



Hall, Esq. Blog Quarterly

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A. Foreword

I would like to start out by thanking those who have encouraged and helped facilitate me launching my own legal practice.

Essentially, this publication walks a middle ground between the styles of a formal, scholarly legal journal and an informal legal blog. All articles herein are published on the blog website, hall.esq/blog/blog-home/, but citations are rarely provided in the blog format, and this medium provides for richer examination of the topics at issue. This format is certainly better for those who wish to read further on the topics described in these articles, as many of the tangents and sources discussed in footnotes can expand one's understanding of and interest in a given topic.

Again, the style and substance in this publication provide some degree of adherence to academic principles but generally (and intentionally) falls short of such formal scrutinization. Topics are taken seriously, and the main points of each article are fleshed out, but tertiary considerations may not be as thoroughly explored as they would otherwise be in a stricter publication. Citations loosely follow the Bluebook format, but ensure enough information is provided for the reader to at least locate the source.

Sincerely,

A handwritten signature in black ink, appearing to read "Brett Hall". The signature is fluid and cursive, with the first name "Brett" and last name "Hall" clearly distinguishable.

B. Articles

Collection 1: Fair Use Flops at the U.S. Supreme Court

In May and June of 2023, the Supreme Court decided two intellectual property cases in which the main issue before the Court dealt with the balance of fair use and infringement. In both cases, the Court sided with commerciality concerns over fair use.

The first case, *Andy Warhol Foundation for the Visual Arts, Inc., Petitioner V. Lynn Goldsmith, et al.*, tackled unresolved copyright questions pertaining to the first factor in a fair use analysis. And in the second case, *Jack Daniel's Properties, Inc. v. VIP Products LLC*, the Court addressed whether free speech concerns should permit parodic uses of another's trademark as a trademark.

The next two articles discuss these two cases and their implications for affected parties, namely, music sampling artists in copyright and parody brands in trademark.

All Mixed Up: Concerns For Sampling in Music Post-Warhol

by Garrett J. Hall

On May 18, 2023, the United States Supreme Court published its decision regarding a major copyright case: *Andy Warhol Foundation for the Visual Arts, Inc., Petitioner V. Lynn Goldsmith, et al.*¹ In an opinion in which seven of the Court's Justices joined, the Court reimagined the considerations crucial to the first factor of copyright's fair use analysis, essentially expanding its scope and establishing a new sliding-scale test in which the extent to which a work is transformative is considered in tandem with its commerciality.² This article explores the impact this *Warhol* decision could have on the practice of sampling in music.

Warhol Changes the Copyright Infringement Test

Under federal copyright law, when assessing whether a secondary work infringes upon an original work, a court must turn to the four-factor test as delineated by the Supreme Court in *Harper & Row, Publishers, Inc., et al. v. Nation Enterprises, et al.*³ and since codified in 17 U.S. Code § 107. The first factor—which assesses “the purpose and character of

¹ 598 U.S. ____ (2023), available at www.supremecourt.gov/opinions/22pdf/21-869_87ad.pdf.

² *Id.*; see also Benesch, *Supreme Court's 2023 Copyright Fair Use Decision is Not a One-Hit Wonder*, JD Supra (June 6, 2023), www.idsupra.com/legalnews/supreme-court-s-2023-copyright-fair-use-2804838/; Cathy Gellis, *The Warhol Decision: How SCOTUS Forgot The First Amendment & Turned Copyright Into A Liability Time Bomb*, Techdirt (May 25, 2023), www.techdirt.com/2023/05/25/the-warhol-decision-how-scotus-forgot-the-first-amendment-turned-copyright-into-a-liability-time-bomb/ (“But the majority’s decision . . . was hardly narrow; it was a decision that fundamentally rewrote the operational axis of our current copyright law.”).

³ 471 U.S. 539 (1985).

the use, including whether such use is of a commercial nature or is for nonprofit educational purposes”⁴—was the sole factor at issue in *Warhol* upon appeal to the nation’s highest court.⁵ The Court arrived at a new counterbalancing assessment for lower courts to consider when conducting a fair-use analysis: whereas previously a secondary work would make fair use of an original work if the secondary work was sufficiently transformative, that may no longer be the case if the secondary work is for a substantially similar commercial purpose as the original work; the closer in commercial purpose a secondary work is, the more transformative it must be to constitute a fair use.⁶

Does this decision mean artists will no longer be able to make use of previous works?⁷ No. While *Warhol* may make it more risky or burdensome to do so,⁸ and while artists might be subsequently less incentivized to do so,⁹ artists are not barred from reappropriating copyrighted works in a transformative fashion. Even if the first factor weighs against the secondary artist, there are still three other fair-use factors to consider.

Because the Court was not able – in the context of the *Warhol* opinion – to demonstrate how this new analysis plays out in connection with the surrounding three factors, this decision *may* not be as damaging to the secondary users as it currently appears. Indeed,

⁴ 17 U.S.C. § 107(1).

⁵ See *Warhol*.

⁶ See *Warhol*; Benesch, *supra* n.2; Gellis, *supra* n.2.

⁷ See also Moritt Hock & Hamroff LLP, *Warhol Case Likely to ‘Diminish but Not Eliminate’ Creative Use of Previous Artworks*, JD Supra (June 9, 2023), www.jdsupra.com/legalnews/warhol-case-likely-to-diminish-but-not-5212461/.

⁸ See Linda J. Zirkelbach & Parker G. Zimmerman, *The Supreme Court’s Warhol Ruling Makes Fair Use Defense Seem Even Riskier*, Venable LLP (May 23, 2023), www.venable.com/insights/publications/2023/05/the-supreme-courts-warhol-ruling.

⁹ See Paul Kimani, *Towards A Copyright Law That Encourages Creativity*, 63 IDEA 354, 365 (2023).

the Court points to this in its decision, reminding us that “the four statutory fair use factors may not ‘be treated in isolation, one from another. All are to be explored, and the results weighed together, in light of the purposes of copyright.’”¹⁰ Going forward, legal experts expect that this decision will cause courts to more heavily weigh commercial concerns like market competitiveness between the works when engaging in their fair use inquiries.¹¹

As courts begin to apply *Warhol*’s first-factor doctrinal adjustment in full fair use analyses, we will get a better sense of how substantially impacted the commercial viability of transformative artistic expression is by this change.¹²

Let’s take a closer look at one major area in which artists constantly make use of previous artists’ work: sampling.

Sampling

Sampling—the process of reappropriating portions of sound recordings in new musical works¹³—has for several decades been a major

¹⁰ See *Warhol* (quoting *Campbell*, 510 U. S., at 578).

¹¹ See Matt Stevens, *After the Warhol Decision, Another Major Copyright Case Looms*, New York Times (May 22, 2023), www.nytimes.com/2023/05/22/arts/warhol-prince-decision-copyright.html (“Bart Lazar, who specializes in copyright law, said the *Warhol* decision seemed to prioritize more pragmatic concerns about market competitiveness between an art work and the underlying photograph.”).

But aren’t market competition considerations enveloped in the fourth factor—“the effect of the use upon the potential market for or value of the copyrighted work?” How did such a result come out of an opinion in which only the first factor was at issue?

¹² See *id.* (“I think it will be some time, as we see this play out in the lower courts, before we understand the full implications of the opinion,” said Laura Heymann, a professor at William & Mary Law School who specializes in intellectual property law.”).

¹³ *Sampling, Interpolations, Beat Stores and More: An Introduction for Musicians Using Preexisting Music*, U.S. Copyright Office (Rev. Dec. 2021), at 3 (“Sampling involves taking part of an existing sound recording and incorporating it into a new work.”), available at www.copyright.gov/music-modernization/educational-materials/Sampling-Interpolations-Beat-Stores-and-More-An-Introduction-for-Musicians-Using-Pre

component of the music-making process for many well-established artists. Indeed, countless songs in hip-hop and electronic music have reached mainstream success through sampling the tunes of past performers,¹⁴ and such sampling techniques have played a central role in the careers of major artists from the likes of Kanye West to Daft Punk.¹⁵

Sampling hardly fits neatly into the U.S. copyright framework; to the contrary, samples often exploit *two* copyrighted works at once—the sound recording from which the sample is sliced and the underlying musical composition.¹⁶ In this way, artists who employ samples in their tracks double their risk of legal liability.¹⁷ At a minimum, these artists double their own burden: having to obtain two licenses in order to clear a sample.

Further, unlike elsewhere in the federal copyright regime, the use of ‘samples’ is not so cleanly covered by a compulsory license.¹⁸ Since the only way to license a sound recording is through direct agreement with the original artist, clearing samples

[existing.pdf](#); see also Melissa Eckhause, *Digital Sampling v. Appropriation Art: Why Is One Stealing and the Other Fair Use? A Proposal for a Code of Best Practices in Fair Use for Digital Music Sampling*, 84 MO. L. REV. (2019) 371, 371 n.2 (providing definitions of sampling from case law), available at: <https://scholarship.law.missouri.edu/mlr/vol84/iss2/6>

¹⁴ See, e.g., Ryan Bassil, *The Ten Best Songs You Didn't Know Were Based on Sample*, VICE (July 31, 2017), www.vice.com/en/article/zmvay8/10-best-songs-obscure-samples-beyonce-emi-nem.

¹⁵ Kanye has amassed 2,962 samples, as sampling is heavily involved in his songwriting process. See Kanye West, WhoSampled, www.whosampled.com/Kanye-West/ (accessed June 2023); see also Jacob Kastrenakes, *Kanye West's Sampling: A Listenable History*, The Verge (Aug. 20, 2014), www.theverge.com/2014/8/20/6048381/kanve-west-samples-listenable-history (exploring Ye's samples through *Yeezus*). Daft Punk has utilized a (relatively modest) 742 samples, wherein their use of sampling was more-project dependent. See Daft Punk, WhoSampled, www.whosampled.com/Daft-Punk/.

¹⁶ *What Musicians Should Know about Copyright*, U.S. Copyright Office, www.copyright.gov/engage/musicians/.

¹⁷ See *id.*

¹⁸ See Sam Claflin, *How To Get Away With Copyright Infringement: Music Sampling As Fair Use*, 26 B.U. J. SCI. & TECH. L. 101, 102 (2020).

can be tedious, time-consuming, and expensive, as well as an unfortunate distraction from the creative process.¹⁹ Indeed, Kanye's debut single *Through the Wire* took serendipitous convincing for Chaka Khan to begrudgingly clear use of her 1984 sound recording.²⁰

And uncleared samples can be even more costly; for example, Diddy famously purports to still pay Sting \$5,000 *per day* some two-and-a-half decades removed from failing to clear a sample from The Police's catalog on Diddy's (then Puff Daddy) *I'll Be Missing You*.²¹ Just as astoundingly, uncleared samples kept the entire early discography of hip-hop group De La Soul in digital darkness – obscured from streaming platforms like Spotify and Apple Music – until March of this year.²²

Unlicensed Samples & Available Legal Defenses

Artists who take the legal risk of proceeding without seeking permission for a sample must ensure that their use falls into one of two categories: a *de minimis* use, which is not copyright infringement, or a transformative use, for which any alleged infringement is unactionable.

For many, a *de minimis* argument is inapplicable. To start, the inconspicuousness and brevity required of the sample in order to raise this

¹⁹ See, e.g., Karl Fowlkes, *The Art of Clearing A Sample: Deciding If It's Worth It and How To Actually Do It*, Medium (Apr. 11, 2020), medium.com/the-courtroom/the-art-of-clearing-a-sample-deciding-if-its-worth-it-and-how-to-actually-do-e26fa56ad090.

²⁰ Brian Zisook, *Kanye West Used Chaka Khan's Son to Clear the Sample on "Through The Wire"*, DJBOOTH (Oct. 23, 2017), djbooth.net/features/2017-10-23-kanye-west-chaka-khan-through-the-wire-sample.

²¹ But see Emily Zemler, *Diddy Actually Does Not Pay Sting \$5,000 Per Day For Uncleared Song Sample*, Rolling Stone (Apr. 7, 2023), <https://www.rollingstone.com/music/music-news/diddy-sting-uncleared-sample-payment-1234710483/>.

²² Dan Charnas, *It's Time to Legalize Sampling*, Slate (Mar. 3, 2023), www.slate.com/culture/2023/03/de-la-soul-streaming-legalize-sampling-rap.html.

defense is often either unattainable or untenable for many sampling artists: a “use is *de minimis* only if the average audience would not recognize the appropriation.”²³ Couple that with the fact that there is a circuit split calling into question the doctrine’s doctrinal feasibility and a *de minimis* defense gives artists very little ground to stand on.²⁴

In regard to those who have relied upon the transformativeness argument, artists can defend their craft as fair use if their new work has a change in purpose or a sufficient change in substance. Purpose is the easier transformation to decipher, as many of its uses are delineated in 17 U.S.C. 107, “for purposes such as criticism, comment, news reporting, teaching (including multiple copies for classroom use), scholarship, or research;” courts have also clarified other such transformative purposes include sampling as parody²⁵ and non-commercial experimentation.²⁶ Drake’s fair use win in *Estate of James Oscar Smith v. Cash Money Records, Inc., et al.*—where he repurposed the audio of *Jimmy Smith Rap* to convey a different message from the original—serves as yet another example.²⁷

²³ *Newton v. Diamond*, 388 F.3d 1189, 1190, 1193 (9th Cir. 2004) (defendants’ sample of “a six-second, three-note segment” of Plaintiff’s song was deemed to be *de minimis*).

²⁴ *Compare VMG Salsoul, LLC v. Ciccone*, 824 F.3d 871 (9th Cir. 2016) (doctrinally accepting *de minimis* with *Bridgeport Music, Inc. v. Dimension Films*, 410 F.3d 792 (6th Cir. 2005) (finding *de minimis* incompatible with copyright law); *see also* Michaela S. Morrissey, *A Music Industry Circuit Split: The De Minimis Exception in Digital Sampling*, 56 U. RICH. L. Rev. 1435, 1449–50 (2022) (discussing how a resolution to the circuit split must balance policy considerations like judicial economy and the need for bright-line rules with copyright’s role in encouraging authors to make creative works).

²⁵ *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569 (1994)

²⁶ *Chapman v. Maraj* No. 2:18-cv-09088-VAP-SS (C.D. Cal. Sept. 16, 2020).

²⁷ 253 F.Supp.3d 737, 750 (S.D.N.Y. May 30, 2017) (“There can be no reasonable dispute that the key phrase of JSR—‘Jazz is the only real music that’s gonna last. All that other bullshit is here today and gone tomorrow. But jazz was, is and always will be.’—is an unequivocal statement on the primacy of jazz over all other forms of popular music. Defendants’ use of JSR, by contrast, transforms Jimmy Smith’s brazen dismissal of all non-jazz music into a statement that ‘real music,’ with no qualifiers, is ‘the only thing that’s gonna last.’ Thus, Defendants’ ‘purposes in using [the original work]

With regard to transformativeness of substance, so long as the sampling artist created a new work that was distinct from the initial sound recording sampled, the artist would not be infringing upon the copyright interests of the initial songwriter.²⁸ Or so we thought.

Post-Warhol Makes Fair Use In Sampling Less Practicable

Now, let's consider how *Warhol* affects the transformative fair use claim. Under *Warhol*, transformativeness of substance no longer guarantees a fair use. The same artist, once reassured by their creative input into the use of a sample that they were not committing copyright infringement, now must worry how their commercial use of the initial sound recording affects the amount to which they must be creative.

Take the Drake case for example. Certainly, Drake had a commercial purpose when repurposing the *Jimmy Smith Rap* sample for use in *Pound Cake / Paris Morton Music 2*: since its 2013 release, the song has been streamed over 241 million times on Spotify.²⁹ Because *Pound Cake* shared ostensibly the same commercial purpose as *Jimmy Smith Rap*, would the *Cash Money Records* case have received a different verdict after *Warhol*?³⁰ Is the *amount* he transformed

are sharply different from [the original artist's] goals in creating it.' (citation omitted). This is precisely the type of use that 'adds something new, with a further purpose or different character, altering the first [work] with new expression, meaning, or message.'").

²⁸ See *Castle Rock Entm't, Inc. v. Carol Publ. Group, Inc.*, 150 F.3d 132, 145 (2d Cir. 1998) ("The more transformative the secondary use, the less likelihood that the secondary use substitutes for the original.").

²⁹ To be exact, 241,811,536 times. *Drake – Spotify Top Songs*, [kworb.net](https://www.kworb.net/spotify/artist/3TVXtAsR1Inumwj472S9r4_songs.html) (updated: 2023/06/11), [kworb.net/spotify/artist/3TVXtAsR1Inumwj472S9r4_songs.html](https://www.kworb.net/spotify/artist/3TVXtAsR1Inumwj472S9r4_songs.html); see also *Cash Money Records*, 253 F.Supp.3d at 737, 750.

³⁰ See *Warhol*, 598 U.S. ___, at 19 (suggesting that a use that shares the purpose of a copyrighted work may be considered a substitute for the original work, undermining a finding of fair use).

the sample enough to counteract the song's commerciality?

It is easy for one to see how the margin for error in sampling has been greatly reduced, opening the door for more circumstances than ever before to be considered infringing. Sampling is a clear loser post-*Warhol*, and artists who sample without clearances must endeavor to proceed with the utmost caution in transforming the original works.³¹

Just a Sample: Could Compulsion Be The Fix?

The current U.S. copyright system lacks a non-clunky avenue for sampling licensing, and this has been criticized by musicians, industry figures, legal advocates alike.³² For example, when the Los Angeles Times published an article in 2021 insinuating that Daft Punk's sample of an Eddie Johns record in their 2000 single *One More Time* went uncleared, Roots drummer Questlove took to Twitter to lambaste the law's current sampling system.³³ What solutions could be proposed to remedy this creativity- disincentivizing legal blunder?

Many have proposed a fairly intuitive fix: add a compulsory licensing regime to sound recordings akin to

³¹ See Jonathan Bailey, *How the Warhol Ruling Could Change Fair Use*, Plagiarism Today (May 18, 2023), www.plagiarismtoday.com/2023/05/18/how-the-warhol-ruling-could-change-fair-use/ (“[Warhol] is likely a major win for photographers, musicians and any creative person who routinely has their work used by others in the creation of new works. Appropriation artists, musicians who sample, and others that are frequent users of outside material need to be more cautious.”).

³² See Charnas, *supra* n.13.

³³ Michael Gonik, *Questlove Breaks Down The Daft Punk Sampling Controversy*, okayplayer (May 2021), www.okayplayer.com/music/questlove-breaks-down-the-daft-punk-sampling-controversy.html (including a discussion about how artist royalties are neglected logistically, leaving many artists' interests accidentally severed when their record labels or publishing companies change hands); *see also* *Breakdowns of Daft Punk's Samples on "One More Time" & 'Discovery'*, TrackLib (Mar. 2, 2023), www.tracklib.com/blog/daftpunk-samplebreakdown-discovery-samples.

what already exists for licensing compositions.³⁴ Instead of being ‘out of luck’ if the original artist says no, a compulsory license would give a sampling artist solid legal ground to fall back on. Industry input can be used to determine the best practices for incorporating a compulsory licensing fee to appease all sides—perhaps the compulsory rate could be percentage-based dependent on the amount of the original sound recording sampled. Exceptions could be established so as to not create disparate and unintended results. For example, such a sound recording compulsory license need not apply to audiovisual uses of the sound recording; a result to the contrary would disturb the current system of music licensing to film and television presently in place.

In replacing the hapless clearance crapshoot that has for decades frustrated and frozen careers, some semblance of certainty and predictability would finally be attainable for sampling artists under a compulsory licensing structure. Though such a structure has failed

³⁴ For just a sample of the scholarly works to suggest compulsory licensing for sampling, see Josh Norek, “*You Can’t Sing Without the Bling*”: *The Toll of Excessive Sample License Fees on Creativity in Hip-hop Music and the Need for a Compulsory Sound Recording Sample License System*, 11 UCLA Ent. L. Rev. 83 (2004), available at escholarship.org/uc/item/96d414rm; Lucille M. Ponte, *The Emperor Has No Clothes: How Digital Sampling Infringement Cases Are Exposing Weaknesses in Traditional Copyright Law and the Need for Statutory Reform*, 43 Am. Bus. L.J. 515, 560 n.153 (2006) (discussing prior articles suggesting the same); Amanda Webber, *Digital Sampling and the Legal Implications of Its Use After Bridgeport*, 22 JCRED 373 (2007); Robert M. Vrana, *The Remix Artist’s Catch-22: A Proposal for Compulsory Licensing for Transformative, Sampling-Based Music*, 68 Wash. & Lee L. Rev. 811 (2011), available at: scholarlycommons.law.wlu.edu/wlulr/vol68/iss2/7; Andy Sellars, *Rethink Music: A Compulsory Sampling License*, Medium (Oct. 19, 2017), andy-sellars.medium.com/rethink-music-a-compulsory-sampling-license-a37d96b62b59; Maxwell Christiansen, *Fixing the Sample Music Industry: A Proposal For a Sample Compulsory License*, 22 J. of Tech. Law & Policy 115 (2017), available at: scholarship.law.ufl.edu/jtlp/vol22/iss1/2; Bruce Fan, *How the Compulsory Licensing System Has Impacted Sampling in Today’s Music Industry and Potential Calls for Reform*, USC Gould’s Business Law Digest (May 6, 2019), available at lawforbusiness.usc.edu/how-the-compulsory-licensing-system-has-impacted-sampling-in-todays-music-industry-and-potential-calls-for-reform/; but see Eckhause, *supra* n.12, at 373 (suggesting a Digital Music Sampling Code in lieu of repeated failures to implement a compulsory licensing regime for sampling).

on several occasions to come to fruition, now may be the perfect time to reexamine its workability in light of *Warhol*.

SCOTUS Doesn't Bite On Free Speech Argument: Parody-Evoking Trademarks Be Doggoned

by Garrett J. Hall

Today (6/8/23), the Supreme Court released its decision in *Jack Daniel's Properties, Inc. v. VIP Products LLC*.³⁵ Though the procedural circumstances of this particular case limit the scope of this decision's precedent, it clarifies a long-recognized struggle of lower courts in handling commercialized speech³⁶ and signals a tough, uphill battle ahead for parody brands.³⁷ While parody is often covered by the First Amendment, here the Court found that constitutional free speech protections are not triggered when the speech takes the form of a commercial indication of source; under such circumstances, infringed trademarks are still afforded

³⁵ 599 U. S. ____ (2023), available at www.supremecourt.gov/opinions/22pdf/22-148_3e04.pdf, and from which page citations will be listed.

³⁶ See Stacey L. Dogan & Mark A. Lemley, *Parody as Brand*, 47 U.C. Davis L. Rev. 473, at 491 (2013) ("But the trouble with brand parodies transcends doctrine; courts seem to struggle over their own intuitions about whether a defendant's commercial objectives undermine its speech interest in the parody.").

³⁷ See *Jack Daniel's Properties*, 599 U.S. ___, at 10, 20 ("Should the company have had to satisfy the *Rogers* threshold test before the case could proceed to the Lanham Act's likelihood-of-confusion inquiry? The parties address that issue in the broadest possible way, either attacking or defending *Rogers* in all its possible applications. Today, we choose a narrower path. Without deciding whether *Rogers* has merit in other contexts, we hold that it does not when an alleged infringer uses a trademark in the way the Lanham Act most cares about: as a designation of source for the infringer's own goods."); ("Today's opinion is narrow. We do not decide whether the *Rogers* test is ever appropriate, or how far the "noncommercial use" exclusion goes. On infringement, we hold only that *Rogers* does not apply when the challenged use of a mark is as a mark. On dilution, we hold only that the noncommercial exclusion does not shield parody or other commentary when its use of a mark is similarly source-identifying. It is no coincidence that both our holdings turn on whether the use of a mark is serving a source-designation function. The Lanham Act makes that fact crucial, in its effort to ensure that consumers can tell where goods come from.").

full trademark protection.³⁸ Parody brands should adjust their practices accordingly in light of this result.

VIP Products' Dog Toy Barks Up Wrong Tree

VIP Products designed and sold a dog chew toy in the shape of a Jack Daniel's bottle, including the alcohol manufacturer's classic emblematic labeling. Instead of emulating the text of a Jack Daniel's bottle, however, VIP Products poked fun at the design with dog-themed attributes—replacing “Jack Daniel's” with “Bad Spaniels,” substituting “Old No. 7 Tennessee Sour Mash Whiskey” with “The Old No. 2 On Your Tennessee Carpet,” and swapping “40% alc. by vol. (80 proof)” with “43% poo by vol.” and “100% smelly.”³⁹



Comparison between Jack Daniel's bottle (left) and VIP Products' chew toy (right).

This was hardly their first ‘spoof’ dog toy; VIP Products had an entire “Silly Squeakers toy line dedicated to such parodies.⁴⁰ “Most of the toys in the line are designed to look like—and to parody—popular beverage brands. There are, to take a sampling, Dos

³⁸ *Id.* at 2 (“We hold only that [a *Rogers*-test First Amendment inquiry] is not appropriate when the accused infringer has used a trademark to designate the source of its own goods—in other words, has used a trademark as a trademark. That kind of use falls within the heartland of trademark law, and does not receive special First Amendment protection. The dilution issue is more simply addressed. The use of a mark does not count as noncommercial just because it parodies, or otherwise comments on, another’s products.”).

³⁹ *Id.* at 7.

⁴⁰ *Id.* at 6.

Perros (cf. Dos Equis), Smella Arpaw (cf. Stella Artois), and Doggie Walker (cf. Johnnie Walker).”⁴¹

Jack Daniel’s disapproved of the use of their mark and trade dress as stylized in the Bad Spaniels parody, sending VIP Products a letter demanding that VIP stop selling toys with such designs and beginning the course of events that would eventually land this case at the Supreme Court.⁴² The Supreme Court’s tasks in this case: to determine if, in a trademark infringement action such as this, a court should first conduct a First Amendment *Rogers* inquiry; and to decide whether this use could constitute a “noncommercial use” under a dilution by tarnishment analysis.⁴³

To resolve the latter, the Court walked back the Ninth Circuit’s assessment that any conveyance of a humorous message is to be necessarily regarded as a “noncommercial use,” instead determining that Bad Spaniels would not be granted protection under the noncommercial use exception on this basis.⁴⁴

To answer the former, the Court looked deeper into the interplay between trademarks, parody, and the First Amendment.

Another Dog Product Case Clarifies When *Rogers* Applies

The First Amendment has clear protections for wholly non-commercial speech, but such speech was not at issue here. Instead, the Court had to examine how VIP’s use of Bad Spaniels as a trademark would limit implication of the First Amendment in a trademark infringement context.

In its discussion on this matter, the Supreme Court notes that another trademark case—involving yet another defendant who sold a dog product—bore “a

⁴¹ *Id.*

⁴² *Id.* at 8–10.

⁴³ *Id.* at 10, 19.

⁴⁴ *Id.* at 19.

striking resemblance to this one.”⁴⁵ There, in *Tommy Hilfiger Licensing, Inc. v. Nature Labs, LLC*, the defendant marketed “a line of pet perfumes whose names parody elegant brands sold for human consumption.”⁴⁶ Tommy Hilfiger did not appreciate the defendant’s product “Timmy Holedigger,” and sought trademark redress for this use.⁴⁷

The court in *Hilfiger* did not apply *Rogers*. There, the court reasoned that “*Rogers* . . . kicks in when a suit involves solely ‘nontrademark uses of [a] mark—that is, where the trademark is not being used to indicate the source or origin’ of a product, but only to convey a different kind of message.”⁴⁸ Because the Timmy Holedigger mark also functioned “at least in part” to indicate the source of the perfume, the defendant’s use failed to implicate *Rogers*.⁴⁹

Every dog has its day, and VIP Products’ Bad Spaniels received similar treatment to its dog perfume counterpart. Just because VIP portrays a humorous message in their toy designs does not entitle it to *Rogers*’ protection.⁵⁰ Instead, VIP also used the Bad Spaniels message for other purposes, namely, as a trademark (and VIP, perplexingly, admitted as such in its court pleadings).⁵¹ Because the parody trademark still serves a

⁴⁵ *Id.* at 13; see also *Louis Vuitton Malletier S.A. v. Haute Diggity Dog, LLC*, 507 F.3d 252 (4th Cir. 2007).

⁴⁶ *Id.*

⁴⁷ *Id.*

⁴⁸ *Jack Daniel’s Properties*, 599 U.S. ____ at 13 (quoting *Hilfiger*, 221 F. Supp. 2d, at 414.)

⁴⁹ *Hilfiger*, 221 F. Supp. 2d, at 414–415.

⁵⁰ *Jack Daniel’s Properties*, 599 U.S. ____ at 15.

⁵¹ *Id.* at 17 (“Here, the District Court correctly held that ‘VIP uses its Bad Spaniels trademark and trade dress as source identifiers of its dog toy.’ In fact, VIP conceded that point below. In its complaint, VIP alleged that it both ‘own[s]’ and ‘use[s]’ the ‘Bad Spaniels’ trademark and trade dress for its durable rubber squeaky novelty dog toy.’ The company thus represented in this very suit that the mark and dress, although not registered, are used to ‘identify and distinguish [VIP’s] goods’ and to ‘indicate [their] source.’”). Indeed, the scope of this Supreme Court decision could have been a lot less narrow without this concession; hampered by a parodic trademark user that admitted to also using the parody in a trademark way, the Court was forced to rule in this narrow manner, which

trademark function “at least in part,” a traditional likelihood-of-confusion analysis is appropriate. The Court further rationalized that such a determination would not be damning to a parody trademark use since a likelihood-of-confusion analysis would have to take into account to what extent the use of parody diminishes the risk of confusion among consumers.⁵²

Unanswered Questions For Parody Brands

But to be effective in its purpose, doesn’t a parody need to closely resemble the use it is parodying? Wouldn’t a parodic use otherwise fail to be successfully humorous or critical? A Jack Daniel’s parody that looks nothing like Jack Daniel’s insignia would hardly be a parody at all. In what circumstances could a parody mark also serve a trademark purpose, be a viable parody, and not cause a likelihood of confusion among consumers? How should parody brands respond to this decision?

VIP did place a disclaimer on its Bad Spaniels chew toy, which informed customers that the “product is not affiliated with Jack Daniel Distillery.”⁵³ The Court, understandably focused on the narrow issue of *Rogers*’ applicability, did not mention how this disclaimer would affect the calculus. Could a proper disclaimer alleviate likelihood-of-confusion concerns? Does it depend on the sophistication of the purchasing audience? Could it likewise depend on the size, flair, and placement of the disclaimer? What other steps should a company that sells parodic uses of trademarks take to dispel concerns of confusion?

Perhaps we will receive some guidance regarding these unanswered questions on remand. Regardless, the commercial viability of parody marks takes a hit after this decision. If nothing else, those who parody other

has less implications to (and, subsequently, gives less answers regarding) trademark law in general.

⁵² *Id.* at 16–17.

⁵³ *Id.* at 7.

brands in their trademarks must tread lightly in response to *Jack Daniel's Properties v. VIP Products*.

The Bigger Picture

Lastly, let's take a step back to assess if *Jack Daniel's Properties* is a step in the right direction from a trademark policy standpoint. There's no doubt that parody brands have some intrinsic value: there's a reason a dog owner might buy the Bad Spaniels bottle toy over a plain bottle toy. But is the novelty of parody brands derived exclusively from appropriating the goodwill of more popular brands, or do these parody users add something of extra value through their humorous messages?⁵⁴ If the latter, is this an interest we believe is worth protecting? Should that interest, if any, be curtailed in correspondence with the parodied brand's trademark rights, or should the parodied brand not be contemplated in such analysis, given that the overarching objective of trademark law is not for monopolization of marks on the part of the mark holder but rather for consumer protection purposes?⁵⁵

To the extent that *Jack Daniel's Properties* limits the viability of brand parodies and gives trademark owners carte blanche to silence those who poke fun at its

⁵⁴ See Dogan & Lemley, *supra* n.13, at 492 (“[T]here’s a strong argument that, at least in the trademark context, incorporating a parody into a brand serves expressive goals that could not be realized through ordinary, non-branding speech. Many — perhaps most — branding parodies have a doubly subversive message. They are using a brand not only to lampoon the targeted brand, but also to call attention to the pervasiveness of branding in our society. Parodies, in general, replicate the central features of a particular work to “reference and ridicule” the work. Brand parodies do more: they not only borrow from the trademark itself, but they also appropriate the device of branding and employ it to make us think critically about the role of brands in our culture. The dog chew toy in *Louis Vuitton*, for example, ‘pokes fun at the elegance and expensiveness of a LOUIS VUITTON handbag’ but also ‘irreverently presents haute couture as an object for casual canine destruction.’”).

⁵⁵ See Dogan & Lemley, *supra* n.13, at 492 (“Trademark holders, of course, would prefer not to face this kind of ridicule of their brands or their branding practices. But trademark law does not exist to suit the needs of trademark holders; it aims to promote broader social objectives.”).

trademark in a way that trademarks are intended to function, this decision is a step back. To the extent that *Jack Daniel's Properties* instills within those who wish to parody brands the creativity necessary to continue to critique not only a brand's image but also its commercial reach – and to do so within the bounds of this decision (i.e.—avoid causing a likelihood of confusion) – this decision could compel flexible, new, and original parodic uses in the marketplace.⁵⁶

Again, as mentioned above, it is too early to know the precise practical reach of this decision given its procedural and factual limitations. But it is helpful in such circumstances to fear the worst and project the widest scope, and, in so doing, I arrive at the following assertion: While the Court was right to consider that critical speech in a trademark context need not, as a threshold matter, be as expansively protected as critical and parodic speech in other contexts, its decision in *Jack Daniel's Properties* ultimately comes down too rigidly on such parodic voices and obtrusively curtails an entire medium through which effective critique and corporate criticism could otherwise be conveyed.

⁵⁶ For example, trademarks used in a trademark way could be argued as noncommercial if under the guise of an art exhibition or in some other similar forum in which *Rogers* is more likely to take hold. What comes to mind is the 2014 use of “Dumb Starbucks” to parody commercial coffee giant Starbucks. See, e.g., Deborah J. Kemp, Lynn M. Forsythe & Ida M. Jones, *Parody In Trademark Law: Dumb Starbucks Makes Trademark Law Look Dumb*, 14 J. Marshall Rev. Intell. Prop. L. 143 (2015). Emily Greenhouse, *Dumb Starbucks and the Art of the Hoax*, The New Yorker (Feb. 14, 2014), www.newyorker.com/tech/annals-of-technology/dumb-starbucks-and-the-art-of-the-hoax.

Collection 2: Music Industry Trends & Related Intellectual Property Legal Issues

The music industry is a constantly adapting business. New trends driven by emerging technologies drive growth, but can do so in unpredictable ways.

For example, synchronization licensing has become one of the strongest and most reliable revenue streams within the industry, thanks largely in part to the proliferation of content creation that has occurred in recent years. The first article in this collection addresses sync, offering a discussion of the direct as well as downstream benefits of sync licensing for artists.

This is the first article in a series of articles on this topic, with more to appear in Issue 2.

A Brief Look Into the Growing Importance of Synchronization Licensing In the Music Industry

by Garrett J. Hall

6/23/23

Any time a filmmaker, showrunner, advertiser, video game designer, or any other user wants to incorporate a sound recording into their work, they first need consent from the song's rightholder, usually given in accordance with the terms of a license negotiated by the parties.⁵⁷ With the current climate wherein anyone can produce creative content, these 'sync' license deals are becoming a steadier, more viable revenue stream for music industry rightsholders.

Industry-wide data tends to support this assumption. Year-end reports for 2022 demonstrated that synchronization royalties generated \$382.5 million in revenue for the music industry, up 24.8% from 2021.⁵⁸ In fact, income brought in from sync deals was one of only two non-streaming categories to post positive growth (the other being vinyl, up 17.2% from 2021). Further, adjusted for inflation, sync generated almost \$50 million more in 2022 than it has in any other year with recorded data.⁵⁹ To provide some perspective, it is worth comparing sync royalties with the digital single download. Since 2021, sync revenues have outpaced the

⁵⁷ Although, of course, fair use considerations may come into play, and a sync license may not be required in such circumstances, to wit, *Lenz v. Universal Music Corp.*, 801 F.3d 1126 (9th Cir. 2015) (determining that rightholders need to consider fair use before delivering DMCA takedown notices for allegedly infringing content, where the infringing work in question was a 29-second clip of child dancing to *Let's Go Crazy* by Prince.).

⁵⁸ Joshua P. Friedlander & Matthew Bass, YEAR-END 2022 RIAA REVENUE STATISTICS, available at www.riaa.com/wp-content/uploads/2023/03/2022-Year-End-Music-Industry-Revenue-Report.pdf.

⁵⁹ See U.S. Sales Database, RIAA, www.riaa.com/u-s-sales-database/.

digital single download, which once made up nearly one-fourth of all industry income.⁶⁰ This progress indicates that sync licensing has “the potential to keep growing at a healthy pace for a while.”⁶¹

Sync Licensing Basics

Unlike compulsory licensing mechanisms that can be found elsewhere in the music copyright landscape, each synchronization license must be individually negotiated between the rightsholder and licensee.⁶² Natural bargaining power dynamics develop in accordance with such negotiation. Let’s consider a Netflix television show that is looking for a song to play during an episode end credits sequence.

Scenario 1: The studio may reach out to an artist (or, more practically, their label) with a specific song in mind to fill their need. The artist could be very well-known, but also might be very particular about licensing their music for use in other media. The studio may have already intended on naming the episode the same title as the song they wish to license, and there may be some dialogue in the episode related to the song or artist. In such a scenario, the artist holds a great deal of bargaining power, and the studio will likely have to agree to pay hundreds of thousands of dollars in exchange for the synchronization license.

Scenario 2: An undiscovered local artist may be looking for an additional revenue stream, as their music has not been getting enough play to make a living off of. The artist may reach out to the studio (or

⁶⁰ *Id.* Digital single downloads, at their highest figures, accounted for 23.4% of total revenue (2012) and made up 79.2% of the total sales volume (2014).

⁶¹ Bill Rosenblatt, *New Music Industry Numbers From RIAA And Edison Research Show Growth Slowing*, *Forbes* (Mar 9, 2023), www.forbes.com/sites/billrosenblatt/2023/03/09/new-music-industry-numbers-from-riaa-and-edison-research-show-growth-slowing/?sh=1fb4e15a4acf.

⁶² *See, e.g.*, 17 U.S. Code § 115.

a sync placement intermediary), offering up any and all recorded works. In such a scenario, the studio holds all of the bargaining power, and the artist may only be offered a few hundred dollars in exchange for the synchronization rights.

In this way, bargaining power plays a crucial role in developing the terms of a sync license.

The publishing side receives an additional benefit from sync licenses. On top of the initial payout negotiated up front, those who own publishing rights earn public performance royalties for each play of the audiovisual work.⁶³ Through this mechanism, a rightsholder on the publishing side can expect continued revenue streams from a sync license for audiovisual projects like commercials or reruns of television shows.

Practically, deals are not always brokered directly between a studio and an artist. Sync libraries exist as an industry middleman, allowing artists to upload their music to readily license to those seeking music to add to their creative projects.⁶⁴ Essentially, this creates a marketplace for licensees to shop for and purchase licenses for the musical works that best suit their projects. Other companies post listings for film and television sync pitching opportunities.⁶⁵

⁶³ Andrew Parks, *SYNC LICENSING & MUSIC PUBLISHING: HOW DOES IT WORK?*, SongTrust (Oct. 11, 2022), <https://blog.songtrust.com/sync-licensing-your-music-how-important-is-it-really> (“Songwriters earn public performance royalties in addition to any upfront fee whenever an audiovisual work is aired or streamed. For example, if your song is used in a commercial, you could receive a flat payment of \$5000 and earn additional royalties each time the commercial is played or viewed.”).

⁶⁴ See, e.g., Musicbed, www.musicbed.com/; Music Gateway, www.musicgateway.com/music-library-music-licensing; see also Marc, *Top 46 Sync Licensing Music Libraries 2023*, Millennial Mind (Jan. 2, 2023), <https://www.millennialmind.co/top-sync-licensing-music-libraries/>.

⁶⁵ Jason Blume, *10 Things You Need to Know About Placing Music on TV and in Films*, BMI (Apr. 25, 2014), www.bmi.com/news/entry/10_things_you_need_to_know_about_placing_music_on_tv_and_in_films (“Another option [for sync opportunities] is to use tip sheets and pitch services. A *tip sheet* is a document that lists companies seeking music; the kinds of music they’re looking for; and information about how to contact them and submit your work. . . . Cue Sheet (www.cuesheet.net) is a tip sheet that focuses exclusively on TV and film

The Desired Result For Many: Exposure

Why would the artist from Scenario 2 above relinquish some creative control over their music for merely a few hundred dollars? For many artists, their main motivation for permitting uses of their songs in movies, television shows, commercials, and video games is often not primarily financial.⁶⁶ Instead, just like in the days where AM / FM radio airplay brought exposure to artists in return for little-to-no (or even negative) compensation, so too does sync licensing placements provide opportunity to reach larger and untapped audiences.⁶⁷

For an extreme example, singer Kate Bush experienced a resurgence to the charts with her single *Running Up That Hill (A Deal With God)* after she

music. . . . *Taxi* (www.taxi.com) and *Broadjam* (www.broadjam.com) are companies that, among other services, provide listings of television and film music pitching opportunities to their members.”).

⁶⁶ *How to maximize your exposure with sync licensing and placements*, Bandlab (June 23, 2023), blog.bandlab.com/guide-to-sync-licensing-and-placements/.

⁶⁷ See 17 U.S. Code § 114; John Conyers, Jr., INTRODUCTION OF THE PERFORMANCE RIGHTS ACT OF 2009, H.R.848 — 111th Congress, Congressional Record Vol. 155, No. 22 (February 4, 2009), available at www.congress.gov/111/crec/2009/02/04/CREC-2009-02-04-pt1-PgE202-4.pdf (describing 17 U.S.C. § 114 as “a glaring inequity in America’s copyright law . . . that exempts over-the-air broadcasters from paying those who perform the music that we listen to on AM and FM radio.”); Brandon H. Nemec, *No More Rockin’ in the Free World: Removing the Radio Broadcast Exemption*, 9 J. Marshall Rev. Intell. Prop. L. 935, 936 (2010) (“The radio rewards artists who make highly regarded music with airtime and listener exposure, but the Copyright Act only requires radio broadcasters to pay royalties to composers each time their composition is played. . . . [P]erformers who actually play the songs and put the composer’s piece of music into audible form do not receive royalties.”); Elias Leight, *‘Nobody Is Scrutinizing This’: How Labels Pay to Get Songs on the Radio*, Rolling Stone (Sept. 10, 2019), www.rollingstone.com/music/music-features/pay-for-play-how-labels-pay-son-gs-radio-871457/; see also H.R.4130 - American Music Fairness Act of 2022, 117th Congress (2021-2022); *AM/FM Royalty Loophole*, SoundExchange, www.soundexchange.com/advocacy/closing-the-amfm-radio-royalty-loophole (“The reality is that AM/FM radio – terrestrial broadcast radio – uses music to draw an audience that in turn allows broadcasters to bring in billions in revenue from advertising—all while paying nothing for their primary product!”).

agreed to place the song in popular Netflix series *Stranger Things*.⁶⁸ Bush's sync deal paid off big time: Spotify streams for the 37-year-old song increased 9900%,⁶⁹ and her overall catalog received a 439.3% lift as a result of this placement.⁷⁰ Bush owns the masters to many of her songs, so much of these streaming royalties goes directly to her.⁷¹ The *Stranger Things* sync placement led to boosts in revenue from another sync deal in place with TikTok; *Running Up That Hill* has been attached to over two million TikTok videos, many of which with substantial view count.⁷² And TikTok pays out for such sync uses on a *per video* basis, so Bush doubtless has benefited substantially from consenting to use of her song in *Stranger Things*.⁷³

⁶⁸ Bill Kopp, *The Expanding Universe of Music Sync: How It Works, Understanding The Opportunities*, Recording Academy (May 3, 2023), www.grammy.com/news/music-sync-explainer-how-it-works-opportunities-getting-paid-future-of-sync; but see Erica Campbell, *Kate Bush granted 'Stranger Things' permission to use 'Running Up That Hill' because she's a fan*, NME (June 2, 2022), www.nme.com/news/music/kate-bush-granted-stranger-things-permission-to-use-running-up-that-hill-because-shes-a-fan-3239169 (indicating that Bush licensed the song because she was a fan of the show, without much consideration of exposure).

⁶⁹ *Id.*

⁷⁰ *Catalog*, Spotify for Artists (Sept. 2022), fanstudy.bvspotify.com/edition/catalog.

⁷¹ Aimee Picchi, *Singer Kate Bush earned \$2.3 million after "Stranger Things" popularized "Running Up That Hill"*, CBS News (July 1, 2022), www.cbsnews.com/news/kate-bush-stranger-things-running-up-that-hill-earning-millions/.

⁷² See D. Bondy Valdovinos Kaye, *Running Up That Hill: How Stranger Things and TikTok pushed Kate Bush's 1985 pop classic back to the top of the charts*, The Conversation (June 6, 2022), <https://theconversation.com/running-up-that-hill-how-stranger-things-and-tiktok-pushed-kate-bushs-1985-pop-classic-back-to-the-top-of-the-charts-184443> (mentioning that "[a] thirty-second version of the Stranger Things clip has been posted and reposted on TikTok, gaining millions of views in just over a week, and Kate Bush's song has been used in over 500,000 short videos.").

⁷³ See *TikTok Royalties : How are they calculated?*, Horus Music (June 16, 2021), www.horusmusic.global/tiktok-royalties-how-are-they-calculated/ ("[T]o put this simply, every time a user decides to use your music to make a video, this generates a royalty.").

More generally, this trend holds true.⁷⁴ In a joint study published by Netflix and Spotify analyzing stream results from sync placements with Netflix, the companies reported that “artist discoveries jump between +50% and +6,000%” in the wake of appearances in series on the streaming platform.⁷⁵ Sync placements lead to engagements beyond streaming as well; “Harry Nilsson's 1971 song ‘Gotta Get Up’ was added to 7,613% more playlists in the days right after it appeared in 2019's *Russian Doll*, compared with the days right before.”⁷⁶

TikTok as An Exposure Jackpot

While movie, television, advertising, and video game synchronization opportunities have been around for decades, social media sync opportunities have quickly become an important channel for emerging artists.⁷⁷ TikTok specifically has played a critical role in launching many artists to stardom including Lil Nas X, Lizzo, and Jack Harlow.⁷⁸

By the structure of the platform, TikTok offers a social mechanism through which a catchy or trendy song can be synced by hundreds of thousands of users and viewed, reshared, and commented on millions of times.

⁷⁴ Paul Resnikoff, *Is Sync the New Radio? ‘Running Up That Hill’ Isn’t the Only Track That’s Finding New Fans After Scoring a Major Placement*, Digital Music News (Oct. 11, 2022), www.digitalmusicnews.com/2022/10/11/sync-the-new-radio-running-up-that-hill-more/.

⁷⁵ *Catalog*, *supra* note 70 (“When you land a sync, we see a huge jump in brand new listeners. We partnered with Netflix to analyze a set of syncs and saw artist discoveries jump between +50% and +6,000%. But it doesn’t stop there — the rest of your catalog also gets a boost.”).

⁷⁶ Jonathan Cohen, *How Syncs Supercharge Your Fans: Insights from Spotify for Artists and Netflix*, Spotify for Artists (Sept. 28, 2022), artists.spotify.com/blog/how-syncs-supercharge-your-fans-insights-spotify-for-artists-netflix.

⁷⁷ See Mia Venkat, *TikTok has changed music — and the industry is hustling to catch up*, NPR (May 22, 2022), www.npr.org/2022/05/22/1080632810/tiktok-music-industry-gayle-abcdefu-si-a-tai-verdes-celine-dion.

⁷⁸ Christian Silvia, *10 Popular Musicians Who Owe Their Career To TikTok*, Screen Rant (Oct. 10, 2022), screenrant.com/popular-musicians-started-got-famous-tiktok/.

For example, Tai Verdes was working at a Verizon store in Los Angeles when he put out *Stuck in the Middle* on TikTok; the song quickly made him a viral sensation, and he has since signed a record deal, amassed over 7 million monthly listeners on Spotify, and accumulated over a billion global streams.⁷⁹ For undiscovered artists, Verdes posits that TikTok “is like buying lottery tickets,” and that exposure can come for artists who make use of the platform at every opportunity.⁸⁰

TikTok exposure pays dividends for established artists as well. For example, Fleetwood Mac’s *Rumours* returned to the Billboard Top 10 album chart for the first time in forty years after a TikTok video of a cran-raspberry-sipping skateboarder singing along to *Dreams* went viral.⁸¹ *Let’s Groove* by Earth, Wind & Fire “saw its Spotify streams rise by 24.7% 60 days after its peak on TikTok charts” as a result of a viral dance trend.⁸² Another TikTok dance caused Spotify streams for Sandy Marton’s 1985 release *Camel by Camel* to jump from 45,000 to 5.8 million.⁸³ Surely, the platform allows for artists of all types to reach wider audiences and indirectly grow their streaming revenue.

⁷⁹ Brooke Kato, *From Verizon worker to star: Tai Verdes’ TikTok fairytale*, New York Post (July 13, 2021), nypost.com/2021/07/13/tai-verdes-rise-to-fame-from-verizon-worker-to-tiktok-star/; Tai Verdes, open.spotify.com/artist/2kCO8LXN1usaOPL3iEE28I; CourtneyB, *TIKTOK STAR TURNED PHENOM TAI VERDES ON MUSIC AND HIS LIFE ON TOUR*, The Source (Oct. 7, 2022), thesource.com/2022/10/07/tiktok-star-turned-phenom-tai-verdes-on-music-and-his-life-on-tour/; Kai Verdes – Spotify Top Songs, kworkb.net/spotify/artist/2kCO8LXN1usaOPL3iEE28I_songs.html (1,007,396,842 total Spotify streams as of 2023/07/05).

⁸⁰ Elias Leight, *TikTok Is a Lottery, and Tai Verdes Is Winning*, Rolling Stone (July 23, 2020), www.rollingstone.com/music/music-features/tai-verdes-stuck-in-the-middle-1031571/.

⁸¹ Ben Sisario, *Fleetwood Mac’s ‘Rumours’ Returns to the Top 10, Thanks to TikTok*, New York Times (Oct. 19, 2020), nytimes.com/2020/10/19/arts/music/fleetwood-mac-billboard-chart.html.

⁸² Callie Ahlgrim & Taylor Tyson, *TikTok’s Power of Resurrection*, Insider (Apr. 11, 2023), insider.com/popular-tiktok-songs-from-past-decades-trending-now-2023-4.

⁸³ *Id.*

Returning to a general discussion of sync, exposure increases from sync licensing translate to real money. Let's take a moment to appreciate how these increases in streaming royalties translate to dollars and cents. For example, reports indicate that in the month immediately following the airing of the *Stranger Things* episode bearing Bush's song, Bush earned \$2.3 million in streaming royalties.⁸⁴ Elsewhere, a study of 100 viral TikTok songs demonstrated a combined earnings of over \$100 million.⁸⁵

Synchronization licensing is a low-risk, high-reward revenue source for artists and songwriters who can take advantage of the sync market and invest in themselves. The importance of this market within the music industry has experienced a steady uptick in recent years and projects to hold steady as a major contributor to formulating how music is created, curated, and consumed. Rightsholders in musical works should understand the up-front and long-term, direct and indirect benefits of sync deals. Such knowledge and foresight involving sync licensing can play a crucial role in launching a career, skyrocketing streaming numbers, and earning serious money.

One final point: the Hollywood Strikes—in which writers and actors are both advocating for fair pay and responsible use of A.I. practices, among other bargaining points—will obviously lead to less sync opportunities for film and television in the near future.⁸⁶ But this temporary diminution in the sync market will not last indefinitely, and artists should be optimistic that a return to the Hollywood status quo (once a labor deal is struck)

⁸⁴ Aimee Picchi, *supra* note 71.

⁸⁵ Shruti Shekar, *If your song goes viral on TikTok, you could make millions*, Yahoo Finance (Feb. 18, 2021), www.yahoo.com/video/if-your-song-goes-viral-on-tik-tok-you-could-make-millions-160819565.html (a “cumulative earnings of a staggering \$100 million and have been played almost 23 billion times.”).

⁸⁶ See Kristin Robinson & Steve Knopper, *What the Hollywood Strikes Mean for the \$2B Music Synch Business*, Billboard (July 26, 2023), www.billboard.com/pro/what-hollywood-strikes-mean-music-synch-business/.

will bring with it an influx of new demand for sound recording synchronization placements.

Collection 3: Other Articles

Not every article is a part of a greater category or topic. The articles herein address one-off topics relevant during the given time period.

Flipping the Bird: Trademark Considerations from Elon Musk's Twitter Rebrand

By Garrett J. Hall

7/29/23

Since purchasing the social media stalwart in October 2022, Elon Musk has spared no expenses putting his impression on Twitter.⁸⁷ From staff changes to (short-lived) adjustments to the company's DMCA-compliance policies⁸⁸ to removal of celebrity verified account statuses⁸⁹ to (briefly) limiting the number of tweets users could see a day,⁹⁰ Musk has quite literally uprooted everything *and* the kitchen sink.⁹¹ But his most recent managerial maneuver has left many in the trademark law community perplexed: rebranding the platform to X.⁹²

⁸⁷ See Clare Duffy & Donie O'Sullivan, *Twitter confirms completion of Elon Musk's \$44 billion acquisition deal*, CNN (Oct. 28, 2022), www.cnn.com/2022/10/28/tech/elon-musk-twitter-deal-close/index.html.

⁸⁸ See Jyoti Mann, *Users are uploading entire movies to Twitter – and many aren't being blocked*, Business Insider (Nov. 20, 2022), www.businessinsider.com/users-uploading-movies-twitter-many-arent-being-blocked-2022-11; Paul Tassi, *Twitter's Broken Its Copyright Strike System, Users Are Uploading Full Movies*, Forbes (Nov. 21, 2022), www.forbes.com/sites/paultassi/2022/11/21/twitters-broken-its-copyright-strike-system-users-are-uploading-full-movies/?sh=45e04c727cc4; see also 17 U.S. Code § 512.

⁸⁹ Barbara Ortutay, *Twitter begins removing blue checks from users who don't pay*, Associated Press (Apr. 21, 2023), apnews.com/article/twitter-blue-check-marks-elon-musk-pay-celebrities-c8bc4520e7e739ca3c5376817ab82b25.

⁹⁰ Tamia Fowlkes & Julian Mark, *Elon Musk sets new daily Twitter limits for users*, Washington Post (July 1, 2023), www.washingtonpost.com/technology/2023/07/01/elon-musk-new-twitter-user-limits/.

⁹¹ See Lauren Feiner, *Elon Musk carried a sink into Twitter on Wednesday as deal nears close*, CNBC (Oct. 26, 2022), www.cnbc.com/2022/10/26/elon-musk-carried-a-sink-into-twitter-on-wednesday-as-deal-nears-close.html.

⁹² See Clare Duffy, *Twitter's rebrand is the next stage in Elon Musk's vision for the company. But does anyone want it?*, CNN (July 25, 2023), www.cnn.com/2023/07/25/tech/twitter-x-elon-musk-rebrand-strategy/index.html.

Founded in 2006, Twitter has matured from a modest, friend-updating status service to the preeminent platform for discourse, commentary, or immediate reaction to anything happening anywhere in the world.⁹³ Truly a digital town square, Twitter has become a resource as a public forum through which meaningful discussions can be had—internet detectives can solve crimes, and stranded families can receive natural disaster relief information.⁹⁴

As a consequence of the social utility that Twitter has amassed over the years, the platform *had* developed into one of the most recognizable brands in cyberspace. But then suddenly, the goodwill that had accrued in the Twitter name, logos, terminology (“tweets” and “retweets”), and interface design has vanished with Musk’s decision to rebrand. Analysts estimate that the company has abandoned somewhere between \$4 billion and \$20 billion in value by switching its brand name to X.⁹⁵

⁹³ See Jean Burgess & Nancy K. Baym, *Twitter: A Biography* (NYU Press 2022), at 5 (“Twitter was officially launched in July 2006. In its earliest incarnation, it was a very lightweight service for updating your friends about your whereabouts, thoughts, or everyday activities. . . . Its original intent, in other words, was to be of importance on an interpersonal rather than a geopolitical scale.”).

⁹⁴ *How many people come to Twitter for news? As it turns out, a LOT*, Twitter News (Sep. 12, 2022), blog.twitter.com/en_us/topics/insights/2022/how-many-people-come-twitter-for-news; *When natural disasters happen, Twitter can be used to help. Here’s how*, Twitter Blog (Oct. 13, 2022), blog.twitter.com/en_us/topics/company/2022/when-natural-disasters-happen-twitter-can-help-heres-how; Dana Gerber, *The Marathon bombing changed Boston. It also changed Twitter.*, Boston Globe (Apr. 12, 2023), www.bostonglobe.com/2023/04/12/business/one-stop-shop-process-social-trauma-how-boston-marathon-bombing-changed-twitter/; Emily Olson, *How the Boston Marathon bombings changed Twitter, media and how we process tragedy*, NPR (Apr. 15, 2023), www.npr.org/2023/04/15/1170082886/marathon-bombings-twitter-media-boston-strong.

⁹⁵ Aisha Counts & Jesse Levine, *By Turning Twitter Into X, Elon Musk Risks Killing Billions in Brand Value*, Time (July 24, 2023), time.com/6297303/twitter-x-rebrand-cost/ (“Elon Musk decreed that Twitter’s product name would be changed to ‘X,’ and that he is getting rid of the bird logo and all the associated words, including ‘tweet.’ Musk’s move wiped out anywhere between \$4 billion and \$20 billion in value, according to analysts and brand agencies.”).

There are numerous trademark implications of this decision. Let's discuss a few of them:

(Trade)marked with an X

Elon Musk has long had an obsession with the letter X, and he hopes to parlay that fascination into a one-stop-shop, all-in-one online social media, entertainment, and ecommerce platform.⁹⁶ However, obtaining trademark rights for the name "X" will be an uphill battle.

The company owns – and up to this point, maintains – trademarks in Twitter,⁹⁷ Tweet,⁹⁸ and Retweet,⁹⁹ as well as in its bird-silhouette logo mark.¹⁰⁰ If Musk intends to leave these trademarks dormant in favor of X, that is a decision that is within his right to make as owner of the company. But he cannot simply tack these former registrations to carry the same trademark protections to X; instead, the company will need to reapply if it wishes to own federal registrations in the X mark.

And it's not like Musk's desired mark is simply for the taking. Numerous X marks in the social media services industry are already registered with the USPTO, including trademarks owned by Meta and Microsoft.¹⁰¹

⁹⁶ See Duffy, *supra* note __94??? (“[Musk] laid out a vision for an “everything” app called X, where users could communicate, shop, consume entertainment and more. . . . The vision for the rebrand may go all the way back to Musk’s creation of the original X.com in 1999;” “The rebrand also seems to be a continuation of a sort of obsession with the letter ‘X,’ which also features in the name of one of Tesla’s cars, the Model X; the name of his rocket company, SpaceX; the name of his new artificial intelligence firm, xAI; and the name of two of his children, X Æ A-Xii and Exa Dark Sideræl.”).

⁹⁷ See, e.g., US Registration No. 3619911.

⁹⁸ US Registration No. 4338963.

⁹⁹ US Registration No. 5176563.

¹⁰⁰ US Registration No. 4552274.

¹⁰¹ Cameron Shackell, *Do Rebrands Really Work? An Expert Delves into Musk’s Twitter Pivot*, The Fashion Law (July 27, 2023), www.thefashionlaw.com/do-rebrands-really-work-an-expert-delves-into-musk-s-twitter-pivot/ (“Both Microsoft and Meta (and many others) have laid claims to X in the past for various goods and services, which means that lawsuits over Twitter’s X mark very well may be filed.”).

Musk's website therefore not only has major obstacles to trademark registration ahead—it is likely to face trademark infringement lawsuits from these existing X mark owners.¹⁰² In order to obtain the rights necessary to operate under the X mark, former-Twitter will likely face tens of millions in litigation, settlement, and acquisition costs.¹⁰³

Further, because of the succinctness of the new name (only one letter), whatever trademark rights Musk does gain in X, as a name and as a logo, will be limited. For example, Musk will not have the ability to stop every other tech company from using an 'X' in its branding; rather, any protection in the X mark will be limited to, say, certain stylization elements unique to the new logo.¹⁰⁴ After all, the primary purpose of trademark law is to protect and uphold consumer expectations;¹⁰⁵ it does

¹⁰² See *Id.*; Kyle Jahner, *Musk's Twitter Rebrand Invites 'X' Trademark Fallout: Explained*, Bloomberg Law (July 26, 2023), news.bloomberglaw.com/ip-law/musks-twitter-rebrand-invites-x-trademark-fallout-explained ("X Corp., the website's corporate parent, is sure to be sued, and defending and building the new brand could cost tens of millions or more. . . A search for 'X' as the full mark in the US Patent and Trademark Office database returns nearly 1,000 active registered trademarks, including hundreds in classes involving software. That includes an X for Microsoft's Xbox and Comcast's lightly-stylized X for Xfinity merchandise.").

¹⁰³ See Jahner, *supra id.*

¹⁰⁴ See Elizabeth Napolitano, *Why Twitter's rebrand to X could be legally challenging*, CBS News (July 25, 2023), www.cbsnews.com/news/twitter-trademark-x-com-rebrand/.

¹⁰⁵ See *Jack Daniel's Properties*, 599 U.S. ___, at 3 ("every trademark's 'primary' function: 'to identify the origin or ownership of the article to which it is affixed.'" *Hanover Star Milling Co. v. Metcalf*, 240 U. S. 403, 412 (1916). Trademarks can of course do other things: catch a consumer's eye, appeal to his fancies, and convey every manner of message. But whatever else it may do, a trademark is not a trademark unless it identifies a product's source (this is a Nike) and distinguishes that source from others (not any other sneaker brand). See generally 1 J. McCarthy, *Trademarks and Unfair Competition* §3:1 (5th ed. 2023). In other words, a mark tells the public who is responsible for a product.

In serving that function, trademarks benefit consumers and producers alike. A source-identifying mark enables customers to select "the goods and services that they wish to purchase, as well as those they want to avoid." *Matal v. Tam*, 582 U. S. 218, 224 (2017). The mark "quickly and easily assures a potential customer that this item—the item with this mark—is made by the same producer as other similarly marked items that he or she liked (or disliked) in the past." *Qualitex Co. v. Jacobson Products Co.*, 514 U. S. 159, 164 (1995). And because that is so, the producer of a

not function to provide a trademark owner the right to bar others in an industry from using words (or in this case, a letter) common to that industry. Musk's social media site is not the first technology company to utilize an "X" in a trademark way, nor will a federal registration in the mark allow Musk to be the last to do so.

This leaves a lot of legal work ahead for the social media platform—work that had already been done for the strong, established TWITTER marks that Musk has so capriciously set aside.¹⁰⁶

Opportunistic Twitter Trademark Filings

Following Musk's announced brand name change, several individuals filed for federal trademark protection in Twitter-related marks.¹⁰⁷ Unfortunately for these applicants, they will have to experience the hard way that that is not how the United States trademark system works.

For these new applications to be successful, the existing registered marks mentioned above would have to first be abandoned or canceled under a theory of abandonment. If applicants go forth without either of these first occurring, the USPTO will refuse to register these applications for being confusingly similar to existing marks. Suspending use of a mark, like Musk appears to be moving toward, does not automatically constitute abandonment. Rather, the mark must be expressly abandoned by way of a filing submitted by the

quality product may derive significant value from its marks. They ensure that the producer itself—and not some "imitating competitor"—will reap the financial rewards associated with the product's good reputation. *Ibid.*").

¹⁰⁶ See Shackell, *supra* note ____103 ("To non-moguls, Elon Musk's (perhaps temporary) rebrand of Twitter to "X" may seem high risk, amateurish, or even capricious.").

¹⁰⁷ See Trademarks Are Magic, @TimberlakeLaw, Tweet/X Post (Jul 28, 2023), twitter.com/TimberlakeLaw/status/1684882464236523520?s=20 ("On July 24th, 6 applications were filed to register Twitter-related #trademarks. 4 were filed by lawyers. None were filed by Twitter / X Corp. These applicants may be thinking they can get rich by snapping up unattended 'property' but that's not how trademark law works.").

registrant to the USPTO. It is unlikely Musk decides to do so.

These new applicants, then, will need to cancel the mark, claiming that the company's nonuse of the mark constitutes abandonment. However, for such claims, the USPTO requires a showing of three years of nonuse as well as that the registrant, Musk's X Corp, does not intend to resume use.¹⁰⁸ (A showing of the former creates an inference that the registrant does not intend to resume use, but Musk would then have to opportunity to present evidence to the contrary).¹⁰⁹

Intent to resume use does not require a showing of specific, definitive plans to resume, so long as some definable resumed-use is planned within the reasonably foreseeable future.¹¹⁰ What is reasonably foreseeable varies depending on the industry and other particular circumstances of a use; for example, it is not unreasonable for a fire truck manufacturer to go twenty to thirty years between producing vehicles because fire trucks typically last that long, and branding on the vehicles remains apparent for that length of time.¹¹¹ It is

¹⁰⁸ See *Vans Inc v Branded LLC*, 2022 USPQ2d 742, available at ttabvue.uspto.gov/ttabvue/ttabvue-92066859-CAN-93.pdf#page=20 (TTAB 2022 [precedential]) ("If plaintiff can show three consecutive years of nonuse, it has established a prima facie showing of abandonment, creating a rebuttable presumption that the registrant has abandoned the mark without intent to resume use. The burden of production (i.e., going forward) then shifts to the respondent to produce evidence that it has either used the mark or that it has intended to resume use (e.g., a convincing demonstration of "excusable non-use" that would negate any intent not to resume use of the mark). The burden of persuasion remains with the plaintiff to prove abandonment by a preponderance of the evidence.") (citation omitted).

¹⁰⁹ *Id.*

¹¹⁰ See *Emerg. One, Inc. v. Am. FireEagle, Ltd.*, 228 F.3d 531, 537 (4th Cir. 2000)

¹¹¹ See, e.g., *Id.* ("AFE contends, however, that E-One's own representatives admitted that their plans to resume use of the mark were indeterminate. At the time of acquisition and at all times up until 1995, E-One had no specific plan to use the AMERICAN EAGLE mark. It is true that the owner of a trademark cannot defeat an abandonment claim, as well as the purposes of the Lanham Act, by simply asserting a vague, subjective intent to resume use of a mark at some unspecified future date. See *Silverman*, 870 F.2d at 46–47. Once the challenger shows discontinued use, the owner must produce evidence of intent to resume use 'within the reasonably foreseeable future.' *Id.* at 46. See also *Roulo*, 886 F.2d at 938.

unclear what a ‘reasonably foreseeable’ time may be for a social media provider, but it is certain that these opportunistic filers will need to wait at least three years before they can demonstrate that Musk legally abandoned the TWITTER trademark.

It will be interesting to watch how this X saga unfolds. This unprecedented rebranding effort has already cost the social media platform billions of dollars in brand recognition and value, and that bill will only continue to climb amid anticipated trademark infringement lawsuits and intellectual property licensing efforts. How Musk is able to manage this blundering trademark situation will certainly be the X-factor as to whether his intended rebrand is successful or whether the now-iced Twitter bird may come home to roost.

Requiring the owner to have an intent to use the mark in the reasonably foreseeable future ensures that valuable trademarks are in fact used in commerce as the Lanham Act intends, rather than simply hoarded or warehoused. See *Roulo*, 886 F.2d at 938; *Silverman*, 870 F.2d at 46; *Humble Exploration*, 695 F.2d at 102–03.

Of course, what is meant by the ‘reasonably foreseeable future’ will vary depending on the industry and the particular circumstances of the case. Cf. *Defiance Button Mach. Co. v. C & C Metal Prods. Corp.*, 759 F.2d 1053, 1060–61 (2d Cir.1985). Because fire trucks have very long lives (often twenty to thirty years), the mark stays visible, and the good will value of the mark persists long after production of trucks with that mark has ceased. Thus, it might be reasonable for a fire truck manufacturer to spend five or six years considering the reintroduction of a brand, even though the same passage of time would be unreasonable for a maker of a more ephemeral product, say potato chips. E-One produced evidence that because American Eagle had made a product very similar to E-One’s, it was necessary for E-One to develop a new product line to avoid duplication. E-One also produced evidence that its delay in reintroducing the mark was attributable to its skittishness after an embarrassing experience introducing another brand. Finally, E-One produced evidence that it had paid a substantial sum of money for the AMERICAN EAGLE mark only a few years earlier. Under these circumstances, we cannot say as a matter of law that E-One had no intent to reintroduce the mark within the reasonably foreseeable future. That question was a proper one for the jury.”)