

Security University: Nominative Fair Use in a Branding World

I.	OVERVIEW OF THE CASE	247
II.	BACKGROUND	249
	A. <i>Trademark Infringement</i>	249
	B. <i>Likelihood of Confusion</i>	250
	C. <i>Defenses</i>	251
	1. Fair Use	251
	2. Nominative Fair Use.....	252
	a. Ninth Circuit.....	252
	b. Third Circuit	254
III.	COURT’S DECISION.....	256
IV.	ANALYSIS	258

I. OVERVIEW OF THE CASE

Security University prepared information security professionals for the International Information Systems Security Certification Consortium (ISC) exam.¹ When Security University started using ISC’s certification mark to advertise its services, ISC sued Security University for trying to capitalize on ISC’s brand without authorization.² Branding can make or break a company, and for ISC, its brand made its company successful.³

ISC is a nonprofit company that creates industry standards for the information security field.⁴ The industry standard includes ISC’s certification program and its coinciding certification exam.⁵ The certification program used the certification mark “CISSP,” which stands for “Certified Information Systems Security Professional,” that signified a level of competency in the information security field.⁶ ISC applied for a trademark for the CISSP certification mark in 1997.⁷ The application stated the “mark is used by persons authorized by the certifier to certify completion of appropriate work experience and/or successfully passing examinations as established by the certifier.”⁸ On the other hand,

1. *See Int’l Info. Sys. Sec. Certification Consortium v. Sec. Univ.*, 823 F.3d 153, 156-57 (2d Cir. 2016).

2. *See id.*

3. *See id.* at 156.

4. *Id.*

5. *See id.* at 156-57.

6. *Id.* at 156.

7. *See id.*

8. *Id.*

Security University is a company that provides information security training and offers classes “to prepare individuals for ISC’s CISSP certification examination.”⁹ Security University is similar to Barbri or Kaplan, which prepares individuals for standardized tests such as the LSAT.¹⁰ Security University has been using ISC’s CISSP certification mark since 2001 in order to advertise its services.¹¹

Yet, from 2010 to 2012, Security University ran advertisements that used the word “Master” in association with the CISSP certification mark.¹² For example, one of the advertisements stated, “Register for CISSP Prep Class with Master CISSP Clement Dupouis today.”¹³ The use of the word “Master” alongside the CISSP mark led to ISC’s infringement claim.¹⁴ ISC requested Security University to stop the advertisements because ISC was concerned that the advertisements created the impression that ISC offered a higher certification.¹⁵

ISC sued Security University for infringing on their certification mark.¹⁶ Both parties moved for summary judgment, and the district court granted summary judgment in favor of Security University.¹⁷ The district court analyzed the case under the Ninth Circuit’s nominative fair use test.¹⁸ The district court concluded that Security University’s use of the mark was nominative fair use and therefore did not infringe upon ISC’s certification mark.¹⁹ ISC appealed the district court’s decision.²⁰ The Second Circuit Court of Appeals granted the appeal, allowing the court the opportunity to address how to analyze infringement claims for certification marks, and if and how nominative fair use applies.²¹ The United States Court of Appeals for the Second Circuit *held* that nominative fair use is not an affirmative defense, and furthermore, a nominative fair use analysis must consider the *Polaroid* Factors in addition to the Ninth Circuit and Third Circuit nominative fair use factors.²² *International Information Systems Security Certification*

9. *Id.*

10. *See id.* at 156-57.

11. *See id.*

12. *See id.*

13. *Id.* at 157. Another example is “REGISTER NOW to Master the CISSP Certification with Master CISSP Instructor Celment Dupouis of www.ccure.org.”

14. *See id.* at 155.

15. *See id.* at 157-58.

16. *See id.*

17. *Id.* at 155, 158.

18. *Id.* at 155-56.

19. *See id.* at 158.

20. *See id.* at 156.

21. *See id.* at 155-56.

22. *See id.* at 156.

Consortium, Inc. v. Security University, LLC, 823 F.3d 153 (2d Cir. 2016).

II. BACKGROUND

A. *Trademark Infringement*

A trademark protects symbols, words, and/or names that represent goods, services, or a person under the Lanham Act.²³ Under the Act, a trademark is treated as a property right that gives the owner the right to exclude others from using the mark.²⁴ In contrast, a certification mark allows a person to use another's trademark to describe his or her goods, services, and/or quality in good faith.²⁵ Certification marks are a category of trademarks.²⁶ The two categories of marks differ because a trademark is used by one party to identify his or her goods, while a certification mark is a mark that is owned by one party but used by another party to certify products of the other party.²⁷ Though different in some regards, certification marks have the same legal protection as trademarks.²⁸ Consequently, if one uses another's certification mark without permission, he or she is liable for infringement, just as he or she would be if he or she infringed upon a trademark.²⁹

In order to prove a trademark infringement claim, the plaintiff first must prove that his or her mark has legal protection and second, that the infringement would likely cause customer confusion.³⁰ If there is no customer confusion, then the defendant is not liable for trademark infringement.³¹ However, the defendant is liable for trademark infringement if he or she, without authorization, uses "any reproduction . . . of a registered mark . . . [when] such use is likely to cause confusion, or cause mistake, or to deceive as to the affiliation, connection or association," also known as likelihood of confusion.³²

23. See 15 U.S.C. § 1127 (2012).

24. See *id.*

25. See *id.*

26. See *id.*

27. See *id.*

28. See *id.* § 1054; *Levy v. Kosher Overseers Ass'n*, 104 F.3d 38, 39 (2d Cir. 1997).

29. See 15 U.S.C. § 1054; *Levy*, 104 F.3d at 39.

30. See 15 U.S.C. § 1114; *Brennan's, Inc. v. Brennan's Rest., LLC*, 360 F.3d 125, 129 (2d Cir. 2004).

31. See 15 U.S.C. § 1114; *Hormel Foods Corp. v. Jim Henson Prods., Inc.*, 73 F.3d 497, 502 (2d Cir. 1996).

32. 15 U.S.C. § 1114. The infringement definition has been amended by legislatures to broaden liability. Furthermore, the definition of infringement was amended in 1962 to broaden liability by adding "likely to cause confusion, or to cause mistake, or to deceive as to the

B. Likelihood of Confusion

Likelihood of confusion is assessed by a variety of factor tests.³³ Although the factors vary by jurisdiction, they are very similar in effect.³⁴ The *Polaroid* Factors are an example of a likelihood of confusion test.³⁵ The *Polaroid* Factors were developed by the Second Circuit in the 1961 case *Polaroid Corp. v. Polarad Electronics Corp.*, where the court first used the factors to determine whether a microwave company's name and a studio equipment company's name confused consumers who were looking to buy electronic and optical products.³⁶ The *Polaroid* Factors are:

(1) strength of the trademark; (2) similarity of the marks; (3) proximity of the products and their competitiveness with one another; (4) evidence that the senior user may "bridge the gap" by developing a product for sale in the market of the alleged infringer's product; (5) evidence of actual consumer confusion; (6) evidence that the imitative mark was adopted in bad faith; (7) respective quality of the products; and (8) sophistication of consumers in the relevant market.³⁷

The first factor, strength of the mark, considers the influence of the mark on the brand and whether a prudent person would likely identify the source.³⁸ The second factor, similarity of the mark, is a side-by-side comparison of the two marks in question.³⁹ The third factor, proximity of the mark, considers whether the trademark is associated with the "senior" user's trademark.⁴⁰ "Bridging the gap" is an analysis of evidence between the two marks to determine if the competing marks could ever enter into the same consumer market.⁴¹ The evidence of actual consumer confusion considers whether there have been any consumers actually confused by the two marks.⁴² The bad faith factor considers if the mark was adopted

affiliation, connection or association." *Id.*; see *Rescuecom Corp. v. Google Inc.*, 562 F.3d 123, 136 (2d Cir. 2009).

33. See *Starbucks Corp. v. Wolfe's Borough Coffee, Inc.*, 588 F.3d 97, 115 (2d Cir. 2009). See generally *Polaroid Corp. v. Polarad Elecs. Corp.*, 287 F.2d 492 (2d Cir. 1961).

34. See e.g., *Starbucks*, 588 F.3d at 115.

35. See *id.*

36. See *Polaroid*, 287 F.2d at 494-95.

37. *Starbucks*, 588 F.3d at 115; see *Polaroid*, 287 F.2d at 495.

38. See *CBS Inc. v. Liederman*, 866 F. Supp. 763,766 (S.D.N.Y. 1994), *aff'd*, 44 F.3d 174 (2d Cir. 1995); see also *Polaroid*, 287 F.2d at 495.

39. See *Polaroid*, 287 F.2d at 495.

40. See *CBS*, 866 F. Supp. at 767. See generally *Polaroid*, F.2d at 495. A "senior user" is the prior owner of the mark, which usually happens to be the plaintiff who is suing a defendant for infringement.

41. See *CBS*, 866 F. Supp. at 767; see also *Starbucks*, 588 F.3d at 115.

42. See *CBS*, 866 F. Supp. at 768; *Polaroid*, 287 F.2d at 495.

with the intention of profiting off the other's mark.⁴³ Furthermore, the court also considers the quality of the product, services, or person that the trademark represents.⁴⁴ The last factor, sophistication of the mark, weighs more sophisticated marks as less likely to cause confusion compared to less sophisticated marks.⁴⁵ The *Polaroid* Factors are used when there is a claim for trademark infringement, but, over time, courts have used the factors not exclusively or conclusively; therefore, courts can now use their discretion to determine which factors to use and how heavily to weigh them in the overall infringement analysis.⁴⁶ In essence, courts use the factors to view "the products in their totality" and determine whether consumers will likely be confused.⁴⁷

C. Defenses

1. Fair Use

Defendants can defend themselves using any statutory defense as an affirmative defense against a trademark infringement claim.⁴⁸ One statutory defense that a defendant can use is fair use.⁴⁹ Fair use is defined as a defendant's use of a trademark that is "descriptive of [the senior user's mark] and used fairly and in good faith only."⁵⁰ When a defendant uses the fair use defense, he or she is allowed "to use words or images in their primary descriptive sense" as an affirmative defense.⁵¹ A descriptive use is allowed unless there is secondary meaning to the descriptor.⁵² Fair use protects the right for the public to use an ordinary description without infringement.⁵³

For example, in *Car-Freshner v. S.C. Johnson & Son*, Car-Freshner sued Johnson for a trademark infringement when Johnson used a pine tree shape on top of its Glade plug-in air fresheners that resembled Car-

43. See *CBS*, 866 F. Supp. at 768; see also *Starbucks*, 588 F.3d at 115.

44. See *CBS*, 866 F. Supp. at 768; see also *Starbucks*, 588 F.3d at 115.

45. See *CBS*, 866 F. Supp. at 768; see also *Starbucks*, 588 F.3d at 115.

46. See *Polaroid*, 287 F.2d at 495; see also *Starbucks*, 588 F.3d at 109.

47. *Star Indus., Inc. v. Bacardi & Co.*, 412 F.3d 375, 384 (2d Cir. 2005).

48. See 15 U.S.C. § 1115 (2012).

49. See *id.* § 1115 (b)(4); *KP Permanent Make-Up, Inc. v. Lasting Impression I, Inc.*, 543 U.S. 111, 111 (2004). The Supreme Court recognized fair use as a defense to an infringement claim that is codified in the Lanham Act. Furthermore, the Supreme Court clarifies that a defendant in a trademark infringement claim does not need to negate likelihood of confusion factors.

50. 15 U.S.C. § 1115(b)(4).

51. *Car-Freshner Corp. v. S.C. Johnson & Son, Inc.*, 70 F.3d 267, 269 (2d Cir. 1995); see also 15 U.S.C. § 1115(b)(4).

52. See *Car-Freshner*, 70 F.3d at 269.

53. See *id.*

Freshner's registered trademark of a pine tree.⁵⁴ The court ruled in favor of Johnson, the defendant, because their use of the pine tree shape was a non-trademark use, descriptive, and in good faith.⁵⁵

2. Nominative Fair Use

In some instances, the likelihood of confusion test and the traditional fair use defense is not applicable to cases where one party is using another's mark in order to identify the true owner's goods or services such as the noted case.⁵⁶ In contrast, fair use is typically used when one party uses a description and an owner of a non-distinct trademark alleges that the parties' unauthorized description infringes on their trademark.⁵⁷ In a nominative fair use case, the use of a owner's trademark does not mean that the defendant infringed, which differs greatly from traditional fair use.⁵⁸ In order to address this issue, courts have developed nominative fair use, which is "a use of another trademark to identify, not the defendant's good or services, but the plaintiff's goods or services" and it is referred to as nominative "because it 'names' the real owner of the mark."⁵⁹ Nominative fair use is different from fair use because it allows one party to use another's trademark in more than a descriptive way.⁶⁰ The likelihood of confusion tests and traditional fair use have proven difficult to fit within nominative fair use cases, and different circuits have taken varying approaches to nominative fair use cases.⁶¹

a. Ninth Circuit

The Ninth Circuit Court of Appeals was the first court to recognize nominative fair use.⁶² In *New Kids on the Block v. News America Publishing*, the Ninth Circuit acknowledged that it is "often virtually impossible to refer to a particular product for purposes of comparison, criticism, point of reference or any other such purpose without using the mark."⁶³ In *New Kids*, the Ninth Circuit considered the case

54. *See id.* at 268.

55. *See id.* at 268-69.

56. *See Tiffany (NJ) Inc. v. eBay Inc.*, 600 F.3d 93, 102 (2d Cir. 2010).

57. *See KP Permanent Make-up, Inc. v. Lasting Impression I, Inc.*, 543 U.S. 111 (2004).

58. *See Tiffany*, 600 F.3d at 102; *KP Permanent Make-up*, 543 U.S. at 111.

59. *See Int'l Info. Sys. Sec. Certification Consortium v. Sec. Univ., LLC*, 823 F.3d 153, 165 (2d Cir. 2016); *Tiffany*, 600 F.3d at 102.

60. *See Tiffany*, 600 F.3d at 93.

61. *See New Kids on the Block v. News Am. Publ'g*, 971 F.2d 302, 308 (9th Cir. 1992).

62. *See id.*

63. *Id.* at 306.

Volkswagenwerk Aktiengesellschaft v. Church, in which a car repair shop was sued for infringement when the car repair shop was using Volkswagenwerk's trademark to advertise the services of the shop.⁶⁴ The court in *Volkswagenwerk* held that the use of the trademark was not an infringement because the defendant, the car repair shop owner, should be able to use the trademark in order to communicate information to the public because "sometimes there is no descriptive substitute."⁶⁵ Mirroring the same reasoning, the Ninth Circuit in *New Kids* eliminated the likelihood of confusion test and created a new test for nominative fair use cases because the likelihood of confusion factors were not well suited for determining infringement when an alleged infringer necessarily uses another's trademark.⁶⁶ The *New Kids* test does not consider nominative fair use as an affirmative defense for a defendant.⁶⁷ The Ninth Circuit's nominative fair use test has three requirements:

[(1)] The product or service in question must be one not readily identifiable without use of the trademark; [(2)] only so much of the mark or marks may be used as is reasonably necessary to identify the product or service; and [(3)] the user must do nothing that would, in conjunction with the mark, suggest sponsorship or endorsement by the trademark holder.⁶⁸

In *New Kids* the musical group called New Kids on the Block sued two newspapers for publishing polls about the musical group.⁶⁹ The first requirement of the new Ninth Circuit test was satisfied because the court reasoned that, like *Volkswagenwerk*, there was no other way to identify to the musical group without using the group's trademarked name.⁷⁰ The second requirement was satisfied because the newspapers only used the musical group's name in order to identify the group and did not attempt to use other identifying information.⁷¹ The third requirement was satisfied because there was no evidence of the group's sponsorship.⁷² The court even noted that one of the newspapers wrote a negative editorial about the musical group, which is considered contrary to sponsorship.⁷³

64. See *id.* at 306-07; *Volkswagenwerk Aktiengesellschaft v. Church*, 411 F.2d 350, 350 (9th Cir. 1969).

65. See *New Kids*, 971 F.2d at 306; *Volkswagenwerk*, 411 F.2d at 352.

66. See *New Kids*, 971 F.3d at 308.

67. See *id.*

68. *Id.*

69. See *id.* at 304.

70. *Id.* at 308; see also *Volkswagenwerk*, 411 F.2d at 352.

71. See *New Kids*, 971 F.2d at 308.

72. See *id.*

73. See *id.*

b. Third Circuit

In contrast, the Third Circuit Court of Appeals took the Ninth's Circuits reasoning a step further to create an affirmative defense for nominative fair use and created its own unique nominative fair use test in which the plaintiff must prove likelihood of confusion under elements similar to the *Polaroid* Factors.⁷⁴ The defendant must show the following:

(1) that the use of plaintiff's mark is necessary to describe both the plaintiff's product or service and the defendant's product or service; (2) that the defendant uses only so much of the plaintiff's mark as is necessary to describe plaintiff's product; and (3) that the defendant's conduct or language reflect the true and accurate relationship between plaintiff and defendant's products or services.⁷⁵

Furthermore, the Third Circuit, unlike the Ninth Circuit, did not eliminate the likelihood of confusion test because the circuits view the distinctions between classic fair use and nominative fair use differently.⁷⁶ The Ninth Circuit believes that the use of the likelihood of confusion test in a nominative fair use case would "lead to the incorrect conclusion that virtually all nominative uses are confusing" and that it would be a disadvantage to the defendant.⁷⁷ On the other hand, the Third Circuit believes that even in a nominative fair use case, where a defendant is using another's trademark to identify the plaintiff's goods or services, can still cause customer confusion about sponsorship and so the likelihood of confusion test should still be considered in these types of cases.⁷⁸ Therefore, the Third Circuit fundamentally believes that a nominative use can cause customer confusion.⁷⁹

The Third Circuit reasons the plaintiff must prove the likelihood of confusion, and then the burden of proof shifts to the defendant.⁸⁰ The defendant must prove that the use was nominative fair use by using the requirements laid out by the court.⁸¹ The Third Circuit believes this two-step approach will be a more evenly distributed burden of proof between the plaintiff and the defendant because each party will carry its own

74. *Century 21 Real Estate Corp. v. Lending Tree Inc.*, 425 F.3d 211, 222 (3d Cir. 2005).

75. *Id.*

76. *Id.*; *see New Kids*, 971 F.2d at 308; *Polaroid Corp. v. Polarad Elecs. Corp.*, 287 F.2d 492, 495 (2d Cir. 1961).

77. *Playboy Enters., Inc. v. Welles*, 279 F.3d 796, 801 (9th Cir. 2002); *see Century 21*, 425 F.3d at 220; *New Kids*, 971 F.2d at 307-08; *Polaroid*, 287 F.2d at 495.

78. *See Century 21*, 425 F.3d at 220-21.

79. *See id.*; *New Kids*, 971 F.2d at 307-08; *Playboy*, 279 F.3d at 801.

80. *See Century 21*, 425 F.3d at 222.

81. *Id.*

burden.⁸² Furthermore, the Third Circuit treats nominative fair use as an affirmative defense because of the Supreme Court's reasoning of treating fair use as an affirmative defense, while the Ninth Circuit does not treat nominative fair use as an affirmative defense.⁸³

The Third Circuit's first requirement, only necessary use of the plaintiff's mark to describe both the plaintiff and defendant's product, differs from the Ninth Circuit's first requirement, that the defendant's goods or services are not identifiable without the use of the mark, in that the Ninth Circuit's requirement "involve[s] an inquiry only into the necessity of using the plaintiff's trademark."⁸⁴ On the other hand, the Third Circuit's first requirement acknowledges the reasoning in *New Kids*, which is that the public must be able to use other's marks in order to communicate information.⁸⁵ The Ninth and Third Circuit's second requirement, defendant's use of the mark only to the extent necessary, is essentially the same.⁸⁶ Both requirements involve identifying the defendant's use of the mark and whether that use is more than needed to identify the owner, the services, or the product.⁸⁷ The Third Circuit's third requirement, defendant's true relationship between the plaintiff and the defendant's goods or services, is broader than the Ninth Circuit's third requirement, the defendant's conduct that would suggest sponsorship in relationship with the mark, because it allows the court to consider the relationship between the two parties instead of only considering if it would appear there was endorsement.⁸⁸

Courts are still split on which test to use.⁸⁹ The Fifth Circuit adopted the Ninth Circuit's nominative fair use test in *Pebble Beach Co. v. Tour 18 I Ltd.*⁹⁰ The First, Fourth, and Sixth Circuits have addressed the split but have not yet adopted an approach.⁹¹

82. *Id.* at 232.

83. *See id.* at 228; *Playboy*, 279 F.3d at 801.

84. *See New Kids*, 971 F.2d at 308.

85. *See Century 21*, 425 F.3d at 229.

86. *See Century 21*, 425 F.3d at 228; *New Kids*, 971 F.2d at 308.

87. *See Century 21*, 425 F.3d at 228; *New Kids*, 971 F.2d at 308.

88. *See Century 21*, 425 F.3d at 230-31; *New Kids*, 971 F.2d at 308.

89. *See Universal Commc'n Sys., Inc. v. Lycos, Inc.*, 478 F.3d 413, 424 (1st Cir. 2007); *Pebble Beach Co. v. Tour 18 I Ltd.*, 155 F.3d 526, 546-47 (5th Cir. 1998), *abrogated on other grounds by* *Traffix Devices, Inc. v. Mktg. Displays, Inc.*, 532 U.S. 23 (2001).

90. *See Pebble Beach*, 155 F.3d at 526.

91. *See Swarovski Aktiengesellschaft v. Bldg. No. 19, Inc.*, 704 F.3d 44, 53 (1st Cir. 2013); *Rosetta Stone Ltd. v. Google, Inc.*, 676 F.3d 144, 155 (4th Cir. 2012); *PACCAR Inc. v. TeleScan Techs., L.L.C.*, 319 F.3d 243, 256 (6th Cir. 2003).

III. COURT'S DECISION

In the noted case, the Second Circuit Court of Appeals was confronted with a nominative fair use defense, and the court had a chance to clarify how to analyze a nominative fair use case by squaring the Ninth and Third Circuits' treatments of nominative fair use.⁹² The Second Circuit held courts must consider likelihood of confusion using the *Polaroid* Factors and consider the following nominative fair use factors, which are a blend from those of the Ninth and Third Circuits, to analyze nominative fair use:

(1) whether the use of the plaintiff's mark is necessary to describe both the plaintiff's product or service and the defendant's product or service, that is, whether the product or service is not readily identifiable without use of the mark; (2) whether the defendant uses only so much of the plaintiff's mark as is necessary to identify the product or service; and (3) whether the defendant did anything that would, in conjunction with the mark, suggest sponsorship or endorsement by the plaintiff holder, that is, whether the defendant's conduct or language reflects the true or accurate relationship between plaintiff's and defendant's product or services.⁹³

The Second Circuit found that the District Court erroneously applied the Ninth Circuit's nominative fair use test.⁹⁴ The court held that the district court should have instead used this one-step approach, using the *Polaroid* Factors, and Ninth and Third Circuit nominative fair use requirements, to analyze nominative fair use.⁹⁵

The court kept the *Polaroid* Factors because the court reasoned that the District Court erred by only considering source confusion instead of also including confusion based on affiliation and sponsorship.⁹⁶ The court did acknowledge that other circuits have abandoned similar *Polaroid* Factors for the Ninth Circuit's nominative fair use test because the *Polaroid* Factors are hard to apply to nominative fair use cases.⁹⁷ Yet, the court reasoned that because the *Polaroid* Factors are not exclusive or determinative, the court can disregard the factors that are not relevant.⁹⁸

92. See *Int'l Info. Sys. Sec. Certification Consortium v. Sec. Univ.*, 823 F.3d 153, 165 (2d Cir. 2016).

93. *Id.*

94. See *id.* at 165-66.

95. See *id.*; *Polaroid Corp. v. Polarad Elecs. Corp.*, 287 F.2d 492, 495 (2d Cir. 1961).

96. See *Sec. Univ.*, 823 F.3d at 161.

97. See *id.* at 165.

98. See *id.* at 165, 168; *Starbucks Corp. v. Wolfe's Borough Coffee, Inc.*, 588 F.3d 97, 109 (2d Cir. 2009).

The court acknowledged that the *Polaroid* Factors were a “bad fit here” when used solely.⁹⁹

Since the *Polaroid* Factors did not fit well, the court wanted to consider additional factors.¹⁰⁰ The court adopted the Ninth Circuit’s fair use requirements as factors for nominative fair use cases.¹⁰¹ The court considered the Ninth Circuit’s nominative fair use test used in *New Kids*.¹⁰² In its decision to factor the Ninth Circuit’s nominative use test, the court agreed with the Ninth Circuit that there should be a separate analysis for nominative fair use cases, and furthermore, lower courts in the Second Circuit have used the Ninth Circuit’s nominative fair use test in some.¹⁰³ Moreover, the court also agreed with the Ninth Circuit’s holding that nominative fair use is not an affirmative defense.¹⁰⁴

The court also adopted the Third Circuit’s nominative fair use test as factors.¹⁰⁵ The Second Circuit adopted the Third Circuit’s factors because the Second Circuit agreed that the likelihood of confusion factors are helpful for a nominative fair use analysis.¹⁰⁶ Even after asserting their holding, the Second Circuit focused on the Third Circuit factors.¹⁰⁷ The Second Circuit also clarified that courts should instead focus on whether the mark was used “too prominently or too often.”¹⁰⁸ The court also modified the third factor to include not only source confusion but also “affiliation, sponsorship, or endorsement.”¹⁰⁹

The court also rejected the Third Circuit’s approach in treating nominative fair use as an affirmative defense because it is not codified in the Lanham Act.¹¹⁰ The Third Circuit reasoned that because nominative fair use and the traditional fair use are similar, both defenses should be treated as affirmative defenses.¹¹¹ The Third Circuit further reasoned that since the Supreme Court recognized fair use as an affirmative defense then nominative fair use should be treated in the same respect.¹¹²

99. See *Sec. Univ.*, 823 F.3d at 168.

100. See *id.* at 166.

101. See *id.* at 168.

102. See *id.* at 165-66; *New Kids on the Block v. News Am. Publ’g*, 971 F.2d 302, 308 (9th Cir. 1992).

103. See *Sec. Univ.*, 823 F.3d at 165-66.

104. See *id.* at 166; *New Kids*, 971 F.2d at 308.

105. See *Sec. Univ.*, 823 F.3d at 166; *Century 21 Real Estate Corp. v. Lending Tree, Inc.*, 425 F.3d 211, 222 (3d Cir. 2005).

106. See *Sec. Univ.*, 823 F.3d at 168.

107. *Id.*

108. See *Sec. Univ.*, 823 F.3d at 168; *Century 21*, 425 F.3d at 222.

109. See *Sec. Univ.*, 823 F.3d at 168; *Century 21*, 425 F.3d at 222.

110. See 15 U.S.C. § 1115(b) (2012); see *Sec. Univ.*, 823 F.3d at 167.

111. See *Century 21*, 425 F.3d at 220-21; *Sec. Univ.*, 823 F.3d at 167.

112. See *Century 21*, 425 F.3d at 220-21.

Conversely, the Second Circuit reasoned that Congress did not include or infer nominative fair use as a codified affirmative defense in the Lanham Act (as it did for fair use) because Congress did not intend to make nominative fair use an affirmative defense.¹¹³

The court reasoned that using all available factors—the *Polaroid* Factors, the Ninth Circuit’s *New Kids* test, and the Third Circuit’s test—in a one-step approach would create a better nominative fair use analysis and is essentially an attempt to blend the likelihood of confusion test and the Ninth and Third Circuit’s requirements.¹¹⁴

For example, the Second Circuit considered a previous decision where the Trademark Board rejected a new trademark registration for “Darjeeling Nourveau” because the Board resolved it would likely cause confusion with “Darjeeling,” a separate trademark that was already registered.¹¹⁵ Then, the Second Circuit applied this example to the noted cases facts, reasoning that, like the “Darjeeling Nouveau” would infringe on “Darjeeling,” Security University may have infringed using “Master CISSP.”¹¹⁶ Though Security University is allowed to use the ISC’s mark, in order to analyze if there is infringement, the court should analyze the likelihood of confusion, along with factors for nominative fair use and using all of the factors will give the court a full picture of the alleged infringing use.¹¹⁷

IV. ANALYSIS

The Second Circuit’s decision in the noted case creates a circuit split.¹¹⁸ The Second Circuit held that in a nominative fair use case a court should analyze the case in a one-step approach using the *Polaroid* Factors in addition to the Ninth Circuit and Third Circuit nominative fair use requirements.¹¹⁹ Furthermore, the Second Circuit held that nominative fair use is not an affirmative defense.¹²⁰ There are positive implications to this decision.¹²¹ For instance, now there is no question where the Second Circuit Court of Appeals stands in regard to nominative fair use.¹²²

113. See 15 U.S.C. § 1127; *Sec. Univ.*, 823 F.3d at 167.

114. See *Sec. Univ.*, 823 F.3d at 168.

115. See *id.* at 164.

116. *Id.*

117. See *id.* at 164, 168.

118. See *id.* at 168; *New Kids on the Block v. News Am. Publ’g*, 971 F.2d 302 (9th Cir. 1992).

119. See *Sec. Univ.*, 823 F.3d at 156, 168.

120. *Id.*

121. See *id.* at 156.

122. See *id.*

Another positive implication is that nominative fair use is a more widely accepted defense for infringement claims and it will be easier for lower courts to analyze nominative fair use cases due to more guidance from Second Circuit Courts of Appeals.¹²³

However, there are far more negative implications from the decision than positive implications.¹²⁴ The court cannot seem to logically reason why the likelihood of confusion test under the *Polaroid* Factors should be applied in nominative fair use cases.¹²⁵ The court demonstrated this weakness when it acknowledged that some of the factors were not applicable to nominative fair use cases; however, the court does nothing more to address the factors' inadequacies.¹²⁶ This policy decision to force judicial consideration of factors that are not applicable to the legal issue lacks efficiency.¹²⁷

Furthermore, the court adopts the requirements used in the Ninth Circuit's nominative fair use test.¹²⁸ This is a problem because the Ninth Circuit's nominative fair use test eliminates the likelihood of confusion test thereby contradicting the Second Circuit's reasoning for keeping the likelihood of confusion test.¹²⁹

Additionally, the Second Circuit adopts the Third Circuit's test for nominative fair use; however, the court disagrees with the Third Circuit about their two-step burden shifting approach and treating nominative fair use as an affirmative defense.¹³⁰ Though the court agrees with the Third Circuit about keeping the likelihood of confusion test for nominative fair use cases, it not only contradicts the Ninth Circuit's reasoning for eliminating the likelihood of confusion test, but it is also befuddling because the Third Circuit takes a particular two-step burden shifting approach while the Second Circuit takes a one-step blend approach.¹³¹

The Second Circuit's nominative fair use factors developed in the noted case is inefficient by combining two dissimilar approaches to nominative fair use.¹³² The noted case was an opportunity for the Second Circuit to adopt a nominative fair use test similar to those used by sister

123. *See id.*

124. *See id.* at 156-68.

125. *See id.* at 156, 165, 168.

126. *See id.* at 165.

127. *See id.*

128. *See id.* at 168.

129. *See id.*

130. *See id.*

131. *See id.*

132. *See id.*

circuits.¹³³ Instead, the court adopted all the requirements from past tests, a decision that will slow the judicial system down, confuse other circuits and further confuse District Courts.¹³⁴

The Second Circuit should have adopted the Third Circuit's nominative fair use requirements and rejected the Third Circuit's holding to treat nominative fair use as an affirmative defense because it is the most similar overall to the Second Circuit's reasoning.¹³⁵ The Second Circuit keeps the *Polaroid* Factors because the court reasons that likelihood of confusion analysis will still be helpful to these cases, which is similar reasoning to the Third Circuit.¹³⁶ The Second Circuit and Third Circuit have similar reasoning for keeping the likelihood of confusion with the additional factors for nominative fair use.¹³⁷ Furthermore, the Second Circuit specifically addresses how to interpret the Third Circuit factors, which will help lower courts to interpret each requirement.¹³⁸ The critical difference between the Second Circuit's nominative fair use test and the Third Circuit's nominative fair use test is the difference between the two step burden approach as opposed to the one step blend approach and the treatment of nominative fair use as a defense because Third Circuit treats the defense as an affirmative defense; however, these differences are less important than the similarities in reasoning.¹³⁹

In conclusion, this holding will create a deeper circuit divide that could warrant a Supreme Court decision.¹⁴⁰ Lastly, and most importantly, it will result in inconsistent application of trademark law, where similar alleged infringers are treated very differently depending upon which circuit's jurisdiction they are subject.¹⁴¹

Abigail Perkins*

133. *See id.* at 166.

134. *See id.* at 168.

135. *See id.* at 166.

136. *See id.*

137. *See id.* at 166-67.

138. *Id.*

139. *See id.*

140. *See id.*

141. *See id.*

* © 2017 Abigail Perkins. J.D. candidate 2019, Tulane University Law School; B.A. cum laude 2017, Political Science, Tulane University, New Orleans, LA. Junior Member, Volume 20, *Tulane Journal of Technology and Intellectual Property*. The author would like to thank her family and close friends for their continuous encouragement and the members of the *Tulane Journal of Technology and Intellectual Property* for their hard work and dedication.