

3 Key Issues To Consider Before Choosing An Ad Slogan

Law360, New York (November 19, 2013, 12:36 PM ET) -- As we've seen this year in disputes involving companies such as Victoria's Secret, Accenture and Bausch & Lomb, a catchy slogan can do more than just get consumers to notice and buy a product or service. An effective slogan also can draw attention from competitors. Giving in to the urge to "just do it" when selecting a slogan could be a mistake that sinks a carefully crafted advertising campaign, or worse, gives rise to protracted and costly litigation.

No matter how clever or appealing a new slogan may be, the company planning to use it should carefully consider three legal questions: Is the slogan protectable? Does the slogan infringe someone else's mark? Is the slogan susceptible to a false advertising challenge?

Is the Slogan Protectable?

It makes little sense to invest heavily in a slogan if other companies can easily co-opt it. Accordingly, when developing a slogan, a company should consider the extent to which the slogan can be protected as a trademark and thereby protected from use by others. Both courts and the U.S. Patent and Trademark Office historically were reluctant to extend trademark protection to slogans. But over the past decades such protection has become commonplace, and many slogans are now registered trademarks.

A slogan is only protectable if it is used to designate the origin of goods or services associated with it. To accomplish that, a company seeking to protect a slogan should craft its advertising campaigns to use the slogan frequently and consistently. It also should highlight the slogan in a meaningful way, such as by using a distinctive font or color, or by using the [™] designation.^[1] Failure to do these things could leave a slogan unprotected.

The level of protection afforded a slogan, like other trademarks, will be determined based on where it falls on the "spectrum of distinctiveness." At one end of the spectrum are "arbitrary or fanciful" marks, which are inherently distinctive because they have little or nothing to do with the products with which they are associated. Examples would be Coca-Cola's "The Real Thing" and Apple's "Think Different."

Next on the spectrum are "suggestive slogans," which hint at the products associated with them without actually describing them, like Capital One's "What's In Your Wallet" or Nike's "Just Do It." Like arbitrary and fanciful marks, suggestive marks enjoy a high degree of trademark protection.

A lesser degree of protection is afforded to "descriptive" slogans, which paint a picture of the product or what the experience of using it is like. Descriptive slogans may not even be protectable at all. For instance, Sure Deodorant's slogan "Be Sure With Sure" was held not protectable because it was merely

comprised of common descriptive words,[2] and Energy Boost's slogan "Lose Weight—Look Great Drop by Drop" was found not protectable because it merely described the characteristics of the product, a weight-loss solution contained in an eyedropper.[3] But a descriptive slogan can become fully protectable if it acquires "secondary meaning," that is, if customers associate it with a single source of goods as a result of its longstanding and extensive use.

Examples of descriptive slogans that courts have held to have secondary meaning are Ringling Brothers' "The Greatest Show on Earth"[4] and Clairol's "Hair Color So Natural Only Her Hairdresser Knows For Sure."[5] In contrast, a company will not succeed in establishing secondary meaning for its slogan if other parties commonly use it, as illustrated by a recent case in which the court rejected an ophthalmologist's attempt to enjoin Bausch & Lomb from using his slogan "See Better Live Better," a phrase having widespread use in the eye care industry.[6]

At the bottom end of the spectrum are "generic" terms or phrases, which are not protectable at all. Ironically, terms that initially receive trademark protection can later become generic as consumers come to identify the term with the product or service itself. For instance, aspirin, escalator and thermos are all terms that were once trademarks but later deemed to be generic. Slogans are rarely found to be generic, although such a finding is theoretically possible — "Where's the Beef?" may have entered the world as a distinctive slogan for Wendy's, but it has since become a common expression used in a variety of contexts.

Does the Slogan Infringe Someone Else's Mark?

Trademark infringement occurs when someone uses a mark owned by another without permission in a way that is likely to create a likelihood of consumer confusion. The federal Lanham Act prohibits trademark infringement and provides remedies that include both injunctive relief requiring the infringer to cease using the mark as well as damages and possibly an award of attorneys' fees. Deploying a slogan that infringes someone else's trademark rights therefore can be quite costly.

A slogan may give rise to trademark infringement even when it incorporates another company's trademark as only part of the slogan. For example, the Seventh Circuit found that Gatorade's slogan "Gatorade is Thirst Aid" infringed the trademark of regional beverage manufacturer THIRST-AID, even though THIRST-AID had ceased selling products bearing that mark years earlier.[7]

Similarly, a New York federal court enjoined Showtime's use of slogans such as "Showtime & HBO. It's Not Either/Or Anymore" and "Showtime & HBO. Together is Better" because they created consumer confusion as to the relationship between HBO and its competitor Showtime.[8] In another example, consulting giants Accenture and Deloitte recently settled a dispute over Deloitte's use of the slogan "High performance. Amplified.," which Accenture claimed was a blatant play on its slogan "High performance. Delivered." [9]

Not all uses of another company's trademarks in a slogan are unlawful. Defendants can assert "fair use" as a defense to an infringement action if their use of the term at issue was made (1) other than as a trademark, (2) in a descriptive sense, and (3) in good faith. Gatorade claimed to have done just that with when it referred to Gatorade as Thirst-Aid, as did Oprah Winfrey in a recent case in which she was accused of appropriating the mark of Own Your Power Communications Inc. for her own slogan, "Own Your Power." [10]

Victoria's Secret likely will assert the defense in response to upstart lingerie company Hanky Panky's

recently filed lawsuit claiming infringement of the catch-phrase "Indulge your inner flirt."^[11] But establishing fair use for slogans is not easy; indeed, Gatorade lost this argument, and the case against Winfrey survived a motion to dismiss based on the argument. Companies therefore need to be particularly careful about using other parties' trademarks in their slogans.

Is the Slogan Susceptible to a False Advertising Challenge?

False advertising is actionable under the federal Lanham Act as well as under some states' statutes and common law principles. Statements in commercial advertising give rise to liability when they are (1) false, (2) material, and (3) likely to cause harm or confusion. "Puffery," an exaggerated opinion that nobody would take as an assertion of fact (like the Ringling Brothers' "The Greatest Show on Earth") is not actionable.

Falsity is the touchstone of false advertising claims. Advertising can be either literally false or impliedly false. A claim is literally false when the statement on its face is untrue. Few cases have involved slogans held to be literally false, which makes sense — most companies presumably would not want to risk using a bald-faced lie as a slogan. Whether a slogan is literally false, however, depends on context.

For example, the Eighth Circuit held advertising featuring the slogan "Which one would you choose?" was literally false when accompanied by an image of two gas pumps or two airline tickets with dramatically different prices because it conveyed the message that the advertiser's drug product could be indiscriminately substituted for another drug.^[12]

An advertising claim is impliedly false when the statement is literally true or ambiguous but has the tendency to deceive consumers. For example, Merisant Worldwide Inc., which makes Equal, sued the maker of Splenda over its slogan "made from sugar, so it tastes like sugar," claiming that the slogan falsely implied that Equal was more natural or healthier than other artificial sweeteners.^[13] The case went to trial but settled prior to verdict.

The issue of materiality should rarely be an issue in slogan cases. A slogan is material if it is likely to influence the consumer's purchasing decision, which is nearly always the case. One counterexample, however, is *Pizza Hut v. Papa John's* from the Fifth Circuit. Although the appellate court agreed that Papa John's' slogan "Better Ingredients. Better Pizza." was misleading when used in particular contexts, the court found insufficient proof that the slogan was material to consumers' purchasing decisions.^[14]

A slogan that contains a half-truth or that treads on someone else's trademark rights could wind up becoming a multimillion-dollar mistake. When choosing a slogan, it therefore pays to ask: Is the slogan protectable? Does it potentially infringe? Is it truthful? Although it is important not to let legal concerns stymie a marketing department's or brand consultant's creative process, asking these questions early in the development of a new slogan can help prevent costly problems in the future.

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[1] Once registered with the PTO, a trademark may be accompanied by the ® symbol.

[2] Carter-Wallace, Inc. v. Procter & Gamble Co., 434 F.2d 794 (9th Cir. 1970).

[3] Energy Boost, LLC v. Dynamic Force Ltd., 1999 U.S. Dist. LEXIS 4117 (N.D. Ill. Mar. 26, 1999).

[4] Ringling Bros.-Barnum & Bailey Combined Shows Inc. v. Celozzi-Ettelson Chevrolet Inc., 855 F.2d 480, 483 (7th Cir. 1988).

[5] Roux Labs., Inc. v. Clairol, Inc., 427 F.2d 823 (C.C.P.A. 1970).

[6] Kaufman v. Bausch & Lomb Inc., No. 8:13-cv-461 (M.D. Fla. 2013).

[7] Sands, Taylor & Wood Co. v. Quaker Oats Co., 978 F.2d 947 (7th Cir. 1992).

[8] Home Box Office v. Showtime/Movie Channel, 665 F. Supp. 1079 (S.D.N.Y. 1987), vacated in part, 832 F.2d 1311 (2d Cir. 1987).

[9] See Accenture Global Services Ltd. v. Deloitte LLP, no. 13-CV-04188 (S.D.N.Y. 2013).

[10] Kelly-Brown v. Winfrey, 717 F.3d 295 (2d Cir. 2012) (citation omitted).

[11] Hanky Panky Ltd. v. Limited Brands, Inc., 13 Civ. 7742 (S.D.N.Y.).

[12] Rhone-Poulenc Rorer Pharmas., Inc. v. Marion Merrell Dow, Inc., 93 F.3d 511 (8th Cir. 1996).

[13] Merisant Co. v. McNeil Nutritionals, LLC, 515 F. Supp. 2d 509 (E.D. Pa. 2007).

[14] Pizza Hut, Inc. v. Papa John's, 227 F.3d 489 (5th Cir. 2000).