

Mark of the Devil:
Universities and the Disappearing Trademark Commons*
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Abstract: The environmental world has paid attention to the tragedies, and comedies, of the physical commons, to the ways that formal law and informal culture combine to mitigate the dangers that commons status might otherwise suggest. Indeed, that focus was one of Lin Ostrom’s many great contributions to the economic literature. But, as Professor Ostrom herself noted, there is an intellectual commons also. Facts, ideas, words, natural laws: all of these exist outside of the world of intellectual property: free for all to use and recombine. Even our speechways involve a line between the realm of the owned and of the free. Trademark law allows you to criticize a brand, to use its name in comparative advertising, or in a different context (Delta for airlines, but also faucets). Yet that commons is gradually disappearing and, strangely, universities are one of the entities leading the charge. In recent years, universities have been accused in news stories of becoming “trademark bullies,” entities that use their trademarks to harass and intimidate beyond what the law can reasonably be interpreted to allow. Universities have also intensified efforts to gain expansive new marks. The Ohio State University’s attempt to trademark the word “the” is probably the most notorious. There has also been criticism of universities’ attempts to use their trademarks to police clearly legal speech about their activities. But beyond provocative anecdotes, how can one assess whether a particular university is truly bullying, since there are entirely legitimate reasons for universities – like all trademark holders – to assert their rights? Online “rankings” of trademark bullies have obscure methodologies. We lack both an empirical account of major aspects of the landscape, and a rigorous case study giving individualized, almost ethnographic, information about what the accused academic trademark bullies think they are doing. What are their legal arguments and how would impartial experts assess those claims? What is their intellectual property world-view, their idea of the role that trademarks have in the university’s mission? In this article, we attempt to provide an answer to those questions. We conducted the first empirical study of a prominent university’s trademark assertion practice – both the legitimate exercise and defense of its brands and conduct that strays over the line into bullying. To do so, we took the university popularly identified as the number one collegiate trademark bully and conducted a comparative empirical ranking of its behavior as compared to other classes of universities — academically elite

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institutions, major sports programs and so on — to find out if any of these categories were predictors of aggressive trademark assertion. Second, we hand coded every single trademark opposition filed by the alleged bully over a four-year period, assigning each one a numerical merit score. We also analyzed the arguments which the university provided, thus allowing us not merely to identify whether this was a true case of bullying, but what the alleged bully had to say for itself. Unfortunately, the accused bully is our own university, Duke. Is Duke an outlier or a bellwether? There are reasons to suspect the latter. After assessing a variety of possible explanations for anomalous aggressiveness in trademark assertion, ranging from legal change and licensing culture to behavioral economics, the article concludes with suggestions for reform, both of the law and of university practices.

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I

Introduction

In August of 2019, news came out that The Ohio State University was trying to trademark the word “The” for use on “clothing, namely, t-shirts, baseball caps and hats.”¹ The internet predictably exploded. At time of writing, the United States Patent and Trademark Office (“PTO”) has issued a non-final office action denying the application for the word “The,” but the university has time to respond and the mark still registers as “Live” in the PTO’s Trademark Electronic Search System.

The Ohio State University is not alone. Boise State University has claimed that it owns the right to control the use of all non-green sporting fields.² The purported legal grounds for this are as garishly strange as Boise State’s own blue football field. The University of Texas has claimed the “horns” hand sign.³ Universities have entered the beer market, selling branded brews to their fans.⁴ There has also been criticism of universities’ attempts to use their trademarks to police clearly legal speech about them. These include efforts to prevent the release of content that cast their universities in a negative light, such as the film “Stealing Stanford” (the writers changed it to “Stealing Harvard”) and the TV program “Felicity” which suggested that a fictional, sexually active college student went to NYU.⁵ Sexually active college students! What could be more ludicrous? The writers changed the identity of the college.

What is going on here? When we see famous *commercial* brands over-assiduously wielding their trademarks, we are unsurprised. But why universities? A 2018 Associated Press story with the title *Trademark Bullies? Many Big Colleges Fiercely Protect Brands*,⁶ suggests that the phenomenon is a pervasive one:

Never get between a university and its trademarks. That’s the lesson dozens of people learn every year when they unwittingly provoke the wrath of big universities and the lawyers they hire to protect their mascots, slogans and logos. Records gathered by The Associated Press show that some major universities send their lawyers after even slight perceived threats to their brands, sending flurries of letters threatening legal action or trying to block new trademarks deemed too close to their own. Schools say they’re only defending themselves from merchandise counterfeiters and others looking to exploit their brands for personal gain. But some legal experts say it often amounts to trademark bullying, a term used when bigger institutions use aggressive tactics to overpower their opponents in seemingly frivolous disputes. And according to some lawyers, it appears to be getting more common. As the biggest universities bring in growing sums of money

¹ U.S. Serial No. 88,571,984 (August 8, 2019).

² U.S. Reg. No. 3,707,623 (November 10, 2009) (for “the color blue used on the artificial turf in the stadium”); Sam Fortier, *Boise State Mounts a Paper Defense of Its Home Turf*, N.Y.TIMES, Sept. 10, 2016, available at <https://www.nytimes.com/2016/09/11/sports/ncaafotball/boise-state-mounts-a-paper-defense-of-its-home-turf.html> (describing Boise State’s expansion of its trademark claim from blue fields to non-green fields).

³ U.S. Reg. No. 4,535,612 (May 27, 2014) (“The mark consists of the representation of a human hand with the index and small fingers extended upward and the thumb closed over the middle and ring fingers.”); *Board of Regents v. Weir*, 2013 WL 419832 (W.D. Tex. 2013) (lawsuit filed against producer of merchandise featuring “heavy metal horns” premised on pending application for the 2014 registered mark; the university has since opposed many other uses of the “horns” sign).

⁴ Billy Witz, *Beer, Here: Merchandising of College Sports Leads to Team-Branded Ales*, N.Y.TIMES, Nov. 1, 2019, available online <https://www.nytimes.com/2019/11/01/sports/ncaafotball/beer-here-the-merchandising-of-college-sports-leads-to-team-branded-ales.html>.

⁵ See Mark A. Lemley & Mark McKenna, *Irrelevant Confusion*, 62 Stan. L. Rev. 413, 420-421 (2010) (discussing “Stealing Stanford” and “Felicity” examples).

⁶ Collin Binkley, *Trademark Bullies? Many Big Colleges Fiercely Protect Brands*, ASSOCIATED PRESS, Aug. 28, 2018, available at <https://www.apnews.com/c23ab691c80a49c7ac940d4611e5d6c6>.

through licensing deals that rely on their brands, some are becoming increasingly aggressive in their efforts to protect their symbols.⁷

The difficulty with the claims made about university trademark bullies is that they are anecdotal. There *seems* to be something going on, but what? The scholarly literature provides no clear answer. A trademark bully was once defined by the USPTO as “a trademark owner that uses its trademark rights to harass and intimidate another business beyond what the law might be reasonably interpreted to allow.”⁸ Yet how can one assess whether a particular university is truly bullying, since there are entirely legitimate reasons for universities – like all trademark holders – to assert their rights? Online “rankings” of trademark bullies have obscure methodologies. We lack both an empirical account of major aspects of the landscape, and a rigorous case study giving individualized information about what the accused bullies think they are doing. What are their legal arguments and how would impartial experts assess those claims? What is their intellectual property world-view, their idea of the role that trademarks have in the university’s mission?

In this article, we attempt to provide an answer to some of those questions. We conducted the first multi-year empirical study of a prominent university’s trademark assertion practice – both the legitimate exercise and defense of its brands and conduct that strays over the line into bullying. To do so, we took the university popularly identified as the number one collegiate trademark bully⁹ and conducted a comparative empirical ranking of its behavior as compared to other classes of universities — academically elite institutions, major sports programs and so on — to find out if any of these categories were predictors of aggressive trademark assertion. Second, we hand-coded every trademark opposition filed by the alleged bully over a four-year period, assigning each one a numerical merit score. We also analyzed the arguments which the university provided, thus allowing us not merely to identify whether this was a true case of bullying, but what the alleged bully had to say for itself. Unfortunately, and we say this with no pleasure, the alleged bully is our own university, Duke.

As this article will show, Duke is an outlier. Its level of aggression, both in number of claims and the extremity of its legal arguments, is remarkable. Outliers are a poor basis for generalizations about a field. On the other hand, we saw some evidence in our study that Duke might be a front-runner rather than a mere statistical anomaly, its behavior today suggesting the way that other universities may act in the future. While Duke’s aggressive trademark opposition practice has no peer, several other universities have begun to move in the same direction. What’s more, Duke’s *arguments* and the world-view they represent – gleaned from hundreds of legal filings – seem to represent a trend in universities’

⁷ *Id.*

⁸ U.S. Dep’t of Commerce, *Report to Congress: Trademark Litigation Tactics and Federal Government Services to Protect Trademarks and Prevent Counterfeiting* 15, n.51 (2011). There is an ironic backstory to the definition. Senator Leahy of Vermont had been outraged when Monster Energy drinks opposed an application for the mark “Vermonster” for beer. He asked the PTO to investigate the practice of trademark bullying. *See Report* at 1. The PTO then used the definition we quote above in a request for comments about the prevalence of bullying. In the final report, however, the PTO later decided (we are *not* saying “was bullied”) to soften the language considerably.

It is noted that in USPTO’s request for comments posted on October 6, 2010, the term “bullies” was used and described as “a trademark owner that uses its trademark rights to harass ad [sic] intimidate another business beyond what the law might be reasonably interpreted to allow.” The posting was later amended to remove the terminology “bullies” and “bullying,” as it was determined that it was more appropriate to use the language appearing in the Trademark Technical and Conforming Amendment Act of 2010; namely, “litigation tactics.” *See Report* 15, n. 51.

The idea that this chain of events might seem to confirm the existence of a problem appears not to have occurred to those involved. Assessment of the PTO’s report was scathing. *See, e.g.,* Eric Goldman, *Department of Commerce Releases Worthless Report on Trademark Bullying*, available at https://blog.ericgoldman.org/archives/2011/04/departments_of_c.htm.

⁹ *See* note ____ *infra*.

thinking about trademarks and their relationship to the role of a university in today's world. The latter finding is perhaps the most disturbing one.

The article begins with two empirical studies, one comparative and one merit-based, that provide a more structured and replicable assessment of trademark bullying. In the process it assesses the trademark assertiveness of three selected groups of universities, the top ten in academic ranking and in athletic revenues, both generally and for basketball in particular. It then moves to the substance of the arguments put forward to justify Duke's particular trademark assertions, seeking to identify the assumptions behind them and the vision of the university's role and mission they offer. Is Duke an outlier or a bellwether? After assessing a variety of possible explanations for anomalous aggressiveness in trademark assertion, ranging from legal change to behavioral economics, the article concludes with some suggestions for reform, both of the law and of university practices.

II

A Case Study in Trademark Bullying

Duke University, where the authors of this article teach, appears in many lists of rankings. The undergraduate university is #10 on the US News and World Reports list. The law school is also #10. The men's basketball team is perennially close to #1. So it might not be a surprise when, from 2014-2017, Duke came in each year at #2 nationally in yet another ranking. Unfortunately, the category was not academic or athletic excellence: Duke was named the #2 "trademark bully" in the United States by the search engine Trademarkia, second only to the famously litigious Monster Energy franchise.¹⁰ This is not just a ranking of universities. Duke was named the #2 bully out of *all trademark owners*. As we mention above, a trademark bully was once defined by the USPTO as "a trademark owner that uses its trademark rights to harass and intimidate another business beyond what the law might be reasonably interpreted to allow."¹¹ Happily, Duke has slipped a little on that list – it was "only" #7 amongst trademark bullies nationally in 2018.¹² Why would a *university* be a trademark bully?

We came to this issue as skeptics. On the intellectual property issues we knew about, Duke seemed respectful of the boundary between legitimate and illegitimate assertions of rights. True, there were many reports about Duke being a trademark bully.¹³ There were still puzzling stories about Duke's trademark oppositions.¹⁴ But that left us with a war of competing anecdotes and opaque online rankings, countered by robust defenses from those in charge of licensing at the university. The AP story quotes the Duke official responsible: "We find it's much easier to proactively prevent confusion than to cure it after it happens," said Jim Wilkerson, the school's director of trademark licensing."¹⁵

¹⁰ *Year 2014, 2015, 2016, 2017 Biggest Bullies*, Trademarkia.com, <https://www.trademarkia.com/opposition/bully-duke-university?fn=Duke+University> (choose "year of x" in the right menu to find the listing for the relevant year).

¹¹ See note __ *supra*.

¹² *Year 2018 Biggest Bullies*, Trademarkia.com, <https://www.trademarkia.com/opposition/bully-duke-university?fn=Duke+University>. In 2019, Duke was #22 on Trademarkia's worst bullies list, though still the only university on the list. However, the fall may not be because Duke is less assertive, but because other trademark holders are more so. In 2015 Duke filed 23 oppositions and was ranked as the #2 trademark bully. In 2018 Duke filed 30 oppositions and was ranked as #7 on the bullies list. In 2019, it filed 31 and was ranked at #22. 2019 is not part of our study, but the quality of the oppositions seems comparable to the period we looked at.

¹³ See, e.g., Bill Donahue, "How NCAA March Madness Schools Protect Their Trademarks" (March 20, 2019), available at <https://www.law360.com/articles/1140684/how-ncaa-march-madness-schools-protect-their-trademarks> ("In the year since the 2018 tournament ended, the Blue Devils have filed a whopping 33 new cases at TTAB over applications for trademarks involving "Duke," "Blue" or "Devil"... That rate of new cases is exceptional: No other big school has filed more than a handful of cases over the past year. But it's old hat for Duke, which is known as a litigious trademark owner."); Erik Pelton, "Is Duke University a Champion Trademark Bully?" (April 6, 2015), available at <https://www.erikpelton.com/is-duke-university-champion-trademark-bully/> ("I don't throw around the phrase 'trademark bully' lightly. But to me there is no question that Duke is arguably in that category"); Bill McCarthy, "One of the most visible brand names": University has already filed 6 trademark oppositions this year," *The Chronicle* (March 14, 2018) (article in Duke's university newspaper discussing Duke's opposition practices), available at <https://www.dukechronicle.com/article/2018/03/one-of-the-most-visible-brand-names-university-has-already-filed-6-trademark-oppositions-this-year>; Steve Brachmann, "College, University Trademark Enforcement Campaigns Not a New Phenomenon" (September 25, 2018) ("the most active academic institution in terms of trademark enforcement efforts might be Duke University"), available at <https://www.ipwatchdog.com/2018/09/25/college-university-trademark-enforcement-campaigns-are-not-new-phenomenon-says-trademark-attorney/id=101443/>.

¹⁴ In 2014, Duke's trademark practices made national news after Duke opposed an application by the heirs of John Wayne, whose nickname was "Duke," to register "Duke" for "alcoholic beverages except beers, all in connection with indicia denoting the late internationally known movie star John Wayne, who is also known as Duke." See, e.g., Gail Sullivan, "John Wayne and Duke University in Dispute over 'Duke' Bourbon," *The Washington Post* (July 10, 2014). Wayne's heirs were eventually able to register the mark with minor changes.

¹⁵ Collin Binkley, "Trademark Bullies? Many Big Colleges Fiercely Protect Brands," *Associated Press* (Aug 28, 2018), available at <https://www.apnews.com/c23ab691c80a49c7ac940d4611e5d6c6>.

The Duke Chronicle recently ran a story about Duke's trademark oppositions which included a similar defense.

Michael Schoenfeld, vice president of public affairs and government relations...explained that the Office of General Counsel is always working to protect the school's name, logo and brand... "Duke is one of the most visible brand names in higher education," Schoenfeld wrote in an email. "The University vigorously defends our trademarks and other legal protections to avoid confusion in the public and to ensure that Duke's name and images are protected from misuse."¹⁶

How can one know if a university is a trademark bully? There are two obstacles to answering the question. First, trademark owners have entirely legitimate reasons to challenge conduct infringing their marks. Trademarks may be central to a company's worth and brand recognition a central component of its marketing strategy. Second, trademark owners rightly point out that, if they wish to maintain those marks, they are actually *required* to assert their rights. Continued use is a requirement for trademark protection: while acquiescence to infringing behavior may not be enough to meet abandonment's high standard, if a court finds clear and convincing evidence of abandonment, generally *intentional* abandonment, then loss of a trademark could result.¹⁷ However, this requirement is often used to justify aggressive behavior that the law neither requires nor supports. Trademark law only requires policing the *actual* boundaries of the mark, not speculative claims far afield from it.¹⁸ Duke could put its trademarks at risk if it remained silent in the face of someone starting a Duke College of Medicine, or a Blue Devil basketball camp. It would not do so by acquiescing in the registration of "The Dude Diet" for a diet-related website. To let that pass is not abandonment, it is simply refraining from abuse. The actual risks of abandonment turn out to be exaggerated.¹⁹ Yet, all this merely restates the question. Was Duke legitimately asserting its rights or going beyond the legitimate defense of its mark into bullying? Abstract analysis could not reliably distinguish one from the other.

Second, the methodologies for the online bullying rankings are not clearly explained. For example, one cannot simply use the *number* of oppositions to measure bullying. Trademark oppositions can be justified. well-known brands might have more potential imitators and thus a larger stake in policing the boundaries of their marks. To the extent that Duke was aggressively asserting its rights, perhaps the difference in behavior was explained by endogenous variables such as Duke's academic prestige or the athletic excellence of its sports teams.

We decided to bring more rigor to the question by studying it empirically. Whatever the result, we assumed, we would learn a lot about the contemporary world of academic brands, and the boundaries of trademark law as seen from a licensing office. Since trademark bullies are accused of not only abusing the legal system, but of causing harms to legitimate speech and economic

¹⁶ Bill McCarthy, "'One of the most visible brand names': University has already filed 6 trademark oppositions this year," The Chronicle (March 14, 2018) <https://www.dukechronicle.com/article/2018/03/one-of-the-most-visible-brand-names-university-has-already-filed-6-trademark-oppositions-this-year>.

¹⁷ 15 U.S.C. § 1127; J. Thomas McCarthy, MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 17.17.

¹⁸ "The owner of a mark is not required to police every conceivably related use thereby needlessly reducing non-competing commercial activity and encouraging litigation in order to protect a definable area of primary importance." *Playboy Enterprises, Inc. v. Chuckleberry Pub., Inc.*, 486 F. Supp. 414, 422–423 (S.D.N.Y. 1980).

¹⁹ "While trademark owners routinely cite the duty to police as justification for their bully-like behavior, the actual risk of losing one's trademark rights due to a failure to police third party trademark use appears to be highly exaggerated. In the majority of cases in which a failure to police third party trademark usage is alleged, courts find that any such failure has not risen to the level of abandonment of the mark and thus is inconsequential." Jessica Kiser, *To Bully or Not to Bully: Understanding the Role of Uncertainty in Trademark Enforcement Decisions* 37 Columbia Journal of Law and the Arts 212, 229 (2014).

competition,²⁰ this promised to have wider significance than the malfeasance or innocence of an individual school. What's more, because the oppositions or cancellations must be publicly filed, we could determine exactly what kinds of legal claims an alleged university trademark bully was making. That would offer some valuable insights about the boundaries of trademark law *as seen by its most conspicuous users and consumers*. In other words, whatever the result of the bullying inquiry, Duke would be a fascinating test case.

As a result, we conducted the first empirical study of a university's trademark assertion practice – both the legitimate exercise and defense of its brands and conduct that strays over the line into bullying. Our empirical study had two parts: a comparative ranking of Duke against other schools (the Comparative Study) and a hand-coding of the legal merit of the positions that Duke took and the arguments that it made (the Merit Study). For the Comparative Study, taking a four-year period from 2015-2018, we compared the number of trademark oppositions that Duke initiated to those of similarly situated schools on a number of dimensions. For the Merit Study, we coded every trademark opposition or cancellation raised by Duke over the same period, assigning each one a numerical score based on its legal merit.

In both cases, our focus was on trademark oppositions: the process in front of the Trademark Trial and Appeal Board ("TTAB") where trademark owners can oppose applications for Federal trademark registration by other entities. This step happens only *after* an examiner has already approved the potential mark for publication, meaning that most problematic or confusing marks have already been weeded out. If someone attempted to register "Niky" for athletic shoes, or "Dook Blu Devils" for basketball apparel, the examiner would almost certainly deny the mark at an earlier stage. However, if the registration got to the point of publication, Nike and Duke could file an opposition if the registration was pending, or a cancellation if the registration has been granted.²¹

Why focus on trademark oppositions and cancellations? Normally we are consumers rather than producers of empirical scholarship. We had teasingly mocked other empirical studies for their tendency to look for the lost car keys only under the light of the lamppost. Yet we found ourselves eager to defend the little patch of pavement under our own lamppost. How the sidewalk shone!

Nevertheless, there are good reasons to focus on that patch of pavement. First, the phrase "trademark bully" is traditionally associated with trademark oppositions; it was in that context that the phrase was developed. Second, trademark oppositions are public documents with (ostensible) reasons provided within them. In this article, we will describe other stories of trademark overreach, but those stories come with no requirement of a formal, public statement of legal reasoning. With oppositions and cancellations, the opposing party must state a legal argument. Thus, one could not merely *count* events, one could *classify* reasoning. If Duke *were* to be abusing trademark law, we would effectively be able to go inside the mind of a trademark bully. We might be able to understand and to dissect its legal consciousness in a way that promised to have general significance beyond the parochial question of one university's conduct. Finally, in Duke's case, there were many oppositions, over multiple years, and each of them cost money. Talk is cheap. But lawyer-talk, let alone lawyer-talk in an official

²⁰ Jessica M. Kiser, *To Bully or Not to Bully: Understanding the Role of Uncertainty in Trademark Enforcement Decisions*, 37 Colum. J.L. & Arts 211 (2014); Stacey Dogan, *Bullying and Opportunism in Trademark and Right-of-Publicity Law*, 96 B.U. L. Rev. 1293 (2016); Leah Chan Grinvald, *Shaming Trademark Bullies*, 2011 Wis. L. Rev. 625 (2011); William T. Gallagher, *Trademark and Copyright Enforcement in the Shadow of IP Law*, 28 Santa Clara Computer & High Tech. L.J. 453 (2012); McCarthy § 11:92. Overly-aggressive trademark enforcement and trademark "bullies" ("Trademark Bullying is Not a Smart Enforcement Policy").

²¹ This point deserves considerable emphasis: these oppositions or cancellations only occur *after* the PTO's examiner has already approved a mark for publication, having checked to see if it is so similar to an existing mark as to create a likelihood of confusion, and thus should be refused registration under 15 U.S.C. §1052(d). For an entity to be opposing marks at a high rate thus indicates either an understanding of the boundaries of trademark law very different than the PTO's, or a belief that the PTO routinely commits errors in applying the law, or both.

proceeding, is not. These were i.) expensive and thus presumably ii.) carefully considered iii.) reasoned legal arguments iv.) provided in the context of a formal proceeding with associated professional norms and ethical sanctions for misstatements. Accordingly, it seemed as if they might provide a more revealing portrait of doctrinal and institutional positions on which a brand owner was willing to stake money and reputation. This was not mere brand-bloviation.

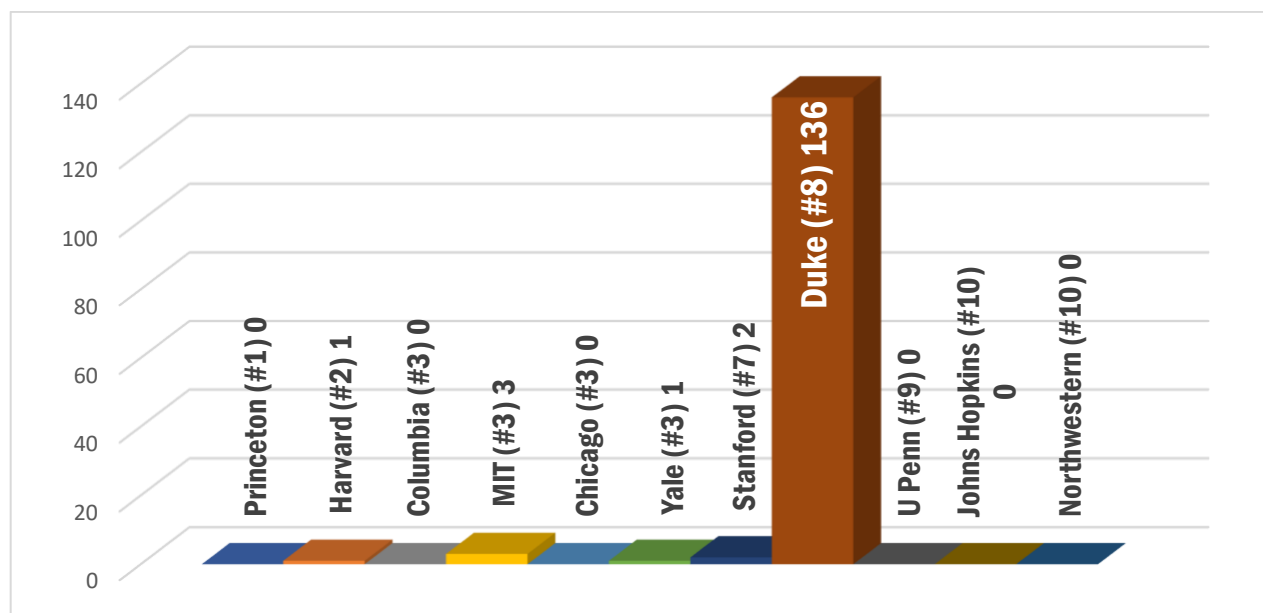
There are hundreds of ways in which entities, including universities, can make overreaching trademark claims. We discuss some of the others later in this article. Formal oppositions probably do not perfectly mirror that larger reality and if they did, how would one know? But our case study lays out a carefully considered, expensively generated, large and publicly stated set of views of trademark law by a major university which is a conspicuous consumer of trademark doctrine and policy. That set of views and actions can be compared to those of university peers and ranked, both quantitatively and qualitatively. It is also morally consequential: a university is calling on the state to prevent other entities from using language and symbols that are arguably in the public domain. For those reasons, we believe it is revealing. We hope it also provides a prototype for future empirical examination of alleged bullying – bringing more clarity to a debate currently dominated by anecdote and assertion.

1.) The Comparative Study

Our hypothesis in this portion of the study was that if the need to police a trademark assiduously were related to some endogenous variable – academic rank and prestige, say, or the financial returns of a school’s athletic programs – then similarly situated universities would exhibit similar behavior. Thus, if one could find the relevant comparison set, one could come up with a rating of the university’s performance relative to the appropriate peer group. We used three categories:

- i.) The top ten academically ranked schools, drawn from the 2018 US News and World Report survey of universities.
- ii.) The top ten university athletic programs in terms of revenue or valuation of their athletic program – we used NCAA data from 2016-2017 provided by USA Today.²² Duke is not part of that group.
- iii.) The top ten schools in terms of basketball revenue.²³

We used all three so as not to prejudice the relevant comparison set. Perhaps academically elite schools felt more need to assert their brands aggressively. Perhaps the billions of dollars generated by college athletics produce both abundant licensing opportunities and eager free riders who need to be beaten back by the university’s attorneys. Or perhaps there is something special about basketball, a sport traditionally associated with Duke. Unfortunately, in each case, the results were striking.



Total Oppositions & Cancellations 2015-2018
Top 10 Schools Academically

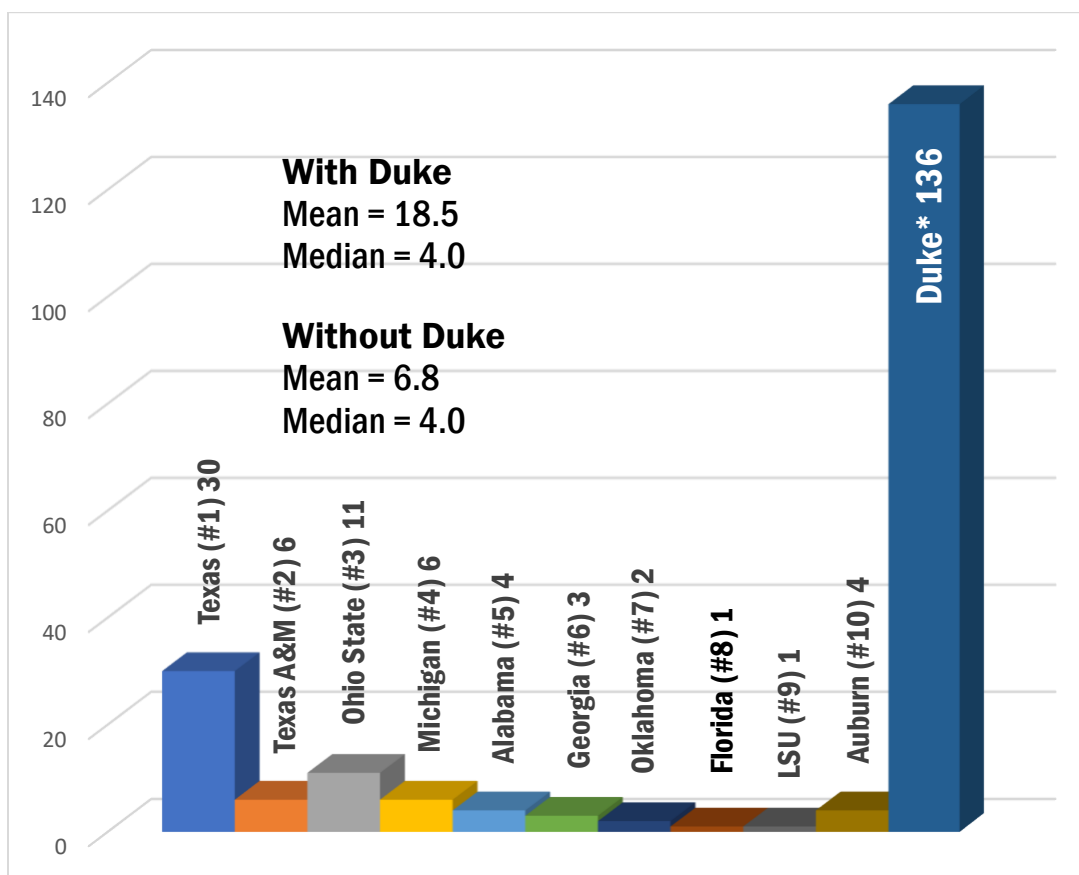
The thesis that academically highly-ranked schools would exhibit similar behavior was clearly falsified. Duke filed 136 proceedings over the period 2015-2018. By comparison, the remaining schools in the top ten list, *combined*, filed a total of 7. What’s more, examination of those oppositions indicated that they were generally modest and grounded in existing law. Duke’s behavior, then, could not be explained by its academic prestige.

Next we looked at the top ten schools in terms of athletic revenue earned, as measured by the NCAA’s required financial disclosures for 2016-2017.

²² <https://sports.usatoday.com/ncaa/finances/>

²³ Chris Smith, *The Most Valuable College Basketball Teams* Forbes March 12, 2019.

<https://www.forbes.com/sites/chris-smith/2019/03/12/the-most-valuable-college-basketball-teams/#4e8c53713225>



Total Oppositions & Cancellations 2015-2018 Top 10 by 2016-17 Athletic Revenues (plus Duke)²⁴

Here, for the first time, we saw some evidence of correlation between ranking and the aggressiveness of trademark assertion. However, even here, Duke was an outlier. Texas, at 30 oppositions, was itself unusual, with the closest counterpart being Ohio State at 11. Duke's 136 oppositions again dwarfed its potential comparison schools. Excluding Duke, the mean was 6.8. Duke thus filed exactly *20 times* as many oppositions as the mean for this group. Indeed, Duke filed more than twice as many oppositions as all of the other schools combined. This is remarkable given the amount of money those top ten schools were earning. Texas's athletic programs, at number 1, earned \$214,830,647 in 2016-2017. Duke's numbers were not given in USA Today's list, but for the 2015-2016 season, Duke reported earning \$91,971,836 and it was 37th in that year's rankings.²⁵ Thus it seems that there is an association between large athletic programs and trademark assertiveness, but that the association is a loose one, with wide variability in behavior. Duke remains an outlier.

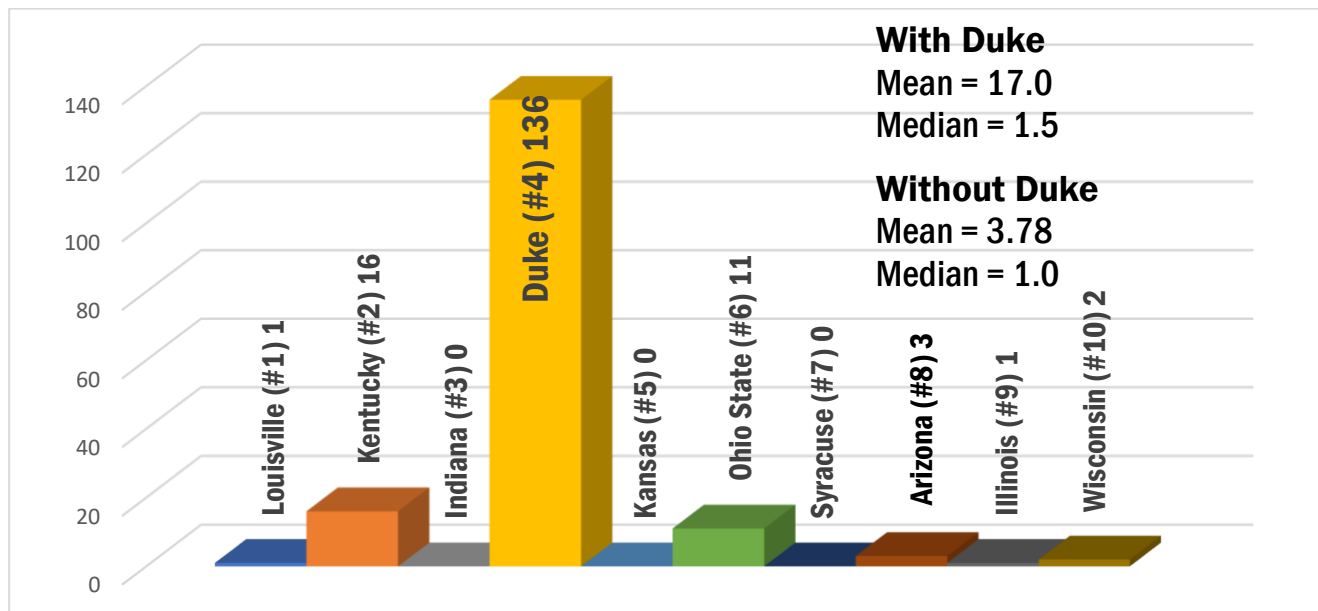
Next, we turned to a comparison with the ten most economically valuable basketball programs, in case something about that sport produced unusual behavior in either licensing or free-riding.²⁶

²⁴ We used NCAA financial disclosure data from the academic year 2016-2017 provided by USA Today <https://sports.usatoday.com/ncaa/finances/>. However we also looked at a larger set of schools, and at different data about football programs alone, in case those affected the result. The same pattern was revealed.

²⁵ <https://247sports.com/college/louisville/Board/103994/Contents/NCAA-Division-I-FBS-Athletic-Department-Revenues-54677701/>

²⁶ The list was based on a ranking compiled by Forbes Magazine that covers a similar period to our study. It has some oddities to a basketball fan's eyes – success financially and success on the court are not always correlated. Booster donations play a big role. However, the top ten list we extracted from Forbes' data does include three of the five NCAA men's basketball champions from 2014-2018: Connecticut (2014), Duke (2015) and Louisville (2016). The winners in 2017 (UNC, #11 on the Forbes list) and 2018 (Villanova, unranked) also had low rates of opposition. The methodology of

Again, Duke was a remarkable outlier, filing 8.5 times as many oppositions as the next school on the list (Kentucky).



Total Oppositions & Cancellations 2015-2018 Top 10 Most Valuable Basketball Programs

In short, whatever the comparison set, Duke’s aggressiveness in policing its marks is strikingly anomalous. If we added together all of the schools on all three of our lists (Ohio State appears twice, and was not double-counted) Duke is still filing 39% more oppositions than the other schools in all three categories *combined*. (136 to 98.) Duke may indeed be “one of the most visible brand names in higher education” but it is hardly more visible than Harvard, Yale, Stanford, MIT, Princeton, Texas, Alabama, Michigan, LSU, Kentucky, Ohio State, Auburn and 16 others put together. The non-Duke mean number of oppositions during our study period for academically elite schools was 0.7, for top athletic schools, 6.8, and for top basketball schools, 3.78. We can see a few other universities beginning to assert their marks aggressively: the University of Texas, for example, filed 4.4 times as many oppositions as the mean for its group. Nevertheless, Duke’s lead was unchallenged.

the study is described thus: “Our ranking of college basketball’s most-valuable teams is based on three-year average revenues across the 2014-15, 2015-16 and 2016-17 seasons (ties in revenue were broken using average profits). To determine team revenues and expenses, we relied on annual filings made by each school’s athletic department to the NCAA and the Department of Education. We also made adjustments to individual line items like contributions, media rights and sponsorships to adjust for differences in accounting practices among athletic departments. (The three private schools on our list—Duke, Syracuse and Marquette—declined to share financial details beyond those published by the Department of Education.)” Chris Smith, *The Most Valuable College Basketball Teams*, *Forbes*, March 12, 2019.

<https://www.forbes.com/sites/chris-smith/2019/03/12/the-most-valuable-college-basketball-teams/#4e8c53713225>

2.) The Merit Study

i.) Background

The Comparative Study focused on raw numbers. Nevertheless, at the end of the day, this study shows only that Duke is an outlier. It does not show that Duke was *incorrect* in its actions, though it casts doubt on that idea. It is possible that Duke is right about the optimal level of assertion of its marks, and that the other 28 universities we looked at, all of whom have sophisticated lawyers and engage actively in trademark licensing, are in error. In order to assess that possibility, we hand-coded every trademark opposition or cancellation raised by Duke over the period 2015-2018 and assigned each one a numerical score based on its legal merit.

In the process, we gathered a great deal of information in our larger project, one that goes beyond Duke to the questions about universities and intellectual property raised in the introduction. Duke is a conspicuous consumer and user of trademark law: how has such an entity come to understand the boundaries of these intellectual property rights? What arguments does it make? What is the “vision” underlying its actions? How does it see its role as a university in the production and delivery of trademarked goods and services? What relationship does that role play to the traditional one of a university? How do its actions play into the so-called “permissions culture”²⁷ – the practice of asserting intellectual property rights going far beyond existing legal doctrine? In other areas, scholars claim that these practices, if they become pervasive, are capable of transforming a field of culture (for example, copyright holders attempting to minimize or eliminate fair use) or science (for example, patent trolls using illegitimate patent claims to extract unearned rents) even though the practices have no legal foundation. Could that be true here? These are questions of substantially greater reach and importance than the question of whether Duke is guilty or innocent of bullying.

Oppositions are the processes in front of the TTAB where trademark owners can oppose applications for Federal trademark registration. As we noted earlier, these proceedings only occur *after* the PTO’s examiner has already approved a mark for publication, having checked to see if it is too similar to existing marks or should be denied for other reasons. The examining attorney is not always correct. If someone is trying register “Cameron Krzyz” for imprinting on apparel (the trademarked nickname for Duke basketball fans is “Cameron Crazies”), Duke has every right to oppose that registration.²⁸ It did so, entirely justifiably. In fact, it is required to oppose potentially infringing marks under some circumstances if it wishes to preserve its own marks, though, as we pointed out earlier, trademark owners often overstate how far the law requires them to go in policing their mark.

But oppositions can also verge on the frivolous: Duke opposed “Pretty Devil” for electronic slot machines (Duke’s sports teams are called “Blue Devils”).²⁹ It opposed “Blue Ball Chiller” for alcoholic beverages and “Get Your Blue On!” for charitable fundraising.³⁰ You might think that a “Do Your Dooty!!—Major Duke” design of a saluting soldier seated on a toilet as a trademark for

²⁷ Lawrence Lessig, *Free Culture: How Big Media Uses Technology and the Law to Lock down Culture and Control Creativity* (2004); Keith Aoki, James Boyle, and Jennifer Jenkins, *Tales from the Public Domain: Bound By Law?* (2006) (exploring the permissions culture in documentary film); Kembrew McLeod and Peter DiCola, *Creative License: The Law and Culture of Digital Sampling* (2011) (examining the pervasive permissions culture in digital sampling).

²⁸ Opposition No. 91,229,209 (“Cameron Krzyz”), filed 7/27/2016.

²⁹ Opposition No. 91,222,305 (“Pretty Devil”), filed 6/10/2015.

³⁰ Opposition No. 91,220,755 (“Blue Ball Chiller”), filed 2/23/2015; Opposition No. 91,225,159 (“Get Your Blue On!”), filed 12/02/2015.

toilet deodorant and a toilet footstool, was at worst, in poor taste.³¹ Duke opposed it, as it did “Geek’d” for clothing items, “Beach’d” for beach bags and cosmetic bags, “i-D” for providing travel, health, and fashion information, “D’Grill” for barbecue smokers and grills and “Bluefood” for various food products.³²

Duke routinely opposes, or at least asks for an extension to file a possible opposition against, marks that contain the word Duke, or sound like Duke, regardless of the type of goods or services the marks seek to protect. That is not the way that trademarks work. As we will explain below, a trademark is not a right in gross over a word, but rather a protection of a particular mark in connection with a particular set of goods and services. More strangely still, Duke also regularly opposes trademarks containing the word “Devil,” the word “Blue,” or consisting of the letter “D,” standing alone, or in combination with another letter. As we will explain, under well-established principles of law, that goes beyond the bounds of reasonable trademark assertion.

How does one judge whether a brand owner is a bully? Though trademark owners often seem to believe otherwise, a trademark does not convey the absolute ownership of a word or a symbol.³³ Subject to some limitations we shall explain later, it only gives you the right to exclude others from using confusingly similar marks in the same area of goods and services, or one that is related. “Delta” (for airlines) does not infringe “Delta” (for faucets).

The fact that trademarks do not provide absolute ownership of a word or symbol is a central feature of trademark law, not a mistake or omission.³⁴ As courts and academics have frequently pointed out, the primary goal of trademark law is informational efficiency—efficient communication between consumers and producers.³⁵ On the consumer side, I can decide what

³¹ Opposition No. 91,238,525 (“Do Your Dooty!!—Major Duke”), filed 12/20/2017.

³² Opposition No. 91,233,509 (“Geek’d”), filed 3/21/2017; Opposition No. 91,234,084 (“Beach’d”), filed 4/19/2017; Opposition No. 91,233,282 (“i-D”), filed 3/01/2017; Opposition No. 91,234,213 (“D’Grill”), filed 4/26/2017; Opposition No. 91,235,393 (“Bluefood”), filed 7/05/2017. One of our superb research assistants pointed out that Duke’s grounds of opposition included the fact that this mark was purely descriptive — presumably, if the food were to be blue — and misdescriptive, presumably if were not. At present, Duke does not claim a mark over “Catch 22.”

³³ “Trademark law serves the important functions of protecting product identification, providing consumer information, and encouraging the production of quality goods and services. See *Qualitex Co. v. Jacobson Prods. Co.*, 514 U.S. 159, 164, 115 S.Ct. 1300, 131 L.Ed.2d 248 (1995). But protections ‘against unfair competition’ cannot be transformed into ‘rights to control language.’ *CPC Int’l, Inc. v. Skippy Inc.*, 214 F.3d 456, 462 (4th Cir. 2000) (quoting Mark A. Lemley, *The Modern Lanham Act and the Death of Common Sense*, 108 Yale L.J. 1687, 1710-11 (1999).” *Lamparello v. Falwell*, 420 F.3d 309, 313 (4th Cir. 2005).

³⁴ *ETW Corp. v. Jireh Pub., Inc.*, 332 F.3d 915, 922 (6th Cir. 2003) (“a trademark, unlike a copyright or patent, is not a ‘right in gross’ that enables a holder to enjoin all reproductions”); *Anheuser-Busch, Incorporated v. Major Mud & Chemical Company, Inc.*, 221 U.S.P.Q. 1191 (T.T.A.B. 1984), *aff’d*, 765 F.2d 161 (Fed. Cir. 1985) (“recognizing a right in gross... is contrary to principles of trademark law”). See also McCarthy, *supra* note __, § 24:11: “If there is no likelihood of confusion (and in the absence of dilution), the same marks can peacefully co-exist on different goods and services. In the author’s opinion, some well-known examples of co-existence include: UNITED airlines and UNITED van lines, EAGLE shirts, EAGLE pencils, EAGLE pretzels, EAGLE brand condensed milk, CHAMPION spark plugs and CHAMPION sports wear, DELTA airlines, DELTA dental insurance and DELTA faucets, ACE retail hardware stores and ACE bandages, TROPICANA Las Vegas hotel and TROPICANA orange juice, The DOW stock market index and DOW chemical company, DELL computers and DELL magazines.”

³⁵ See *Qualitex Co. v. Jacobson Prods. Co.*, 514 U.S. 159, 164 (1995) (“[T]rademark law, by preventing others from copying a source-identifying mark, ‘reduce[s] the customer’s costs of shopping and making purchasing decisions,’ for it 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. At the same time, the law helps assure a producer that it (and not an imitating competitor) will reap the financial, reputation-related rewards associated with a desirable product. The law ‘encourage[s] the production of quality products,’ and simultaneously discourages those who hope to sell inferior products by capitalizing on a consumer’s inability quickly to evaluate the quality of an

soap or detergent I like and, thereafter, can continue to purchase that brand knowing what I will get. If anyone could call their soap “Ivory” or their detergent “Palmolive,” would I have to scrutinize the label each time to make sure the ingredients were the same? From an economic point of view, that would be very inefficient. In other words, the economic rationale for the “Ivory” trademark is not that Ivory has labored hard to build it up and advertise it.³⁶ Nor is it that, without trademark protection, other soap companies could use the same name and “reap where they had not sown.”³⁷ Instead, the law focuses on the benefits to the consumer of stable nomenclature and thus the social gains produced by efficient information flow in the market. From the point of view of the producer, the existence of trademark protection gives an incentive to invest in building up a stable brand identity, whether it is “cheap but acceptable,” “edgy fashion for skaters and stoners,” “the acme of luxury” or anything in between. The trademark functions, then, as a semantic handshake between producer and consumer.

This explanation leads naturally to the *limits* of the trademark. “Ivory” for soap would be infringed by “Ivorie” Soap. But it is not infringed by “Ivory Coast” for women’s fashion, or “Ivory” for barbeque sauce, information technology, wealth management or any of the scores of other registered marks that use the word “Ivory” for different goods and services. “Ivory” is a useful term – it can connote beauty or style, a particular coast, a color, academia (“Ivory Tower”), a level of luxury (to those who can ignore how the ivory is procured), a contrast (“Ebony and Ivory”) and many other things. Trademark law seeks to simplify the informational choices of the consumer, but it also seeks to protect the public domain of valuable semantic symbols for future trademark users, operating in different areas of goods and services.³⁸ To allow the first-come to monopolize *all* possible uses of a word or symbol could be as harmful to both producers and consumers as allowing infringing uses in the same area of goods or services. This is a point that bears reiterating: allowing absolutist claims — based on potential future uses without real basis in fact — would produce significant social costs.

item offered for sale.”) (internal citations omitted); *Virgin v. Nawab*, 335 F.3d 141, 147 (2d. Cir. 2005) (“The paramount objective of the trademark law is to avoid confusion in the marketplace. The purpose for which the trademark law accords merchants the exclusive right to the use of a name or symbol in their area or commerce is identification, so that the merchants can establish goodwill for their goods based on past satisfactory performance, and the consuming public can rely on a mark as a guarantee that the goods or services so marked come from the merchant who has been found to be satisfactory in the past.”) (internal citations omitted). See also William M. Landes & Richard A. Posner, *Trademark Law: An Economic Perspective*, 30 J.L. & Econ. 265 (1987).

³⁶ See *Smith v. Chanel, Inc.*, 402 F.2d 562, 568 (9th Cir. 1968) (“A large expenditure of money does not in itself create legally protectable rights... By taking his ‘free ride,’ the copyist, albeit unintentionally, serves an important public interest by offering comparable goods at lower prices.”).

³⁷ See *TrafFix Devices, Inc. v. Mktg. Displays, Inc.*, 532 U.S. 23, 29 (2001) (“[C]opying is not always discouraged or disfavored by the laws which preserve our competitive economy. Allowing competitors to copy will have salutary effects in many instances”) (internal citations omitted).

³⁸ See *KP Permanent Make-Up, Inc. v. Lasting Impression I, Inc.*, 543 U.S. 111, 122 (2004) (explaining the “undesirability of allowing anyone to obtain a complete monopoly on use of a descriptive term simply by grabbing it first” and concluding that there is “no indication that the [Lanham Act] was meant to deprive commercial speakers of the ordinary utility of descriptive words... ‘If any confusion results, that is a risk the plaintiff accepted when it decided to identify its product with a mark that uses a well known descriptive phrase’”) (internal citations omitted); *Wal-Mart Stores, Inc. v. Samara Bros., Inc.* 529 U.S. 205, 213 (2000) (“Consumers should not be deprived of the benefits of competition with regard to the utilitarian and esthetic purposes that product design ordinarily serves by a rule of law that facilitates plausible threats of suit against new entrants based upon alleged inherent distinctiveness.”); *Abercrombie & Fitch Co. v. Hunting World, Inc.*, 537 F.2d 4, 9 (2d Cir. 1976) (“no matter how much money and effort the user of a generic term has poured into promoting the sale of its merchandise and what success it has achieved in securing public identification, it cannot deprive competing manufacturers of the product of the right to call an article by its name”).

The point that there are multiple uses of a word or symbol applies directly to our study. What is true of the word “Ivory” is also true of the word “Duke.” Duke can refer to the university in North Carolina. But it could also refer to a particular title of nobility, the connotation of someone eminent in a field, a slang term for fists or for a fight, a cultivated hybrid of sweet and sour cherries, a cider apple (the Duke of Devonshire), the nickname of the actor John Wayne, or the surname “Duke” possessed by some individual with no connection to Duke’s founders. The list of Duke marks on the following page makes this point clear.

Notice that Duke University coexists with registered marks for “Duke’s” for mayonnaise and other condiments, “Duke” for kitchen equipment, “Duke Kahanamoku” for swim suits (referring to the legendary Hawaiian surfer and Olympic gold medal winner), the “The Duke of New York” for entertainment services, “Duke Energy” for the power company, “Put Up Your Dukes” for sports gloves and mitts, and many, many more.⁴⁰ In fact, as the display on the previous page shows, there are 132 registered marks that include the word “Duke” that have nothing to do with Duke University. This is not a matter of trademark law *failing*. It is a result of trademark law *working*.

With some exceptions, infringement turns on a multi-part analysis of whether there is likelihood of confusion given a range of factors including the similarity of the marks, the strength of the senior mark, the proximity of the goods and services and so on. There are also special protections for “famous” marks – a term of art we will explain later. However, to reiterate, Duke University does not own the word “Duke.” Still less does it own the letter “D.” It does not own the word “Devil.” Duke also does not own the word “Blue” even though Duke’s sports teams are called the Blue Devils. Yet Duke often acts as if it had an absolute property right in each of these words and symbols, routinely filing oppositions when any of them appear in a trademark application. Our study shows, sadly, that those oppositions are mostly incorrect as a matter of law.

2 ii.) Methodology

We hand-coded every opposition that Duke has filed from 2015-2018. Appendix A describes our methodology. Our conclusions are simple. There are definitely cases in which Duke was justified in opposing other marks. Reasonable people can also differ about the extent of trademark protection. However, even though we assume that every action here was taken in good faith, and even considering Duke’s claims sympathetically, we found that the majority of Duke’s oppositions over multiple years go far beyond the boundaries of existing law.

From 2015-2018, Duke filed 133 oppositions and 3 cancellations (a challenge to a mark already issued).⁴¹ For convenience sake, we will generally refer to them all as oppositions. It also filed hundreds of requests for extensions of time to file oppositions, some of which were later converted into actual oppositions. These are more significant than they might appear, because the mere indication that there *might* be an opposition may be enough to persuade those attempting to

⁴⁰ See U.S. Trademark Registration Nos. 4,005,468 (“Duke’s” mayonnaise); 274,575 (“Duke” kitchen equipment); 1,019,452 (“Duke Kahanamoku” swim suits); 5,389,258 (“The Duke of New York” entertainment); 2,316,855 (“Duke Energy”); 5,467,313 (“Put Up Your Dukes” sports gloves). In many cases, there are multiple registrations for these marks.

⁴¹ Some context might be useful here. Professor Barton Beebe was kind enough to share with us his curated data set of trademarks. His figures show i.) that oppositions are very rare and ii.) that they dramatically affect the rate of abandonment of applications. Focusing on the five year period from 2011 through 2015 he found that, “of the 516,679 use-based applications that were published during this period, 506,765 met with no opposition. Of these, 10,721 (or 2.1%) failed to register. In other words, a very small proportion of published applications that are not opposed are then abandoned. Of the 9,914 use-based applications that were opposed, only 38.4% managed to register.” (Email communication on file with author.) This data is not exactly comparable to ours – the period of time is slightly different, and we have not yet broken out use-based applications from intent-to-use applications, in which one would expect a higher rate of abandonment. Nevertheless, the disparity in rate of abandonment (from 2.1% of those that were not opposed to 61.6% of those that were) suggests that oppositions will produce a marked increase in abandonment rates. On the other hand, the rate of abandonment after Duke’s oppositions was still lower than the general group of marks that were opposed. Duke’s oppositions produced an abandonment rate of 49% rather than 61.6% in the general population. It could be that this reflects the low quality of Duke’s oppositions but the data cannot demonstrate this one way or the other.

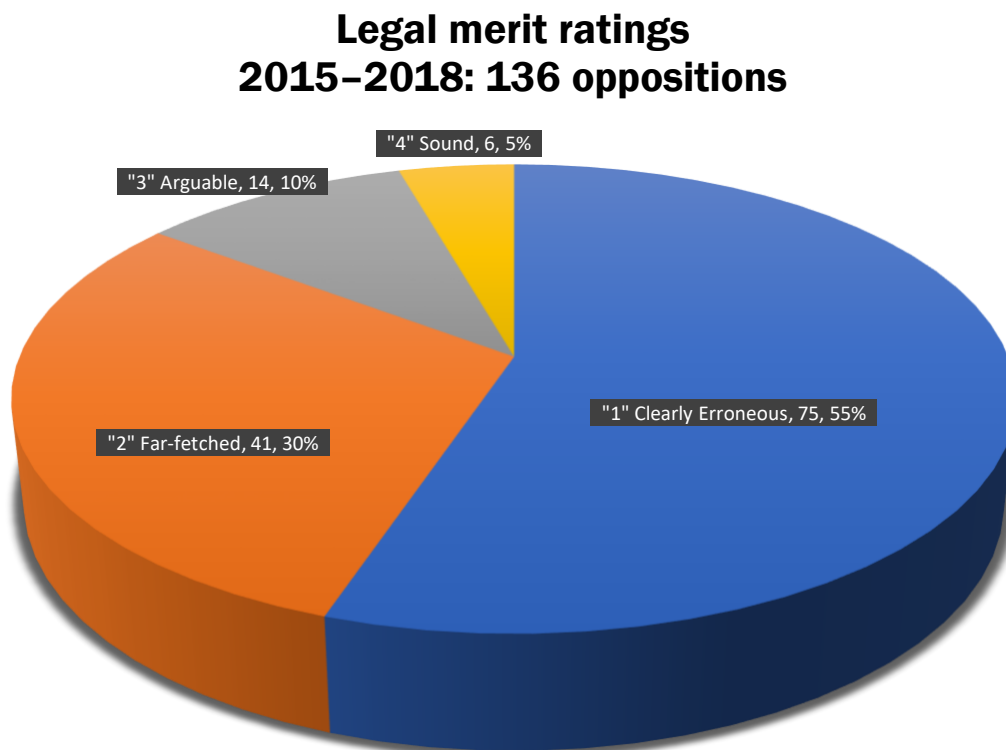
register to abandon their application. Thus, it is possible that we are undercounting the effects of Duke's trademark assertion practice. We focused only on the actual oppositions and cancellations, however, and coded them on the following four-point scale.

- 1.) Clearly Erroneous: completely ungrounded as a matter of existing law.
- 2.) Far-fetched: unlikely to prevail.
- 3.) Arguable: existing trademark doctrine presents reasons why the application might, or might not, succeed, but Duke has some good arguments.
- 4.) Sound: the opposition was well-grounded in existing trademark law and Duke would prevail were the matter to be litigated.

2 iii.) Results

After conducting an individual legal analysis of each of Duke's oppositions or cancellations, the overall coding for 2015-2018 was as follows.

- 1.) Clearly Erroneous: 75 (55%)
- 2.) Far-fetched: 41 (30%)
- 3.) Arguable: 14 (10%)
- 4.) Sound: 6 (5%)



Thus, 85% of Duke's oppositions were coded either clearly erroneous or far-fetched. Interestingly, had Duke only filed those 20 oppositions we rated as "sound" or "arguable" they would have been closer to, though still above, the mean number of oppositions filed during that period by universities with the top 10 athletic programs financially (6.8). To put it another way, the Comparative Study shows that Duke is a remarkable outlier in filing oppositions and the Merit

Study suggests that the reason for that outlier status is simple: Duke is filing many oppositions with little or no legal merit. Similarly situated universities – both in terms of academic status and athletic revenues – do not tend to file those clearly erroneous or far-fetched oppositions.⁴² This is consistent with a “wisdom of well-lawyered crowds” hypothesis, that economically rational parties who have the resources to obtain high quality legal advice will tend to converge on a relatively accurate assessment of the law, or at least an accurate prediction of the actions of authoritative decision makers. We will return later to the question of why Duke is so different from its peer group.

Our study did show some annual variation in both the number and the validity of Duke’s oppositions during the period of the study. The number of annual oppositions ranged from 23 to 46. The “clearly erroneous” rating ranged from 74% in 2015 to 36% in 2018. The “sound” rating ranged from 8% in 2016 to 0% in 2018.

What explains this variation in rating? It is of course possible, despite our attempts to standardize and double-check the analysis, that unobserved factors caused variations in the standard for what counted as clearly erroneous, sound and so on, variations that our subsequent review failed to pick up. However, if Duke adopted a relatively algorithmic approach to oppositions – opposing the majority of marks with “Duke,” “Blue,” “Devil” and the letter “D” regardless of context or area of trade – then two things might happen. First, one would expect some annual variation in the number of people seeking marks featuring such words. Second, one would expect that Duke’s standard oppositions would vary in perceived merit depending on the area of goods or services in which the putatively offending mark was sought. If random happenstance yielded the filing of a “Duke” mark for industrial railway couplings and boat-hooks one year⁴³ and a “Duke” mark for hospital blankets⁴⁴ the next year, then Duke would automatically object to both, but the coding would – rightly – assess those oppositions differently. Alternatively, temporal fluctuations might be precipitated by an external event such as a national championship in a revenue sport. This might encourage (illicit) freeloaders deliberately to attempt to infringe, or tiptoe close to, Duke’s marks, joining the innocent throngs with their “Bluefood,” “Blue Ball Chillers,” or “Devil’s Garden” alcohol who are surprised to find Duke believes it has a right to naysay them. While the latter oppositions would still be ungrounded, and would be coded as such, the former would improve Duke’s coded percentages of accuracy. Finally, Duke’s trademark portfolio might change, as it did in 2017 when Duke gained registered marks over a number of goods on which logos might be displayed.⁴⁵ In any event, it is worth noting that, even taking the most “generous” annual rating — 2018 — 73% of Duke’s oppositions were still rated as either clearly erroneous or far-fetched.

⁴² As we mentioned at the beginning of this article, we are concerned that this may be changing. The University of Texas also pushes the boundaries of trademark law in oppositions – for example, because it has a registration of a hand making a “longhorn” symbol for decals and shirts, it appears to think it owns the design of a hand with the second and pinky finger raised in other contexts and for unrelated goods and services. The sign, of course, has many other meanings and variations, including “I love you” in American Sign Language, a gesture of approbation at a heavy metal concert, a warding sign against demonic influences (one that is actually mentioned by Bram Stoker in *Dracula*), or an indication that the person gestured towards is a cuckold. See *Dio’s Two-finger Gesture - What Does It Mean?* *BBC News Magazine*, May 18, 2010 http://news.bbc.co.uk/2/hi/uk_news/magazine/8687002.stm. At present, however, Duke is still in a different league.

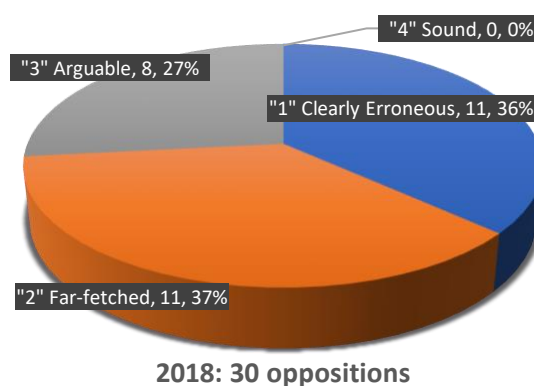
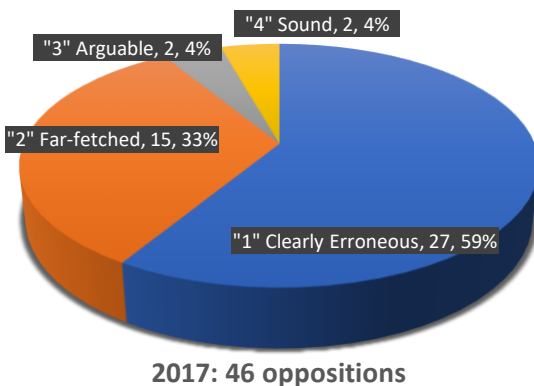
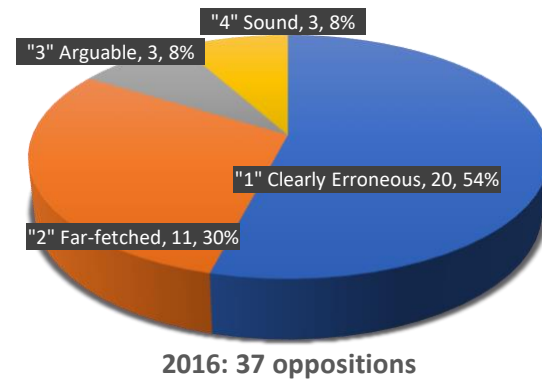
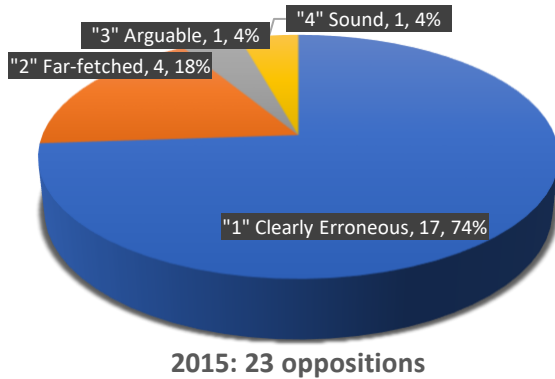
⁴³ See, e.g., Opposition No. 91,230,622, filed 10/12/2016.

⁴⁴ See, e.g., Cancellation No. 92,064,529, filed 9/27/2016. (In this case, Duke filed a cancellation rather than an opposition.)

⁴⁵ U.S. Reg. No. 5,335,576 (November 14, 2017); see also U.S. Reg. No. 5,472,647 (May 22, 2018); U.S. Reg. No. 5,568,287 (September 25, 2018).

The chart below shows the breakdown of the ratings.

Legal merit ratings



The statistics alone may not convey adequately the extent of Duke's oppositions or the tenuousness of some of their legal justifications. Below, we give some examples.

2 iv.) Representative Examples of Over-Assertion

Duke Marks: When Duke concludes that the applicant's mark strays too close to the word "Duke," it brings not only a §2(d) likelihood of confusion claim,⁴⁶ but also a §43(c) dilution claim,⁴⁷ and a

⁴⁶ That is, that the new mark "Consists of or comprises a mark which so resembles a mark registered in the Patent and Trademark Office, or a mark or trade name previously used in the United States by another and not abandoned, as to be likely, when used on or in connection with the goods of the applicant, to cause confusion, or to cause mistake, or to deceive." 15 U.S.C. §1052(d).


⁴⁷ That is, that Duke is such a nationally famous mark that it is entitled to the special protections reserved for such marks against dilution and blurring by section 43(c) of the Lanham Act. We discuss this claim later.

§2(a) claim that the mark falsely suggests a connection to Duke University.⁴⁸ Duke brought these claims in opposing the following marks:

- “The Dude Diet” for a diet-related website
- “Kuke” for electronic products
- “Goluke” for clothing
- “Le Duc” for food and drink services

Duke does have well-known “Duke” trademarks for educational services, medical services, athletic merchandise and so on. Yet the marks above are sufficiently different from those “Duke” marks to make the assertion of consumer confusion frivolous.⁴⁹ In addition, as discussed below, Duke’s dilution claims are likely to fail because its “Duke” marks seem very unlikely to meet the threshold “fame” requirement. The §2(a) claims are even more far-fetched. In order to succeed, Duke must show that consumers encountering the applicant’s mark would conclude that it “points uniquely and unmistakably” to Duke University.⁵⁰ Even when the contested mark is exactly the same as the name of a university, this requirement has not been met. When the University of Notre Dame opposed a cheese importer’s registration of “Notre Dame” for cheese on §2(a) grounds, the Federal Circuit rejected this claim because the cheese mark did not “point uniquely to the University.”⁵¹ And that is where the names are identical. Any referential link between the marks listed above and Duke University is obviously more remote.

“Devil” marks. When opposing marks that use either the word “Devil” or an image of a devil, Duke cites §2(d) likelihood of confusion grounds, and sometimes adds the §2(a) “falsely suggesting a connection” claim discussed above. These oppositions are premised in part on Duke’s “Blue Devils” mark and its marks including *images* of devils, but neither offers a legally tenable basis for blocking other marks merely because they include the word “devil,” particularly when they are used for products unrelated to those that Duke provides. Examples of devil-based oppositions include:

-  “Werdo” with this scribbled image of a devil for shirts and hats
- “Devils Nightmare” for beer

⁴⁸ Duke may also include other grounds for opposition that are unrelated to conflicts with Duke’s trademarks – failure to show use, lack of distinctiveness, fraud on the PTO, etc. – but we have not listed those here because our focus is on the breadth of Duke’s asserted exclusivity.

⁴⁹ Duke also opposed “Duke’s Butt” for “Adult sexual stimulation aids, namely, artificial penises, artificial vaginas.” Opposition No. 91,217,109, filed 6/11/2014. While all of us would wish to unknow the fact that there is a market for the artificial derrieres of imaginary aristocrats, Duke has no credible legal basis to oppose this mark. The opposition may actually bring more attention to this otherwise hopefully forgettable incident. *See* “Streisand Effect.” https://en.m.wikipedia.org/wiki/Streisand_effect.

⁵⁰ *Bos. Athletic Ass’n v. Velocity, LLC*, 117 USPQ2d 1492, 1496 (T.T.A.B. 2015). To prevail on a §2(a) claim, “Duke” must also be “of sufficient fame or reputation that...a connection with the opposer would be presumed,” but the “fame” standard is less stringent than “fame” for purposes of dilution.

⁵¹ *Univ. of Notre Dame v. J.C. Gourmet Food Imports Co., Inc.*, 703 F.2d 1372, 1377 (Fed. Cir. 1983) (noting that the court’s conclusion might have changed had Notre Dame been able to show that the cheese importer “intended to identify the university”). Duke would have been well-advised to bear this ruling in mind in the “Duke’s Butt” opposition described earlier, a mark which, unlike the cheese, was not exactly the same as the university’s name.

- “Devil’s Garden” for alcoholic beverages
- “Pretty Devil” for slot machines⁵²

“D” and “blue.” For marks including the letter “D” or the word “blue,” Duke continues to allege §2(d) likelihood of confusion, apparently believing that its trademark rights allow it to block others from using something as elementary as a letter or a color. It does so even when the “D” in question in no way resembles Duke’s “D” marks and the products in question are unrelated. Its oppositions to marks using the word “blue” are perhaps the most tenuous—while Duke owns a composite “blue devils” mark, it cannot claim the word “blue.” Yet it opposed:

- “Beach’d” for beach bags and cosmetic bags
- “D’Grill” for barbecue smokers and grills
- “DLove” for advertising and other services
- “True Blue” for auto parts
- “Stay Blue” for denim clothing
- “Blue Ball Chiller” for alcoholic beverages
- “Blue Solutions” for various goods and services related to car rentals and car sharing.⁵³

The examples above all received a “clearly erroneous” ranking on our four-point scale.

In short, Duke is a trademark bully. Yet it is an *interesting* bully. Its pattern of aggressive behavior turns out to reveal some fascinating phenomena, both in the changing role of a university and in certain features of trademark law. Those features are misunderstood and overstated, but they provide the superficial justifications for trademark bullying.

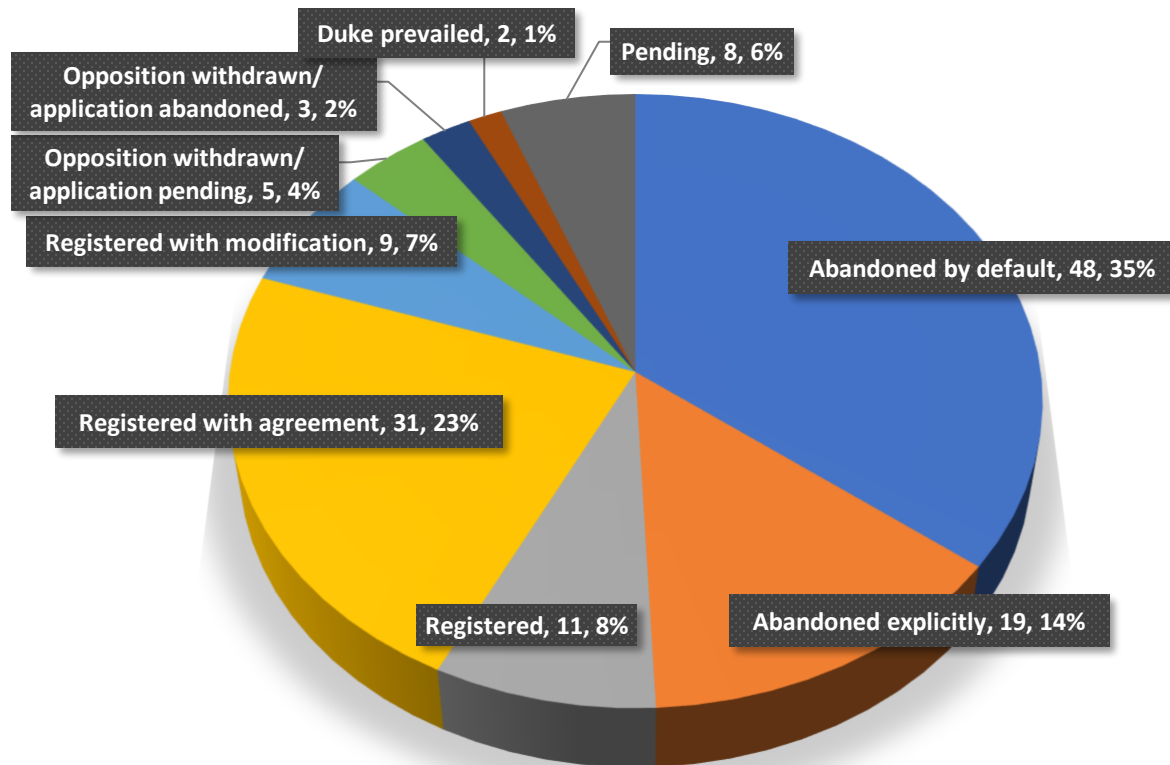
What results did these 136 oppositions bring about?

⁵² Opposition No. 91,241,792, filed 6/13/2018; Opposition No. 91,227,202, filed 4/04/2016; Opposition No. 91,234,089, filed 4/19/2017; Opposition No. 91,222,305, filed 6/10/2015.

⁵³ Opposition No. 91,234,084, filed 4/19/2017; Opposition No. 91,234,213, filed 4/26/17; Opposition No. 91,240,747, filed 4/18/2018; Opposition No. 91,223,933, filed 9/21/2015; Opposition No. 91,232,929, filed 2/15/2017; Opposition No. 91,220,755, filed 2/23/2015; Opposition No. 91,235,056, filed 6/12/2017.

2 v.) Outcomes:⁵⁴

Disposition of opposition proceeding 2015–2018: 136 oppositions



Duke’s oppositions had an effect. 67 of the marks were abandoned – a substantially higher percentage of abandonment than for marks that are not opposed.⁵⁵ Of those abandonments, 48 were default judgments – largely because the applicants did not respond after the opposition or cancellation was filed. 18 were explicit withdrawals and one was an abandonment in exchange for Duke allowing registration of a different mark.⁵⁶ Other than applications in which Duke prevailed because of a failure to respond, or an explicit withdrawal, in two cases the TTAB entered

⁵⁴ The outcomes in this chart are current as of December 1, 2019.

⁵⁵ These marks may have been abandoned for a variety of reasons. In some cases, the applicant cannot afford the prohibitive expense of defending an opposition. See Samuelson-Glushko Technology Law & Policy Clinic at the University of Colorado Law School, *Discouraging Frivolous Claims in Trademark Opposition Proceedings: A Policy Proposal to the United States Patent and Trademark Office*, available at https://tlpc.colorado.edu/wp-content/uploads/2015/05/TMOppositionReform_WhitePaper3.pdf (“smaller companies simply cannot bear the financial burden of defending an opposition”). With applications filed on an “intent to use” basis, the marks may have been abandoned because the applicant never began using the mark in commerce.

⁵⁶ “Default judgments” result from inaction: the application is abandoned because the applicant does not respond to official communications, and judgment is therefore entered against them. By comparison, “withdrawals” result when the applicant affirmatively files a document withdrawing their application. The TTAB categorizes both as “abandoned.” Neither results from an actual decision by the Board on the merits of Duke’s claims.

a judgment on the merits in favor of Duke.⁵⁷ The low number of victories should neither count against nor in favor of Duke – the TTAB explicitly encourages settlement in preference to issuing decisions.⁵⁸ In a total of 59 cases, Duke withdrew its opposition, either with or without some modification of the mark or agreement between the parties. Of those 59 withdrawals, 51 marks were registered despite Duke’s opposition. 11 were registered without qualifying language and 31 were registered with an “agreement reached for the avoidance of confusion” or “assurance.”⁵⁹ Nine were registered with some modification or exchange.⁶⁰ In eight cases Duke withdrew its opposition but the mark has not been registered for a variety of reasons.⁶¹ Finally, eight cases are still pending.

Do these numbers argue that Duke’s views of trademark law are sound? After all, of the 136 marks it objected to, 67 simply went away, nine were amended and Duke won in two cases. In 31 cases, the TTAB record states as boilerplate that the opposition was withdrawn “in view of the agreement reached between the parties for the avoidance of confusion” though the record does not indicate what, if anything, that agreement stipulated. That means that in 109 cases, or 80% of the total, Duke received a result that could be described as favorable. One can imagine an institution saying “This is effective! Let us keep doing it.” Sadly, we think the results suggest that bullying *works*, particularly against parties that do not have Duke’s resources. It does not suggest that bullying is *correct*. Further, as we will discuss later in the article, it is not clear that these “victories” are worth the cost, either ethical or financial. To be frank, from the evidence we have been able to assess, Duke gets little out of its oppositions other than a reputation as a bully. When oppositions are unfounded because the marks do not create a likelihood of confusion, then Duke gains little by persuading those non-confusing marks to abandon or modify their marks. Why, then, does it continue to engage in the practice? Why is Duke doing this?

There are two possible meanings to the question “why is Duke doing this?” The first could be restated as “why is Duke, otherwise a sober and law-abiding entity, making legal claims that seem ungrounded and doing so at such an anomalous rate *vis a vis* its peers?” The second could be restated as “Forget the legal issues. What does Duke think it gets out of this pattern of behavior? These oppositions cost expensive lawyer-time and institutional effort. Does Duke *really* think it stood to be harmed by “TrueBlue” for auto parts, “Bluefood” for food, “D’Grill” for barbecue smokers and grills, or “Devil’s Garden” for alcoholic beverages? Or that it would benefit if it stopped these marks from issuing?” True, Duke’s director of trademark licensing said “We find it’s much easier to proactively prevent confusion than to cure it after it happens.” But would any normal person look at those marks and say, “They must come from Duke University!”? Is there

⁵⁷ In the two cases where a decision was issued in Duke’s favor, only Duke filed a brief or motion, and the applicants did not formally contest Duke’s arguments. As a result, one claim was “granted as conceded” and the other was sustained in part due to admissions by the applicant.

⁵⁸ Trademark Trial and Appeal Board Manual of Procedure, § 605.01 (“The Board encourages settlement, and several aspects of Board practice and procedure... serve to facilitate the resolution of cases by agreement.”)

⁵⁹ The TTAB documents note, in generic language, that some agreement had been reached between the parties for avoidance of confusion. This language could refer to significant restrictions on the applicant’s use of the new mark or merely more modest or face-saving acquiescence.” In these cases, the record did not contain a formal modification of the mark or the goods and services to which it applied.

⁶⁰ Sometimes the proceedings involve multiple marks with different dispositions. If the application for one of the marks was still pending, the opposition was classified as “pending.” If one of the marks was registered, the full opposition we designed “registered.”

⁶¹ Three of those marks were abandoned for an unrelated reason, namely because the applicant did not begin using the mark in commerce. The remaining six applications are still pending for reasons other than the opposition proceeding.

any possible financial upside, or avoidance of financial downside, to engaging in a trademark theater of the absurd?

We believe the answers to those questions are linked. In order to understand how we got here, we have to focus both on what the university thinks it is doing, and how it believes trademark law helps it, and *permits it*, to achieve those goals. In the sections that follow, this article tries to do exactly that. We focus on three transformations, one to the self-conception of the university, and two to trademark law. These transformations do not *justify* trademark bullying. Duke's anomalous status as revealed by both empirical studies give ample evidence of that fact. In fact, we will argue that Duke's actions are technically irrational – the financial losses outweigh the gains and are likely to continue to do so – even if one ignored the ethical aspect of bullying. Yet those transformations do help to explain a *mindset*, an attitude towards business and the law, that leads to bullying. This point has been echoed by other scholars who have applied behavioral economic ideas to trademark bullying,⁶² but we attempt to extend the analysis. That mindset, that legal and commercial consciousness, has implications far beyond Duke's particular actions. It bears on the more general phenomenon of university overreach described in the introduction – both in diagnosis and in potential cure. Among other things, policy proposals premised on rational behavior are unlikely to work well in situations of systematic but patterned irrationality. Later, we assess the possible explanations for Duke's behavior in the light of this analysis and conclude with some policy recommendations, both for universities and for trademark law.

⁶² See Kiser, *To Bully or Not to Bully*, supra note ____.

III Three Transformations

1.) The University as Mega-Brand

The first thing to note is the expansion of universities into the role of mega-brands. In Duke's case that is the reimagination of the role of a university to be an entity that, in Duke's own words, produces "a wide range of products sold and licensed by Duke University, *in virtually all areas of endeavor*, to men, women and children of all ages."⁶³ You might think that Duke University would have a series of trademarks protecting its educational enterprises, its hospital's medical services, its sports teams, and so on. But trademark law also protects the misleadingly-titled, unregistered Federal "common law"⁶⁴ marks based merely on use. If I go into business providing goods and services, even without registering a Federal mark, Federal trademark law gives me some rights to protect my existing activities, though not to reserve that name for future expansion. The key here, though, is actual use. One may not claim "dibs" on a word for a particular use and thereby remove it from the public domain, preventing others from using it. Yet the list of products in which Duke claims a common law trademark is seemingly endless. Here is a small portion of the activities in which Duke claims to have a common law mark.

Cosmetics, skin care products, personal bathing and grooming products, and toiletries (including, by way of example, body and nail art, decorative transfers, face paint, glitter, personal care packs comprising containers with toiletries therein, and toothbrushes); ...belts and suspenders; bibs; bottoms undergarments and other lingerie; Fabric for sewing; ...Personal accessories (including, by way of example, hair holders and hair ornaments, key holders, sunglasses, and wallets); Jewelry for men and women (including both costume jewelry and jewelry of precious metal); Time-keeping instruments (including clocks and watches); ...Electronic and computer accessories (including, by way of example, data storage devices, earphones, mouse pads, protective storage for computers and computer accessories, speakers); Housewares and household furnishings (including by way of example candles, cushions, curtains, mats, picture frames, rugs, and trash cans); bedding and pillows; bathware (the latter including, by way of example, towels, washcloths, bath mats, shower curtains, toiletry holders, and bathing accessories); ...Furniture (including by way of example chairs, canopies, stools, and tables); Lighting and accessories therefor (including by way of example night lights, lamps, lampshades, and flashlights); Games and toys (including, by way of example, action figures, dolls, stuffed and plush toys, board games, card games, electronic and video games, tabletop games, outdoor games and equipment for such games); game tables...⁶⁵

⁶³ See, e.g., Opposition No. 91,242,557 (design of blue devil head), filed 7/23/2018, pp.11 and 112. This language is standard in Duke's filings and appears in dozens of its opposition notices.

⁶⁴ There is, of course, no general Federal common law. *Erie Railroad Co. v. Tompkins*, 304 U.S. 64 (1938). Even if there were, this is a poor name for marks protected as a matter of Federal law because of use, particularly since those marks are provided for explicitly in the Lanham Act, see 15 U.S.C. §1125(a).

⁶⁵ This is boilerplate language in Duke's oppositions. See, e.g., Opposition No. 91,241,466 (+1D STAT KNOWLEDGE IQ design and other +1D designs for fantasy sports), filed 5/30/2018, p.77.

To be clear, this is a short excerpt to spare the reader's patience. There is much more. In fact, there are pages more.⁶⁶ This is something different in both quantity and quality. Duke is effectively turning trademark law upside down. As we observed in scores of oppositions over multiple years, when someone applies for a mark in an area apparently completely unrelated to Duke University – commercial rigging, for example – Duke will then claim that it is already offering goods or services in that area, often on the basis of scanty evidence, apparently retrofitted to whatever mark Duke wishes to oppose.

Duke then lists, as in the quoted paragraph above, claims to common law marks over a staggering array of “products sold and licensed by Duke University, *in virtually all areas of endeavor*, to men, women and children of all ages.” Thus, no matter what the product is, Duke claims that its common law marks are being infringed. The reasoning is effectively, “since a Duke logo *could* be slapped on anything, Duke owns a trademark in everything!” It is as if Delta Airlines claimed that Delta faucets were infringing its mark because planes have bathrooms with sinks in them.

This leads us to the other lessons that Duke's behavior offers us: it highlights a series of areas in which trademark law has strayed from its core function. In each of these areas, the law actually stops far short of creating an absolute property right over a word or symbol. Indeed, the courts have been explicitly hostile to such a move. Yet the existence of these departures is used by brand owners as the basis for their most aggressive (and often unsupportable) actions. We pointed out that some universities have come to see themselves mega-brands. To some extent, part of this is trademark law's fault. The exceptions do not in fact destroy the rule, but an isolated institutional licensing culture can act as if they did, taking the anomalies and placing them center stage, while downplaying trademark's core rationale and its central limiting doctrines. We will call this tendency “trademark maximalism.”

Trademark maximalism stitches together the doctrines we are about to outline into an imaginative, but misleading, narrative. Exceptions allow brand bullies to deny the existence of the rule. Both the platypus, which lays eggs, and the blue whale, are mammals. Yet a zoologist who postulated that mammals either lay eggs or are 100 foot long sea creatures would be off the mark. Trademark's anomalies are a similarly poor basis for general guidance.

2.) The Franchising Revolution

The first of the expansions of trademark law is the franchising revolution. The goal of trademark is to act as a signal between producers and consumers. Stable brand identity is supposed to simplify purchasing decisions by conveying information about product quality, ingredients and source. Think how poorly this rationale fits affiliational goods – goods that are designed to signal my affiliation with a university or a sports team.⁶⁷ When most people buy a T-shirt with Duke on it, they are not saying “wow, Duke makes such high-quality T shirts. This is the large white cotton T shirt for me!” Instead, they are signaling an affiliation. The trademark “Duke” is not being used in the way “Ivory” was for soap – telling me something about ingredients and product quality and

⁶⁶ Duke has since moved on to gain registered trademarks over some of the more plausible of these categories for branded merchandise, for example, computer cases, lamps, refrigerators, jewelry, luggage, and balls for sport. Our ratings of Duke's oppositions from the effective date of these registrations is correspondingly more generous for those categories.

⁶⁷ See Mark Lemley, *The Modern Lanham Act and the Death of Common Sense*, 108 Yale L.J. 1687 (1999); Jessica Litman, *Breakfast with Batman: The Public Interest in the Advertising Age*, 108 Yale L.J. 1717 (1999).

source. Instead, the trademark “Duke” *is* the product. The generic cotton T shirt that is the substrate for the logo is merely the delivery mechanism.

Imagine that I am a Duke fan and that I would pay up to \$15 to signal my allegiance. Let us say that the marginal cost of the shirt is \$3. Without trademark, in an efficient market, the price of the shirt would fall asymptotically close to marginal cost, \$3, and the surplus of \$12 would go to the consumer, rather than to the producer. Is this a socially suboptimal result? That depends. If I think that the logo “Duke” symbolizes “this shirt was produced by Duke, and it gets the profits” then I am being misled. Let us call that fan “Source Buyer.” I am not getting what I paid for, though the low price might have tipped me off. Still, that is a legitimate trademark complaint. But if I simply want a piece of cloth that says “Duke” on it, at the lowest practicable cost, then I am not. Call that fan “Affiliation Signaler.” For the signaler, if the law allows Duke to use its state-granted monopoly over the word Duke to raise the price above marginal cost *for reasons unrelated to trademark law’s normal signaling function*, then it would be overreaching. Duke fans, presumably, include both Source Buyers and Affiliation Signalers.⁶⁸

In practice, the law of trademark has sometimes, but not always, chosen to minimize this complexity and to transfer the consumer surplus to the producer. Partly this seems to rest on an idea that intellectual property owners should have an entitlement to all positive externalities generated by their rights, for economic reasons. Without the ability to capture every cent of consumer surplus generated by its symbols, goes the argument, Duke would be under-incentivized to produce excellence – whether in sports teams or education. Partly it rests on the idea that it is simply wrong “to reap where one has not sown,” regardless of the economic consequences. Finally, it rests partly on the empirically dubious idea that most or all purchasers are “Source Buyers.” These arguments are, at best, questionable and sometimes circular.⁶⁹ Regardless, only Duke may

⁶⁸ Undercutting the older decisions’ conclusory assumptions that most purchasers will always assume sponsorship by the trademark owner, empirical studies have shown a diversity of attitudes towards the issue. In Duke’s favor, however, assumptions of sponsorship and attitudes towards material confusion (confusion that affects the purchasing decision) appear to be more likely in sports merchandise. “The results show that, across a wide range of products and domains, sponsorship confusion is rarely material to more than half of potential consumers. And, if only material confusion is counted, a number of products that would need to be licensed under current law would instead be unrestricted. Adopting a materiality requirement would therefore change the law of trademark merchandising to a meaningful degree. The requirement would not, however, complete a revolution in trademark sponsorship law. Sponsorship is material often enough that a great many products would still need to be licensed. Most sports merchandise licensing, for example, would remain secure even after discounting for materiality.” Matthew Kugler, *The Materiality of Sponsorship Confusion*, 50 U.C. Davis L. Rev. 1911, 1915 (2017).

⁶⁹ The argument that positive externalities must be fully internalized in order to generate efficient outcomes is rarely debated at length. See Brett M. Frischmann and Mark A. Lemley, *Spillovers*, 107 Colum. L. Rev. 257 (2007). Nor is the assumption that one may not reap where one has not sown. When we do scrutinize those propositions, we are forced to confront the fact that capitalism and the marketplace of ideas centrally depend on very different assumptions. Every producer who learns from his competitor’s efforts, who is given valuable information by his competitor’s choices of where to locate a store or a gas station or how to design a product, every thinker who stands on the shoulders of giants, without paying giant royalties, is benefitting from another without compensation. This process of uncompensated taking of valuable information produced by others is actually part of our *definition* of competition and free speech. Only in very limited circumstances do we give the original innovator some form of right – a patent, copyright, trademark or trade secret – which allows it to capture those positive externalities. In that sense, Brandeis appears correctly to describe the premises of U.S. law in *INS v. AP* when he said, albeit in dissent, “The general rule of law is, that the noblest of human productions – knowledge, truths ascertained, conceptions, and ideas – become, after voluntary communication to others, free as the air to common use.” *INS v. AP*, 248 U.S. 215, 250 (1918). Or, to quote Justice Holmes from the same case, “[p]roperty, a creation of law, does not arise from value, although exchangeable—a matter of fact.” *Id.* at 246. Though courts occasionally suggest, and brand owners devoutly believe,

make shirts which bear Duke's logo and name. Used to a world where marks *are* the product rather than a signal of the quality of the product, many consumers may now find this normal. Duke did not start this revolution. But, like most major universities, sports teams and mega-brands, it has been profoundly shaped by its results.

The decisions which extended the law in this way – the ones we group under the label “the franchising revolution” – have been subject to robust academic criticism, most notably by Professors Stacy Dogan, Mark Lemley, and Jessica Litman.⁷⁰ Pointing out the considerable normative and empirical uncertainty around the extension of trademark law in this way, Dogan and Lemley argue:

Given these complexities, together with the economic interests at stake, one might expect that the law and practice of merchandising rights would be well-settled and reflect a considered balancing of the interests of trademark holders and their competitors. In reality, however, much of the multi-billion dollar industry of merchandise licensing has grown around a handful of cases from the 1970s and 1980s that established merchandising rights with little regard for the competing legal or policy concerns at stake. Those cases are far from settled law – indeed, at least as many decisions decline to give trademark owners the right to control sales of their trademarks as products. We think it is high time to revisit that case law and to reconsider the theoretical justifications for a merchandising right. That review provides little support for trademark owners' assumptions about merchandising. Doctrinally, the most broad-reaching merchandising cases – which presumed infringement based on the public recognition of the mark as a trademark – were simply wrong in their analysis of trademark infringement and have been specifically rejected by subsequent decisions. Philosophically, even a merchandising right that hinges on likelihood of confusion raises competition-related concerns that should affect courts' analysis of both the merits and appropriate remedies in merchandising cases. Perhaps most importantly, recent Supreme Court case law suggests that, if it had the opportunity to evaluate the merchandising theory (something it has never done), the Court would deny the existence of such a right. Further, the Court would be right to do so. When a trademark is sold, not as a source indicator, but as a desirable feature of a product, competition suffers – and consumers pay – if other sellers are shut out of the market for that feature.⁷¹

Their conclusion is that the legal basis for an unfettered merchandising or franchising right is at best, mixed, and that there are compelling normative reasons running against it. Courts have often been equally hostile to the premises of the franchising right. In one case, for example, involving T-shirts bearing the (unauthorized) symbol and name of Duke's neighbor, the University of North Carolina at Chapel Hill, the court first pointed out the considerable variation in the Circuit court decisions on this issue, and then went on to confront the difference between source and affiliation buyers head-on.

that if value is produced a right to capture that value should be granted, this does not follow as a matter of either law or logic. See James Boyle, *The Public Domain: Enclosing the Commons of the Mind* (Yale University Press, 2008).

⁷⁰ See Lemley, *The Modern Lanham Act*, *supra* note __; Litman, *Breakfast with Batman*, *supra* note __; Stacey L. Dogan and Mark A. Lemley, *The Merchandising Right, Fragile Theory or Fait Accompli?*, 54 Emory L.J. 461 (2005).

⁷¹ Dogan and Lemley, *supra* note __, at 464-65.

[T]he court is skeptical that those individuals who purchase unlicensed tee-shirts bearing [University of North Carolina at Chapel Hill] marks care one way or the other whether the University sponsors or endorses such products or whether the products are officially licensed. Instead, as defendants contend, it is equally likely that individuals buy the shirts to show their support for the University.⁷²

To be fair, other courts have come to the opposite conclusion, particularly in the sports franchising context and that may now be the majority view. We have tried to make our assessment as sympathetic to Duke's position as possible. Accordingly, while we agree with those scholars and courts who have been skeptical about the merchandising right for universities, for the purposes of this study we assumed exactly the opposite. If someone buys a shirt with "Duke University" or "Duke Blue Devils" on it, regardless of whether they care that the product was in fact produced or licensed by Duke, we assume in this article that Duke is entitled to the profit. Correspondingly, in our coding we rated all of Duke's actions opposing marks which would interfere with such markets as sound. For example, when Duke opposed "Cameron Krzyz" for apparel (the trademarked nickname for Duke basketball fans is "Cameron Crazies") we coded that as "sound,"⁷³ one of only three that year which achieved that favorable rating.

In this essay we have assumed for the purposes of argument that the merchandising revolution is a *fait accompli*. In other words, though we agree with scholarly skepticism about the precedent and policy of the franchising revolution, when assessing whether Duke is a trademark bully, we have assumed the opposite: that Duke is in fact entitled to the trademark and financial benefits resulting from that process. Our conclusion, in other words, is based on a *generous* interpretation of Duke's legal rights. We have three reasons for doing so. First, we want to be clear that our coding of Duke's decisions is not a harsh one, which makes its conclusions all the more remarkable. Second, we think that an entire industry has been built on a "generous" interpretation of the law. Perhaps those early decisions were poorly reasoned, perhaps their subsequent interpretation by business culture imposes unjustified costs on consumers, at least half of whom appear empirically not to be Source Buyers, and perhaps — at least in the university context — it creates an incentive for the university to stray far from its central mission in ways that might not be good for either the university or society. Still, despite those considerations, the industry exists and the courts would, rightly, be hesitant to disrupt it. Finally, the notion that Duke University should get the profits reaped from the use of its name has both an intuitive normative appeal and a self-fulfilling dimension. As Professor Lemley explains:

Ironically, having accepted the merchandising rationale for certain sorts of trademarks, we may find it hard to undo. It is possible that consumers have come to expect that 'Dallas Cowboys' caps are licensed by the Cowboys, not because they serve a trademark function, but simply because the law has recently required such a relationship. If this expectation exists, consumers may be confused if the law changes. But a limited, likelihood-of-confusion rationale for keeping a bad law

⁷² *Board of Governors of University of North Carolina v. Helpingstine*, 714 F. Supp. 167 (M.D.N.C. 1989); *See also International Order of Job's Daughters v. Lindeburg & Co.*, 633 F.2d 912, 918 (9th Cir. 1980) ("We commonly identify ourselves by displaying emblems expressing allegiances. Our jewelry, clothing and cars are emblazoned with inscriptions showing the organizations we belong to, the schools we attend, the landmarks we have visited, the sports teams we support, the beverages we imbibe. Although these inscriptions frequently include names and emblems that are also used as collective marks or trademarks, it would be naive to conclude that the name or emblem is desired because consumers believe that the product somehow originated with or was sponsored by the organization the name or emblem signifies.")

⁷³ Opposition No. 91,229,209 ("Cameron Krzyz"), filed 7/27/2016.

intact is quite different from a theoretical justification for cementing and extending the merchandising right. There are lots of famous marks and icons for which we have not granted merchandising rights. No one controls the exclusive right to make ‘Statue of Liberty’ tee-shirts or paperweights, for example. Even if we decide not to undo what we have done in the sports cases, there is no reason to take it any further, since it is hard to find any theoretical or statutory basis for the property approach to trademarks.⁷⁴

As Lemley points out, even if one accepts the dubious logic of the franchising revolution that is no reason to go beyond it. For example, would you assume that a mockumentary about beauty contests in Minnesota dairy country called “Dairy Queens” was sponsored by the ice cream chain of the same name? One – widely criticized – court decision did.⁷⁵ To paraphrase the leading treatise on trademark, there are decisions that step beyond the lines.⁷⁶ We have accepted that (contrary to the court’s reasoning in the *University of North Carolina* case) Duke is entitled to any revenues from merchandise that directly signals connection to Duke as a university or a sports team. We have, however, rejected the claim that since Duke has *some* rights based on sponsorship or affiliation, it therefore has rights in gross over all uses of the word “Duke” or “Devil” or “Blue” or the letter “D.” True, Duke could in theory slap its name on any domain of goods and services – and thus claim that it effectively controlled the word “Duke.” But the premise proves too much: 132 other “Duke” trademark owners could claim the same thing.

3.) Anti-Dilution

The second expansion of trademark law beyond its traditional boundaries comes from the creation of Federal anti-dilution protection for famous brands.⁷⁷ If a mark is famous with the general consuming public, §43(c) of the Lanham Act conveys extra protections beyond the prohibitions on simple trademark infringement⁷⁸ and misleading source identification.⁷⁹ This right is an expansive one which rejects most of the normal limitations on trademarks. The statute reads:

Subject to the principles of equity, the owner of a famous mark that is distinctive, inherently or through acquired distinctiveness, shall be entitled to an injunction against another person who, at any time after the owner’s mark has become famous, commences use of a mark or trade name in commerce that is likely to cause dilution by blurring or dilution by tarnishment of the famous mark, *regardless of the presence or absence of actual or likely confusion, of competition, or of actual economic injury*.⁸⁰

It is hard to find compelling policy reasons for the creation of Federal anti-dilution protection, other than circular arguments, political capture and the nostrum that “to those that have,

⁷⁴ Mark A. Lemley, *The Modern Lanham Act and the Death of Common Sense*, 108 Yale L.J. 1687, 1708-1709 (1999). Lemley’s conclusions about the overreach of modern trademark law have been widely, and approvingly, cited by courts. See, e.g., *Radiance Foundation, Inc. v. N.A.A.C.P.*, 786 F.3d 316, 325 (4th Cir. 2015); *CPC Intern., Inc. v. Skippy Inc.*, 214 F.3d 456, 462 (4th Cir. 2000); *Toyota Motor Sales, U.S.A., Inc. v. Tabari*, 610 F.3d 1171, 1180 (9th Cir. 2010); *I.P. Lund Trading ApS v. Kohler Co.*, 118 F.Supp.2d 92, 98 (D. Mass. 2000).

⁷⁵ See *Am. Dairy Queen Corp. v. New Line Prods., Inc.*, 35 F. Supp. 2d 727 (D. Minn. 1998); Mark A. Lemley & Mark McKenna, *Irrelevant Confusion*, 62 Stan. L. Rev. 413 (2010).

⁷⁶ McCarthy, *supra* note __, § 24:10 “Outer limits—Decisions that step beyond the line.”

⁷⁷ 15 U.S.C. § 1125(c).

⁷⁸ 15 U.S.C. § 1114.

⁷⁹ 15 U.S.C. § 1125(a).

⁸⁰ 15 U.S.C. § 1125(c)(1) (emphasis added).

more shall be given.” Famous marks might seem to be *least* in need of extra protection, but they are singled out and given that protection because of their fame. Yet precisely because of the absence of trademark law’s normal limitations – no requirement of actual or likely confusion, competition or economic injury – both Congress and the courts have had to trim the extent of the resulting right.

To begin with, the protection is stated to be one that is “subject to the principles of equity,” and it specifically excludes fair, nominative or descriptive uses, comparative advertising, identification, parody, commentary, criticism, news reporting and non-commercial uses of the mark.⁸¹ Arguably, the First Amendment required at least some of those limitations since, by doing away with trademark law’s traditional limitations such as the requirements of competition, confusion, and activity-specificity, Congress is operating on the edge of its powers. In preventing the likelihood of consumer confusion in the marketplace, Congress’s powers to restrain speech are well-defined and justified. When confusion, competition, and economic harm are explicitly stated to be irrelevant to the statutory violation, Congress’s authority is more dubious and the restraints imposed seem both more draconian and less justifiable – a straight semantic land-grab that takes uses that otherwise would be in the public domain and conveys them to a private party, thus restraining otherwise constitutionally protected speech acts for no identifiable public purpose.⁸²

Next, Congress amended the anti-dilution provisions to require that the mark be famous among the general consuming public, doing away with the idea of “niche fame” – fame in a particular market segment. Courts have proven attentive to the importance of this limitation. Coach Services, the makers of the eponymous handbags, might seem to be a very famous brand. They certainly believed they were. But when they sued a company that wanted to use the mark “Coach” for learning software, designed to train students in how to pass standardized tests, they discovered that the courts set the bar for fame very high, particularly “where, as here, the mark is a common English word that has different meanings in different contexts.”⁸³ “Coach,” like “Duke,” is a word that has multiple meanings, only a single one of which is related to the allegedly famous mark. At the very least that makes it much harder to satisfy the requirements of fame. By contrast, a coined word such as “Google,” existing only in the context of a particular good or service, has a much stronger case. Owners of well-known marks frequently assert that they are “famous.” Duke does so repeatedly in its oppositions. But the lay, and legal, senses of that word are distinct. Duke’s case for legal fame is very weak.

In addition, for a finding of dilution by blurring, the courts are instructed to look to “the extent to which the owner of the famous mark is engaging in substantially exclusive use of the mark.”⁸⁴ Again, unlike a company such as Google, Duke is not. Indeed there are 132 Federally registered marks having nothing to do with Duke University that include the word “Duke.” These other registered marks give ample evidence of the multiple possible meanings of the word Duke, from aristocrat, to a pugilist’s fists, to a slang term for eminence, to a nickname or relatively

⁸¹ 15 U.S.C. § 1125(c)(3).

⁸² *Cf. SFAA v. USOC*, 483 U.S. 522 (1987), Brennan, J., dissenting.

⁸³ *Coach Services v. Triumph Learning LLC*, 668 F.3d 1356, 1373 (Fed. Cir. 2012) (“It is well-established that dilution fame is difficult to prove. See *Toro Co. v. ToroHead Inc.*, 61 U.S.P.Q.2d 1164, 1180 (T.T.A.B.2001) (“Fame for dilution purposes is difficult to prove.”); *Everest Capital, Ltd. v. Everest Funds Mgmt. LLC*, 393 F.3d 755, 763 (8th Cir.2005) (“The judicial consensus is that ‘famous’ is a rigorous standard.”); see also 4 McCarthy, § 24:104 at 24–286, 24–293 (noting that fame for dilution is “a difficult and demanding requirement” and that, although “all ‘trademarks’ are ‘distinctive’—very few are ‘famous’”). This is particularly true where, as here, the mark is a common English word that has different meanings in different contexts.”)

⁸⁴ 15 U.S.C. 1125(c)(2)(B)(iii).

common surname, but they also show that the term is being used in commerce, as a mark, by many others. Some of those marks are surprising. For example, Duke's booster club is called the "Iron Dukes," named after a group of 1938 Duke football players whose defense was legendary. Nothing might seem more central to Duke's trademark holdings. Yet there is a registered mark for "Iron Duke" for wheat flour,⁸⁵ dating from 1920, long before the actual Iron Dukes played on Duke's football team or the booster club adopted that name. Wikipedia helpfully supplies multiple other uses of the phrase, including seven people, four ships, two trains, an engine, a film, a pub and a novel.⁸⁶ And that is the unusual coinage "Iron Duke." What about "Duke" itself? Substantially exclusive use of the mark? 132 others say "no."

Thus, in our opinion, it is clear that "Duke" (standing alone) is not famous, and in any event is not entitled to protection from "blurring" by other users of this English word. There is an argument that "Duke Blue Devils" might be famous, though Duke does not own a Federally registered mark in the full composite phrase and there are others with "Blue Devil" marks. Writing this article in basketball-mad North Carolina, the aura of fame seems plausible. Yet it is worth repeating that the current anti-dilution law, as a price for the extraordinary broad rights it grants, did away with the notion of "niche fame" – fame in a particular market segment – instead requiring fame among the general consuming public. When the University of Texas, Duke's only real competitor in aggressive trademark assertion, claimed that its Texas Longhorns logo was famous, the (brave, Western District of Texas) judge had this to say.

One of the central revisions of the TDRA was to make it more difficult to get the "rights in gross" that a famous mark is entitled to. Getting rid of niche fame, the federal trademark law (as already noted) now requires that the mark be "widely recognized by the general consuming public of the United States." And the central problem for UT is that its circumstantial evidence is largely evidence of niche market fame. Reading through the evidence, it is not at all clear that if one is not a college football fan (or, to a much lesser extent, college baseball or basketball fan) would recognize the [Longhorn Logo] as being associated with UT, as all of the evidence relates to the use of the logo in sporting events. The Court is well aware that NCAA college football is a popular sport — the Court counts itself as a more than casual fan of Saturday afternoon football in the Fall — but this hardly equals a presence with the general consuming public (nearly the entire population of the United States). Simply because UT athletics have achieved a level of national prominence does not necessarily mean that the longhorn logo is so ubiquitous and well-known to stand toe-to-toe with Buick or KODAK.⁸⁷

The reasoning here seems directly apposite to Duke's marks. We all live inside our regional or leisure bubbles and that makes it hard to judge, but the requirement of national fame to the general consuming public of the United States is a daunting one. If "Duke Blue Devils" *did* satisfy the requirements for fame, then the protection would only allow it to enjoin marks that seemed likely to blur or tarnish the entire mark, not its component parts. That protection would be exceedingly narrow.

Finally, even where the mark *did* meet the threshold of fame, in applying the anti-dilution provisions the courts have been reluctant to find infringement. Perhaps this is because of the

⁸⁵ U.S. Reg. No. 134,297 (August 24, 1920).

⁸⁶ https://en.wikipedia.org/wiki/Iron_Duke

⁸⁷ *Bd. of Regents, Univ. of Texas Sys. ex rel. Univ. of Texas at Austin v. KST Elec., Ltd.*, 550 F. Supp. 2d 657, 678 (W.D. Tex. 2008) (internal citations omitted).

inconsistency of the right with trademark's larger rationale and the possibility for abuse of the right it provides. Unlike "Duke" or "Coach," "Starbucks" and "Louis Vuitton" are unique words and phrases.⁸⁸ Courts accordingly found that both of them were famous within the meaning of the statute. Given the breadth of the legal protection conferred, one would expect therefore that a competitor's use of "Charbucks" (for coffee!) or "Chewy Vuiton" [sic] (for doggy chew toys covered in the Louis Vuitton logo!) were guilty of either blurring or tarnishment. The courts found that they were not.⁸⁹

Large brands love the protection of anti-dilution since it *appears* to free them of trademark law's pesky requirements to show likely confusion, competition, injury and so on. But trademark owners are much more likely to threaten to use anti-dilution than to litigate it to conclusion, because they know that the courts view such claims skeptically, that the thresholds for both gaining the right and infringing it are extremely high, and they wish to avoid a contrary ruling. This is a saber more frequently rattled than used. Duke's oppositions are consistent with that fact.

⁸⁸ Lovers of Moby Dick might demur.

⁸⁹ See *Starbucks Corp. v. Wolfe's Borough Coffee, Inc.*, 736 F.3d 198 (2d Cir. 2013); *Louis Vuitton Malletier S.A. v. Haute Diggity Dog*, 507 F.3d 252 (4th Cir. 2007).

IV Implications

1.) Maximalism Beyond Duke

Trademark oppositions are the visible, and publicly searchable, tip of the iceberg. You have to go on the record and you have to give reasons. But the maximalism we describe here is by no means confined to trademark oppositions or to Duke. At the beginning of the article we pointed out that Duke is not alone among universities in “aggressive” trademark claims and that oppositions are only a tiny fraction of the totality of trademark assertion. For example, Boise State’s football team plays on a blue football field. It claimed a trademark in blue football fields. But in 2010, it decided that this was not enough. It decided to claim that *all non-green sporting fields* would infringe its trademark.

Citing a legal doctrine called initial interest confusion, which means Boise State has the right to license or deny any field that could be mistakenly associated with its trademark, the university expanded its trademark from blue to non-green in 2010.⁹⁰

Though it apparently convinced *The New York Times* that merely by *saying things* – “Abracadabra!” “Initial interest confusion!” – it could magically “expand[] its trademark from blue to non-green,” Boise State is mistaken. Its claim is just as far-fetched as the Duke oppositions we discussed. Indeed, it might be more so. One can claim a trademark in a color. The Supreme Court held this in a case called *Qualitex v. Jacobson*. But the court explicitly said that the reason it would consider colors eligible for trademarks was because it felt that the dangers of overreach, and of denying other colors to potential competitors, were constrained by limitations internal to the law, particularly the functionality doctrine:

When a color serves as a mark, normally alternative colors will likely be available for similar use by others. Moreover, if that is not so—if a “color depletion” or “color scarcity” problem does arise—the trademark doctrine of “functionality” normally would seem available to prevent the anti competitive consequences that Jacobson’s [the party opposing the mark] argument posits, thereby minimizing that argument’s practical force.... Although we need not comment on the merits of specific cases, we note that lower courts have permitted competitors to copy the green color of farm machinery (because customers wanted their farm equipment to match) and have barred the use of black as a trademark on outboard boat motors (because black has the special functional attributes of decreasing the apparent size of the motor and ensuring compatibility with many different boat colors). The upshot is that, where a color serves a significant nontrademark function... courts will examine whether its use as a mark would permit one competitor (or a group) to interfere with legitimate (nontrademark-related) competition through actual or potential exclusive use of an important product ingredient... ordinarily, it should prevent the anticompetitive consequences of Jacobson’s hypothetical “color depletion” argument, when, and if, the circumstances of a particular case threaten “color depletion.”⁹¹

⁹⁰ Sam Fortier, *Boise State Mounts a Paper Defense of its Home Turf*, N.Y.TIMES, September 10, 2016. We owe the examples to Mark Lemley.

⁹¹ *Qualitex Co. v. Jacobson Prods. Co.*, 514 U.S. 159, 168-170 (1995).

Thus, the *last* thing a court would allow is the expansion of a trademark on blue football fields into all non-green football fields. If courts are coming to the rescue of mariners who are asking “does this motor makes my boat look big?” or fashion-forward farmers who worry about color-coordinating their tractors, they are hardly about to hand over a legal monopoly in all non-green athletic fields merely because someone says “Trademark!” It is hard to think of a clearer case of color depletion that would interfere with competition. Boise State is misusing trademark law. The doctrine on which it apparently relied, “initial interest confusion” does not change that fact. It is a controversial idea, of dubious relevance to this kind of case, from which courts have increasingly backed away.⁹² So this is a misuse of trademark law that, if it were to be believed or acceded to, would restrict competition unnecessarily. Yet it would not show up as an opposition or cancellation proceeding.

Or what about universities that wish to use trademark, or more correctly “the appearance of trademark *language* in a nasty lawyer’s letter with no legal basis,” to police their image? NYU managed to get the TV show *Felicity* to change the name of the university in the show because the students it featured were sexually active.⁹³ Of course, we see NYU’s point. Nothing could be more foreign to the college experience than sexual experimentation. Stanford University got a movie called *Stealing Stanford* to change its title because the plot featured a student who stole in order to afford tuition.⁹⁴ One of us, a Harvard alum, is delighted that the movie title was changed to “Stealing Harvard.” Apparently Harvard made no objection. These two threats, of course, have no basis in trademark law. They are an attempt illicitly to use trademark language to police image – a subject that goes beyond the issues of trademark opposition we discuss here and yet is illuminated by them.

The Ohio State University is unlikely to get a trademark over the definite article. Boise State does not “own” the concept of all non-green sports fields. Stanford and NYU are not legally entitled to prohibit writers of fiction from depicting their students stealing or being sexually active. The Associated Press story with which we began this article also mentions examples of bullying from NC State, the University of Minnesota, and Texas A&M. The University of Texas’s 30 trademark oppositions, and its attempts to claim “famous mark” status, show that Duke’s conduct is not as isolated as it might seem.

Still, Duke is an outlier. On the basis of the empirical and legal analysis we present here, it appears undeniable that Duke is a trademark bully. The Comparative Study shows just how anomalous Duke’s oppositions are — substantially exceeding all of the oppositions raised by all 28 other universities in our three comparison groups, combined. That fact alone ought to raise concerns. The Merit Study showed that Duke reaches such gaudy numbers only by making claims

⁹² *Lamparello v. Falwell*, 420 F.3d 309, 315-317 (4th Cir. 2005) (expressing skepticism about initial interest confusion and limiting its application to “use of another firm’s mark to capture the markholder’s customers and profits”); *Vail Associates, Inc. v. Vend-Tel-Co.*, 516 F.3d 853, 872 (10th Cir. 2008) (requiring proof of confusion; “[A] court cannot simply assume a likelihood of initial interest confusion, even if it suspects it. The proponent of such a theory must prove it.”); *Sensient Technologies Corp. v. Sensory Effects Flavor Co.*, 613 F.3d 754, 766 (8th Cir. 2010), cert. denied, 131 S. Ct. 1603, 179 L. Ed. 2d 500 (2011) (declining to apply initial interest confusion when “customers are sophisticated and exercise a relatively high degree of care in making their purchasing decisions”); *Gibson Guitar Corp. v. Paul Reed Smith Guitars*, 423 F.3d 539 (6th Cir. 2005) (rejecting initial interest confusion in cases involving alleged infringement of product shape trade dress). See also Jennifer E. Rothman, *Initial Interest Confusion: Standing at the Crossroads of Trademark Law*, 27 Cardozo L. Rev. 105 (2005).

⁹³ Lemley, *Irrelevant Confusion*, *supra* note ____.

⁹⁴ *Id.* Ignoring the correct method to gain entrance to Stanford, which is of course, fraudulently to pretend to be a student on the sailing team. See <https://www.sfchronicle.com/crime/article/Stanford-sailing-team-implicated-in-college-13682141.php>.

that are not well-grounded in trademark law. Over a 4-year period, we found that 85% of its oppositions were either clearly erroneous or far-fetched. We felt that we gave Duke the benefit of the doubt in many cases but even if our coding were systematically too harsh, and we changed the ratings accordingly, Duke's behavior would still be problematic. For example if we bumped all our assessments up one grade in Duke's favor – making all of the clearly erroneous oppositions merely far-fetched, and so on – then Duke would *still* look like a trademark bully, with 55% of its actions being rated as far-fetched and only 15% as sound.

Of course, we assume that Duke's actions were taken in good faith. But they seem to reflect both a deep legal mistake and a questionable institutional premise. To begin with, they rest on a systematic misunderstanding of both the law and policy of trademark. Next, they rest on an aggressive, but perhaps not well thought-out, intention to position Duke as an entity that sells *everything* – and a famous one at that – giving it a right of near total control of Duke, Blue, Devil, the letter D and so on. It is the combination of those two misunderstandings that makes Duke such an outlier in both the quantity and the quality of its trademark objections, but also perhaps a useful warning about tendencies in collegiate trademark maximalism.

2.) Why Bully?

This brings us back to the question we raised earlier: why is Duke doing this? Why might other universities follow suit? Trademark oppositions are expensive. Estimates in the scholarly literature range from \$90,000 to \$500,000 in legal costs to pursue an opposition through every possible stage of the process.⁹⁵ (The latter number seems implausibly high to us.) The wide variation appears to derive from different assumptions about which legal actions would be pursued. However, these numbers exaggerate the routine costs. Frequently Duke can get its way with a legal “nastygram” that costs only a few hours of lawyer time to produce. Many other oppositions settle quickly, keeping costs down. Nevertheless, the vigor of the formal opposition practice we studied here shows that Duke is willing to sink expensive institutional resources into an activity that appears, at best, pointless even if one ignored the ethical concerns.

Imagine a classic *homo economicus* administrator at Duke deciding whether to oppose “Bluefood,” “Blue Ball Chillers” or “D’Grill” for barbecue smokers and grills. On one side, her analysis would measure costs to Duke in the form of direct legal expenses and perhaps indirect harm to reputation if it were seen as legally unscrupulous. She would then weigh those against the likely benefits which the opposition might produce or the harms that it might forestall. At the outset, the precise legal costs of any individual action would be unknown. Duke cannot know whether this particular counterparty will fight the issue out to the bitter end, or fold at the first nasty letter. But Duke is nothing if not a repeat player in this market. It would have a very good estimate of aggregate possibilities and thus the associated costs over a year's worth of oppositions. What benefits go on the other side of the scale?

First, there is the much-cited danger of abandonment. With examples like the ones we used above – and indeed with all of the oppositions coded 1 (clearly erroneous) and 2 (far-fetched) – that danger does not exist. A rational, legally informed cost-benefit analyst would know that. Second, there is speculative future harm to Duke's brand and to markets for Duke products and

⁹⁵ Kiser, *supra* note ____ at 223, citing B. Brett Heavner & Marcus H.H. Luepke, *Avoiding Trademark Pitfalls in the “Land of the Unlimited Possibilities”: The Top 15 Mistakes of Foreign Applicants in the U.S. Trademark Office*, 98 TRADEMARK REP. 974, 990 (2008) and LAW PRACTICE MGMT. COMM., AMERICAN INTEL. PROP. LAW ASS'N, REPORT OF THE ECONOMIC SURVEY 2011 (2011), available at <http://www.aipla.org/learningcenter/library/books/econsurvey/Pages/default.aspx>.

services. Again, at least with the oppositions coded 1 and 2, it is hard to see that possibility – even assuming, as we did, that Duke is entitled to all the consumer surplus from both Source Buyers and Affiliation Signalers. To put it another way, even if Duke gets every available dollar from the sales of “Duke” and “Blue Devil” merchandise, “D’Grill” for barbecue smokers and grills poses no threat to current or future markets. So, at least with many of the oppositions, we have a hefty cost and no apparent benefit. Rational actor theory tells us, therefore, that these oppositions should not exist – the decision that many of our sister institutions seem to have made. *E pur si muove*. Why?

2 i.) Trademark Law’s Poor Incentives

Part of the blame has to be put on trademark law. For example, trademark law can be used to raise competitors’ costs and erect barriers to entry. All legal rights can be misused, of course, and wealthy parties with good legal representation will often be able to work the system to their advantage. Yet the indeterminacy of intellectual property rights makes them particularly susceptible to overbroad claims – thus allowing them to be used to subvert the marketplace they are supposed to protect. In a fascinating series of interviews with intellectual property counsel, Professor William Gallagher found that attorneys were frank about this aspect of the law.

Q: Has that happened in a recent trademark case for you, where you represent a big client and are trying to enforce a weak case on the merits, weak in your opinion?

A: Oh yeah! (laughs) I’ve had a case recently where I think we were probably wrong on the merits... The lawyer on the other side was yelling at me about we didn’t have a case, and I said you must be confusing me with somebody who cares about the merits. We are the giant in this case and we’ve decided we’re not going to tolerate this, we’re not going to give up.

Q: Was that effective?

A: Yeah, it worked. They gave up. We just didn’t want this individual using the client’s mark. They’re no threat to us, a different world, very different services. No real likelihood of confusion. But we just didn’t want them to use it, use their mark.⁹⁶

In that case, fault lies with the bully that knows it is overreaching but “doesn’t care about the merits.” The lawyer who made such a claim arguably committed a sanctionable ethical violation. But it also lies with a trademark system that had a chance to impose penalties for trademark bullying, or introduce higher standards, but has chosen so far largely to minimize the problem. In that case, trademark law is guilty of a sin of omission, a failure to remedy abuse, but it has also set up poor incentives for trademark owners, ones which encourage overreaching. For example, courts sometimes look at the vigor with which a particular trademark is defended in assessing the “strength of the mark” in a trademark action. Thus, the existence of similar marks on products and services that are vaguely adjacent to the mark-holders’ business could count against a trademark holder in an infringement action. Professor Stacy Dogan, herself a frequent critic of trademark bullying, argues that this produces perverse incentives.

[T]he law has not only failed in its function of delineating clear boundaries of trademark holder rights; it has arguably made things worse, by defining trademarks’ value, at least in part, by reference to uses that fall outside any reasonable definition of those boundaries....When a lawyer for Monster Energy Drinks recommended that the company object to a brewery’s sale of Vermonster beer, she probably did

⁹⁶ William T. Gallagher, *Trademark and Copyright Enforcement in the Shadow of IP Law*, 28 Santa Clara High Tech. L.J.453, 485-6 (2012).

not perceive any real risk of confusion or dilution of the Monster Energy marks. But she may well have concluded that objecting to any drink-related use of monster would help to preserve the strength of her client's mark, in general, in future cases. This doesn't mean that the world is better off as a result of that action; but it does mean that the accused bully had a plausible reason for its aggression. If we want to curb that aggression, we should modify trademark law's incentives.⁹⁷

Professor Dogan's point is well-taken. Trademark doctrine encourages, or at least does not deter, some trademark bullying. Duke is not acting in a legal vacuum. But that explanation has limitations. Most of Duke's clearly erroneous and far-fetched oppositions are in fields that are not even arguably similar. At least Vermonster beer was a *drink*. Duke's oppositions go beyond any tactical rationale of opposing similar marks on similar goods and services – unless Duke thinks trademark law allows it to control dissimilar marks on *all* goods and services. Even trademark law's harshest critic would not claim it sends that message currently.

Herman Kahn, the game theorist, famously suggested that the best tactic in a game of “chicken” between two drivers is to throw the steering wheel out of the window, showing the other driver that you could not change course. Cultivating a reputation as a trademark bully could provide such benefits. If I demonstrate to you that I will oppose *everything*, no matter how legally ungrounded my claims, you might be dissuaded in the future from doing something that might harm me. Yet for that strategy to be worthwhile, the prospect of harm (or benefit) has to be real at least some of the time. There is a cost to jettisoning the steering wheel. Kahn was assuming that there was a *prize* for the game of chicken. Even given Professor Dogan's argument, it is not clear that Duke's actions actually produce any such prize. Throwing the steering wheel out of the window *when there isn't a game of chicken going on* seems less rational. Nevertheless, the possibility of gaming behavior has to be considered and right now trademark law has inadequate remedies against it.

Trademark's anti-dilution right provides another set of poorly aligned incentives. As we pointed out in the last section, the creation of Federal protection for famous marks expands trademark protection beyond its normal boundaries and limitations. The owner of a famous mark can enjoin other similar marks even in the absence of competition, actual or likely confusion or economic injury. The anti-dilution right looks a lot closer to an absolute right over a name or symbol than anything Federal law had previously offered. What rational, dutiful lawyer would not want that protection for his or her client? Does the attempt to win famous mark status, the anti-dilution long game, explain Duke's behavior? Again, that can only be a partial explanation. Congress and the courts have been clear about how hard it is to get “famous mark” designation. A university which has as its name a common English word with multiple other meanings and which also has to deal with 132 owners of other Federally registered “Duke” marks has a vanishingly small chance of clearing the high bar the law sets up. “Duke Blue Devils” has a better chance at achieving famous mark status, but Duke does not confine its claims of famous mark status to that mark. If “Duke” were a coined word like “Google” and if those 132 other marks did not exist, then aggressive opposition of even clearly unrelated products would make more sense. Since neither of those is the case, trademark law's incentives can be, at best, a partial explanation.

One reason we wrote this article was that we thought a close focus on Duke's behavior might help to highlight the strengths and weaknesses of trademark doctrine more broadly. We think it did. In each of the areas where trademark law has arguably invited overreach – a hypertrophied franchising right divorced from trademark's rationale, ludicrous assertions of

⁹⁷ Dogan *supra* note __ at 1321-22.

sponsorship and affiliation that no rational person would perceive, overbroad claims of famous mark status – Duke has taken the invitation, despite the fact that these are clearly outliers on which the courts and Congress have set constraints. Trademark law is part of the problem and any solution needs to be directed at the law’s incentives generally, not just on Duke’s actions. But, as we have suggested here, this explanation has limits and Duke’s range of opposition appears to exceed those limits substantially. Moreover, if this were an entirely rational response to changes in trademark law, one would expect that other universities’ actions would mirror Duke’s. So far, they have not, though that seems to be changing. A “rational,” albeit overreaching, legal strategy based around trademark law’s incentives, then, can be only part of the explanation.

2 ii.) The Behavioral Economics of Trademark Maximalism

At least in the US system, intellectual property rights are utilitarian – designed to produce to produce a particular result.⁹⁸ We encourage creators by granting them copyrights and patents in order to incentivize the *next* creator, not to reward hard work or because we believe that there is an absolute and natural right in one’s books or inventions. We protect trademarks in order to avoid consumer confusion, to simplify and incentivize benign information flow in the market. It is for that reason that intellectual property rights are so limited. The copyright protects only original expression: facts and ideas go immediately into the public domain, free for all to use. The trademark does not convey ownership of a word or symbol, or the right to engage in semantic policing of speech you do not like, absent plausible consumer confusion. Rightsholders, however, may have a more simplistic conception of their rights, believing that they approach sole despotic dominion. One of us has written about the ways in which an absolute, physicalist conception of intellectual property rights can lead to overbroad claims and socially harmful policy proposals.⁹⁹ A rightsholder in this position is not consciously overreaching. They come to believe that they have the right to police mentions of their university in television shows, or the color of other college’s football fields.

This jurisprudential maximalism may be connected to a particular set of psychological traits. In a fascinating article,¹⁰⁰ Professor Jessica Kiser argues that behavioral economics – in particular, prospect theory – helps to explain apparently “irrational” examples of trademark bullying: occasions where an objective calculation of loss and gain would deter neo-classical economics’ rational actor from bullying behavior, but the psychological biases identified by behavioral economics explain the action. Behavioral economics argues that actors put a disproportionate weight on losses as opposed to gains, and that there is a corresponding effect which causes individuals to overvalue the certainty with which a loss can be avoided. Consider, for example, irrationally expensive but psychologically attractive consumer warranties; did you get Applecare because you believed that, if you did not, the regret you felt if the computer broke would be so much worse? Behavioral economics also postulates that decisions are strongly influenced by a number of “baseline” assumptions, such as the endowment effect, where actors will value something more highly if told they already have a property right in it, or the sunk cost fallacy, where actors irrationally continue actions because they cannot bear to write off the amount

⁹⁸ Most scholars would say this is true of all property rights but it is more obviously true of intellectual property rights.

⁹⁹ James Boyle, A Politics of Intellectual Property: Environmentalism for the Net?, 47 *Duke Law Journal* 87-116 (1997); The Second Enclosure Movement and the Construction of the Public Domain, 66 *Law and Contemporary Problems* 33-74 (Winter 2003); THE PUBLIC DOMAIN: ENCLOSING THE COMMONS OF THE MIND (2008).

¹⁰⁰ Jessica Kiser, *To Bully or Not to Bully: Understanding the Role of Uncertainty in Trademark Enforcement Decisions* 37 *Columbia Journal of Law and the Arts* 212, 229 (2014).

of money that has already been spent on them.¹⁰¹ Kiser argues that all of these factors may be present in the case of apparently irrational trademark bullying.

Even if an attorney tells her client that failure to stop all remotely infringing or diluting trademark use rarely results in the abandonment of a trademark, that attorney is unlikely to offer a promise of certainty that the trademark is safe. Thus, the client is faced with a low probability of risk that a third party somewhere in the marketplace, selling a potentially unrelated product with a remotely similar trademark, could harm the client's own trademark rights. A completely rational client would determine that such a risk minimal, and only invest a small sum of money into monitoring the third party usage or countering any concerning usage with increased advertising presence. But the certainty effect may cause the client to overvalue certainty, and push for reducing risk of harm to the trademark to zero. Additional studies have indicated that "endowment effects will almost certainly occur when owners are faced with the opportunity to sell an item purchased for use that is not easily replaceable." Given the unique nature of trademarks and the fact that they cannot easily be bought or sold on an open market, they are in a sense *irreplaceable*; consequently, a strong endowment effect should be expected to impact decisions of trademark owners. ... This suggests that trademark owners may overvalue their trademark assets and then invest irrationally large amounts of time and money into preventing a loss of those trademarks, even if such a loss is incredibly unlikely... Calling the trademarks "crown jewels," or viewing them as on par with tangible property, illustrates the tendency of trademark owners to elevate the status of trademarks to something more significant than mere business assets. Trademark bullying behavior should be expected in light of the endowment effect's interaction with the uncertain requirements of trademark law's duty to police.¹⁰²

If this were true, the combination of jurisprudential maximalist assumptions about the right's reach, the demands of loss aversion (which overestimates the threat of abandonment) and the endowment effect might combine to produce a pattern of over-zealous assertion of trademark rights. The sunk cost fallacy might then immunize that pattern from rational review. "We have gone after all these other (non-threatening) brands, what is one more?"

This obviously begs one vital question. If these psychological traits and jurisprudential assumptions are widely available, why would they affect Duke so much more than any other university in terms of its opposition practice? We have no completely satisfactory answer but we can see two possibilities.

First, legal consciousness could be more local and less susceptible to correction by rational introspection than the "convergent wisdom of well-lawyered crowds" hypothesis would suggest. Anecdotally, we have observed the formation of path-dependent micro-cultures of legal attitude. Because of a particular controversy or the views of an influential individual, a single corporate entity or bureaucratic department develops a "house view" that is markedly at odds with the rest of legal culture, and then propagates that view internally through group-think so that the variance is preserved. In intellectual property law, some have argued for such a phenomenon in terms of

¹⁰¹ One of us has argued that universities are subject to this fallacy, despite the fact that one of their roles is to train their students to avoid such cognitive errors. James Boyle, *Our China Syndrome* The Chronicle 12/06/2016 <https://www.dukechronicle.com/article/2016/12/our-china-syndrome>.

¹⁰² Kiser, *supra* note ____.

the patent jurisprudence of the Court of Appeals for the Federal Circuit, the internet policy of the Clinton Administration PTO, and the copyright litigation of the Church of Scientology or the company Perfect 10. Perhaps Duke is such a micro-culture.

Second, Duke might be a trendsetter. Right now, Duke's behavior seems both anomalous and ungrounded, but perhaps it is merely the first university to embrace the psychological framing that Kiser and others describe. Universities still see themselves as serving different imperatives than for-profit corporations. Perhaps that insulation from the behavioral economics of bullying is eroding and Duke's behavior offers us a vision of the future. The Associated Press story quoted at the beginning of this article suggests that this might indeed be the case, as do the Boise State, Stanford and NYU stories. Our Comparative Study also picked up hints that universities were moving in Duke's direction in their opposition practice. Do you want to help launch a "cancer moonshot"? Beware. The University of Texas, which has applied for marks on variations of this term, has opposed its use by others.¹⁰³ Also, do not try and register a mark which includes the American Sign Language hand gesture for "I love you" or the heavy metaler's similar gesture. The same university assiduously protects its mark over a "hook 'em, horns" logo, even when the context or field of use seem very different.¹⁰⁴ Do you believe that the fans of your team count as a "12th man" on the field? Texas A&M has a trademark over the term and has assiduously opposed others who attempt to register variants of it.¹⁰⁵ And of course, The Ohio State University is famously trying to trademark "The." Both in terms of semantic policing – attempting to guard the image of the university in ways that go far beyond trademark law's actual boundaries – and in terms of merchandising and branding, universities seem to be moving in Duke's direction. As this article has tried to show, that would be unfortunate and, arguably, unjust. Though this article focused on Duke, its conclusion is that universities *generally* should chart a different path—toward practices that hew more closely to the goals of both trademark law and of educational institutions.

Regardless of the causal route for Duke's outlier status, some will argue that we are being overly generous to Duke in offering the "innocent" behavioral economic explanation. We believe, however, that the comments of university officials provide support for that more generous explanation, echoing Kiser's themes of a supremely valuable asset that must be protected both from a much-overstated threat of abandonment and from a variety of misuses, some of which fit poorly under trademark law.¹⁰⁶

Some analytical clarity might be useful. Trademark bullying creates two distinct classes of harms. The most obvious one happens if the conduct is intentional or just reckless in its lack of care. To assert rights beyond the boundaries of existing law, perhaps in the belief that my deep pockets will guarantee "a win" regardless of the merits, is a harm to the integrity of the legal system and violates the individual ethical duty to act truthfully and within the boundaries of the law. The bully is relying on size to gain resources it does not deserve, or to deny those resources to others. That is why they call it "bullying." But what if the entity is simply honestly mistaken, or systematically deluded, about the limits of trademark law, perhaps under the influence of the

¹⁰³ Opposition No. 91,230,927 (filed 11/1/16).

¹⁰⁴ See note ____ *supra*.

¹⁰⁵ Other oppositions included "Texas Strong," opposed by the University of Texas (Opposition No. 91,222,975, filed 7/27/15) and "We are the Aggie Network," a cancellation filed by Texas A&M (Opposition No. 92,063,077, filed 1/22/16). In these cases, the university appears to be trying to become the sole controller of fan sentiment. In both cases, the universities lost.

¹⁰⁶ Bill McCarthy, "One of the most visible brand names": University has already filed 6 trademark oppositions this year," *The Chronicle* (March 14, 2018) <https://www.dukechronicle.com/article/2018/03/one-of-the-most-visible-brand-names-university-has-already-filed-6-trademark-oppositions-this-year>.

behavioral economic framing effects mentioned above? In that case, some would argue that it is a misnomer to call it “a bully.”

The person who forcibly takes my school lunch because he truly believes it to be *his* lunch is not exactly a “bully,” though he may be wanting in judgment. Of course, if the trademark overstatements are routine and routinely ridiculed, then the claim of honest mistake or delusion may meet with skepticism. If someone takes my lunch repeatedly, for years on end, even when he is repeatedly told by me and others that it isn’t his lunch, and he is a bully for taking it,¹⁰⁷ we might be dubious about his claims of innocence.

Yet it is important to understand that, *even if it were truly a case of large-scale, persistent honest mistake*, there is a second social harm: routine over-assertion of intellectual property rights damages legitimate competition and protected speech. Businesses that had a right to their non-confusing trademark in a different field are losing something they were entitled to, and the public is losing marks that might usefully have suggested goods and services they want. In a thought-provoking recent empirical study, Barton Beebe and Jeanne Fromer present evidence that we are “running out of trademarks.” They argue that the conventional wisdom that there is an ample supply of unclaimed, competitively effective trademarks is wrong, and that “rates of word-mark depletion and congestion are increasing and have reached chronic levels.”¹⁰⁸ It is important to note that this can happen even when trademark law is functioning as envisioned; if Duke can not only claim “Blue Devils” but will routinely oppose marks that use the word “blue” – from “True Blue” for auto parts to “Stay Blue” for denim clothing – then this considerably exacerbates the depletion of useful words. Moreover, entities who are told they must change the title of their movie, make the fictional, sexually active college students in their TV show go to a different university, or refrain from playing their sports on a non-green field — all because of a ludicrous claim of trademark infringement — are being harmed. So are their potential customers and viewers and fans. And this second set of harms to speech and competition exists regardless of the intention of the actor involved.

¹⁰⁷ See note __ *supra* listing the multiple news stories and surveys that have rated Duke a trademark bully.

¹⁰⁸ Barton Beebe and Jeanne C. Fromer, *Are We Running out of Trademarks? An Empirical Study of Trademark Depletion and Congestion*, 131 Harv. L. Rev. 945 (2018).

V Conclusion

The Comparative Study showed that Duke is a dramatic outlier, bringing substantially more trademark oppositions than all 28 other universities in our three comparison groups combined. The Merit Study showed that most of those oppositions are legally ungrounded, with 85% being assessed as “clearly erroneous” or “far-fetched.” Our analysis argued that this behavior was linked both to changes in trademark law and to the conception of the university’s role as a mega-brand, changes which appear to have affected Duke more than other universities, but which have wider implications. Assume for the sake of argument that you are persuaded by some of our analysis. Where’s the harm? It seems clear that Duke is overstepping its bounds legally speaking, and that it might be a harbinger of more general changes in university culture. Still, who cares? We should.

Universities should stand for the truth. If (and we stress “if”) they knowingly pursue spurious claims that are not in fact grounded in existing law, they harm their own ethics and the integrity of the legal system. We have suggested a more charitable explanation than knowing misuse here. Still, once made aware of the pattern, the university has an ethical obligation to stop it.

Brands that have every right to their mark for “Bluefood,” their “Beach’d” clothing line, their “Pretty Devil” slot machines and their “Devils Nightmare” alcoholic beverages, have either been forced to spend time and money defending themselves from frivolous claims, or have just abandoned their marks. Duke is rich, powerful and its lawyers are energetic. But universities should stand for careful and correct application of the law and against those who would use size or wealth to bully others. Bullying is an emotive term, of course, but it accurately describes the actions of an entity that has no valid claim but nevertheless uses strength, power and money to achieve its goals. We argued here that there are plausible reasons that the combination of a sprawling licensing enterprise and the indeterminacies of trademark law could produce bullying behavior as a matter of honest mistake. That in turn teaches us about how hard it is to monitor everything that is going on in the “university as corporation.” The difficulty of monitoring is central to our most important conclusion: the university as mega-brand is straying far from its traditional role in ways that it is not well set-up to police or oversee. The stories about Stanford, NYU, Boise State, Texas A&M and The Ohio State University indicate that Duke may not be alone in following that path.

Our study also has policy implications for the law. While we think that trademark law generally works well, this study illustrates the way in which a few deviations from its core goals, coupled to an aggressive business culture of over-assertion, can undermine its rationale and threaten both competition and speech. The actions of individual trademark owners can seem merely cause for mirth. Yet the collective effects of over-assertion of trademarks are serious, both in terms of restricting competition and in chilling people from engaging in protected speech about the powerful corporate entities around them.

More generally, the academic literature on trademark bullying seems to present a clear picture of systemic abuse which demands forceful measures to correct. There is no shortage of good ideas for reform.¹⁰⁹

¹⁰⁹ See Kiser *supra* note ____, Dogan *supra* note ____.

- As Professor Eric Goldman has pointed out,¹¹⁰ we need better data-gathering on examples of trademark bullying, akin to the Lumen Database (formerly called the “Chilling Effects” project) that keeps track of cease and desist letters concerning online content.¹¹¹ It is hard to rectify a problem until you understand its full extent. He has also suggested more aggressive fee-shifting in clear cases of abuse.
- Professor Leah Grinvald has argued that shaming could be an effective pre-litigation method of discouraging bullying.¹¹² This article would presumably qualify.
- Improvements in machine learning could eventually offer a way of providing cheap and high-quality legal information to smaller entities, thus lowering the costs of fighting bullying.
- We should take more seriously the ethical obligations of lawyers not to pursue spurious claims.
- There should be a method, either through private action, or administrative regulation, of imposing sanctions on repeat, persistent offenders.

Some of these reforms have real promise, though they currently face a classic collective action problem – costs are high but spread over a large group while benefits redound to a small number of repeat players. At the very least, the PTO should return to the issue, this time with an empirical study of the quality and frequency of oppositions by repeat players. We offer ours as a prototype.

We think our study also has implications for universities. Are universities straying from their core goals? Corporations have a straightforward metric for action; maximize shareholder value. Universities, by contrast, serve many masters – education, research, the generation and dissemination of knowledge, the preservation of the scholarly commons, the values of free speech and civil debate, the interests of the students, faculty, staff and alumni/ae that make up the university community. It is possible to imagine a world in which a university transforms itself into a mega-brand while, at every stage, continuing to respect those values. In that world, the university gains extra revenue, raises its visibility and stays true to its core mission – a win-win situation. It is also possible, and we would argue, likely, that in areas ranging from aggressive patent licensing practices,¹¹³ to the trademark excesses we document here, to large-scale college athletics,¹¹⁴ universities have lost their way. The latter comparison may be particularly revealing. Consider the testimony of Sonny Vaccaro to the Knight Commission on Intercollegiate Athletics.

“I’m not hiding,” Sonny Vaccaro told a closed hearing at the Willard Hotel in Washington, D.C., in 2001. “We want to put our materials on the bodies of your athletes, and the best way to do that is buy your school. Or buy your coach.” Vaccaro’s audience, the members of the Knight Commission on Intercollegiate Athletics, bristled. These were eminent reformers—among them the president of the National Collegiate Athletic Association, two former heads of the U.S. Olympic Committee, and several university presidents and chancellors.... Not all the members could hide their scorn for the “sneaker pimp” of schoolyard hustle, who

¹¹⁰ Eric Goldman, *Department of Commerce Releases Worthless Report on Trademark Bullying*, available at https://blog.ericgoldman.org/archives/2011/04/departments_of_c.htm.

¹¹¹ <https://lumendatabase.org/>. The project originally focused on copyright take-down notices, and has since expanded its database to other complaints, including those premised on trademark, defamation, and privacy.

¹¹² Leah Chan Grinvald, *Shaming Trademark Bullies*, 2011 Wis. L. Rev. 625 (2011).

¹¹³ Mark Lemley, *Are Universities Patent Trolls?* 18 Fordham Intell. Prop. Media & Ent. L.J. 611 (2008).

¹¹⁴ Gerald Gurney et al, *UNWINDING MADNESS: WHAT WENT WRONG WITH COLLEGE SPORTS—AND HOW TO FIX IT*. (2017).

boasted of writing checks for millions to everybody in higher education. “Why,” asked Bryce Jordan, the president emeritus of Penn State, “should a university be an advertising medium for your industry?” Vaccaro did not blink. “They shouldn’t, sir,” he replied. “You sold your souls, and you’re going to continue selling them. You can be very moral and righteous in asking me that question, sir,” Vaccaro added with irrepressible good cheer, “but there’s not one of you in this room that’s going to turn down any of our money. You’re going to take it. I can only offer it.”¹¹⁵

Being a trademark bully, in other words, is part of a larger transformation about which universities should think long and hard. What is to be done? Our suggestion is a wide-ranging value-audit, in which the university asks a group of internal stakeholders and external advisors to assess the coherence of the university’s various activities with its multiple missions. There are many possible definitions of “mission-creep” but a pretty good one is the point at which a university claims to be in the business of producing goods and services “*in virtually all areas of endeavor*, to men, women and children of all ages.”

We do not romanticize universities: we work at one. We experience the quotidian idealistic delight and frequent disillusionment of big academe. But we care about universities’ core *values*. Those values seem very strange to the larger society. Why study unpopular ideas? Why care passionately about the truth, even when it doesn’t pay? They are also profoundly fragile. It is possible, of course, that an institution could cherish those values and *also* become a commercial mega-brand culture with a dubious connection to veracity. We would not take that bet.

Right now, Duke is an anomaly. Will it be one in the future? Perhaps in the domain of trademark *oppositions*. As we have tried to demonstrate, many of Duke’s trademark oppositions are expensive, legally ungrounded and, while interfering with the legitimate businesses of others, produce little for Duke beyond bad publicity. But what about the wider attempts to use baseless intellectual property claims to police activities universities do not like? There we think that Duke’s aggressiveness might represent the future. We fear, in fact, that Duke is boldly bullying where many universities will eventually follow. We hope this article sounds a warning.

Universities should not be trademark bullies, or for that matter, copyright or patent trolls. If they do not remember this fact, will athletic shoe licensing revenue, satisfaction from stopping an unrelated business from gaining marks they have every right to, claiming ownership of the definite article, or preventing fictional portrayals of sexually active or larcenous students, compensate for the loss? We doubt it. To *our* university we would quote another Duke, (Ellington) “A problem is a chance for you to do your best.” And, no, we don’t own his name either.

Earlier, we mentioned “the preservation of the scholarly commons” as one of a university’s core goals. At the time of writing, Duke had filed one more trademark. It is over the phrase “Scholarly Commons.”¹¹⁶ That is exquisite irony, of course. But, as our study shows, it may be disturbingly emblematic of the future of academic intellectual property.

¹¹⁵ Taylor Branch, *The Shame of College Sports* The Atlantic October 2011.

¹¹⁶ U.S. Serial No. 87,946,903 (filed June 4, 2018). The term “scholarly commons” is widely used by a national community of institutional academic repositories who, we predict, will be *mightily* displeased to see Duke claiming ownership of it. See <https://www.google.com/search?client=firefox-b-1-d&q=%22scholarly+commons%22> There are reasons to use trademark law to protect a commons. Creative Commons does so, to prevent people falsely claiming to be providing Creative Commons licenses. But while trademarks can protect the commons, they can also be used – wrongly – to expropriate portions of it.

APPENDIX A

Methodology

Merit Study

The starting point for this project was the public database of proceedings before the TTAB.¹¹⁷ Searching “Duke” yields its filings. We compiled a database of information regarding over 800 proceedings filed by Duke from 2015-2018, including 136 opposition or cancellation proceedings.¹¹⁸

We prepared analyses of recurring issues. Section 2(d) of the Lanham Act allows challenges to marks that “so resemble[] a mark registered in the Patent and Trademark Office, or a mark or trade name previously used in the United States by another and not abandoned, as to be likely, when used on or in connection with the goods of the applicant, to cause confusion, or to cause mistake, or to deceive.” There are elaborate, competing tests for likelihood of confusion. Our methodology focused on three factors that would be central to the analysis before both the PTO or Fourth Circuit (where Duke is located)—the strength of Duke’s relevant marks, the similarity of Duke’s and the applicant’s marks, and the proximity of the respective goods or services.¹¹⁹ (Where relevant, however, we also analyzed other factors, such as bad faith or actual confusion.)

¹¹⁷ <http://ttabvue.uspto.gov/ttabvue/>

¹¹⁸ The publicly available documents we reviewed were sometimes incomplete or ambiguous, with conflicting designations. We have made every effort to double-check our findings but cannot exclude the possibility of the PTO’s data being inaccurate in some cases. Having said that, the overall picture is still clear.

¹¹⁹ Circuits have formulated different multi-factor tests for likelihood of confusion that have similar, but not identical, factors. The PTO relies on the so-called *du Pont* factors, which are

- (1) The similarity or dissimilarity of the marks in their entireties as to appearance, sound, connotation and commercial impression.
- (2) The similarity or dissimilarity and nature of the goods or services as described in an application or registration or in connection with which a prior mark is in use.
- (3) The similarity or dissimilarity of established, likely-to-continue trade channels.
- (4) The conditions under which and buyers to whom sales are made, i. e. "impulse" vs. careful, sophisticated purchasing.
- (5) The fame of the prior mark (sales, advertising, length of use).
- (6) The number and nature of similar marks in use on similar goods.
- (7) The nature and extent of any actual confusion.
- (8) The length of time during and conditions under which there has been concurrent use without evidence of actual confusion.
- (9) The variety of goods on which a mark is or is not used (house mark, "family" mark, product mark).
- (10) The market interface between applicant and the owner of a prior mark.
- (11) The extent to which applicant has a right to exclude others from use of its mark on its goods.
- (12) The extent of potential confusion, i. e., whether de minimis or substantial.
- (13) Any other established fact probative of the effect of use.

In re E. I. du Pont de Nemours & Co., 476 F.2d 1357 (C.C.P.A. 1973). The PTO explains that the “key considerations” are factors 1 and 2 above. *Trademark Manual of Examining Procedure* §1207.01. However, Duke is located in North Carolina, in the 4th Circuit, and if a case were litigated here, the factors would be the 7 factors outlined by the 4th Circuit in *Pizzeria Uno Corp. v. Temple*, 747 F.2d 1522 (4th Cir. 1984).

- 1) the strength or distinctiveness of the mark;
- 2) the similarity of the two marks;
- 3) the similarity of the goods/services the marks identify;
- 4) the similarity of the facilities the two parties use in their businesses;
- 5) the similarity of the advertising used by the two parties;
- 6) the defendant's intent;

We standardized recurring issues concerning Duke's particular intellectual property portfolio, including the strength and distinctiveness of Duke's various marks (for example, "Duke", "Devil," "Blue Devil," "D," and "Blue"), the law on single-letter marks (for Duke's "D" based claims), and the proximity of Duke's marks to those it regularly targets, including alcoholic beverages, sports drinks, and restaurant services. We also applied uniform analyses of whether the "Duke" marks are famous for dilution purposes, and §2(a)'s bar on registering marks that "falsely suggest a connection with... institutions." Using these rubrics, our research team coded the oppositions and cancellations on the following four-point scale.

- 1.) Clearly Erroneous: completely ungrounded as a matter of existing law.
- 2.) Far-fetched: unlikely to prevail.
- 3.) Arguable: existing trademark doctrine presents reasons why the application might, or might not, succeed, but Duke has some good arguments.
- 4.) Sound: the opposition was well-grounded in existing trademark law and Duke would prevail were the matter to be litigated.

Because the initial coding would be performed by multiple people, we shared examples of the classification metric from each year, together with accompanying legal reasoning, to ensure consistency. Finally, the authors reviewed each assessment, recoding if necessary. We wish again to express our gratitude to our four superb research assistants, Matt Gibbons, Michael Dale, Joe Bianco and Anupam Dalvi. Thanks go also to Balfour Smith, the Program Coordinator at the Center for the Study of the Public Domain. His work on data analysis and visualization was invaluable. The authors are solely responsible for any errors and for the views put forward here. They do not, of course, speak on behalf of Duke University.

7) actual confusion.

In practice, both the courts and the PTO focus on the similarity of the marks and the proximity of the goods or services they identify, and it is on those, along with strength of the prior mark, that our analysis concentrated.