan G. Komen Foundation (the “Komen Foundation”) knows that being able to create a culture around one’s mission increases

1. See CHARITY NAVIGATOR, *Giving Statistics*, <http://www.charitynavigator.org/index.cfm/bay/content.view/cpid/42> (last visited Sept. 12, 2016).

2. See Holly Hall, Eden Stiffman, Ron Coddington & Meredith Myers, *Philanthropy surges 5.4% to Record \$358 Billion, Says ‘Giving USA’*, CHRON. OF PHILANTHROPY (2015), <https://www.philanthropy.com/interactives/giving-usa-2015>. Individual contributions in 2015 only increased 0.1 percent over 2014. *Id.* See also Suzanne Perry, *The Stubborn 2% Rate*, CHRON. OF PHILANTHROPY (Jun 17, 2013), <https://www.philanthropy.com/article/The-Stubborn-2-Giving-Rate/154691>.

3. Perry, *supra* note 3.

4. Brice S. McKeever, *The Nonprofit Sector in Brief 2015*, URBAN INSTITUTE, 2 (Oct. 2015), <http://www.urban.org/research/publication/nonprofit-sector-brief-2015-public-charities-giving-and-volunteering> (reporting that the number of nonprofit organizations increased by almost three percent from 2003 to 2013). From 2013 to 2015, the number of public charities increased from 954,476 to 976,948, an increase of approximately two percent. *See id.*, I.R.S. Pub. 78 (2015).

5. See Josh Gerben, *Why Your Nonprofit Should Obtain a Trademark for Its Name*, NONPROFITPRO (Mar. 18, 2016), <http://www.nonprofitpro.com/post/nonprofit-obtain-trademark-name>.

6. See Deven R. Desai, *From Trademarks to Brands*, 64 FLA. L. REV. 981, 983 (2012); Katya Assaf, *Brand Fetishism*, 43 CONN. L. REV. 83, 85 (2010).

7. See *Find a Race*, SUSAN G. KOMEN RACE FOR THE CURE, http://apps.komen.org/racefortheCure/?utm_source=komen.org&utm_medium=ParticipateLandingPage&utm_campaign=FindARace (last visited Sept. 10, 2016).

public giving; from 2010 to 2011, public contributions increased from approximately \$365 million to over \$419 million.⁸ Relatedly, the embracement of branding has also led to the increased use of trademark law to enforce the brand and marks and, unfortunately at times, over-enforcement by large entities. For example, in 2010 the Komen Foundation was lampooned in the media for being a trademark bully due to its over-enforcement efforts of its trademark rights to “For the Cure”.⁹ Although trademark bullying in the for-profit sector leads to serious negative consequences for society, this is particularly the case in the nonprofit sector.

Enforcement of legal rights imposes costs on the entities involved in a dispute, but also on society itself.¹⁰ Although many charitable organizations claim that they attempt to resolve trademark infringement disputes in an amicable, non-litigious manner, this may not always be possible.¹¹ Once an organization sends a cease-and-desist letter to a target, the target may decide to bring a declaratory judgment action against the letter sender, like in *FreecycleSunnyvale v. The Freecycle Network*.¹² It is likely that The Freecycle Network had no desire to litigate its infringement claim against FreecycleSunnyvale, but in the end it had to, all the way to the Ninth Circuit.¹³ Legal fees spent on trademark enforcement, litigation or otherwise, equates to less money

8. Ernst & Young, *Consolidated Financial Statements and Supplemental Financial Information, The Susan G. Komen Foundation, Inc., dba Susan G. Komen for the Cure and Affiliates, Years Ended March 31, 2011 and 2010, With Report of Independent Auditors*, 3 [http://ww5.komen.org/uploadedFiles/Content/AboutUs/Financial/2011%20Komen%20Financial%20Statements%20FINAL\(3\).pdf](http://ww5.komen.org/uploadedFiles/Content/AboutUs/Financial/2011%20Komen%20Financial%20Statements%20FINAL(3).pdf).

9. Clifford M. Marks, *Charity Brawl: Nonprofits Aren't So Generous When a Name's at Stake*, WALL ST. J., Aug. 5, 2010, at A1, available at <http://www.wsj.com/articles/SB10001424052748703700904575390950178142586>; Laura Bassett, *Susan G. Komen Foundation Elbows Out Other Charities Over Use of the Word 'Cure'*, HUFFINGTON POST (Dec. 7, 2010), http://www.huffingtonpost.com/2010/12/07/komen-foundation-charities-cure_n_793176.html; *The Colbert Report* (Comedy Central television broadcast Jan. 3, 2011), <http://www.cc.com/video-clips/7b084t/the-colbert-report-tip-wag—susan-g—komen-foundation—spider-man-musical>.

10. See Steven Shavell, *The Fundamental Divergence Between the Private and the Social Motive to Use the Legal System*, 26 J. LEGAL STUD. 575 (1997); Richard A. Posner, *The Cost of Rights: Implications for Central and Eastern Europe—And for the United States*, 32 TULSA L.J. 1, 2 (1996).

11. Eric T. Rosenthal, *Komen 'For the Cure' Trademark Protection Ignites Ire of Some Breast Cancer Bloggers*, ONCOLOGY TIMES (Dec. 31, 2010), http://mobile.journals.lww.com/oncology-times/_layouts/15/oaks.journals.mobile/post.aspx?blogId=2&postId=92 (citing Mr. Blum's statement that “Komen has never sued any nonprofit over trademark infringement”).

12. *Freecyclesunnyvale v. Freecycle Network, Inc.*, No. C 06-00324 CW, 2006 WL 2827916 (N.D. Cal. Oct. 3, 2006).

13. *FreecycleSunnyvale v. Freecycle Network*, 626 F.3d 509 (9th Cir. 2010).

being available to further the mission of the charitable organization.¹⁴ Not only that, but there are intangible harms that over-enforcement brings in the nonprofit sector, including an increase in costs and a reduction in the number of smaller charitable entities. These harms are a serious concern because the success of any one charitable organization at the expense of another may channel funding into a particular area of concern for a portion of society, while leaving other areas underfunded or without funding altogether.¹⁵

As I have explored in previous work,¹⁶ the blame for this over-enforcement of trademark rights can be in large part laid at the steps of expanded rights under the federal trademark law, the Lanham Act.¹⁷ Since the 1960s, amendments to the Lanham Act and judicial interpretation of the law have led to an ever-increasing expansion of the scope of trademark rights.¹⁸ In the nonprofit space, this has led to cases where the preferred winners of infringement cases are large, well-established organizations rather than smaller entities.¹⁹ At the same time, case law suggests that charitable organizations need to be just as vigilant with their trademark enforcement efforts as for-profit entities, or else face charges of abandonment.²⁰ All of this encourages large charitable organizations to over-enforce their trademarks, particularly against smaller entities. This is not to say that there are no legitimate reasons for charitable organizations to enforce their trademark rights, such as when fraudulent entities pass themselves off as the original charitable organization and divert donations.²¹ Rather, action needs to be taken to stop the counter-productive cycle of over-enforcement so that charitable organizations can focus on serious cases of infringement and reserve

14. See Bassett, *supra* note 10 (citing to Komen's spending of over one million dollars on legal fees). See also CNN Wire, *Keystone Wounded Warriors Sued for 'Unfair Competition' by Wounded Warrior Project*, FOX43 (May 12, 2015, 10:51PM), <http://fox43.com/2015/05/12/keystone-wounded-warriors-sued-for-unfair-competition-by-wounded-warrior-project/> (citing founder of Keystone Wounded Warriors' statement that "what is most unfortunate is that both charities have spent money in court that could have been better used helping veterans").

15. See *infra* Part II.C.

16. See Leah Chan Grinvald, *Contracting Trademark Fame?*, 47 LOY. UNIV. CHI. L.J. 1291, 1305-13 (2016); Leah Chan Grinvald, *Shaming Trademark Bullies*, 2011 WIS. L. REV. 625, 632-40 [hereinafter Grinvald, *Shaming*].

17. Lanham Act, Pub. L. No. 79-459, 60 Stat. 427 (1946) (codified as amended in scattered sections of 15 U.S.C.).

18. See Leah Chan Grinvald, *Policing the Cease-and-Desist Letter*, 49 U.S.F. L. REV. 409, 429 (2015) [hereinafter Grinvald, *Policing*].

19. See *infra* Part II.B.1.

20. See *infra* Part II.B.2.

21. See *infra* Part II.A.

their resources for their charitable missions.

To this end, I suggest that one realistic solution judges could adopt is to require that trademark infringement pleadings include plausible allegations of defendant's deceit, as well as plausible allegations of source confusion.²² With these two heightened pleading requirements, the typical charitable organization trademark infringement lawsuit would be narrowed to the type that produces real harms to charitable organizations—fraudulent entities whose intention is to divert donations. In addition, due to unique attributes of charitable organizations, I revisit a suggestion that I made in an earlier work, *Shaming Trademark Bullies*.²³ I suggest that charitable organizations may be particularly susceptible to public shaming for trademark over-enforcement. Since charities rely on the public's goodwill for donations, the reputational damage that responsible shaming can bring to a charitable organization may act as a dampener for future over-enforcement.²⁴

The structure of my Article is as follows. In Part I, I explore branding and trademarks in the charitable organization context and examine the rise of “charitable brands.” I also examine how enforcement has led to over-enforcement and the serious harms that stem from this charitable trademark bullying. I turn in Part II to a discussion of why this over-enforcement may be occurring, and I argue that judicial interpretation of the Lanham Act is in large part to blame. I discuss the legal expansions that have taken place within trademark law over the last century, as well as some of the main cases involving charitable organizations that may be encouraging trademark bullying. Against this backdrop, I propose my solutions in Part III, beginning with a set of suggestions, as briefly outlined above, to take in the judicial setting and then turn to my discussion of shaming in the nonprofit space. I will then briefly conclude.

I. CHARITABLE BRANDS

The history of charities and the promotion of charitable giving in

22. See *infra* Part III.A. Suggesting that actionable confusion be limited to source confusion revisits the same suggestion previously made by Professors Mark Lemley and Mark McKenna. Mark Lemley & Mark McKenna, *Irrelevant Confusion*, 62 STAN. L. REV. 413 (2010) (arguing that courts should require actionable confusion to be limited to source confusion). In addition, Professors McKenna and William McGeeveran have argued that “confusion isn’t everything,” proposing (among other proposals) that courts reduce the role of confusion in trademark infringement cases. William McGeeveran & Mark P. McKenna, *Confusion Isn’t Everything*, 89 NOTRE DAME L. REV. 253, 256 (2013).

23. Grinvald, *Shaming*, *supra* note 17, at 625.

24. See *infra* Part III.B.

the United States is a long one.²⁵ The oldest surviving public charity in the U.S. was founded in 1657,²⁶ and from an early period, the U.S. government encouraged such charities to exist and flourish.²⁷ This encouragement came through the form of tax relief, with the earliest reference to public charities' tax exempt status found in the 1894 Tax Act and then again in the 1909 Revenue Act.²⁸ Although the U.S. government taxed corporations, it exempted public charities from this requirement.²⁹ In addition, to encourage donations, the 1917 Revenue Act allowed for individual tax deductions for the amounts given to tax-exempt public charities.³⁰ While the language and requirements for tax exempt status has changed over the years, the basic principle of encouraging the existence and support of charitable organizations remains in the Internal Revenue Code today, embodied in Sections 501(c)(3) and (c)(4).³¹

Currently, there are over 1.5 million nonprofit organizations registered with the U.S. Internal Revenue Service (IRS) pursuant to these sections.³² As an aggregate, these nonprofit organizations represent approximately five percent of the U.S. Gross Domestic Product, contributing \$905 billion to the U.S economy in 2013.³³ That being said, the word "nonprofit" is an umbrella term that captures a myriad of different types of entities.³⁴ In this Article, I will be focusing on one particular type of nonprofit, the "public charity," or those that are registered with the I.R.S. under Section 501(c)(3) of the Internal

25. See OLIVIER ZUNZ, *PHILANTHROPY IN AMERICA: A HISTORY* 8 (2014).

26. See Rick Cohen, *Infographic: Some UK Charities Don't Want to Replicate U.S. Charitable System*, NONPROFIT QUARTERLY (Mar. 4, 2014), <https://nonprofitquarterly.org/2014/03/04/infographic-some-uk-charities-don-t-want-to-replicate-u-s-charitable-system/> (identifying the oldest public charity in the United States as having been established in 1657). This is the Scots' Charitable Society of Boston. See SCOT'S CHARITABLE SOCIETY, <https://scots-charitable.org/> (last visited Sept. 10, 2016) (referring to themselves as "the oldest charitable organization still existing in the Western Hemisphere").

27. See PAUL ARNSBERGER, MELISSA LUDLUM, MARGARET RILEY & MARK STANTON, *A HISTORY OF THE TAX-EXEMPT SECTOR: AN SOI PERSPECTIVE*, STATISTICS OF INCOME BULLETIN 105 (Winter 2008).

28. *Id.* at 106.

29. ZUNZ, *supra* note 26, at 10.

30. *Id.*

31. INT. REV. CODE (West 2016).

32. *Quick Facts About Nonprofits*, NATIONAL CENTER FOR CHARITABLE STATISTICS, <http://nccs.urban.org/statistics/quickfacts.cfm> (last visited Sept. 10, 2016) (citing 1,571,056 tax-exempt organizations).

33. McKeever, *supra* note 5, at 1.

34. See *Exempt Purposes – Internal Revenue Code Section 501(c)(3)*, IRS, <https://www.irs.gov/charities-non-profits/charitable-organizations/exempt-purposes-internal-revenue-code-section-501c3> (last visited Sept. 10, 2016).

Revenue Code.³⁵ Public charities typically rely on donations to support their charitable work.³⁶ As examples, over ninety-five percent of the Komen Foundation's annual revenue in 2015 and seventy-six percent of Livestrong's 2014 annual revenue came from public contributions.³⁷

Although there is a lot of money at stake with public donations, there is also fierce competition for this money due to a variety of reasons.³⁸ For one, the number of entities competing for such donations is increasing. From 2003 to 2013, public charities increased approximately 19.5 percent from 798,988 registered entities to 954,476.³⁹ And in 2015, the number of registered public charities increased to 976,948, which represents approximately a two-percent increase from 2013.⁴⁰ Another reason for fierce competition is that there are quite a number of different entities, such as human services, arts, education, health services, public-benefit, and religious, that all compete for the same pool of funds.⁴¹ In order to more effectively compete for this limited amount of money, many public charities have increased their marketing efforts.⁴² This has included the greater use of branding and trademarks, which will be explored in Part A below. In Parts B and C, a related phenomenon of over-enforcement of a charity's trademark and the harms such over-enforcement causes will be addressed.

A. *The Rise of the "Charitable Brand"*

Branding is more than one's trademark: "[a] brand is a psychological construct in the minds of all those aware of the branded

35. Public charities are defined by the I.R.S. as "churches, hospitals, qualified medical research organizations affiliated with hospitals, schools, colleges and universities, [that] [h]ave an active program of fundraising and receive contributions from many sources, including the general public, governmental agencies, corporations, private foundations or other public charities." *Public Charities*, IRS, <https://www.irs.gov/charities-non-profits/charitable-organizations/public-charities> (last visited Sept. 10, 2016).

36. Bijetri Bose, *Effects of Competition on Charitable Donations*, 1 https://econ.washington.edu/sites/econ/files/old-site-uploads/2014/11/Bose_jmpaper.pdf.

37. See *2014 I.R.S. Form 990*, SUSAN G. KOMEN 15, http://ww5.komen.org/uploadedFiles/_Komen/Content/About_Us/Financial_Reports/Komen_Parent_990_FYE_3-31-15_PIC_Signed_Copy_with_efile_acceptance.pdf; *2014 Form 990, Schedule A*, THE LIVESTRONG FOUNDATION 2, http://images.livestrong.org/downloads/flatfiles/who-we-are/our-strength/financial-info/2014_Form_990_Livestrong_Foundation.pdf.

38. See Bose, *supra* note 37, at 1.

39. McKeever, *supra* note 5, at 3.

40. I.R.S. Pub. 78 (2015).

41. See *the numbers – 'Giving USA 2016' Infographic*, GIVING USA (June 23, 2016), <http://givingusa.org/see-the-numbers-giving-usa-2016-infographic/>.

42. Bose, *supra* note 37, at 2.

product, person, organization, or movement.”⁴³ Professor Deven Desai sums it up succinctly with an example of Coke: “Coke’s brand also has an emotional, symbolic component, as the brand evokes a sense of being all-American, ‘Classic,’ and the perfect refreshing drink, whether it is the Fourth of July or Christmas. A sip of Coke means imbibing an entire culture.”⁴⁴ Branding is used to distinguish oneself from competitors and to attempt to bond consumers to the branded entity for life.⁴⁵ An example of this can be seen in Samsung’s advertisements of its Galaxy phones.⁴⁶ To differentiate itself from the Apple brand and its product, the ubiquitous iPhone, Samsung ran a series of commercials where it positions its customers (and by extension itself) as young, hip, and fun-loving.⁴⁷ In fact, in a number of different commercials, Samsung sends the message that if you’re young (or even young at heart) you will have a Samsung Galaxy instead of an iPhone.⁴⁸

In contrast to for-profit entities, charitable organizations are latecomers to the trademark and branding space. Although charitable organizations have long been aware of the need to prevent fraudulent uses of names similar to their own,⁴⁹ the acknowledgement of the importance of an organization’s name as a trademark, and further as a brand, has only been around since the 1960s and 1990s, respectively.⁵⁰ Although the 1946 Lanham Act gave all entities, including charitable

43. Nathalie Kylander & Christopher Stone, *The Role of Brand in the Nonprofit Sector*, STAN. SOC. INNOVATION REV., Spring 2012, http://ssir.org/articles/entry/the_role_of_brand_in_the_nonprofit_sector.

44. Desai, *supra* note 7, at 983.

45. *Id.* at 990 (“Many companies encourage consumers to see a brand as having a personality and to accept the idea that owning a branded good connects the consumer to the brand in some deep, personal way.”).

46. See Samsung Mobile USA, YOUTUBE, <https://www.youtube.com/user/samsungmobileusa/videos> (last visited Sept. 10, 2016).

47. See, e.g., Samsung Galaxy S7: Champagne Calls, YOUTUBE, <https://www.youtube.com/watch?v=l5aF23XpBwU> (last visited Sept. 10, 2016).

48. Samsung Makes Fun of Apple! In New Commercial, YOUTUBE, <https://www.youtube.com/watch?v=fKunpnL4g0w> (last visited Sept. 10, 2016) (showing the young graduates at the pool party with the Samsung smartphone and the older parents with the iPhone). Samsung’s advertising campaign appears to have paid off, as it was ranked as the number one trusted brand with Millennials. See Chris Matyszczyk, *You’ll Never Guess Which Brand Millennials Trust the Most*, INC. (June 9, 2016), <http://www.inc.com/chris-matyszczyk/youll-never-guess-which-brand-millennials-trust-the-most.html>.

49. See, e.g., *In re First Presbyterian Church of Harrisburg*, 2 Grant Cas. 240, 1858 WL 7632 (Pa. 1858) (holding that a second-comer Presbyterian Church of Harrisburg would confuse the public).

50. I base this “acknowledgement” on the apparent rise in trademark registrations for charitable name marks with the USPTO office in the 1960s (statistics on file with author) and in the rise of nonprofit branding literature in the 1990s. See *infra* note 56.

organizations, the right to register their distinctive names as trademarks, many did not take advantage of this until after approximately the 1960s. It was in around the 1960s that records showed charitable organizations began to register their trademarks in greater numbers with the U.S. Patent & Trademark Office.⁵¹ While trademark registration is not a prerequisite for protection in the U.S., registration is a sign that an entity is taking its trademark rights more seriously.⁵² In particular, a federally registered trademark gives its holder a nationally-recognized right to the mark without having to use the mark in all jurisdictions of the U.S.⁵³ Without a federally-registered trademark, an entity needs to rely on more narrowly-circumscribed common law to protect its trademark.⁵⁴

The rise of the charitable brand came even later, appearing in the late 1980s and 1990s. This can be seen through a number of different sources, including the appearance of industry journals and articles discussing the idea of branding.⁵⁵ This late start to branding may stem from the fact that branding was seen as more of a commercial corporate marketing idea rather than a nonprofit one.⁵⁶ However, with the increased need to fundraise even during economic downturns, along with rising numbers of nonprofit employees who once worked in the corporate world, many large charitable organizations have embraced the concept of branding.⁵⁷ This embracement of branding is most visible in the healthcare type of public charity. These organizations raise public funds for medically related causes such as cancer, Hodgkin's lymphoma,

51. See Statistics on File with Author. For example, a number of well-established charities did not file for a trademark registration until the 1960s. See, e.g., The Salvation Army, Registration No. 0807044 (issued Apr. 12, 1966).

52. See Gerben, *supra* note 6.

53. See 15 U.S.C.A. §1057(c) (West 2010).

54. See *United Drug Co. v. Theodore Rectanus Co.*, 248 U.S. 90, 98 (1918) (“It results that the adoption of a trade-mark does not, at least in the absence of some valid legislation enacted for the purpose, project the right of protection in advance of the extension of the trade, or operate as a claim of territorial rights over areas into which it thereafter may be deemed desirable to extend the trade.”).

55. See Information for and About Nonprofit Organizations, Top Nonprofit Journals, <http://guides.lib.umich.edu/c.php?g=283253&p=1886821> (listing various nonprofit journals that began in the late 1980s and 1990s). For example, the International Journal of Nonprofit and Voluntary Sector Marketing began in 1999 and is focused on marketing in the nonprofit sector. See Mirlyn Catalog, International Journal of Nonprofit and Voluntary Sector Marketing, Subjects, <https://mirlyn.lib.umich.edu/Record/004371474/Subjects#tabs> (last visited June 20, 2017).

56. See Kylander & Stone, *supra* note 44 (“The models and terminology used in the nonprofit sector to understand brand remain those imported from the for-profit sector to boost name recognition and raise revenue.”).

57. See Alan Tapp, *Charity Brands: A Qualitative Study of Current Practice*, 1 J. NONPROFIT & VOLUNTARY SECTOR MARKETING 328, 328 (1996).

Parkinson's, diabetes, and birth defects, just to name a few.⁵⁸ Interestingly, this type of organization appears to have a high number of competitors, which may explain the prevalence of strong brands within this sector.⁵⁹

The charitable brand has meant not only designing an evocative logo that lets potential donors know to whom they are donating, but also implementing a psychological connection with donors.⁶⁰ This psychological connection is strengthened through story-telling. For example, many charitable organizations' marketing pamphlets contain stories about the real-life people, animals, or nature preserves that the donors' funds are going toward.⁶¹ Through these stories, charitable brands are conveying trust (we are using your money to help person A) and evoking emotion (person A's life was saved because of you), both of which are keys in fostering the psychological connection.⁶² Just as with for-profit brands, charitable brands' efforts can tie their donors to the brand and create an everlasting cycle of donations through loyalty.⁶³

Related to the rise of the charitable brand and a greater use of the trademark registration system is an increased rise in trademark enforcement efforts. The full extent to which such enforcement efforts have increased is unclear, as much of trademark enforcement is done extra-judicially through cease-and-desist letters or even more informally through phone calls.⁶⁴ However, there has been what appears to be a statistically significant increase in enforcement efforts since the early 2000s.⁶⁵ Although enforcement efforts in the for-profit sector have also increased, the increase in efforts in the nonprofit sector is telling

58. See, e.g., AMERICAN CANCER SOCIETY, <http://www.cancer.org> (For an overview of Hodgkin's Lymphoma, see *What is Hodgkin's Lymphoma?*, AMERICAN CANCER SOCIETY, <http://www.cancer.org/cancer/hodgkin-lymphoma/about/what-is-hodgkin-disease.html> (last updated Mar. 28, 2017); PARKINSON'S DISEASE FOUNDATION, <http://www.pdf.org/>; AMERICAN DIABETES ASSOCIATION, <http://www.diabetes.org/>; MARCH OF DIMES, <http://www.marchofdimes.org/>.

59. See *2016 Harris Poll EquiTrend Rankings*, THE HARRIS POLL (2016), <http://www.theharrispoll.com/equitrend-rankings/2016#Non-Profits> (ranking thirteen health nonprofits versus around five nonprofits in other categories).

60. See Kylander & Stone, *supra* note 44.

61. See, e.g., LIVESTRONG FOUNDATION, 2014 ANNUAL REPORT 1-5, http://images.livestrong.org/downloads/flatfiles/who-we-are/our-strength/financial-info/LIVESTRONG_2014AR.pdf (highlighting stories of supporters of, and instructors in, Livestrong programs).

62. See Tapp, *supra* note 58, at 331.

63. See *id.*

64. See Grinvald, *Policing*, *supra* note 19, at 41.

65. LexMachina.com (conduct a quick search using the term "nonprofit" and narrow to trademark only cases). The case numbers grew from three in 2005 to forty-seven in 2010. LexMachina search results on file with author.

because, of the two sectors, the nonprofit sector is the least likely to be able to afford such efforts. The next section will discuss this rise in enforcement efforts, which have unfortunately led at times to over-enforcement.

B. Enforcement Efforts Leading to Over-Enforcement

As mentioned previously, charitable organizations are not new to the enforcement arena. One of the oldest documented disputes relating to a charitable organization is from 1858, when the Supreme Court of Pennsylvania denied a charter to the First Presbyterian Church of Harrisburg on the grounds that it was too similar to an older church, The English Presbyterian Congregation of Harrisburg.⁶⁶ Interestingly, the court held that the similarities were not necessarily in the way the formal names were registered, but in the manner in which the public referred to the older church as the “Presbyterian Church in Harrisburg.”⁶⁷ This was enough to find the potential for confusion, as the court seems to be hypothesizing about how the public would perceive the two congregations.⁶⁸ Cases from the same era are similar in nature and mirror disputes from the commercial sector, which are those centered around entities using the same name (or a very similar sounding name) for the same purpose.⁶⁹ One reason for this is that the law of unfair competition (the grounds on which these cases were typically decided) and, by extension, trademark law, was narrowly applied, which likely disincentivized cases based on broader infringement theories.⁷⁰ I will discuss in more depth how the law encourages trademark enforcement efforts in Part II below.

Looking at the reported cases, it appears that formal (and by extension, informal) trademark enforcement began to increase in the 1980s.⁷¹ While from the time period of 1858 to 1979 there was an average of 1.76 cases per decade involving trademark-related disputes,

66. First Presbyterian Church of Harrisburg, 2 Grant 240, 1858 WL 7632 (Pa. 1858).

67. *Id.*

68. *Id.*

69. *See, e.g.,* Colonial Dames of America v. Colonial Dames of State of New York, 60 N.Y.S. 302 (N.Y. Sup. Ct. 1899) [hereinafter Colonial Dames]; *In re Duquesne College*, 2 Pa. D. 555 (Pa. 1891) [hereinafter Duquesne].

70. In addition, it is likely, as it is today, that many disputes never make it to the litigation stage and are settled informally and extra-judicially. *See Grinvald, Policing, supra* note 19, at 416-18.

71. Westlaw (search with the string, “advanced: charit! & DA(aft 12-31-1979 & bef 01-01-1990) & “trademark””) returns eighteen relevant cases.

in the 1980s alone, there were at least sixteen.⁷² This increase in enforcement appears to track the rise in public awareness of charitable organizations and attention to the need for public donations due to a cut in government services.⁷³ As such, the market for public donations heated up in the 1980s, and competition typically brings increased strife.⁷⁴

Some of this strife is required in a way, as there are situations where a third-party entity is intentionally utilizing a charitable organization's name or similar name for fraudulent purposes. The Federal Trade Commission (FTC) attempts to police these types of fraudulent entities and educate the public about them, but the party best situated to enforce (or report to the FTC) is the charitable organization itself.⁷⁵ A related type of required enforcement practice is seen where a third-party entity does not adopt its name for the intentional purpose of misleading the public, but it has the effect of doing so, and the third-party entity takes no action to stop it.

This was the case in the dispute between WWP, Inc. and Wounded Warriors Family Support, Inc.⁷⁶ WWP, Inc. (doing business as the Wounded Warriors Project) was established in 2002 in Florida, and Wounded Warriors Family Support (Family Support) was established in 2003 in Germany. In 2004, Family Support re-incorporated in the U.S. and started a new website, woundedwarriors.org.⁷⁷ Prior to this move and new website, Family Support's average monthly contribution had been \$1,337. After the move and site launch, that amount jumped to \$87,895 per month.⁷⁸ Unfortunately, a good portion of this amount was due to confusion on the part of donors as to which entity they were donating. In 2007, Wounded Warriors Project brought a lawsuit against Family Support and won a jury verdict with a fairly large damages award, which was later affirmed by the Eighth Circuit.⁷⁹

What makes the Wounded Warriors Project case "required" enforcement is not just the similarity in names and the competition

72. Statistics on file with author.

73. See Elizabeth T. Boris, *Myths About the Nonprofit Sector*, in 4 CHARTING CIVIL SOCIETY 1 (July 1998).

74. See Bose, *supra* note 37, at 1.

75. *Charity Scams*, FTC, <https://www.consumer.ftc.gov/features/feature-0011-charity-scams> (last visited Sept. 10, 2016).

76. *WWP, Inc. v. Wounded Warriors Family Support, Inc.*, 628 F.3d 1032 (8th Cir. 2011).

77. *Id.*

78. *Id.*

79. *WWP, Inc. v. Wounded Warriors, Inc.*, 566 F. Supp. 2d 970 (D. Neb. 2008); *Wounded Warriors Family Support*, 628 F.3d 1032.

between the two organizations for donation funds. In fact, while Family Support was still based in Germany, Wounded Warrior Project asked if Family Support wanted any marketing assistance, which is indicative of the ability of two different organizations with two similar names to work together for similar causes.⁸⁰ In addition, “wounded warrior” is a generic term that is used in the military to refer to injured soldiers.⁸¹ Rather, what makes this case “required” enforcement was that even once aware of the potential for confusion, Family Support made no apparent efforts to ensure that donations intended for Wounded Warrior Project were re-routed to the Wounded Warrior Project.⁸² In addition, Family Support made no efforts to educate the public regarding the differences between the organizations.⁸³ Instead, Family Support appeared to have simply cashed any and all checks that were mailed to it, regardless of whether there were obvious signs that a donation was not intended for Family Support.⁸⁴ Therefore, it appears that while Family Support did not start out with the intent to deceive the public, the effect was to defraud the public by not taking actions to reverse the deception.

While *Wounded Warriors Project* is a case of good enforcement, unfortunately, it appears that WWP, like some other large charitable organizations, has begun to take enforcement efforts too far. WWP, the Komen Foundation, and Livestrong, to name a few, have been described as “trademark bullies.”⁸⁵ I have defined trademark bullying in previous work as “the enforcement of an unreasonable interpretation by a large corporation of its trademark rights against a small business or individual through the use of intimidation tactics.”⁸⁶ Although I applied this definition to the for-profit sector in my previous work, the same definition holds true in the nonprofit sector. Large charitable organizations have been targeting smaller nonprofits in an attempt to enforce unreasonable interpretations of their trademark rights against these smaller entities in an intimidating manner.

For example, in 2010, the Komen Foundation began a campaign to enforce its trademarks against smaller, unrelated entities that use their

80. *Wounded Warriors Family Support*, 628 F.3d at 1036.

81. Ruth McCambridge, *Is Wounded Warrior Project a ‘Neighborhood Bully’ Among Veterans’ Groups?*, NONPROFIT QUARTERLY (May 5, 2015), <https://nonprofitquarterly.org/2015/05/05/is-wounded-warrior-project-a-neighborhood-bully-among-veterans-groups/>.

82. *Wounded Warriors Family Support*, 628 F.3d at 1036-37.

83. The court called the disclaimer that Family Support had on their website as “anemic.” *Id.* at 1042.

84. *Id.* at 1037.

85. See McCambridge, *supra* note 82.

86. Grinvald, *Shaming*, *supra* note 17, at 642.

“for a Cure” or “for the Cure” language.⁸⁷ What makes this trademark enforcement bullying behavior is that the Komen Foundation is a large organization⁸⁸ targeting smaller charitable organizations through the use of the opposition procedure at the U.S. Patent & Trademark Office (USPTO), as well as by sending intimidating cease-and-desist letters.⁸⁹ Although the General Counsel of the Komen Foundation describes their enforcement tactics as “nice,” the perception of intimidation is present when a small nonprofit is on the other side of the letter. This is particularly the case where the small nonprofit is volunteer-based, like “Mush for a Cure,” whose founder reported that she “had to call the trademark helpline, because I had no idea what I was doing.”⁹⁰ In addition, the Komen Foundation has been attempting to enforce an unreasonable interpretation of their trademark: although their marks are “Susan G. Komen For the Cure,”⁹¹ “Race for the Cure,”⁹² and “For the Cure,”⁹³ a number of their enforcement efforts have been over variations such as “for a Cure.”⁹⁴ Further, the “For the Cure” mark, which is what provides the Komen Foundation with the ability to claim a limited exclusive right in such phrase, is registered in International Class 016, specifically for “Newsletters on the subject of breast cancer research and issues related thereto.”⁹⁵ All of the other marks that the Komen Foundation has taken issue with thus far have been in International Class 036, the class of products used for charitable fundraising services.⁹⁶

Much, if not most, of this bullying occurs extra-judicially, as many of these enforcement actions take place through cease-and-desist letters and never make it to the litigation stage.⁹⁷ The reason for this is that for the most part, smaller charitable organizations do not have the resources to fight back against a trademark bully.⁹⁸ For example, when the

87. See Bassett, *supra* note 10 (reporting from 2010). But it appears that the Komen Foundation was bullying other organizations as early as 2008. See Trademark Trial and Appeal Board Inquiry System, TTABVUE (Query: 75724729) (showing results for all oppositions where “For the Cure” is used as grounds to oppose other trademark applications) (on file with author).

88. See 2014 I.R.S. Form 990, *supra* note 38. In 2015, the Komen Foundation had over \$254 million in net revenue and maintained over \$177 million in assets.

89. See Bassett, *supra* note 10 (reporting reactions from targeted small charities upon receiving the Komen Foundation’s cease-and-desist letters).

90. *Id.*

91. SUSAN G. KOMEN FOR THE CURE, Registration No. 3,309,532.

92. RACE FOR THE CURE, Registration No. 1,593,469.

93. FOR THE CURE, Registration No. 2,362,027.

94. See TTABVUE results, *supra* note 88.

95. FOR THE CURE, *supra* note 94.

96. See TTABVUE results, *supra* note 88.

97. See Grinvald, *Policing*, *supra* note 19, at 418.

98. Many smaller charitable organizations operate on a volunteer basis, with all the funds

Sunshine Kids Foundation, a Texas-based charity focused on children's cancer causes, sent a cease-and-desist letter to the Sunshine Kids Club of California, a new charity focused on helping children with cerebral palsy, the smaller California entity decided to simply change its name after negotiations with the larger Texas entity broke down.⁹⁹ However, even when a smaller entity decides to forego a legal battle with a larger entity, there are still costs associated with a name change. As the founder of Sunshine Kids Club of California stated, "It's a lot of work to rebrand yourself."¹⁰⁰ In addition, the non-judicial nature of these disputes is misleading, as a number of these disputes are in the form of oppositions filed in the USPTO. For example, the Komen Foundation has filed at least seventeen oppositions to other applications that use "for a Cure" in their mark. Although opposition proceedings at the USPTO are not as expensive as full-blown litigation, there are still legal costs involved in defending a registration application.¹⁰¹

Even when targeted entities want to fight back against a charitable trademark bully, they may not have the resources to fight all the way to the end. Once litigation has begun, it is hard to extricate yourself from it.¹⁰² If an entity is sued in court, it must mount a legal defense or face a default judgment.¹⁰³ Default judgments can happen even if the founders of the nonprofit attempt to defend the lawsuit *pro se*, as entities are not allowed to defend themselves *pro se*; only individuals may do so.¹⁰⁴ Unless the charitable organization can find *pro bono* counsel, it is likely that a lawsuit will mean the organization will need to change its name.¹⁰⁵ For example, Keystone Wounded Warriors utilized \$72,000 over the course of two years to fight back against WWP out of an annual budget

raised going towards funding the services of the organization. See WOMEN 4 WOUNDED WARRIORS, <http://womenforwoundedwarriors.org/> (last visited Sept. 10, 2016) ("100% Dedication – 100% Volunteer – 100% of dollars donated go to the cause. We don't spend or waste your donations. All of the money and goods go directly to those in need.").

99. See Marks, *supra* note 10.

100. See *id.* (quoting founder of Sunshine Kids California).

101. See Paul F. Kilmer, *The Value Equation of Trademark Oppositions: A Multinational Comparison of Costs and Perceived Benefits*, 68 INTA BULLETIN 5 (Mar. 1, 2013), <http://www.inta.org/INTABulletin/Pages/TheValueEquationofTrademarkOppositionsAMultinationalComparisonofCostsandPerceivedBenefits.aspx>.

102. See Grinvald, *Shaming*, *supra* note 17, at 647.

103. See Rebecca Callahan, *Arbitration v. Litigation: The Right to Appeal and Other Misperceptions Fueling the Preference for a Judicial Forum*, at 7–8 (Bepress, Legal Series, Paper No. 1248, 2006).

104. *Rowland v. California Men's Colony, Unit II Men's Advisory Council*, 506 U.S. 194, 201-02 (1993) ("It has been the law for the better part of two centuries, for example, that a corporation may appear in the federal courts only through licensed counsel.").

105. See Marks, *supra* note 10 (referencing the HEADstrong dispute with Livestrong).

of approximately \$200,000.¹⁰⁶ In the end, it had to settle and change its name to Keystone Warriors.¹⁰⁷

In the next section, I argue that the costs caused by trademark over-enforcement in the nonprofit sector are serious. The two harms I discuss as being particularly serious are the increase in costs, legal and nonlegal, both to society and to the individual charitable organizations, in addition to the reduction in the number of charitable organizations. An increase in costs burdens smaller organizations asymmetrically, with smaller charities needing to utilize a greater percentage of their revenue for legal costs. Additionally, smaller organizations are more likely to be burdened with nonlegal costs, such as the emotional strain that comes with legal wrangling. Further, a reduction in the number of charitable organizations is alarming because smaller charities play an essential role in society. It is oftentimes the smaller charitable organizations that champion less well-known causes, such as orphan diseases, or unpopular conditions, like mental health. These smaller organizations also play a complementary role to larger entities, providing different but related services, as well as serving local needs. Therefore, I argue that we should be particularly cognizant of the harms that charitable trademark bullies produce.

C. Counterproductive Charitable Trademarks

Abusive enforcement of legal rights, whether judicially or non-judicially, causes a number of externalities that society is forced to absorb.¹⁰⁸ I have argued previously that these costs in the for-profit sector include increased operating and societal costs, a reduction in marketplace competition, and a reduction in the freedom of speech.¹⁰⁹ In the non-profit sector, similar harms plague society, which I will discuss below.

1. Increased Costs

One of the hidden harms that stems from abusive enforcement of

106. *Wounded Warrior Project, Inc. v. Keystone Wounded Warrior*, Case No. 5:14-CV-05565 (E.D. Pa. filed Sept. 29, 2014).

107. Keystone Warriors, FACEBOOK, <https://www.facebook.com/KeystoneWarriors/> (last visited Sept. 10, 2016).

108. See Richard A. Posner, *The Cost of Rights: Implications for Central and Eastern Europe – And for the United States*, 32 TULSA L.J. 1, 2 (1996) (“The enforcement of legal rights consumes real resources, including . . . indirect costs to the extent that rights are enforceable against socially productive activities, or impose socially burdensome duties, or protect socially harmful activities.”).

109. See Grinvald, *Shaming*, *supra* note 17, at 650-52.

legal rights comes in the form of increased costs to individual organizations and to society as a whole.¹¹⁰ When a large charitable organization decides to enforce an unreasonable interpretation of its trademark rights in an intimidating fashion against a smaller charitable organization, both sides of the dispute incur costs.¹¹¹ There are straightforward legal costs involved, which include the payment of attorney fees and court costs (if the dispute proceeds to litigation), in addition to hidden non-legal costs. These non-legal costs include emotional strain and the time and energy required to deal with legal disputes.¹¹²

Both types of costs asymmetrically burden smaller organizations. With regard to legal costs, the larger organization has the ability to control its level of costs *ex ante*.¹¹³ For example, the larger organization may decide ahead of time that a particular dispute is not worth spending a lot of money on and therefore may cap the extent of its enforcement action with respect to that dispute. With this enforcement budget in mind, the larger organization may then send out a cease-and-desist letter to the target and, regardless of whether the larger organization is successful in achieving compliance with its demands, drop the dispute when the budget has been spent.¹¹⁴ The smaller organization, not having

110. See generally Louis Kaplow, *Private Versus Social Costs in Bringing Suit*, 15 J. LEGAL STUD. 371 (1986) (discussing the externalities to society from private litigation).

111. See AM. INTELL. PROP. LAW ASS'N, REPORT OF THE ECONOMIC SURVEY 34-36 (2013) [hereinafter AIPLA 2013 REPORT] (reporting that in 2013, costs associated with intellectual property litigation ranged from \$300,000 to \$6,000,000, depending on the type of case and value).

112. See Marks, *supra* note 10 (quoting one small charity organization's founder who was considering a name change because of a legal dispute with the Lance Armstrong Foundation, "I just can't stand the stress and anxiety and the wasted effort.").

113. As the instigator of the enforcement action, the larger organization has the ability to execute its enforcement strategy within the budgetary limits it has placed. In addition, it is likely that the instigator of an enforcement action is a large organization. See Grinvald, *Policing*, *supra* note 19, at 418 ("Although entities of all sizes enforce their legal rights, it appears that the larger the company, the more likely it is to initiate court action or arbitration.").

114. For example, there are a number of instances where larger organizations may send out cease-and-desist letters, the targets disagree with the demands in the letter, and larger organizations have taken no further action. An example of this is the cease-and-desist letter that Louis Vuitton sent to the University of Pennsylvania Law School over the law school group's use of a logo that was similar to one of Louis Vuitton's trademarks. See Letter from Michael Pantalony, Dir. of Civil Enforcement, Louis Vuitton Malletier, to Michael A. Fitts, Dean, University of Pennsylvania Law School (Feb. 29, 2012), https://www.law.upenn.edu/fac/pwagner/DropBox/lv_letter.pdf. The Law School responded, declining to comply with Louis Vuitton's demands. See Letter from Robert F. Firestone, Assoc. Gen. Counsel, University of Pennsylvania Law School, to Michael Pantalony, Dir. of Civil Enforcement, Louis Vuitton Malletier (Mar. 2, 2012), https://www.law.upenn.edu/fac/pwagner/DropBox/penn_ogc_letter.pdf. No further action was taken after the law school responded. See Charles Colman, *Intellectual Property Magazine's May 2012*

the ability to information-gather, needs to take the cease-and-desist letter seriously and should likely retain legal counsel.¹¹⁵ Whether or not the targeted organization can retain legal counsel is another matter.¹¹⁶ Should the targeted organization obtain legal counsel, the smaller organization will likely need to spend a greater percentage of its annual budget on its legal defense. For example, when the Wounded Warriors Project attacked Keystone Wounded Warriors, Keystone Wounded Warriors spent \$72,000 in its legal defense, both at the USPTO and in federal court.¹¹⁷ This represented approximately eighteen percent of their annual revenues (approximately \$200,000), as compared with the annual revenues of WWP (approximately \$484 million in 2015).¹¹⁸ An interesting fact pointed out by the news media covering this story was the comparison between the Keystone Warriors' annual revenue and the annual salary of WWP's CEO, which in 2014 was approximately \$470,000.¹¹⁹ Unfortunately, even after spending a significant amount of money on a legal defense, the smaller organization will typically likely decide to settle with the larger organization.¹²⁰ This is what Keystone Wounded Warriors eventually did, renaming themselves Keystone Warriors.¹²¹

The non-legal costs involved also asymmetrically burden smaller organizations. Legal disputes can be emotionally charged for smaller charitable organizations, whose founders are typically personally invested in the organization's mission.¹²² In addition, legal disputes can

article on the Louis Vuitton-Penn Law School dispute, LAW OF FASHION (May 2, 2012), <http://lawoffashion.com/blog/story/05/02/2012/129>.

115. See Grinvald, *Policing*, *supra* note 19, at 426 ("conducting effective information-gathering to obtain . . . information consumes resources . . . of which a low-resourced entity likely has little.").

116. See Grinvald, *Shaming*, *supra* note 17, at 656-7 (discussing the various impediments to finding legal counsel for small businesses).

117. Tim Mak, 'Wounded Warrior' Charity Unleashes Hell – On Other Veteran Groups, THE DAILY BEAST (May 4, 2015, 10:00AM), <http://www.thedailybeast.com/articles/2015/05/04/wounded-warrior-charity-unleashes-hell-on-other-veteran-groups.html>.

118. See McCambridge, *supra* note 82.

119. See *id.*

120. See Mak, *supra* note 118.

121. See Keystone Warriors, FACEBOOK, <https://www.facebook.com/KeystoneWarriors/> (last visited Nov. 10, 2016). Interestingly, Keystone Warriors was able to keep their logo of the silhouetted soldiers even though the CEO of WWP had stated, "Our logo is pretty sacred to us. It represents everything we believe in as an organization." See CNN Wire, *Keystone Wounded Warriors sued for 'Unfair Competition' by Wounded Warrior Project*, WPMT FOX43 (May 12, 2015, 10:51PM), <http://fox43.com/2015/05/12/keystone-wounded-warriors-sued-for-unfair-competition-by-wounded-warrior-project/>.

122. ALAN C. FOX, PEOPLE TOOLS FOR BUSINESS (2016) ("all litigation is emotionally draining").

take a significant amount of time, even if the dispute is never officially litigated.¹²³ For example, in opposing the “Mush for a Cure” trademark application at the USPTO, the Komen Foundation filed two separate extensions of time to oppose the application, until finally withdrawing the opposition six months later.¹²⁴ During this time, the “Mush for a Cure” founders had to live with the uncertainty of this legal dispute while attempting to continue to plan for their annual event.¹²⁵ Larger organizations typically have general counsel and possibly other legal staff members who assist with trademark enforcement matters.¹²⁶ Having professionals handle legal disputes lessens the non-legal costs involved, and although the disputes are still time-consuming, it is an anticipated non-legal cost. By contrast, many smaller charitable organizations are volunteer-based, meaning that any legal help they receive would likely be found outside of the organization, either through finding *pro bono* or low-cost legal help.¹²⁷ For organizations like “Mush for a Cure,” the founder typically bears the brunt of the non-legal and legal costs.¹²⁸

Finally, there are increased costs to society stemming from trademark bullying. Where abusive enforcement of legal rights reaches the judicial system, increased costs come in the form of greater expenditures on legal fees, as well as larger court dockets.¹²⁹ Even where

123. For a litigated civil case, the time to resolution may be one to two years. See Grinvald, *Policing*, *supra* note 19, at 428 (citing to an empirical study of federal courts).

124. See interview by WTIP’s Jay Andersen with “Mush For A Cure” organizers Mary Black and Sue Prom (Jan. 17, 2011, 1:22PM), <http://www.wtip.org/content/mush-cure-may-face-bumpy-legal-trail-future>.

125. See *id.*

126. See Cathleen Flahardy, Melissa Maleske, Mary Swanton & Larua Williamson, *Five General Counsel Who Thrive in the Non-Profit World*, INSIDECOUNSEL (July 1, 2010), <http://www.insidecounsel.com/2010/07/01/five-general-counsel-who-thrive-in-the-non-profit> (interviewing the general counsels of Habitat for Humanity and American Red Cross, among others).

127. See Grinvald, *Shaming*, *supra* note 17, at 657 n.194 (citing various methods to find free or low-cost legal help).

128. See interview, *supra* note 125 (Responding to the question of whether the legal battle with the Komen Foundation has cost her organization any money, the co-founder Sue Prom answered, “It hasn’t cost us any yet. And we want to make sure, too, like, all or pledges that the mushers receive got the National Breast Cancer Foundation. The money that we get from sponsors or other donations are used to pay for the expenses. And if we decide, or if this costs any money, it’s not going to come from that. It will come out of my pocket, just because we’re all fighting against the same thing. We’re fighting against breast cancer, not against each other or corporations. So, it seems senseless to spend the money on it.”).

129. Steven Shavell, *The Fundamental Divergence Between the Private and the Social Motive to Use the Legal System*, 26 J. LEGAL STUD. 575, 575 (1997) (“The legal system is a very costly institution, absorbing substantial resources whether measured by the magnitude of legal expenditures, the number of lawyers, or the sheer volume of litigation.”).

such abusive behavior stays outside of the courtroom, society faces costs associated with private-error costs and subsidizing the bullying with its donated funds. Private-error costs are those instances of trademark enforcement where the alleged infringer has a perfectly legal right to utilize the trademark it is using. However, instead of putting up a fight, the targeted party settles the dispute in order to not expend the financial resources outlined above. This in effect amounts to an error with ripple effects, as trademark bullies often cite prior cases of quick compliance by other targeted parties as a way to intimidate and gain future compliance.¹³⁰

Additionally, society faces costs due to what amounts to a subsidization of trademark bullying with its donated funds. Some large charitable organizations have been spending a not-inconsequential percentage of their charitable donations on legal fees. For example, in the midst of the Komen Foundation trademark bullying, it was revealed that the organization had spent over one million dollars on legal fees in one year alone.¹³¹ Even though donors can restrict their funds to specific purposes that the organization would be legally-bound to follow when making their donations, it is unlikely that donors would think to restrict their funds to non-legal matters. Therefore, it is likely that society as a whole bears the burden of trademark bullying.

2. Reduction of Competition

At first blush, a reduction of the number of competing charitable organizations may not seem like such a bad thing. After all, I have pointed out earlier in this Article that there are almost one million charitable organizations competing for a fairly fixed pot of public donations.¹³² One's first instinct may be to think that a reduction in the number of charities competing for donations may be beneficial because larger, more established charities are better depositories for such donations. However, this argument overlooks the essential role that smaller charitable organizations play in providing complementary services to larger organizations, as well as providing services at the local level.¹³³

130. Alexander Zaitchik, *The Village Bully One Voice Under God?*, N.Y. PRESS (Apr. 29, 2003), <http://www.nypress.com/print-article-7433-print.html> (quoting from the *Village Voice* cease-and-desist letter where the newspaper cited to past successes in obtaining compliance to its trademark enforcement demands).

131. See Bassett, *supra* note 10.

132. See McKeever, *supra* note 5, at 2.

133. Some organizations are extremely local. For example, after one Mississippi veteran had

While there may be multiple charities competing in the same space, oftentimes each charity focuses on a slightly different area and provides complementary services to the public. For example, Women for Wounded Warriors is focused on providing economic support to the families of wounded veterans through mentorship and advocacy for those seeking employment or a change in career paths.¹³⁴ By contrast, the larger organization in the veterans' charitable organizations world, Wounded Warriors Project, provides a wide range of support: physical, emotional, economic, and networking services.¹³⁵ It is clear from the mission statements of the two organizations that, although they are both concerned with assisting veterans, each does so in a slightly different but complementary way.¹³⁶ If smaller organizations such as Women for Wounded Warriors were bullied out of existence, these types of complementary or local services would likely cease to exist.¹³⁷

In addition, smaller charitable organizations play a crucial role in giving voice to less "sexy" causes or less visible societal concerns.¹³⁸ This is due to the fact that larger charitable organizations typically have a mission as to one particular area of concern, like children's diabetes, heart disease, breast cancer, or wounded veterans' services. In having one area of focus, other issues may not get the same level of attention by the organization, or even by society.¹³⁹ For example, the Komen

four hip surgeries, volunteers with Wounded Warriors of Mississippi helped him build a ramp to his house. See Lucy Dieckhaus, *Mississippi Veterans Speak Out About the Wounded Warrior Project's Lavish Spending*, WJTV12 (Mar. 11, 2016, 6:16pm), <http://wjtv.com/2016/03/11/mississippi-veterans-speak-out-about-the-wounded-warrior-projects-lavish-spending/>.

134. *About*, WOMEN FOR WOUNDED WARRIORS, <http://womenforwoundedwarriors.org/about/> (last visited Dec. 1, 2016).

135. *Programs*, WOUNDED WARRIOR PROJECT, <https://www.woundedwarriorproject.org/programs> (last visited Dec. 1, 2016).

136. *Compare*, WOMEN FOR WOUNDED WARRIORS, *About*, *supra* note 135, with WOUNDED WARRIOR PROJECT, *Programs*, *supra* note 136.

137. It has been posited by other commentators that public charities hold a special distinction in the United States because they are heavily relied upon to provide services that the government does not. In other countries where charitable donation giving by the public is much less, typically the government provides the needed services. See Boris, *supra* note 74, at 1 ("Nonprofit organizations were propelled into U.S. public consciousness during Reagan's budget cutbacks, which were designed to dismantle inefficient and ineffective government social programs. "Charities" were promoted as the nongovernmental saviors of the poor and of children, the elderly, and the disabled.").

138. An example of this is AIDS prevention and treatment. See Boris, *supra* note 74, at 3.

139. See Ashley JR Carter & Cecine N. Nguyen, *A Comparison of Cancer Burden and Research Spending Reveals Discrepancies in the Distribution of Research Funding*, BMC PUB. HEALTH (Jul. 17, 2012), <http://bmcpubhealth.biomedcentral.com/articles/10.1186/1471-2458-12-526> (discussing the levels of research funding for various cancer diseases, as related to the societal burden).

Foundation has been extremely successful in raising awareness for breast cancer, which is the number two cause of death for women in the United States.¹⁴⁰ This increased awareness has seemingly led to an increased funding for breast cancer, with recent statistics showing that breast cancer research funding received approximately \$699 million in federal funding in 2016.¹⁴¹ When comparing breast cancer to prostate or lung cancer, which each received \$300 million and \$400 million in federal funding, respectively, one can see that there is likely a correlation between the publicity a particular issue receives and its level of funding.¹⁴²

Therefore, smaller organizations, like the Prostate Cancer Foundation or the National Headache Foundation, serve an important role in society, continuing to draw attention to the myriad concerns that different members of society have.¹⁴³

II. THE ROOTS OF OVER-ENFORCEMENT

Many scholars have written on the topic of trademark law expansionism since the 1950s, including myself.¹⁴⁴ In prior work, I

140. See Elizabeth Millard, *In Raising Awareness For Women's Health, Is Pink Overshadowing Red?*, SELF (Oct. 24, 2016), <http://www.self.com/story/breast-cancer-awareness-heart-disease>.

141. *Categorical Spending*, NIH, https://report.nih.gov/categorical_spending.aspx (last visited Dec. 4, 2016).

142. See Caroline May, *Breast Cancer Receives Much More Research Funding, Publicity Than Prostate Cancer Despite Similar Number of Victims*, DAILY CALLER (Oct. 5, 2010, 2:51AM), <http://dailycaller.com/2010/10/05/breast-cancer-receives-much-more-research-funding-publicity-than-prostate-cancer-despite-similar-number-of-victims/>. Even within the same organization, breast cancer can receive more funding and attention. See *id.* (discussing the funding levels within the American Cancer Society).

143. See Gardiner Harris, *Medical Charities Once Advised on Coping With a Disease. Now They Try to Cure It*, N.Y. TIMES, Oct. 31, 2016, <http://www.nytimes.com/2016/11/06/giving/medical-charities-once-advised-on-coping-with-a-disease-now-they-try-to-cure-it.html>. See also PROSTATE CANCER FOUNDATION, <https://www.pcf.org/> (last visited Dec. 4, 2016); NATIONAL HEADACHE FOUNDATION, <http://www.headaches.org/> (last visited Dec. 4, 2016).

144. See generally Lionel Bently, *From Communication to Thing: Historical Aspects of the Conceptualisation of Trade Marks as Property*, TRADEMARK LAW AND THEORY, in TRADEMARK LAW AND THEORY: A HANDBOOK OF CONTEMPORARY RESEARCH at 3 (Graeme B. Dinwoodie & Mark D. Janis eds., 2008); Mark P. McKenna, *The Normative Foundations of Trademark Law*, 82 NOTRE DAME L. REV. 1839, 1840 (2007); Deven R. Desai & Sandra L. Rierson, *Confronting the Genericism Conundrum*, 28 CARDOZO L. REV. 1789, 1791 (2007); Robert G. Bone, *Hunting Goodwill: A History of the Concept of Goodwill in Trademark Law*, 86 B.U. L. REV. 547, 548-49 (2006); Glynn S. Lunney, Jr., *Trademark Monopolies*, 48 EMORY L.J. 367, 369 (1999); Mark A. Lemley, *The Modern Lanham Act and the Death of Common Sense*, 108 YALE L.J. 1-3 (1999); Rochelle Cooper Dreyfuss, *Expressive Genericity: Trademarks as Language in the Pepsi Generation*, 65 NOTRE DAME L. REV. 397, 399 (1990); Lisa P. Ramsey, *Descriptive Trademarks and the First Amendment*, 70 TENN. L. REV. 1095, 1162 (2003); Jeremy N. Sheff, *Marks, Morals,*

placed a large amount of the blame for trademark bullying in the for-profit sector on the legal system itself. I argue in this Part that changes to the Lanham Act and the application of these changes by judges has led to an environment of trademark over-enforcement. This background information will provide context for the specific proposals I make in Part III to attempt to curb charitable trademark bullies.

A. *Federal Trademark Law Expansionism*

One of the roots of the over-enforcement problem has been the expansion of federal trademark law.¹⁴⁵ In fact, one could argue that federal trademark law has been on an ever-expanding track since the passage of the Lanham Act in 1945. For our purposes, there have been at least three forms of expansion that directly relate to over-enforcement: (1) an elimination of the distinction between a “trademark” and a “trade name;” (2) an expansion in what is considered to “likely confuse” consumers; and (3) an expansion in trademark-able subject matter. I will discuss each in turn.

1. Elimination of the “Trademark” and “Trade Name” Distinction

Prior to the passage of the Lanham Act in 1945, an important distinction in trademark and unfair competition law was the separation between “technical trademarks” and “trade names.”¹⁴⁶ To qualify as the former, the mark had to be fanciful, arbitrary, or suggestive. Only

and Markets, 65 STAN. L. REV. 761 (2013); Stacey L. Dogan & Mark A. Lemley, *Trademarks and Consumer Search Costs on the Internet*, 41 HOUS. L. REV. 777 (2004); Barton Beebe, *Intellectual Property Law and the Sumptuary Code*, 123 HARV. L. REV. 809, 832 (2010); Kenneth L. Port, *The Congressional Expansion of American Trademark Law: A Civil Law System in the Making*, 35 WAKE FOREST L. REV. 827, 896 (2000); Jessica Litman, *Breakfast with Batman: The Public Interest in the Advertising Age*, 108 YALE L.J. 1717, 1722 (1999); Michael S. Mireles, Jr., *Towards Recognizing and Reconciling the Multiplicity of Values and Interests in Trademark Law*, 44 IND. L. REV. 427 (2011); Michael S. Grynberg, *Trademark Litigation as Consumer Conflict*, 83 N.Y.U. L. REV. 60 (2008); Jessica M. Kiser, *Brands as Copyright*, 61 VILL. L. REV. 45 (2016); Deborah R. Gerhardt, *Consumer Investment in Trademark*, 88 N.C. L. REV. 427 (2010); Sonia K. Katyal, *Stealth Marketing and Antibranding: The Love That Dare Not Speak Its Name*, 58 BUFF. L. REV. 795 (2010); James Gibson, *Risk Aversion and Rights Accretion in Intellectual Property Law*, 116 YALE L.J. 882 (2007); Greg Lastowka, *Google’s Law*, 73 BROOK. L. REV. 1327, 1366-90 (2008); William McGeeveran, *Rethinking Trademark Fair Use*, 94 IOWA L. REV. 49 (2008); Rebecca Tushnet, *Gone in Sixty Milliseconds: Trademark Law and Cognitive Science*, 86 TEX. L. REV. 507 (2008); Eric Goldman, *Deregulating Relevancy in Internet Trademark Law*, 54 EMORY L.J. 507 (2005); Grinvald, *Shaming*, *supra* note 17.

145. See Grinvald, *Shaming*, *supra* note 17, at 632.

146. Milton Handler & Charles Pickett, *Trade-Marks and Trade Names—An Analysis and Synthesis: I*, 30 COLUM. L. REV. 168, 168 (1930); J. THOMAS MCCARTHY, MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 4:4 (4th ed. 2010).

technical trademarks could be federally registered. Trade names were all other types of marks, including personal names and names of entities.¹⁴⁷ This distinction had a direct impact on charitable organizations because the mark they typically used to fundraise for public donations was the organization's name.¹⁴⁸ When a charitable organization wanted to enforce against an alleged infringer, the organization needed to bring an action based on unfair competition law, not trademark law.¹⁴⁹ The reason this was significant was that the burden of proof in an action for unfair competition law was much higher, oftentimes requiring the plaintiff to prove intent to confuse or mislead the public.¹⁵⁰ In addition, some courts required actual harm to have been suffered, and in the case of charitable organizations, proof that actual confusion as to the organizations be present.¹⁵¹ By contrast, a plaintiff in a trademark lawsuit had a much lower burden: not having to prove intent or actual confusion, just the likelihood that consumers would be confused.¹⁵²

Further, the remedies available under the two causes of action were significantly different; while a prevailing plaintiff in both types of actions could obtain an injunction of the defendant's behavior, an injunction under an unfair competition lawsuit could be much narrower.¹⁵³ Typically, even where a plaintiff could prove that the

147. MCCARTHY, *supra* note 147, at § 4:5.

148. For example, the Red Cross, Salvation Army, etc.

149. Handler & Pickett, *supra* note 147, at 168.

150. See FRANK I. SCHECHTER, THE HISTORICAL FOUNDATIONS OF THE LAW RELATING TO TRADE-MARKS 161 (1925).

151. See, e.g., Colonial Dames of Am. v. Colonial Dames of State of N.Y., 29 Misc. 10, 12, 60 N.Y.S. 302, 304 (Sup. Ct. 1899), *aff'd*, 63 A.D. 615, 71 N.Y.S. 1134 (App. Div. 1901), *aff'd sub nom.* Colonial Dames of Am. v. Colonial Dames of the State of N.Y., 173 N.Y. 586, 65 N.E. 1115 (1902) ("Another important consideration telling in favor of the defendants is found in the fact that there is no proof that any one has ever joined either of them in mistake for the plaintiff, or has been otherwise deceived or seriously confused as to the identity of the three societies . . .").

152. See Schechter, *supra* note 151, at 161.

153. Handler & Pickett, *supra* note 147, at 169. One of the reasons for this difference lies in the historical boundaries of the subject matter of technical trademarks and trade names. Technical trademarks were either fictional terms, created by the entity for the purposes of selling its goods, or an existing term arbitrarily used. MCCARTHY, *supra* note 147, at §4:4. Owning a technical trademark gave exclusive control over the use of the term with respect to the owner's products. See G.W. Cole Co. v. Am. Cement & Oil Co., 130 F.703, 705 (7th Cir. 1904). This meant that a defendant likely did not have a reason for selling the same good as the plaintiff using the same or very similar trademark, and so if the similarities between the two marks was likely to cause confusion, there was infringement. See *id.* By contrast, trade names were those that were descriptive of the goods or a person's name (MCCARTHY, *supra* note 147, at §4:5), which meant that a defendant would likely have a non-infringing reason for using the trade name (for example, if the defendant's name was the same as the plaintiff's). Where a plaintiff could prove trademark infringement, the typical remedy was a complete and permanent injunction against the use of the trademark. See Handler & Pickett, *supra* note 147, at 161. Typically, courts would deem such

defendant had infringed on plaintiff's rights in an unfair competition lawsuit, the judge would craft a narrow injunction to allow the defendant to continue to operate while not infringing.¹⁵⁴ In trademark lawsuits, courts would routinely grant blanket injunctions to enjoin defendants from using the plaintiff's trademark, regardless of whether it would put the defendant out of business.¹⁵⁵

Although the strict distinction between trademarks and trade names was fading by the 1920s and 1930s, with courts providing similar forms of protection to both types of marks, the passage of the Lanham Act in 1946 officially ended the distinction.¹⁵⁶ The Lanham Act not only ended the distinction between types of marks, but it also specifically allowed trade names to be federally registered upon a showing of "acquired distinctiveness."¹⁵⁷ This was an important boon to trade names (and therefore, to charitable organizations) because a federal trademark registration carries with it some important evidentiary benefits, such as validity of mark and proof of ownership.¹⁵⁸ Furthermore, federal registration provides the registered trademark with national rights, regardless of whether the trademark has actually been used in a particular area.¹⁵⁹ This has a direct impact on charitable organizations because, while many start out as local volunteer groups, some of the organizations may grow into a bigger entity with a larger geographical reach.¹⁶⁰ While an organization could still enforce its trademark rights in its name without a federal registration, the scope of protection would be limited to the geographical area of actual use and the burden of proof

infringement has "fraudulent," but without looking to the defendant's intent as technical trademark infringement was a "no fault" tort. *See* MCCARTHY, *supra* note 147, at §30:1. But the remedy for a case of proven trade name infringement was more nuanced, because there were real reasons for allowing a defendant to continue to use the trade name. In these cases, courts crafted injunctions that allowed the defendant to continue to operate its business without unfairly competing with the plaintiff.

154. *See, e.g.,* Kellogg Co. v. Nat'l Biscuit Co., 305 U.S. 111 (1938).

155. *See* Handler & Pickett, *supra* note 147, at 169.

156. *Compare* 15 U.S.C. § 1052(f) (2006), with Trade-Mark Act of 1905, Pub. L. No. 58-84, § 5(b), 33 Stat. 724, 725–26.

157. 15 U.S.C. § 1052(f) (2006). The 1905 Act allowed trade names to be registered only if they had been in constant use from 1895 or earlier. Trade-Mark Act of 1905, Pub. L. No. 58-84, § 5(b), 33 Stat. 724, 725–26.

158. 15 U.S.C. § 1057(b) (2006).

159. 15 U.S.C. § 1057(c) (2006).

160. For example, the American Diabetes Association was founded in 1940 as a professional organization of doctors, and in 2015, the organization was a major national organization with over 750 staff members. AMERICAN DIABETES ASSOCIATION, 2015 ANNUAL REPORT 3, <http://main.diabetes.org/dorg/PDFs/Financial/2015-american-diabetes-association-annual-report.pdf>.

would be higher.¹⁶¹ Therefore, the ability to register one's charitable trademark is an important benefit, something that the American Diabetes Association learned after going through trademark litigation.¹⁶²

While I am not advocating that trade names should not be federally registered or recognized as trademarks, I do believe that the elimination of the distinction between the two has given charitable organizations the ability to be more aggressive in enforcing its marks. Combined with the expansion of actionable confusion and trademark-able subject matter, the groundwork has been laid for charitable trademark bullies.

2. Actionable Confusion

The second form of expansion in federal trademark law has been with respect to the confusion standard. The traditional standard for trademark infringement has been whether there is a "likelihood of confusion" among consumers between the plaintiff's mark and the defendant's.¹⁶³ The pertinent question is, what exactly do consumers need to be confused about? Traditional trademark law (as well as the original Lanham Act) had required that this likely confusion be related to the source of the plaintiff's products.¹⁶⁴ In this sense, in order for there to be trademark infringement, a plaintiff would need to prove that their consumers would likely think that they were purchasing plaintiff's products when in reality they were purchasing defendant's products instead.¹⁶⁵ However, amendments to the Lanham Act in 1962 eliminated

161. See *Hanover Star Milling Co. v. Metcalf*, 240 U.S. 403, 416 (1916) ("But this is not to say that the proprietor of a trademark, good in the markets where it has been employed, can monopolize markets that his trade has never reached, and where the mark signifies not his goods, but those of another."); *Am. Diabetes Ass'n, Inc. v. Nat'l Diabetes Ass'n*, 533 F. Supp. 16, 19 (E.D. Pa. 1981), *aff'd sub nom. Am. Diabetes Ass'n, Inc. v. Nat'l Diabetes Ass'n*, 681 F.2d 804 (3d Cir. 1982) ("The designation American Diabetes Association is not a formally registered mark, nor is it inherently distinctive. Therefore, plaintiffs are required to prove that the mark can be protected and that it has achieved a secondary meaning.").

162. While the American Diabetes Association won its case against the National Diabetes Association, it apparently decided that it was more prudent to register their trademark. The organization filed its lawsuit against the National Diabetes Association and the day before the court hearing on its preliminary injunction, the American Diabetes Association filed its application to register its mark with the USPTO.

163. See, e.g., *Thomson v. Winchester*, 36 Mass. (16 Pick.) 214, 216 (Mass. 1837).

164. See, e.g., *Aunt Jemima Mills Co. v. Rigney & Co.*, 247 F. 407, 410 (2d Cir. 1917) (holding that the defendant's use of the mark "AUNT JEMIMA" for pancake syrup would likely confuse consumers that they were purchasing a product made by the makers of the pancake batter).

165. See *id.* ("Syrup and flour are both food products, and food products commonly used together. Obviously the public, or a large part of it, seeing this trade-mark on a syrup, would conclude that it was made by the complainant.").

this restriction.¹⁶⁶ Thereafter, courts routinely began to apply the likelihood of confusion standard to all types of confusion, including association, sponsorship, or affiliation.¹⁶⁷ These types of confusion are less burdensome to prove because, as Professors Mark Lemley and Mark McKenna correctly note, “‘sponsorship’ or ‘affiliation’ could refer to virtually any relationship between the parties”¹⁶⁸

This expansion of the forms of actionable confusion lays the groundwork for charitable trademark bullying because it allows charitable organizations to argue that they need to protect their trademark against any uses that may hint of a connection with them. For example, the Komen Foundation has used the fact that confusion can be about association to justify their enforcement strategy. As the prior general counsel of the Komen Foundation, referring to their “For the Cure” trademark, stated “‘If you look at our affiliates’ websites, it can be anything from ‘baseball for the Cure,’ ‘lawyers for the cure,’ ‘volley for the Cure,’ ‘golf for the cure’—you name it, we’ve got all sorts of events associated with it.”¹⁶⁹ Therefore, this association warranted contacting any entity that used “for the Cure” in the title of their organization or event and “work[ing] with them to find a suitable arrangement.”¹⁷⁰

3. Ever-Expanding Trademark-able Subject Matter

While the U.S. has always taken an expansive view as to what can constitute a trademark,¹⁷¹ prior to the 1990s, there were still some limitations on what could be trademarked.¹⁷² In particular, color was initially held to not be subject to trademark protection.¹⁷³ However,

166. The amendments in 1962 deleted the requirement that confusion be of “purchasers as to the source of origin of such goods or services.” MCCARTHY, *supra* note 147, § 5:6; *see also* Act of Oct. 9, 1962, Pub. L. No. 87-772, § 2, 76 Stat. 769, 769. Although, as pointed out by Professors Lemley and McKenna, courts were already expanding the types of confusion before the 1962 Lanham Act amendments. *See* Lemley & McKenna, *supra* note 23, at 425-26.

167. *See, e.g.*, *Armstrong Cork Co. v. World Carpets, Inc.*, 597 F.2d 496, 501 n. 6 (5th Cir. 1979) (“Under the Lanham Act, as amended, however, Congress adopted an open-ended concept of confusion. Any kind of confusion will now support an action for trademark infringement.”).

168. Lemley & McKenna, *supra* note 23, at 427.

169. Rosenthal, *supra* note 12 (quoting Mr. Blum, the then-general counsel of the Komen Foundation).

170. *Id.*

171. *McLean v. Fleming*, 96 U.S. 245, 254 (1877) (describing the trademark-able subject matter as any mark that “‘consist[s] of a name, symbol, figure, letter, form, or device’”).

172. MCCARTHY, *supra* note 147, at § 7:41.

173. *See, e.g.*, *A. Leschen & Sons Rope Co. v. Broderick & Bascom Rope Co.*, 201 U.S. 166, 171 (1906) (“[A] trade-mark which may be infringed by a streak of any color, however applied, is manifestly too broad.”); *James Heddon’s Sons v. Millsite Steel & Wire Works, Inc.*, 128 F.2d 6, 9 (6th Cir. 1942) (“Color, except in connection with some definite, arbitrary symbol or in association

unlike the prior forms of expansion, amendments to the Lanham Act were not the primary cause of the expansion of trademark-able subject matter, but rather a U.S. Supreme Court case.¹⁷⁴ In *Qualitex v. Jacobson*,¹⁷⁵ the Supreme Court resolved a decades-long split among the federal circuit courts as to whether color could serve as a trademark.¹⁷⁶

Qualitex officially changed all of this by interpreting the language of the Lanham Act to be limitless in defining what a trademark could be: “Both the language of the Act and the basic underlying principles of trademark law would seem to include color within the universe of things that can qualify as a trademark. The language of the Lanham Act describes that universe in the broadest of terms.”¹⁷⁷ The only limitation on what could serve as a trademark was the level of distinctiveness needed to prove that the “word, name, symbol, or device, or any combination thereof” is acting like a trademark from the perspective of the consuming public.¹⁷⁸ For color and other types of “non-traditional” marks, the trademark must be shown to have “secondary meaning,” or a level of recognition by consumers that the color is serving as a trademark and not just decoration.¹⁷⁹ For example, in *Qualitex*, the dispute was over the use of a green-gold color for dry cleaning pads. The plaintiff, *Qualitex*, argued that it used the color as a trademark and had been doing so for over forty years. It further argued that customers had come to associate this particular color with *Qualitex*’s dry cleaning pads.¹⁸⁰

Expansion of trademark-able subject matter alone is not necessarily cause for concern. There are a number of good reasons to allow protection for non-traditional marks such as color, including that for non-native English speakers, color and other types of non-traditional marks assist them in finding the products for which they are searching. In the *Qualitex* case, for example, the dry-cleaning business was the target industry for *Qualitex*’s green-gold pads. In the 1990s, the dry-cleaning businesses in many states (including in *Qualitex*’s home city of

with some characteristics which serve to distinguish the article as made or sold by a particular person is not subject to trademark monopoly.”).

174. See *Qualitex v. Jacobson*, 514 U.S. 159 (1995).

175. *Id.*

176. *Id.* at 161-62 (“The Courts of Appeals have differed as to whether or not the law recognizes the use of color alone as a trademark.”).

177. *Id.* at 162.

178. 15 U.S.C. § 1127 (2006) (definition of a trademark and definition of trademark use: “to identify and distinguish his or her goods, including a unique product, from those manufactured or sold by others and to indicate the source of the goods, even if that source is unknown”).

179. See *Two Pesos, Inc. v. Taco Cabana, Inc.*, 505 U.S. 763, 769 (1992).

180. *Qualitex*, 514 U.S. at 162.

Chicago) were run by Korean immigrants, a population for which English was not their first language.¹⁸¹ The ability to utilize color as a way to know which dry cleaning pads to order is helpful, and the only way to ensure that the dry cleaner is ordering the particular brand of pads is to protect the color of the source identifier.

However, the expansion of trademark-able subject matter did not occur inside a vacuum, and when combined with the other two forms of expansion described in this Part, it has produced an environment that is ripe for charitable trademark bullying. This appears to be the case particularly where nonverbal marks are used, like color or images. For example, in demanding that smaller charitable organizations stop using “for the cure,” the Komen Foundation had also requested them to stop using the color pink, so as to avoid an appearance of association. However, it is likely that pink has become generic as a mark for a breast cancer organization; as in the United States, color has been used to identify awareness of certain types of causes, most particularly diseases, like breast cancer (pink), cancer (yellow or purple), AIDS/HIV (red), depression (green), and autism (multicolored).¹⁸² But with the backdrop of the three forms of expansion of trademark law, the Komen Foundation has the ability to claim in a cease-and-desist letter that the use of pink causes confusion by association. Combined with the judicial application of expanded trademark law, the environment is ripe for trademark bullying. As one lawyer sums it up, “The days are probably over when nonprofits just said, ‘We’ll just get along with anybody who’s a nonprofit because we’re all trying to do good here.’”¹⁸³

B. *Shifting Court Sentiment*

Although the developments in the expansion of trademark law have been percolating in the legal system for the last seventy years, it appears that charitable trademark bullying (along with trademark bullying in the for-profit sector) only started to gain momentum in the late 2000s.¹⁸⁴ One of the non-legal reasons for this may be the economic depression suffered in the United States beginning in 2008, which greatly impacted

181. See Murray Dubin, *Koreans a Force in Dry Cleaning*, PHILLY.COM (Aug. 5, 1990) (on file with author).

182. See Ian Langtree, *Awareness Bracelets: Colors, Causes & Meanings*, Disabled World, DISABLED-WORLD.COM (May 25, 2010), <https://www.disabled-world.com/disability/awareness/awareness-bracelets.php>.

183. See Marks, *supra* note 10 (quoting a trademark attorney).

184. See, e.g., *supra* notes 10 & 12.

charitable donations.¹⁸⁵ This in turn could be seen as a reason for charitable organizations to turn to branding and trademarks to help them become more competitive in order to increase public donations.¹⁸⁶

However, one legal reason for the increase in charitable trademark bullying since the late 2000s may be a shift in judicial sentiment. I argue in this part that there has been a shift in the way judges apply trademark doctrines to charitable organizations. In the first half of the twentieth century, judges appeared to be more sympathetic to smaller organizations, with a view that all organizations are attempting to do good for society.¹⁸⁷ By the late 1990s and 2000s, judges appeared to have become more sympathetic to larger charitable organizations, but at the same time, expected that these organizations would enforce their trademarks just like for-profit corporations.¹⁸⁸

1. The Early Days—All Charities Do Good

As mentioned earlier, charitable organizations are not entirely newcomers to trademark disputes. There are a number of litigated disputes from the late 1800s and early 1900s,¹⁸⁹ and there are likely a large number of non-litigated disputes of which there are no surviving records. Many litigated cases involve the use of similar names for organizations with similar missions. For example, in *Southern Medical College v. Thompson*, both organizations were dental schools using the same name “Southern Dental College.”¹⁹⁰ In these types of cases, the courts appeared to be sympathetic to both sides of the dispute, and in applying theories of unfair competition, examined the case for intent to defraud on the defendant’s part.¹⁹¹ Where there was no such intent, the courts were sympathetic to the defendant’s use of a similar name due to the charitable work that they undertook. For example, in *Colonial Dames of America v. Colonial Dames of State of New York*, the court stated,

185. See Phillip Swarts, *Charities Still Feel Squeeze From Recession as Shrinking Donations Fail to Meet Demand*, WASH. TIMES (Apr. 7, 2014), <http://www.washingtontimes.com/news/2014/apr/7/charities-still-feel-squeeze-from-recession-as-shr/>.

186. See *supra* note 6.

187. See *infra* Part II.B.1.

188. See *infra* Part II.B.2.

189. See *supra* note 66.

190. *Southern Medical College v. Thompson*, 92 Ga. 564, 18 S.E. 430 (Ga. 1893).

191. Or, as in the case of *International Committee Young Women’s Christian Ass’n v. Young Women’s Christian Ass’n of Chicago*, 194 Ill. 194, 62 N.E. 551 (1901), where the majority decided the case without finding an intent to defraud, the dissent reminded the majority that such an intent was required by precedent. *Id.* at 554.

At the outset it should be noted that this case is unique, in that none of the parties is engaged in any business, in the sense of seeking financial gain. On the contrary, all are equally seeking to accomplish patriotic and unselfish ends. It is therefore obvious that the rules governing the right to trade-marks and trade-names, evolved, as those rules have been, from selfish attempts on the part of one person to appropriate for his financial benefit what rightfully belongs to another, and decisions of courts in thwarting such attempts, do not apply to such a case as this, or, at any rate, ought not to be applied with the same strictness.¹⁹²

Similar cases are found until the late 1960s, where some courts still appeared hesitant to apply trademark rules strictly in charitable organization disputes and continued to require proof of deception (actual intent or unintentional) on the part of defendants. For example, in the case of *Board of Provincial Elders of Southern Province of Moravian Church v. Jones*,¹⁹³ the court denied a request for a preliminary injunction against the defendants and required some type of deceit to be shown. The North Carolina Supreme Court stated, “It may not be amiss in such a situation to bear in mind the advice of a great lawyer of long ago to an established religious body, concerned lest it be injured by the activities of a small group of former associates: ‘Refrain from these men, and let them alone False’”¹⁹⁴

In addition, in applying trademark defenses such as abandonment or laches to infringement disputes, courts appeared to err on the side of preserving a charitable organization’s trademark. For example, in *Missouri Federation of the Blind v. National Federation of the Blind of Missouri, Inc.*,¹⁹⁵ the dispute was over the use of the term “Federation of the Blind.” Missouri Federation of the Blind, although technically the plaintiff in the case, was in fact the junior organization and faced a counterclaim of infringement by the National Federation of the Blind. The plaintiff asserted a defense of laches, abandonment, or acquiescence, and the court analyzed the legal consequences of each of the defenses.¹⁹⁶ Although there appeared to be grounds to find

192. *Colonial Dames of Am. v. Colonial Dames of State of N.Y.*, 29 Misc. 10, 11, 60 N.Y.S. 302, 303 (N.Y. Sup. Ct. 1899), *aff’d*, 63 A.D. 615, 71 N.Y.S. 1134 (N.Y. App. Div. 1901), *aff’d sub nom.* *Colonial Dames of Am. v. Colonial Dames of the State of N.Y.*, 173 N.Y. 586, 65 N.E. 1115 (N.Y. 1902).

193. *Board of Provincial Elders*, 273 N.C. 174, 159 S.E.2d 545 (1968).

194. *Id.* at 552.

195. *Mo. Fed’n of the Blind v. Nat’l Fed’n of the Blind of Mo., Inc.*, 505 S.W.2d 1 (Mo. Ct. App. 1973).

196. *Id.*

abandonment,¹⁹⁷ the court found that the doctrine of laches was better applied. In determining that the National Federation of the Blind's suit against the Missouri Federation of the Blind was barred by laches, the court simply did not allow the defendant-intervenor to enjoin the plaintiff from using its name.¹⁹⁸ What this ruling meant was that the National Federation of the Blind retained its trademark, but it simply could not enforce it against the Missouri Federation of the Blind. If the court had found that the National Federation of the Blind had abandoned its mark, then this would have prevented the National Federation of the Blind from enforcing its mark in the future against any other unauthorized users.¹⁹⁹

2. More Recent Cases—Well-Established Charities Need Greater Protection

This more tolerant approach to charitable organizations seemed to end around the late 1980s, particularly with respect to cases where larger charitable organizations sue smaller organizations for trademark infringement. Judges acknowledge this approach in, for example, *Cancer Research Inst., Inc. v. Cancer Research Soc., Inc.*, where the judge states in a footnote, “Interestingly, although there seems to be no legal theory articulated to support the proposition, it appears that public service or benefit entities are accorded greater protection by the courts in cases like this one than are for profit business organizations.”²⁰⁰ This same sentiment appears in at least two other different cases involving nonprofit organizations.²⁰¹ In *Cancer Research Institute*, the plaintiff was a large, well-established organization with \$3.5 million in annual revenue and the defendant was a small, more recently established organization with less than \$300,000 in annual revenue.²⁰² In the court's opinion, the judge's regard for the plaintiff is apparent, as the judge refers to the director of the Cancer Research Institute as “impressive” and refers to the defendants as “amateurs, who seem to the Court to be way over their respective heads.”²⁰³

197. At least on the part by the local society.

198. *Mo. Fed'n of the Blind*, 505 S.W.2d at 10.

199. See 15 U.S.C. §1064 (2006) (registered marks deemed to have been abandoned may be cancelled).

200. *Cancer Research Inst., Inc. v. Cancer Research Soc'y, Inc.*, 694 F. Supp. 1051, 1056 (S.D.N.Y. 1988).

201. *Alzheimer's and Credit Counseling*

202. *Cancer Research Inst., Inc.*, 694 F. Supp. at 1056.

203. *Id.*

Judge Sweet in *Alzheimer's Found. of Am., Inc. v. Alzheimer's Disease & Related Disorders Ass'n, Inc.* articulated a reason for the greater protection given to charitable organizations: "A compelling reason for the enhanced judicial protection of a charity's trademarks is the public interest in ensuring their contributions to charitable organizations are received by the correct charity."²⁰⁴ This sentiment appears to be slightly different from the one that appeared a century earlier in *Colonial Dames*, discussed above, and which is also held by judges in cases as late as 1953.²⁰⁵ In *Colonial Dames*, Judge Bookstaver stated,

Reasons which may be all-sufficient to induce a court to restrain a defendant from making money that a plaintiff is entitled to make may be wholly inadequate to warrant such interference where it is a question of doing good deeds. In such a case the public welfare will not be conserved by too great astuteness in recognizing the exclusive rights that sometimes are accorded to priority. The work as well as the workers should be considered, and chiefly considered; because it is more important that philanthropic work should be done than that any particular person should have the gratification of doing it.²⁰⁶

The consumer's interest in making sure their contributions are not waylaid by other organizations, even though other organizations are fighting the same fight, appears to take precedent over the larger goal of bettering society. This is an interesting shift, and one that does not necessarily reflect the view of the consuming public. For example, upon learning that the Komen Foundation had spent almost one million dollars in one year to pursue its trademark enforcement strategy for its "for the Cure" mark, comedian Stephen Colbert satirically stated, "If they don't own the phrase "for the Cure," then people might donate money thinking it's going to an organization dedicated to curing cancer, when instead it's wasted on organizations dedicated to curing cancer."²⁰⁷

204. *Alzheimer's Found. of Am., Inc. v. Alzheimer's Disease & Related Disorders Ass'n*, 796 F. Supp. 2d 458, 466 (S.D.N.Y. 2011)]

205. See *N. Country Cmty. Hosp. v. N. Shore Hosp.*, 123 N.Y.S.2d 265, 267 (N.Y. Sup. Ct. 1953). Generally speaking, the courts will not intervene to restrain a charitable corporation unless the names are strikingly similar.

206. *Colonial Dames of Am. v. Colonial Dames of State of N.Y.*, 29 Misc. 10, 13, 60 N.Y.S. 302, 304 (Sup. Ct. 1899), *aff'd*, 63 A.D. 615, 71 N.Y.S. 1134 (App. Div. 1901), *aff'd sub nom. Colonial Dames of Am. v. Colonial Dames of the State of N.Y.*, 173 N.Y. 586, 65 N.E. 1115 (1902).

207. See, for example, Stephen Colbert's satirical "Tip of the Hat, Wag of the Finger" to the Komen Foundation for bullying smaller organizations that use "for the Cure". *The Colbert Report: Episode 7001* (Comedy Central television broadcast Jan. 3, 2011), <http://www.cc.com/video->

In addition to providing greater protection to charitable organizations against smaller and newer charitable entities, courts appear to be holding charitable organizations to fairly high standards of trademark enforcement and quality assurance. An example of this is the 2010 *FreecycleSunnyvale v. Freecycle Network* case. FreecycleSunnyvale (Sunnyvale) brought a declaratory judgment action against The Freecycle Network asking the court to find that Sunnyvale was not infringing on Freecycle Network's mark "Freecycle" because the mark had been abandoned through the Freecycle Network's lack of quality control.²⁰⁸ The Freecycle Network is a nonprofit organization dedicated to "freecycling," which is recycling of an unwanted item by donating it to another person instead of disposing of it in the trash.²⁰⁹ In 2003, the Freecycle Network oversaw local freecycling groups that were established through Yahoo! Groups and in 2005 sent a cease-and-desist letter to Sunnyvale requesting that it stop using the mark "Freecycle".²¹⁰ When Sunnyvale refused to comply with its request, Freecycle Network had Yahoo! Groups shut down Sunnyvale's group.²¹¹

As a general matter, where abandonment through lack of quality control, also known as naked licensing, has been alleged, a majority of courts have had a "friendly attitude."²¹² In such cases, courts require that the allegations of naked licensing be held to a "stringent standard" before being proven true.²¹³ This is because a court will hold a trademark to be abandoned if it finds naked licensing, which equates to a total loss of one's trademark.²¹⁴ In addition, where a nonprofit organization is faced with allegations of naked licensing, courts have been more apt to find an "implied license" rather than a naked license.²¹⁵ For example, where a nonprofit university was alleged to not have any rights in its "Bucky Badger" trademark, the court found that there had

clips/7b084t/the-colbert-report-tip-wag—susan-g—komen-foundation—spider-man-musical.

208. *FreecycleSunnyvale v. Freecycle Network*, 626 F.3d 509 (9th Cir. Cal. 2010).

209. *Id.* at 513.

210. *Id.* at 513-14.

211. *Id.* at 514.

212. Irene Calboli, *The Sunset of 'Quality Control' in Modern Trademark Licensing*, 57 AM. U.L. REV. 341, 366 (2007).

213. *Id.* at 367 ("[C]ourts consistently affirmed that claimants of naked licenses 'face[d] a stringent standard [of proof].")

214. See 15 U.S.C. § 1141c (Section 45 of the Lanham Act): Definition of abandonment. See also Calboli, *supra* note 213, at 367.

215. An implied license is a judicially-constructed contract that is intended to "track the intent of the contracting parties for purposes of supplementing their agreement." Orit Fischman Afori, *Implied License: An Emerging New Standard in Copyright Law*, 25 SANTA CLARA COMP. & HIGH TECH. L.J. 275, 276 (2009).

been an implied license between the university and sellers of the badger items.²¹⁶ In *Freecycle*, however, the court seems to break with this more lenient take on naked licensing and brings the gavel down on Freecycle Network, finding that Freecycle Network had abandoned its mark through naked licensing.²¹⁷

The consequence of *Freecycle* and the other cases that provide for greater protection of trademarks to charitable organizations appears to have been the creation of an environment where larger charitable organizations believe they need to enforce their marks in a fashion similar to that of a for-profit organization. Within this legal environment, having built up a well-known and trusted charitable brand, these entities (and their lawyers) are nervous that they may lose their mark if they do not institute aggressive trademark enforcement strategies. We can see this through the actions of some of the more well-known bullies such as the Komen Foundation (its “for a Cure” enforcement), the Livestrong Foundation (its “strong” enforcement), and WWP (its “Wounded Warriors” and silhouette imagery enforcement).²¹⁸ In addition, statements made by some of the entities accused of trademark bullying give insight into the angst these entities are likely facing: “trademarks serve as a shortcut (positive or negative) for the public to judge the quality of charitable services, the caliber of programs, and the credibility of information provided. Policing your trademarks is not an option. It’s an affirmative, legal duty.”²¹⁹ I propose a number of suggestions below

216. *Univ. Book Store v. Bd. of Regents of the Univ. of Wis. Sys.*, 33 U.S.P.Q.2d (BNA) 1385 (TTAB 1994). Although this is a Trademark Trial and Appeal Board case and not a federal district or circuit court case, this case has been cited with approval by other cases. *See Bunn-O-Matic Corp. v. Bunn Coffee Serv.*, 88 F. Supp. 2d 914 (C.D. Ill. 2000); *Univ. of Kan. v. Sinks*, 565 F. Supp. 2d 1216 (D. Kan. 2008); *Bishops Bay Founders Grp., Inc. v. Bishops Bay Apartments, LLC*, 301 F. Supp. 2d 901 (W.D. Wis. 2003).

217. *FreecycleSunnyvale v. Freecycle Network*, 626 F.3d 509, 520 (9th Cir. Cal. 2010). However, it could be argued that the Ninth Circuit simply took the less popular route of strictly requiring actual control of the Freecycle trademark. *See Calboli, supra* note 213, at 367 (“[O]nly occasionally has the lack of adequate control brought the judiciary to declare licenses void.”).

218. For a list of oppositions involving the Susan G. Komen Foundation, see <http://ttabvue.uspto.gov/ttabvue/v?qt=adv&procstatus=All&pn=susan+g.+komen>. For a list of oppositions involving the Livestrong Foundation, see <http://ttabvue.uspto.gov/ttabvue/v?qt=adv&procstatus=All&pn=livestrong>. For a list of oppositions involving the WWP, see <http://ttabvue.uspto.gov/ttabvue/v?qt=adv&procstatus=All&pn=WOUNDED+WARRIOR+PROJE> CT.

219. Abby V. Reiner, *Nonprofit Brand Tinted with – not Tainted by – Legal*, DUETSBLOG (Jul. 22, 2014), <http://www.duetsblog.com/2014/07/articles/trademarks/nonprofit-brand-tinted-with-not-tainted-by-legal> (Ms. Reiner is the Brand Director for WWP, Inc.). Earlier in the piece, Ms. Reiner does acknowledge that “chasing down every unauthorized trademark use is time-consuming, expensive, and ultimately counterproductive. There is an inherently increased risk factor to nonprofits conducting the same monitoring and enforcement activities as for-profits due to the

that could help change the legal environment for charitable organizations and hopefully dampen the potential angst of having to be over-vigilant with one's marks.

III. SUGGESTIONS TO TAME THE BULLIES

I am not the first person to suggest that changes need to be made in order to accommodate charitable organizations.²²⁰ Other commentators have proposed suggestions made with an eye towards providing greater protection to charitable organizations through amendments to the Lanham Act and through *expansions* in doctrine, such as eliminating the commercial requirement before applying the initial interest doctrine.²²¹ I am, however, one of the first to suggest changes that would serve to *limit* how trademark doctrine applies to charitable organizations.²²²

In this Part, I look at disputes in both the judicial context (where a dispute has reached the litigation stage) and the nonjudicial context (where a dispute remains outside the sphere of the courtroom). I note that it is likely that only a small percentage of disputes among charitable organizations actually reach the litigation stage and therefore my suggestions in the judicial context may not be directly helpful.²²³ Nevertheless, the reason changes need to be made in the judicial context is two-fold: first, if judges make it harder for charitable trademark bullies to plead trademark infringement, then an early dismissal of a lawsuit may occur more frequently,²²⁴ and second, tougher pleading

nature by which nonprofits are 'judged.'" However, Ms. Reiner does not provide any guidelines for what WWP, Inc. would view as an unauthorized trademark use that they would not enforce against.

220. See Lauren Behr, Note, *Trademarks for the Cure: Why Nonprofits Need Their Own Set of Trademark Rules*, 54 B.C. L. REV. 243 (2013); Christopher T. Ward, *Who's Afraid of the Big, Friendly Nonprofit? Saber Rattling and the Sad State of Affairs for Small Charitable Nonprofits and Trademark Law*, 11 WAKE FOREST INTELL. PROP. L.J. 295 (2011); Richard D. Salgado, *Piracy and Chaos in the Marketplace of Ideas: Why Money Cannot Be Everything When Assessing Initial-Interest Confusion and Nonprofit Trademark Holders*, 61 ARK. L. REV. 241 (2008).

221. See generally Behr, *supra* note 221 (amendments to Lanham Act); Salgado, *supra* note 221 (eliminating commerciality as requirement in initial interest confusion arguments).

222. See Ward, *supra* note 221, at 323-25 (proposing a number of changes to clarify trademark law with an eye towards assisting smaller charitable organizations).

223. Only a small percentage of all intellectual property-related disputes actually reach the litigation stage, and so by corollary, only a small percentage of all disputes among charitable organizations would do the same. See William M. Landes, *An Empirical Analysis of Intellectual Property Litigation: Some Preliminary Results*, 41 HOUS. L. REV. 749, 761 (2004) (relating that only three percent of all legal disputes are brought to the courthouse).

224. Although another method of obtaining an early dismissal of a lawsuit is through the use of a state's anti-SLAPP law, not all states have them enacted. See Rebecca Schoff Curtin, *SLAPPING Patent Trolls: What Anti-Trolling Legislation Can Learn from the Anti-SLAPP Movement*, 18 STAN. TECH. L. REV. 39, 45 (2014) ("Anti-SLAPP laws have provided states with a wealth of experience in

standards may have an indirect effect on deterring cases that cannot meet the higher standards.²²⁵

A. Heightened Pleading Requirements

Many scholars have written about pleading standards, particularly after the Supreme Court's decisions in *Bell Atlantic Corp. v. Twombly* and *Ashcroft v. Iqbal*, both of which arguably served to heighten the pleading standards in federal civil litigation.²²⁶ “*Twiqbal*,” as the two cases are commonly referred to together,²²⁷ did this by requiring that the plaintiff's complaint include facts that provide “plausibility” to the alleged wrongdoings, and not simply a “belief.”²²⁸ As a result, many scholars have bemoaned the “significant hurdles” that the Supreme Court's decisions have placed in the way of bringing civil lawsuits.²²⁹ The issue in the trademark realm, however, is that where a charitable trademark bully has a registered trademark, this can potentially provide the factual plausibility for a trademark infringement action.²³⁰ This

the use of particular tools to deter and deal with nuisance suits, such as an expedited motion to dismiss with a stay of discovery.”); Marc J. Randazza, *The Need for a Unified and Cohesive National Anti-SLAPP Law*, 91 OR. L. REV. 627, 628 (2012) (arguing for a unified anti-SLAPP law because of the disparity between states that have strong anti-SLAPP laws, weak laws, and no laws at all); Eric Goldman, *We Need Federal Anti-SLAPP Legislation, But Sen. Kyl's "Free Press Act of 2012" Isn't the Answer (Yet)*, FORBES (Sept. 24, 2012, 11:52 AM), <https://www.forbes.com/sites/ericgoldman/2012/09/24/we-need-federal-anti-slapp-legislation-but-sen-kyls-free-press-act-of-2012%E2%80%B3-isnt-the-answer-yet/#11c2b91ab22b>.

225. This would have an effect on those bullies operating in the “shadow of the law.” See generally William T. Gallagher, *Trademark and Copyright Enforcement in the Shadow of IP Law*, 28 SANTA CLARA COMPUTER & HIGH TECH L.J. 453 (2012).

226. *Bell Atl. Corp. v. Twombly*, 550 U.S. 544 (2007); *Ashcroft v. Iqbal*, 556 U.S. 662 (2009). Compare Arthur R. Miller, *From Conley to Twombly to Iqbal: A Double Play on the Federal Rules of Civil Procedure*, 60 DUKE L.J. 1, 17 (2010) (“Given the dramatic changes and sharp debate precipitated by *Twombly* and *Iqbal*, the Federal Rules – indeed, federal civil practice in general – stand at a critical crossroads.”), with Adam N. Steinman, *The Pleading Problem*, 62 STAN. L. REV. 1293, 1299 (2010) (“This Article challenges the conventional wisdom that *Iqbal* and *Twombly* run roughshod over a half-century's worth of accumulated wisdom on pleading standards.”).

227. Christine P. Bartholomew, *Twiqbal in Context*, 65 J. L. ED. 744, 744 (2016).

228. A. Benjamin Spencer, *Plausibility Pleading*, 49 B.C. L. REV. 431, 434 (2008).

229. See generally Kendall W. Hannon, *Much Ado about Twombly - A Study on the Impact of Bell Atlantic Corp. v. Twombly on 12(b)(6) Motions*, 83 NOTRE DAME L. REV. 1811 (2008) (providing an empirical study of the effect of *Twombly* and finding that the rate of dismissal in civil rights cases spiked in the four months after *Twombly* was decided); Spencer, *supra* note 229 (arguing that the holding of *Twombly* is against the “original liberal ethos” of the American litigation system).

230. Robert T. Sherwin, *#HaveWeReallyThoughtThisThrough?: Why Granting Trademark Protection to Hashtags Is Unnecessary, Duplicative, and Downright Dangerous*, 29 HARV. J. L. & TECH. 455, 491 (2016).

would mean that even if the lawsuit was in fact based on an unreasonable interpretation of the charitable organization's trademark, a court may not discover this until the case proceeds further on past the pleading stage.²³¹

What this does is increase the probability that the charitable trademark bully would succeed in their bullying, as smaller charitable organizations would likely not have the resources to defend an extended legal battle. Therefore, I suggest that judges should require factually plausible allegations of either deceptive intent or source confusion (for example, waylaid donations due to source confusion on the part of donors).²³² I argue that either could be required by judges because the Lanham Act only specifies that the standard for trademark infringement be a "likelihood of confusion."²³³ Judges have been at the forefront of interpreting this provision since its enactment, and therefore, there should be little to bar judges from interpreting the statute to require one of these additional pleading requirements.

1. Defendant's Deceptive Intent²³⁴

As discussed in Part II, historically, when charitable organizations litigated disputes over their names, they typically had to litigate under a theory of unfair competition, as their organization names were considered trade names and not trademarks.²³⁵ Unfair competition required the plaintiff prove that in adopting the plaintiff's name (or a name very similar), the defendant's intent was to deceive the public and pass themselves as the plaintiff.²³⁶ With the removal of the distinction between trade names and trademarks, the requirement to prove deception was also erased, with courts tending to infer deceit on the part of the adoption of the same name or a very similar name.²³⁷ This has meant

231. FED.R.CIV.P. 12(a)(1)(A). At the very least, a complaint that states "a claim to relief that is plausible on its face" would survive a motion to dismiss and require the defendant to file an answer. *Twombly*, 550 U.S. at 570. See also *Iqbal*, 556 U.S. at 678 (quoting *Twombly*, 550 U.S. at 570).

232. This would be in addition to the other elements of a prima facie case of trademark infringement. See MCCARTHY, *supra* note 147, at § 34:1.

233. See 15 U.S.C. § 1125(a) (Section 43(a) of the Lanham Act).

234. I focus in this section on the defendant's deceptive intent, rather than on defendant's general intent in adopting and using the trademark at issue. As a technical matter, trademark infringement (as opposed to unfair competition) cases do not consider the defendant's good faith intent in whether the trademark at issue is infringing. See MCCARTHY, *supra* note 147, at §23:124 ("A mistaken, good faith belief will not excuse otherwise illegal infringement.").

235. See Handler & Pickett, *supra* note 147.

236. See SCHECHTER *supra* note 151.

237. See MCCARTHY, *supra* note 147, at § 23:105.

that plaintiffs bringing trademark infringement claims based on an organization's name no longer have to plead deceptive intent on the part of the defendants as part of a prima facie case.²³⁸

In so doing, this has eased the burden on plaintiffs and can perhaps partially explain the rise in trademark litigation undertaken by charitable organizations.²³⁹ While the consideration of bad-faith intent has not disappeared from trademark infringement cases altogether, it is generally considered at a later stage of the case.²⁴⁰ Courts will consider evidence of a defendant's bad faith when analyzing whether a defendant's use of its trademark is likely to cause confusion with the plaintiff's.²⁴¹ In fact, where the evidence is mixed on whether the defendant's actions would likely cause confusion, courts have often held in favor of the plaintiff where there was evidence of a bad-faith intent on the defendant's part.²⁴² However, since consideration of this deceptive intent is undertaken with an analysis of the merits of the case, this would mean that the lawsuit is well under way at this point.²⁴³ To reiterate my earlier point, it is unlikely that a smaller charitable organization could sustain a defense to get to this point. Bringing back a deceptive intent requirement at the pleading stage may serve to limit the number of cases that proceed past pleadings.²⁴⁴

I do recognize that there are a number of difficulties with requiring

238. See *Sunward Electronics, Inc. v. McDonald*, 362 F.3d 17, *25, 69 U.S.P.Q.2d 2002 (2d Cir. 2004) (holding that a wrongful intent is not a prerequisite in a Lanham Act case for trademark infringement under § 32 or under § 43(a)).

239. See *supra* Part I.

240. It is typically considered as a factor in the multi-factor likelihood of confusion test, as well as the damages stage. Where a defendant has acted in bad-faith, the defendant's profits may be awarded to the plaintiff, along with other damages. See MCCARTHY, *supra* note 147, at § 23:111.

241. *Polaroid Corp. v. Polarad Elecs. Corp.*, 287 F.2d 492, 495 (2d Cir. 1961) (listing the likelihood of confusion factors: "[t]he prior owner's chance of success is a function of many variables: the strength of his make, the degree of similarity between the two marks, the proximity of the products, the likelihood that the prior owner will bridge the gap, actual confusion, and *the reciprocal of defendant's good faith in adopting its own mark*, the quality of defendant's product, and the sophistication of the buyers.") (emphasis added).

242. See Barton Beebe, *An Empirical Study of the Multifactor Tests for Trademark Infringement*, 94 CALIF. L. REV. 1581, 1600 (2006).

243. See Mark Bartholomew, *Trademark Morality*, 55 WM. & MARY L. REV. 85, 157 (2013) ("[E]ven if they lack evidence of the defendant's intent before filing suit, trademark holders are incentivized to file and commit the defendant to expensive discovery proceedings in the hopes that such evidence will appear.")

244. Other scholars, including Professors Bartholomew and McKenna and Bob Bone, have proposed the use of some form of deceptive intent to be part of trademark infringement cases. See *id.*; Mark P. McKenna, *A Consumer Decision-Making Theory of Trademark Law*, 98 VA. L. REV. 67, 113 (2012); Robert G. Bone, *Taking the Confusion Out of "Likelihood Of Confusion": Toward a More Sensible Approach to Trademark Infringement*, 106 NW. U. L. REV. 1307, 1350-53 (2012).

plausible bad-faith intent to be included as a requirement in a plaintiff's complaint. As a theoretical matter, some courts have held that the defendant's intent is not the primary issue at stake in a trademark infringement lawsuit—it is whether the consumers will be confused.²⁴⁵ In addition, some commentators have argued that intent should never be considered in a trademark infringement lawsuit due to the need to be consumer-focused.²⁴⁶

Requiring the defendant's bad-faith intent to be a part of a plaintiff's prima facie case may move trademark law slightly away from a consumer-focus, but many scholars have argued that this has already happened with other doctrines such as dilution.²⁴⁷ Therefore, as a practical matter, I believe there is room for a bad-faith intent pleading requirement in order to combat abusive trademark litigation. It would seem that many courts may in fact welcome this requirement. I already mentioned that courts are already using the existence of bad-faith intent as a way to decide close cases.²⁴⁸ Additionally, as noted by Professor Bob Bone, courts use the defendant's bad-faith intent as a way to moralize a finding of trademark infringement.²⁴⁹ My proposal would

245. See, e.g., *Coca-Cola Co. v. Overland, Inc.*, 692 F.2d 1250, 1265 n.16 (9th Cir. 1982) (“The basic policy behind the Lanham Act is to protect customers against likelihood of confusion. . . . Given this policy, the determination of liability focuses on the objective fact of likely customer confusion and not on the subjective mental state of the infringer.”).

246. See generally MCCARTHY, *supra* note 147, at § 23:124 (“State of mind may be important when it comes to fashioning the scope of injunctive relief and the award of monetary relief, but should have little or no weight in determining liability in the first place.”); Thomas L. Casagrande, *A Verdict for Your Thoughts? Why an accused Infringer's Intent Has No Place in Likelihood of Confusion Analysis*, 101 TRADEMARK REP. 1447 (2011) (proposing an elimination of intent as a factor to be considered in determining trademark infringement). *But see* Bartholomew, *supra* note 244, at 158 (“the goal should not be to completely excise moral concerns from trademark law but to bring them to the surface and subject them to further interrogation, just like any other technique of legal argument”). My proposal would be similar to Professor Bartholomew's suggestion of openly acknowledging moral decision-making.

247. See, e.g., Sandra L. Rierson, *The Myth and Reality of Dilution*, 11 DUKE L. & TECH. REV. 212, 212 (2012); Mark A. Lemley, *The Modern Lanham Act and the Death of Common Sense*, 108 YALE L.J. 1687, 1698 (1999) (“[D]ilution laws represent a fundamental shift in the nature of trademark protection.”). See also Mark P. McKenna, *The Normative Foundations of Trademark Law*, 82 NOTRE DAME L. REV. 1839, 1845 (2007) (citing other types of trademark law doctrine that scholars have criticized have gone beyond the consumer-focus).

248. See Beebe, *supra* 243, at 1600.

249. Bone, *supra* note 245, at 1350–53. Like Professor Bone, I advocate for courts to use a defendant's deceptive intent more “explicitly.” *Id.* at 1353 (“The moral function of intentional deception should be brought to the fore and explicitly factored into the construction of liability rules. Doing so shows why the simple test is justified: a plaintiff should be able to enjoin use of a mark by proving that the defendant adopted the mark with the intent to deceive consumers.”). See also generally Bartholomew, *supra* note 244 (arguing that judges use moral judgments to decide cases of trademark infringement).

simply shift such consideration of defendant's bad-faith intent to an earlier stage of the litigation and allow courts to dismiss cases earlier.

Another valid concern is that placing an additional requirement on a plaintiff's pleading will cause insurmountable hurdles, which may discourage or limit trademark holders' abilities to bring litigation.²⁵⁰ In turn, this may then push such discouraged plaintiffs into resolving their trademark infringement disputes extra-judicially, such as through cease-and-desist letters. In response to this concern, I would argue that this has already happened to some extent due to the high costs (both in time and money) of litigation, as well as the high levels of uncertainty of outcome.²⁵¹ Although some charitable organizations may feel constrained in their policing efforts, it is important to recall that there are a number of non-judicial avenues available to police against fraudulent or misrepresentative entities, including the Federal Trade Commission, the FBI, state Attorneys General, or even through shaming the rogue entity.²⁵²

2. Source Confusion

I am not the first scholar to argue for a limitation on trademark infringement lawsuits through the use of a more narrowly-focused confusion requirement. Many scholars before me have done so quite eloquently, and I do not have the space to do all of them justice.²⁵³ Instead, I will focus on the formulation of an argument proposed by Professors Mark Lemley and Mark McKenna.²⁵⁴ Professors Lemley and McKenna posit that confusion, other than about source or matters related

250. This is a similar concern that has been raised in the more general debate regarding the post-*Twiqbal* pleading rules. See *supra* note 230.

251. See generally, Grinvald, *Policing*, *supra* note 19.

252. See, e.g., Shawn Tully, *Trump Investigations Now Multiplying*, FORTUNE (Sept. 15, 2016), <http://fortune.com/2016/09/14/trump-foundation-investigation-pam-bondi/> (reporting New York State Attorney General's investigation into the Trump Foundation, a public charity); Mitch Blacher, *FBI Investigates Charity Associated with DA Seth Williams*, NBC10 PHILADELPHIA (Sept. 10, 2016), http://www.nbcphiladelphia.com/investigations/FBI-Investigates-Charity-Associated-with-DA-Seth-Williams_Philadelphia-394344331.html (reporting that the FBI is investigating a public charity associated with the Philadelphia District Attorney); Press Release, FTC, *FTC, States Settle Claims Against Two Entities Claiming to Be Cancer Charities; Orders Require Entities to Be Dissolved and Ban Leader from Working for Non-Profits*, Mar. 30, 2016, <https://www.ftc.gov/news-events/press-releases/2016/03/ftc-states-settle-claims-against-two-entities-claiming-be-cancer>. I discuss shaming below in Part III.B.

253. See, e.g., McGeeveran & McKenna, *supra* note 23, at 301-06; McKenna, *supra* note 245, at 136.

254. Mark A. Lemley & Mark McKenna, *Irrelevant Confusion*, 62 STAN. L. REV. 413 (2010).

to quality, is “irrelevant” and should not be part of trademark law.²⁵⁵ Instead, they argue that in trademark cases, including those cases where consumers would be confused as to who is guaranteeing the quality of the products at issue, courts should focus their attention on material confusion.²⁵⁶ All other types of confusion should be handled according to false advertising law, which requires an element of materiality.²⁵⁷

I agree wholeheartedly with Professors Lemley and McKenna’s proposal and believe that courts should adopt it. Additionally, I would argue that it should be required that a plaintiff plead this type of confusion in its complaint or else the complaint should fail. Particularly for charitable organizations, the complaint would need to plausibly allege that the defendant’s use of its trademark likely confuses donors about the entity to whom they are donating. Time and again, courts have stated that the harm in charitable organization trademark cases is waylaid donations.²⁵⁸ This type of confusion is one about source, in that donors should be able to rely on the trademark of the charitable organization to be assured that their donation is going to the correct source. Other types of confusion and confusion-related doctrines (confusion regarding association or affiliation, and initial interest and post-sale confusion) are just not relevant in these situations.²⁵⁹ This requirement would serve to act as a gatekeeper, keeping litigation that is not about source outside of the courthouse. In addition, the hope would be that it would have the effect of limiting the types of trademark infringement enforcement actions that are undertaken outside of the courthouse.²⁶⁰

255. *Id.* at 414.

256. *Id.* at 415.

257. *Id.* at 445-46.

258. *See, e.g.,* Deborah Heart and Lung Ctr. v. Children of the World Found., Ltd., 99 F. Supp. 2d 481, 494 (D.N.J. 2000) (“the public also has a right to know to whom they are giving their money and who is administering these services. . . . The consumers of these services should likewise know which organization is treating them and which is not”).

259. For more on other types of confusion, please see generally Jeremy Sheff, *Veblen Brands*, 96 MINN. L. REV. 769 (2012) (post-sale confusion); Zachary J. King, *Knock-off My Mark, Get Set, Go to Jail? The Improprieties of Criminalizing Post-Sale Confusion*, 88 N.Y.U. L. REV. 2220 (2012) (post-sale confusion); Eric Goldman, *Deregulating Relevancy in Internet Trademark Law*, 54 EMORY L.J. 507 (2005) (initial interest confusion); Jennifer E. Rothman, *Initial Interest Confusion: Standing at the Crossroads of Trademark Law*, 27 CARDOZO L. REV. 105 (2005) (initial interest confusion).

260. Although hard to quantify, more enforcement cases are handled extra-judicially through informal enforcement processes, such as cease-and-desist letters. *See* Gallagher, *supra* note 226, at 481-82; Grinvald, *Policing*, *supra* note 19, at 412; Irina D. Manta, *Bearing Down on Trademark Bullies*, 22 FORDHAM INTELL. PROP. MEDIA & ENT. L.J. 853, 854-57 (2012).

B. *Shaming*

In earlier work, I argue that responsible shaming of trademark bullies can be an effective non-judicial method of defending oneself against bullies.²⁶¹ Particularly when used on social media, I argue that responsible shaming of trademark bullies could be a low-cost method of defending a small business or individual from trademark bullying.²⁶² Effective, responsible shaming allows for a small business or individual to fight back and stop the bullying, oftentimes allowing the targeted entity to obtain a reasonable settlement or to have the bully drop their enforcement efforts altogether.²⁶³ I outline four conditions that are needed for effective shaming: (1) the trademark bully is vulnerable to shaming; (2) a community with shared norms exists; (3) the trademark bully, its consumers, and the shamers are part of the same community; and (4) the shamer is credible.²⁶⁴ Not only are all of these conditions typically present in the charitable organization context, but as I will argue below, some of the conditions are amplified when they are applied in such context.

1. Charitable Trademark Bullies are Vulnerable to Shaming

In the for-profit sector, one of the main problems with the effectiveness of shaming is that some trademark bullies are unshameable.²⁶⁵ There are some large trademark holders that are comfortable with being labeled a trademark bully, and further, they may be seeking to attain that reputation because it enables them to more effectively enforce their trademarks going forward. For example, many unshameable trademark bullies will often cite to prior cases in their cease-and-desist letters to intimidate the target into capitulating without putting up a fight.²⁶⁶ One of the reasons that a large entity may be immune to shaming is because they have a product or service for which

261. Grinvald, *Shaming*, *supra* note 17.

262. *Id.* at 677.

263. *Id.* at 627 (relating the story of “VERMONSTER”).

264. *Id.* at 666-67.

265. *Id.* at 672.

266. See, e.g., Alexander Zaitchik, *The Village Bully One Voice Under God?*, N.Y. PRESS (Apr. 29, 2003), <http://www.nypress.com/the-village-bully-one-voice-under-god/> (quoting cease-and-desist letter: “We hope to resolve this matter amicably, and, if you respond promptly, are willing to work with you in an effort to minimize any disruption to your company’s business. Our previous experience with the Bloomington Voice, Dayton Voice and Tacoma Voice newspapers . . . indicates that we can accomplish this goal”).

they believe there is no good substitute.²⁶⁷ In these situations, it is likely that the large trademark holder believes that even if they gain a reputation as a trademark bully, their consumers will likely not stop purchasing their products.²⁶⁸

In the nonprofit sector, however, it is highly unlikely that any charitable organization will be immune to shaming, as charitable services are somewhat fungible.²⁶⁹ Charitable organizations, particularly those that rely on public donations for a bulk of their funding, may be particularly vulnerable to shaming because they are already relying on the goodwill of the public to donate. A strong charitable brand is likely strong because they have convinced the public to trust that the public's donations are mainly going towards bettering society. Any hint of wrongdoing and the public may donate elsewhere. In fact, recent behavior by charitable organizations and donors proves this point. After the media covered stories of the Komen Foundation's trademark bullying, the Komen Foundation was shamed by a number of different outlets, including former supporters of the Komen Foundation and the comedian Stephen Colbert.²⁷⁰ Former donors of the Komen Foundation stated that they would not donate anymore.²⁷¹ Right after the shaming, the Komen Foundation dropped almost all of its oppositions to those smaller entities who were using "for a Cure."²⁷² This suggests that charitable organizations can be particularly vulnerable to responsible shaming.

267. See, e.g., Robert Garson, *Are the Kardashians Trademark Bullies?*, OBSERVER (Dec. 8, 2016), <http://observer.com/2016/12/are-the-kardashians-trademark-bullies/> (author opining on whether the Kardashians are trademark bullies); Drew Harwell, *These College Students Took on One of America's Top Trademark Bullies – and Won*, WASH. POST (Feb. 29, 2016), https://www.washingtonpost.com/news/business/wp/2016/02/29/these-college-students-took-on-one-of-americas-top-trademark-bullies-and-won/?utm_term=.85aab3dad71f (reporting on Monster Energy's trademark bullying of Monsterfishkeepers.com).

268. This could be the reason that Monster Energy continues to be a top trademark bully. See Harwell, *supra* note 268.

269. One could argue that all charitable organizations provide a fungible service in a way, as all organizations are attempting to better society. However, even when examining charitable organizations more granularly, there is overlap in a number of similar categories. See, e.g., *Charity Ratings*, CHARITY WATCH, <https://www.charitywatch.org/charities> (click on "search for charity by category").

270. See *supra* note 208.

271. See Bassett, *supra* note 10 (quoting the founder of "Mush for a Cure").

272. See *supra* note 219 (showing that the date of the dropped oppositions was close in time to when shaming took place).

2. Communities and Shared Norms

Community and shared norms are two other conditions that are amplified in the nonprofit arena. Many charitable organizations have donors who are committed to an organization's cause due to a shared characteristic or background. For example, many members of the Juvenile Diabetes Research Foundation (JDRF) have juvenile diabetes or a loved one with juvenile diabetes.²⁷³ In addition, these types of charitable organizations work hard at building their communities through their branding.²⁷⁴ These organizations host annual fundraisers, hold year-round events like 5K road races, and sell bracelets or ribbons to raise donations and build a community.²⁷⁵ When the Livestrong Foundation began selling their yellow rubber bracelets that signify support for those with cancer, it became an overnight sensation.²⁷⁶ Families and friends touched by cancer would wear these bracelets, and wearing them while seeing others wearing them would make them feel connected with a community.²⁷⁷

Additionally, communities of large and small charitable organizations often overlap, such that shaming the trademark bully would be seen by members of both communities. For example, the founders of "Mush for a Cure" would often donate to the Komen Foundation personally even though the proceeds from their annual fundraiser went to the National Cancer Society (however, after they were themselves targeted by the Komen Foundation, they vowed to no longer donate to them).²⁷⁸

Further, these communities share norms of how they believe their charitable organizations should behave. For example, when the founder of Livestrong, Lance Armstrong, finally admitted that he had used performance-enhancing drugs in order to outperform his competitors in

273. See JDRF, www.jdrf.org (last visited Mar. 5, 2017).

274. The same is certainly true in the for-profit sector. See Deborah R. Gerhardt, *Social Media Amplify Consumer Investment in Trademarks*, 90 N.C. L. REV. 1491, 1509-10 (2012).

275. See generally Daniel Webber, *Understanding Charity Fundraising Events*, 9 INT' J. NONPROFIT & VOLUNTARY SECTOR MARKETING 122 (2004) (discussing different types of charitable fundraisers and potential motivations for holding them).

276. TIMOTHY KACHINSKE, 90 DAYS TO SUCCESS IN FUNDRAISING 98 (2009) ("Yellow Livestrong bracelets worn by Lance Armstrong on the Tour de France became an overnight sensation and raised millions of dollars for his foundation.").

277. See, e.g., Jonathan Agin, *I Still Wear the Yellow Bracelet*, HUFF. POST THE BLOG (Nov. 15, 2012, at 4:20PM), http://www.huffingtonpost.com/jonathan-agin/i-still-wear-the-yellow-b_b_2130306.html.

278. See Bassett, *supra* note 10 (quoting the founder of "Mush for a Cure").

the Tour de France, a majority of the community was devastated.²⁷⁹ The scandal caused Lance Armstrong to resign from his position as CEO of the Livestrong Foundation.²⁸⁰ Some community members stopped wearing the yellow bracelets but still supported Livestrong, while others left the community altogether and vowed to no longer support the organization.²⁸¹ The same has happened with WWP, which has recently undergone a scandal about how it spends its money. The founder and CEO, as well as the COO, resigned. What has been interesting about the WWP aftermath is that other charitable organizations that also fundraise in order to assist wounded veterans have tried to ensure that the public know they are not affiliated with WWP. This appears to be due to the scandal and not because of WWP's trademark bullying efforts.²⁸²

However, it is important to responsible shaming that communities not only share norms of how the organization should behave, but also share the same legal norms.²⁸³ With trademark bullying, the legal norm that has been violated is the unreasonable interpretation of trademark rights by the bullier. Although it is likely that communities will react negatively to shaming when larger charitable organizations are cast in the "Goliath" role and the targeted organization is the "David," it does anecdotally appear that communities are also reacting to the overreaching nature of the trademark claims.²⁸⁴

3. Credible Shamers

The last condition, that the shamers of the trademark bullies be credible within the community, is also likely present in the nonprofit sector.²⁸⁵ Shamers of charitable trademark bullies can include targeted

279. See Brent Schrottenboer, *Livestrong Adjusts to Life without Lance Armstrong*, USA TODAY SPORTS (May 4, 2016, 8:25 AM), <http://www.usatoday.com/story/sports/cycling/2016/05/04/livestrong-cancer-lance-armstrong-donations/83619386/>.

280. See *id.*

281. See Joe O'Connor, *Lance Armstrong Doping Scandal Takes Shine Off Yellow Anti-Cancer Livestrong Bracelets*, NAT'L POST (Oct. 19, 2012, at 8:39 PM), <http://news.nationalpost.com/sports/lance-armstrong-doping-scandal-takes-shine-off-yellow-anti-cancer-livestrong-bracelets>.

282. See, e.g., *About*, WOMEN FOR WOUNDED WARRIORS, <http://womenforwoundedwarriors.org/about/> (below the copyright line on the "About" page, "In light of the recent accusations surrounding Wounded Warrior Project, we'd like to acknowledge that we are in no way affiliated with their organization. 100% of funds donated to Women for Wounded Warriors is used to aid wounded veterans and their families.") (last visited Mar. 5, 2017).

283. Grinvald, *Shaming*, *supra* note 17, at 671.

284. See Gayle A. Sulik, *Susan G. Komen for the Cure® Sells out the Pink to Get the Green*, OUPBLOG (Jan. 24, 2011), <https://blog.oup.com/2011/01/komen/>.

285. Grinvald, *Shaming*, *supra* note 17, at 674.

small charitable organizations, news media, independent “watch dog” organizations, celebrities, and community members.²⁸⁶ Effective shaming does require this last condition, as the community needs to believe in the shamer in order to turn its back on the trademark bully. This is perhaps where the targeted charitable organization can be more assertive in framing the shaming themselves instead of allowing others to do so for them. This not only ensures that the shaming is effective, but that it also remains responsible. Uploading the cease-and-desist letter, having founders talk to media, and tweeting about the bullying are all ways that the targeted organization can take charge of the shaming. If the targeted organization allows for others to shame the charitable trademark bully, the shaming may not be effective (depending on who takes charge of the shaming), and it may not remain responsible. Irresponsible shaming can cause a backlash syndrome, where the targeted organization is also accused of not acting within shared legal norms of appropriate behavior.

In sum, responsible shaming can be an effective, cost-efficient, non-legal tool that small charitable organizations can use to defend themselves against trademark bullying, just like small businesses and individuals. If a social media post by a targeted organization goes viral, there is no telling how quickly the bullying can end.²⁸⁷

IV. CONCLUSION

While many charitable organizations attempt to show restraint in their trademark enforcement efforts, there are times when they cross the

286. See, e.g., *Home*, CHARITY WATCH, www.charitywatch.org (reviewing how well charitable organizations are living up to their mission based how donations are spent) (“We dive deep to let you know how efficiently a charity will use your donation to fund the programs you want to support.”) (last visited Mar. 5, 2017).

287. See, e.g., Jean Hopfensperger, *Lawsuits for the Cure?*, STAR TRIBUNE, (Jun. 1, 2011, 9:44 AM), <http://www.startribune.com/lawsuits-for-the-cure/122911838/> (reporting that the Komen Foundation dropped its trademark opposition against “Mush for a Cure” “shortly” after the trademark bullying was highlighted). In the for-profit world (but one involving a small business), the dispute involving Katy Perry and her claims on “Left Shark,” the viral post-Superbowl XLIX sensation, also shows how fast intellectual property bullies drop their enforcement claims once the public takes the target’s side. See Staci Zaretsky, *Katy Perry’s Biglaw Firm Sends out ‘Left Shark’ Cease & Desist Letter*, ABOVE THE LAW (Feb. 6, 2015, at 11:55 AM), <http://abovethelaw.com/2015/02/katy-perrys-biglaw-firm-sends-out-left-shark-cess-desist-letter/> (reporting on the Left Shark dispute). Katy Perry’s law firm sent the cease-and-desist letter to Fernando Sosa on February 5, 2015. Professor Sprigman, who represented Mr. Sosa, sent his response on February 9, 2015 and as of the date of this article, Fernando Sosa’s Etsy shop is still featuring the Left Shark figurine. See *id.* (posting the cease-and-desist letter and Professor Sprigman’s response); *Fernando Sosa’s Profile*, ETSY.COM, <https://www.etsy.com/shop/amznfx> (last visited Mar. 5, 2017).

line. In fact, the current legal environment appears to encourage this charitable trademark bullying. The negative externalities stemming from charitable trademark bullying are quite serious. A reduction in the number of charitable organizations working in the same area would mean that complementary services are reduced or forgone. Additionally, a reduction in the number of organizations altogether would mean that larger organizations have a *de facto* monopoly on the causes that society should fund, and therefore, care about. Both would harm society deeply at the micro and macro levels. I argue that we should tweak some pleading requirements in relation to trademark infringement lawsuits to hopefully lessen the number of lawsuits brought, and in turn, lessen the extra-judicial charitable trademark bullying. I further argue that responsible shaming of charitable trademark bullies would be an effective tool for targeted organizations to use to fight back due to the amplified vulnerability of charitable organizations to shaming and the connected communities. All of these steps, taken together, should allow charitable organizations to focus on their missions and to better society for all of us.