

HOLD THE MAYO!

By: Jim Astrachan

I don't know the reason, but nominative trademark use has become this summer's hot topic. In small circles, that is. Can a person use someone else's trademark in his art? Can a manufacturer use another's trademark on its product? Can I tell someone she looks like a BARBIE doll? Will Mattel sue me? Can I put a BAND-AID on a problem? It's all so confusing.

Trademarks are created to identify a manufacturer or sponsor of goods and services, but sometimes the mark becomes so well known that it transcends its identifying purpose. Some marks enter the public discourse and become part of everyday language. "ZIP-LOCK it, man"; "That's the ROLLS-ROYCE of garden tools". The courts generally stand behind our rights to use well-known trademarks as everyday words. Take for example, Mattel's recent failed attempts to prevent use of BARBIE and KEN in a song.

Predicting the judicial outcome of the Barbie - Aqua dispute was fairly simple. That use was artsy and implicates the First Amendment. There was no commercial speech present to dilute the First Amendment's application.

What happens, however, if the nominative use is commercial, but truthful? What befalls a manufacturer who buys a branded product and incorporates that branded product in a manufacturing process in which a new product is created? Take, for example, canned tuna fish, mayonnaise and celery churned into tuna salad by a person who buys all three ingredients for resale as a new product.

Can this maker of tuna salad advertise to its customers, New York delis and grocery stores, that its tuna salad is made with BUMBLE BEE tuna? The answer would appear to be straightforward, but recently a small New York entrepreneur was sued for trademark infringement for doing just that.

The manufacturer, Sally Sherman Foods, labeled its tuna salad as being made from BUMBLE BEE tuna. Bumble Bee Seafood owns the brand and has marketed its products under this brand for decades. Aware that wholesalers and distributors buy its product to incorporate it in the "manufacture" of tuna salad for sale to restaurants and grocery stores, it created a quality assurance program to protect the integrity of its brand, and its reputation for high quality. If a manufacturer wants to use BUMBLE BEE in its salad, and advertise that it does, BUMBLE BEE demands the right to approve use of its mark.

The Defendant, a seller of five pound tubs of tuna salad, and a buyer of BUMBLE BEE, had applied for acceptance into BUMBLE BEE's quality assurance program, but withdrew its application before the application had been approved. Nevertheless, it labeled its tubs of tuna salad "made with BUMBLE BEE tuna". Its labels also read that the salad was made with HELLMANS Real Mayonnaise. BUMBLE BEE was stung by Sally Sherman's refusal to comply with its rules and sued.

Fair Use Defense

BUMBLE BEE tried to buzz around Defendant's fair use defense by contending that the use of its brand on Defendant's salad product constituted an endorsement. It reasoned that if others were approved by it through the quality assurance program, an endorsement was implied, because those aware of the program would believe that Sally Sherman met the program's criteria.

The court disagreed, and applied a 1924 United States Supreme Court decision in which a company that incorporated perfumed powders in its product was allowed to so advertise. It was immaterial, and no honey was made on the basis that the manufactured product was inferior to the component ingredient.

The key is this: Absent a deceptive practice by which Sally Sherman creates confusion as to source of its product or endorsement by the BUMBLE BEE, use of the trademark to describe ingredients is indeed a fair use and should not be enjoined. To prevail on its claim, BUMBLE BEE needed to prove that consumers of Defendant's product believed the finished product came from BUMBLE BEE or that BUMBLE BEE endorsed or sponsored the finished product.

Given the nature of the MADE WITH BUMBLE BEE TUNA label, that was a tough row to hoe. In no way did Sally Sherman express or infer that BUMBLE BEE was the source, nor did the label in any way infer any endorsement or sponsorship by BUMBLE BEE. The label simply informed the consumer, whom the court considered sophisticated buyers, that one of the ingredients was sold to Sally Sherman by BUMBLE BEE. Critical to the court's analysis was that a supermarket or deli had to order this product from Sally Sherman; not from BUMBLE BEE. Nor was there any evidence offered by BUMBLE BEE to establish confusion among consumers or to

source of the product or endorsement. Without credible evidence BUMBLE BEE was simply unable to make its case.

As a back up to its infringement claim, BUMBLE BEE contended that it had the right to supervise the quality of any product manufactured with BUMBLE BEE tuna if that ingredient was identified. While the court did note a line of cases where a defendant simply repackaged a product without changing it, the court distinguished circumstances where a defendant incorporated the product in a new product and labeled it as such. The reason why the court distinguished the repackaging cases from the case before it was that purchasers of repackaged goods might attribute defects to the original manufacturer. Not true, declared the court, in cases where the supplier of a component is clearly known not to be the manufacturer of the finished product.

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