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December 2, 2005

The Honorable Orrin G. Hatch
Chairman, Subcommittee
on Intellectual Property
Committee on the Judiciary
United States Senate
Washington, D.C. 20510

The Honorable Patrick Leahy
Ranking Minority Member, Subcommittee
on Intellectual Property
Committee on the Judiciary
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman and Senator Leahy:

I am writing to supplement the views of the Section of Intellectual Property Law of the American Bar Association, set forth in my letter of November 1, regarding H.R. 683, the Trademark Dilution Revision Act of 2005. Like those views, the views expressed herein have not been approved by the ABA's House of Delegates or its Board of Governors, and represent the views of the IPL Section alone. The views expressed regarding facilitation of fair use are in response to an invitation for more elaboration on this issue from Subcommittee counsel. Our views on a proposed amendment by Senator Brownback relating to dilution by tarnishment are in response to a proposal that has emerged since our November 1 letter.

Facilitation of Fair Use

After exhaustive legal research, we have found no court decision suggesting that facilitation of fair use should be treated differently than fair use itself in the dilution or infringement contexts. It is apparently self-evident to the courts that the facilitation of fair use is itself fair use and not subject to a different analysis. Thus, courts have not had reason to explicitly address the topic in published decisions. Courts have considered secondary liability issues in trademark disputes where the focus is on potential liability for assisting others who have infringed or diluted another's mark. Where fair use is established, however, courts have not found it necessary to then go on to consider the legal implications for those who assisted in this effort. This underscores our position that the proposal to add "facilitation of such fair use" through an amendment to Section 43(c) (3) in H.R. 683 is not only problematic but unneeded. It is essentially a solution in search of a problem.

Further, any attempt to clarify the scope of the fair use defense in the dilution context would potentially cause confusion in the courts as to the breadth of this defense in infringement cases because the word "facilitation" or similar phrasing does not appear in Section 33(b)(4) of the Lanham Act. Indeed, such an attempt to further define the fair use defense in the dilution context could very well lead courts to apply the fair use doctrine more narrowly than it has to date in infringement cases because of the presumption that the word "facilitation" or some other clarifying language was deliberately left out of Section 33(b)(4). Controlling standards of statutory interpretation demand that any such additional language not be seen as mere surplusage in Section 43(c) (3). Thus, its presence in that section and its absence in Section 33(b) (4) would have an unintended and unwanted impact.

In view of the above, should the Committee still wish to address the concerns of the search engine companies, we recommend that the following language be inserted in the legislative history or in another suitable context in lieu of adding the words "facilitation of such fair use" in Section 43(c) (3) of H.R. 683 to underscore that such language is unnecessary:

"The trademark fair use defense currently is broad enough to protect someone who facilitates or assists such fair use in the dilution and infringement contexts. While the principles of secondary liability under trademark law are established, *see Inwood Laboratories, Inc. v. Ives Laboratories, Inc.*, 456 U.S. 844, 854 (1982); *Hard Rock Café Licensing Corp v. Concessions Services, Inc.*, 955 F.2d 1143, 1149 (7th Cir. 1992); and *Lockheed Martin Corp. v. Network Solutions, Inc.*, 985 F. Supp. 949 (C.D. Cal. 1997), they are inapplicable to situations where there is a finding of underlying fair use by the primary actor (as opposed to a finding of infringement or dilution). Courts have not dealt with the issue of whether or not to extend liability under trademark law to one who merely facilitates the underlying fair use because it is self-evident under existing precedent and sections 43(c) and 33(b)(4) of the Lanham Act that there would be no liability under such circumstances."

Brownback Amendment Regarding Dilution by Tarnishment

We understand that Senator Brownback may offer an amendment to H.R. 683 to provide that no relief for dilution for tarnishment, as opposed to dilution by blurring, may be awarded where the parties are in competition.

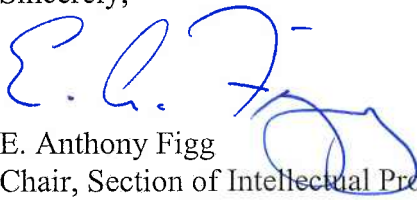
The ABA Section of Intellectual Property Law opposes this amendment. Under the current version of the federal trademark dilution law, as well as under the various state dilution statutes, no distinction exists as to the elements for an award of relief under the two well-recognized prongs of dilution protection -- blurring and tarnishment. The current federal statute provides that dilution may be found "regardless of the presence or absence of -- (1) competition between the owner of the famous mark and other parties...." We are not aware of any legal or policy

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justification for narrowing the scope of a dilution by tarnishment claim to exclude circumstances in which the parties are in competition.

Thank you for the opportunity to comment further on this important legislation. We stand ready to assist the Subcommittee in any way that we can to help bring H.R. 683 to enactment.

Sincerely,

A handwritten signature in blue ink, appearing to read "E. A. Figg", with a circular flourish at the end.

E. Anthony Figg
Chair, Section of Intellectual Property Law