

Article

Free Speech and International Obligations To Protect Trademarks

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I. INTRODUCTION

The Paris Convention for the Protection of Industrial Property (Paris Convention) and the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) obligate parties to the Paris Convention and members of the World Trade Organization (WTO) to provide minimum standards of protection for trademarks, among other things.¹ For example, members must protect distinctive trademarks against certain unauthorized uses “in the course of trade” that “would result in a likelihood of confusion.”² Yet many states also have obligations under their constitutions or human rights treaties to protect the right to freedom of expression.³ States shield speech ranging from political discourse to entertainment and even commercial advertising from government restriction because freedom of expression is essential in a democratic society and a robust marketplace of ideas promotes the discovery of truth.⁴ National trademark laws are government regulations of speech that implicate the right to freedom of expression and are permissible under constitutional or international law only if the speech is categorically unprotected (like misleading commercial speech in the United States) or if the government can justify this regulation of speech under applicable legal standards.⁵

1. Agreement on Trade-Related Aspects of Intellectual Property Rights, Apr. 15, 1994, Marrakesh Agreement Establishing the World Trade Organization, Annex 1C, Legal Instruments—Results of the Uruguay Round, 1869 U.N.T.S. 299, 33 I.L.M. 1197 (1994) [hereinafter TRIPS]; Paris Convention for the Protection of Industrial Property, Mar. 20, 1883 (as revised at Stockholm, July 14, 1967), 21 U.S.T. 1583, 828 U.N.T.S. 305 [hereinafter Paris Convention]. For a discussion of the international obligations to protect trademarks and other types of intellectual property set forth in these agreements, see, for example, G.H.C. BODENHAUSEN, GUIDE TO APPLICATION OF THE PARIS CONVENTION FOR THE PROTECTION OF INTELLECTUAL PROPERTY (1968); CARLOS M. CORREA, TRADE RELATED ASPECTS OF INTELLECTUAL PROPERTY RIGHTS (2007); DANIEL GERVAIS, THE TRIPS AGREEMENT: DRAFTING HISTORY AND ANALYSIS (3d ed. 2008); INTELLECTUAL PROPERTY AND INTERNATIONAL TRADE: THE TRIPS AGREEMENT (Carlos M. Correa & Abdulqawi A. Yusuf eds., 2d ed. 2008) [hereinafter IP&IT]; and STEPHEN P. LADAS, PATENTS, TRADEMARKS AND RELATED RIGHTS: NATIONAL AND INTERNATIONAL PROTECTION 59-278, 965-1322 (1975).

2. TRIPS, *supra* note 1, art. 16(1).

3. See *infra* Subsection III.B.3 and note 30.

4. See, e.g., LARRY ALEXANDER, IS THERE A RIGHT OF FREEDOM OF EXPRESSION? (2005); ERIC BARENDT, FREEDOM OF SPEECH (2d ed. 2007); ROBERT J. KROTOSZYNSKI, JR., THE FIRST AMENDMENT IN CROSS-CULTURAL PERSPECTIVE: A COMPARATIVE LEGAL ANALYSIS OF THE FREEDOM OF SPEECH (2006); Frederick Schauer, *The Boundaries of the First Amendment: A Preliminary Exploration of Constitutional Salience*, 117 HARV. L. REV. 1765 (2004).

5. See Lisa P. Ramsey, *Increasing First Amendment Scrutiny of Trademark Law*, 61 SMU L. REV. 381 (2008) (discussing the constitutionality of U.S. federal trademark law). Regardless of whether the speech is protected under the First Amendment of the U.S. Constitution, trademark laws are regulations of “speech,” not of economic conduct, because they restrict what words, symbols, and other signs can be used in expression based on the content of the message—that is, whether this use of the mark communicates a confusing or diluting message. *Id.* at 409-12. Moreover, national trademark laws are government, not private, restrictions of speech, because governments restrict and punish speech when they enact trademark laws and enforce private trademark rights using injunctions or damage awards. *Id.* at 407-09.

In the United States, the U.S. Supreme Court defines commercial speech as “speech which does ‘no more than propose a commercial transaction.’” *Va. State Bd. of Pharmacy v. Va. Citizens Consumer Council, Inc.*, 425 U.S. 748, 762 (1976) (quoting *Pittsburgh Press Co. v. Human Relations Comm’n*, 413 U.S. 376, 385 (1973)). A restriction of misleading uses of a mark in commercial speech would be constitutionally justifiable in the United States because untruthful commercial speech is not protected by the First Amendment’s Free Speech Clause. *S.F. Arts & Athletics, Inc. v. U.S. Olympic Comm.*, 483 U.S. 522, 535 & n.12 (1987); Robert C. Denicola, *Trademarks as Speech: Constitutional Implications of*

With the recent expansion of trademark rights and the increased protection of speech—including commercial expression—there are a growing number of potential conflicts between laws prohibiting unauthorized use of another's mark and the right to freedom of expression.⁶ In the United States, for example, federal trademark law now applies to the unauthorized use of trademarks in noncommercial speech and nonmisleading commercial speech, not just misleading commercial speech.⁷ Some courts have held that federal infringement statutes are not limited to profit-seeking uses of trademarks and may be applied to unauthorized uses of a mark by political, religious, and

the Emerging Rationales for the Protection of Trade Symbols, 1982 WIS. L. REV. 158, 165-66; Mark A. Lemley & Eugene Volokh, *Freedom of Speech and Injunctions in Intellectual Property Cases*, 48 DUKE L.J. 147, 221 (1998); Ramsey, *supra*, at 412-20. Nonmisleading commercial speech and noncommercial speech are protected by the First Amendment, but can still be restricted by the government as long as the regulation satisfies intermediate or strict constitutional scrutiny, respectively. Ramsey, *supra*, at 421-46. For the standards permitting speech restrictions in human rights treaties, see *infra* Subsection III.B.3.

6. For the perspective of U.S. scholars, see, for example, Keith Aoki, *How the World Dreams Itself To Be American: Reflections on the Relationship Between the Expanding Scope of Trademark Protection and Free Speech Norms*, 17 LOY. L.A. ENT. L. REV. 523, 538-43 (1997); Margreth Barrett, *Domain Names, Trademarks, and the First Amendment: Searching for Meaningful Boundaries*, 39 CONN. L. REV. 973, 975-77 (2007); Ann Bartow, *Likelihood of Confusion*, 41 SAN DIEGO L. REV. 721, 796-816 (2004); Michael K. Cantwell, *Confusion, Dilution, and Speech: First Amendment Limitations on the Trademark Estate*, 87 TRADEMARK REP. 48, 55-76 (1997); Denicola, *supra* note 5; Harriette K. Dorsen, *Satiric Appropriation and the Law of Libel, Trademark and Copyright: Remedies Without Wrongs*, 65 B.U. L. REV. 923, 939-52 (1986); Rochelle Cooper Dreyfuss, *Expressive Genericity: Trademarks as Language in the Pepsi Generation*, 65 NOTRE DAME L. REV. 397, 399-412 (1990); Rochelle Cooper Dreyfuss, *Reconciling Trademark Rights and Expressive Values: How To Stop Worrying and Learn To Love Ambiguity* [hereinafter Dreyfuss, *Reconciling Trademark Rights and Expressive Values*], in TRADEMARK LAW AND THEORY: A HANDBOOK OF CONTEMPORARY RESEARCH 261, 261-67 (Graeme B. Dinwoodie & Mark D. Janis eds., 2008); Pratheepan Gulasekaram, *Policing the Border Between Trademarks and Free Speech: Protecting Unauthorized Trademark Use in Expressive Works*, 80 WASH. L. REV. 887, 890-906 (2005); Alex Kozinski, *Trademarks Unplugged*, 68 N.Y.U. L. REV. 960, 972-78 (1993); Arlen W. Langvardt, *Protected Marks and Protected Speech: Establishing the First Amendment Boundaries in Trademark Parody Cases*, 36 VILL. L. REV. 1, 60-102 (1991); Mark A. Lemley, *The Modern Lanham Act and the Death of Common Sense*, 108 YALE L.J. 1687, 1697-1713 (1999); Jacqueline D. Lipton, *Commerce Versus Commentary: Gripe Sites, Parody, and the First Amendment in Cyberspace*, 84 WASH. U. L. REV. 1327, 1331-32 (2006); Ramsey, *supra* note 5, at 383-90, 395-404; Hannibal Travis, *The Battle for Mindshare: The Emerging Consensus That the First Amendment Protects Corporate Criticism and Parody on the Internet*, 10 VA. J.L. & TECH. 3, 8-31 (2005); and Robert J. Shaughnessy, Note, *Trademark Parody: A Fair Use and First Amendment Analysis*, 72 VA. L. REV. 1079, 1082-99, 1107-16 (1986).

For a European perspective on the conflict between trademark law and the right to freedom of expression, see, for example, Andreas Rahmatian, *Trade Marks and Human Rights*, in 18 INTELLECTUAL PROPERTY AND HUMAN RIGHTS 335 (Paul Torremans ed., 2008) [hereinafter IP&HR]; Christophe Geiger, *Trade Marks and Freedom of Expression—The Proportionality of Criticism*, INT'L REV. INTELL. PROP. & COMPETITION L. 317, 317-27 (2007); and Katja Weckström, *The Lawfulness of Criticizing Big Business: Comparing Approaches to the Balancing of Societal Interests Behind Trademark Protection*, 11 LEWIS & CLARK L. REV. 671 (2007).

For an analysis of the general conflict between intellectual property and human rights, see IP&HR, *supra*; Christophe Geiger, "Constitutionalising" Intellectual Property Law? *The Influence of Fundamental Rights on Intellectual Property in the European Union*, 37 INT'L REV. INTELL. PROP. & COMPETITION L. 371 (2006); Christophe Geiger, *Fundamental Rights, a Safeguard for the Coherence of Intellectual Property Law?*, 35 INT'L REV. INTELL. PROP. & COMPETITION L. 268 (2004); Laurence R. Helfer, *Regime Shifting: The TRIPS Agreement and New Dynamics of International Intellectual Property Lawmaking*, 29 YALE J. INT'L L. 29 (2004); Laurence R. Helfer, *Toward a Human Rights Framework for Intellectual Property*, 40 U.C. DAVIS L. REV. 971 (2007) [hereinafter Helfer, *Toward a Human Rights Framework*]; and Peter K. Yu, *Reconceptualizing Intellectual Property Interests in a Human Rights Framework*, 40 U.C. DAVIS L. REV. 1039 (2007).

7. Ramsey, *supra* note 5, at 395-404.

social organizations where such use is likely to cause confusion.⁸ Courts have applied infringement law to noncommercial and mixed commercial/noncommercial speech, including unauthorized uses of marks in domain names of Internet parody sites (for example, use of the PETA mark in the domain name *peta.org* linked to the “People Eating Tasty Animals” parody website); in the titles or content of books (for example, use of the marks of Dr. Seuss Enterprises in *The Cat Not in the Hat* parody of the O.J. Simpson trial written in the style of Dr. Seuss); in magazines (for example, use of the Michelob Dry marks in a fake “Michelob Oily” advertisement in a humor magazine commenting on water pollution); and in films (for example, use of the trademarked Dallas Cowboys Cheerleaders outfits in the pornographic film *Debbie Does Dallas* and of Dairy Queen’s mark in the title of the film *Dairy Queens* about beauty pageants in the Midwest).⁹

Moreover, U.S. federal trademark law now applies to unauthorized use of a mark similar to another’s famous mark in commercial expression where there is “dilution,” but no confusion, competition, or actual economic injury.¹⁰ Third parties can dilute a famous mark by using a similar mark (such as “Kodak” bicycles) to create an association that impairs the distinctiveness of the famous mark or harms its reputation.¹¹ Firms can also get trademark rights in descriptive terms and prevent competitors and others from using this language as part of a brand name (the “Park ’N Fly” mark for airport parking lot services in “Dollar Park and Fly”), slogan (the “Thirst Aid” mark for beverages in “Gatorade is Thirst Aid”), or domain name (the “The Children’s Place” mark for clothing in “thechildrensplace.com” for a website) in cases where it is questionable that this commercial speech is truly “misleading” under the U.S. Supreme Court’s First Amendment jurisprudence.¹² Scholars argue that some of these U.S. laws may unconstitutionally restrict protected expression.¹³ Can the United States and other states amend their national

8. See, e.g., *United We Stand Am., Inc. v. United We Stand, Am. N.Y., Inc.*, 128 F.3d 86, 92-93 (2d Cir. 1997); *Gen. Conference Corp. of Seventh-Day Adventists v. Perez*, 97 F. Supp. 2d 1154, 1164 (S.D. Fla. 2000); *MGM v. Pink Panther Patrol*, 774 F. Supp. 869, 874-76 (S.D.N.Y. 1991).

9. E.g., *People for the Ethical Treatment of Animals v. Doughney*, 263 F.3d 359, 362 (4th Cir. 2001); *Dr. Seuss Enters., L.P. v. Penguins Books USA, Inc.*, 109 F.3d 1394, 1396 (9th Cir. 1997); *Anheuser-Busch, Inc. v. Balducci Publ’ns*, 28 F.3d 769, 771 (8th Cir. 1994); *Dallas Cowboys Cheerleaders, Inc. v. Pussycat Cinema, Ltd.*, 604 F.2d 200, 202 (2d Cir. 1979); *Am. Dairy Queen Corp. v. New Line Prods., Inc.*, 35 F. Supp. 2d 727, 728 (D. Minn. 1998).

10. 15 U.S.C. § 1125(c)(1) (2006).

11. *Id.* § 1125(c)(2).

12. See *Park ’N Fly, Inc. v. Dollar Park & Fly, Inc.*, 469 U.S. 189 (1985); *TCPIP Holding Co., Inc. v. Haar Commc’ns, Inc.*, 244 F.3d 88 (2d Cir. 2001); *Sands, Taylor & Wood Co. v. Quaker Oats Co.*, 978 F.2d 947 (7th Cir. 1992); Lisa P. Ramsey, *Descriptive Trademarks and the First Amendment*, 70 TENN. L. REV. 1095, 1110-21 (2003) [hereinafter Ramsey, *Descriptive Trademarks*]; Ramsey, *supra* note 5, at 414-21.

13. For example, the constitutionality of federal and state dilution laws in the United States is discussed in Richard B. Biagi, *The Intersection of First Amendment Commercial Speech Analysis and the Federal Trademark Dilution Act: A Jurisprudential Roadmap*, 91 TRADEMARK REP. 867, 875-89 (2001); Denicola, *supra* note 5, at 194-95; Robert N. Kravitz, *Trademarks, Speech, and the Gay Olympics Case*, 69 B.U. L. REV. 131, 147-48 (1989); Mary LaFrance, *No Reason To Live: Dilution Laws as Unconstitutional Restrictions on Commercial Speech*, 58 S.C. L. REV. 709, 711 (2007); Malla Pollack, *Time To Dilute the Dilution Statute and What Not To Do When Opposing Legislation*, 78 J. PAT. & TRADEMARK OFF. SOC’Y 519, 540-41 (1996); Rebecca Tushnet, *Gone in Sixty Milliseconds: Trademark Law and Cognitive Science*, 86 TEX. L. REV. 507, 510-11, 546-58, 561 (2008); Rebecca Tushnet, *Truth and Advertising: The Lanham Act and Commercial Speech Doctrine*, in TRADEMARK

trademark laws to make them more speech-protective without violating their obligations to protect trademarks under the Paris Convention and TRIPS?

This Article argues that the obligations in the trademark provisions of the Paris Convention and TRIPS are sufficiently flexible to allow member states to protect speech in various ways in their domestic trademark laws. Part II discusses the specific provisions of these agreements that allow states to protect speech interests without violating their international trademark obligations. These agreements expressly provide that members can exclude certain terms or other “signs” from protectable trademark subject matter, limit the scope of rights conferred by a trademark, implement limited exceptions to those rights, and tailor the remedies imposed in trademark disputes. Importantly, the TRIPS provision allowing limited exceptions to trademark rights to protect third-party interests (Article 17) gives members significantly more discretion to limit markholder rights when compared to similar copyright and patent provisions in TRIPS.¹⁴

As set forth below, Article 6*quinquies*(B) of the Paris Convention and Article 15(2) of TRIPS allow members to refuse to protect trademark rights in descriptive terms regardless of any acquired distinctiveness.¹⁵ Members may also implement a commercial use requirement for a *prima facie* trademark infringement case, as TRIPS Article 16(1) only requires states to prevent uses of marks that cause a likelihood of confusion “in the course of trade.”¹⁶ States can therefore exempt from trademark liability unauthorized use of another’s mark in political speech and other types of noncommercial expression. Moreover, TRIPS Article 17 permits member states to implement “limited exceptions” to trademark rights; thus, among other things, members can also provide exemptions for nontrademark uses of marks or, alternatively, certain nontrademark uses of marks, such as uses in news reporting, literary or artistic works, comparative advertising, and parodies, satire, and other commentary.¹⁷

States can also decline to enact strong dilution laws without violating their international obligations. While it applies to uses of marks on dissimilar goods or services, Article 16(3) of TRIPS requires only that member states prohibit third-party registration or use of “well-known” trademarks to “indicate a connection between [the third party’s] goods or services and the owner of the registered trademark” where that use is likely to damage the

LAW & THEORY, *supra* note 6, at 294, 312-22; and Eugene Volokh, *Freedom of Speech and Intellectual Property: Some Thoughts After Eldred, 44 Liquormart, and Bartnicki*, 40 HOUS. L. REV. 697, 732-39 (2003). I have argued it is unconstitutional under the U.S. Supreme Court’s First Amendment jurisprudence for the government to protect trademark rights in descriptive terms, Ramsey, *Descriptive Trademarks*, *supra* note 12, at 1146-74, and noted that the constitutionality of other trademark laws regulating noncommercial speech and nonmisleading commercial speech is also questionable, Ramsey, *supra* note 5, at 388, 404-57. Scholars have also considered the constitutionality of core trademark infringement laws, *see* Rebecca Tushnet, *Trademark Law as Commercial Speech Regulation*, 58 S.C. L. REV. 737, 739, 748-56 (2007), and the doctrine of initial interest confusion (which courts have applied in cases involving unauthorized use of marks in domain names linked to websites and in keywords to trigger comparative advertising), *see* Jennifer E. Rothman, *Initial Interest Confusion: Standing at the Crossroads of Trademark Law*, 27 CARDOZO L. REV. 105, 150-59 (2005).

14. Compare TRIPS, *supra* note 1, art. 17, with *id.* arts. 13, 30.

15. TRIPS, *supra* note 1, art. 15(2); Paris Convention, *supra* note 1, art. 6*quinquies*(B)(2); *see infra* Section II.A.

16. TRIPS, *supra* note 1, art. 16(1); *see infra* Sub-subsection II.B.2.b.

17. TRIPS, *supra* note 1, art. 17; *see infra* Section II.C.

interests of the markholder.¹⁸ Unfortunately for free speech advocates, new bilateral agreements requiring stronger protection of well-known marks may reduce some states' flexibility to protect speech in their domestic trademark laws, including the United States.¹⁹ States can provide more robust domestic protection for trademarks than is required by the minimum standards of the Paris Convention and TRIPS, as these international agreements do not currently contain mandatory ceilings on trademark protection.

Finally, courts in member states have the flexibility under TRIPS' enforcement provisions to tailor trademark remedies in ways that protect speech. For example, courts can award damages or require a disclaimer in lieu of granting an injunction.²⁰ In these and other provisions, the Paris Convention and TRIPS give states the flexibility to decline to adopt a trademark system that provides expansive, property-like protection for trademarks in ways that harm the free flow of information and ideas.

In Part III, this Article evaluates how disputes involving conflicting trademark and free speech rights should be resolved if a member of the WTO elects to adopt more speech-protective trademark laws. If a WTO member believes another member is violating its obligations under TRIPS or the provisions of the Paris Convention incorporated into TRIPS (Paris Convention Articles 1 through 12 and 19), it can file a complaint in the WTO Dispute Settlement System set up by the Marrakesh Agreement Establishing the World Trade Organization (WTO Agreement).²¹ The dispute would then be heard by a WTO panel, and possibly appealed to the WTO Appellate Body. WTO panel and Appellate Body reports are submitted to the Dispute Settlement Body (DSB), which consists of all the WTO members. The DSB usually approves of these reports, as it can only disapprove with full consensus of the members.²² As of this writing, only a few international trademark disputes have been adjudicated at the WTO, and they have not focused on the conflict between international trademark and free speech rights.²³

18. TRIPS, *supra* note 1, art. 16(3). *See generally* FREDERICK W. MOSTERT, FAMOUS AND WELL-KNOWN MARKS: AN INTERNATIONAL ANALYSIS (2d ed. 2004 & 2007 Supp.) (discussing international law relating to well-known marks).

19. *See infra* Subsection II.B.3.

20. *See infra* Section II.D.

21. TRIPS requires compliance with Articles 1 through 12, and with Article 19, of the Paris Convention. TRIPS, *supra* note 1, art. 2(1). Both agreements create international obligations to protect trademarks, but TRIPS was the first multilateral treaty to introduce a mechanism for imposing sanctions against members who fail to implement laws that comply with their international obligations. *See* GRAEME B. DINWOODIE ET AL., INTERNATIONAL INTELLECTUAL PROPERTY LAW AND POLICY 35-37, 41-43, 215 (2d ed. 2008).

22. Understanding on Rules and Procedures Governing the Settlement of Disputes arts. 16(4) & 17(14), Apr. 15, 1994, Marrakesh Agreement Establishing the World Trade Organization, Annex 2, 1869 U.N.T.S. 401 [hereinafter Dispute Settlement Understanding]; *see also* Joel P. Trachtman, *The Domain of WTO Dispute Resolution*, 40 HARV. INT'L L.J. 333, 336 (1999). Past reports are not binding in future decisions, but panels and the Appellate Body take them into account because they may create legitimate expectations among WTO members. Panel Report, *India-Patent Protection for Pharmaceutical and Agricultural Chemical Products*, ¶ 7.30, WT/DS79/R (Aug. 24, 1998).

23. *See* Panel Report, *China—Measures Affecting the Protection and Enforcement of Intellectual Property Rights*, WT/DS362/R (Jan. 26, 2009) [hereinafter *China—Measures*]; Panel Report, *European Communities—Protection of Trademarks and Geographical Indications for Agricultural Products and Foodstuffs*, WT/DS174/R (Mar. 15, 2005) [hereinafter *EC—GI*] (complaint filed by the United States); Appellate Body Report, *United States—Section 211 Omnibus Appropriations Act of 1998*, WT/DS176/AB/R (Jan. 2, 2002) [hereinafter *US—Section 211*]. Note that there is a WTO

If such a dispute were to come before the WTO, Articles 1(1), 7, and 8 of TRIPS specifically provide that members have flexibility in deciding how to implement their international obligations, and may consider the public interest when doing so.²⁴ Moreover, the WTO Agreement requires WTO panels and the Appellate Body to use customary rules of treaty interpretation to clarify the meaning of the provisions of the Paris Convention and TRIPS, and expressly prohibits them from creating new rights or obligations for members.²⁵ WTO jurists should therefore focus on the ordinary meaning of the terms of the agreements in context and in light of their objective and purpose. They should also take into account applicable international laws, including human rights treaties requiring protection of the right to freedom of expression.²⁶

Part III also argues that WTO panels and the Appellate Body should narrowly interpret ambiguous obligations to protect and enforce trademarks, broadly interpret TRIPS Article 17 when trademark and free speech rights conflict, and avoid an activist interpretation of the trademark provisions that adopts a particular solution to this conflict.²⁷ For example, WTO jurists should not conclude that TRIPS requires states to apply trademark law to certain nontrademark uses of marks or exempt noncommercial uses of marks from trademark liability, as there are no such mandatory requirements in the terms of the Paris Convention or TRIPS. Unless a state is in clear violation of an explicit and unambiguous obligation under these agreements, WTO jurists should defer to national interpretations of vague or broad trademark provisions in cases involving free speech interests. States should be allowed to experiment with finding the proper balance between trademark and free speech rights.

Finally, in Part IV, the Article evaluates whether member states should amend the trademark provisions of the Paris Convention or TRIPS to explicitly permit or require states to protect the right to freedom of expression in their domestic trademark laws. Specific, mandatory speech-protective ceilings on trademark rights could increase protection of expression in less-speech-protective states and discourage states from further increasing trademark rights in speech-harmful ways in bilateral or regional trade agreements.²⁸ Unfortunately, it may be practically and politically difficult for members to agree on how international trademark law should be changed to accommodate free speech concerns. There are many different national views about the proper scope of trademark and free speech rights. Even if consensus were possible on some amendments, the new rules may not be as speech-protective as some current national trademark laws. Specific exemptions to

panel report that is similar, but not identical, to *EC—GI*, *supra*, that was issued in connection with Australia's complaint filed in that same dispute. See Panel Report, *European Communities—Protection of Trademarks and Geographical Indications for Agricultural Products and Foodstuffs*, WT/DS290/R (Mar. 15, 2005). All citations in this Article will be to the panel report issued in connection with the United States's complaint (WT/DS174/R).

24. TRIPS, *supra* note 1, arts. 1(1), 7, 8; *infra* Section III.A.

25. See *infra* Sections III.B-C.

26. See *infra* Section III.B.

27. See *infra* Section III.C.

28. See *infra* Section IV.A.

trademark rights could become ineffective, undesirable, or obsolete due to changes in society, technology, or national trademark or free speech laws. Member states should not add specific exceptions to trademark rights to these international agreements until more states have had a chance to experiment at the domestic level and find the right balance between trademark and free speech rights.

Alternatively, member states could amend the Paris Convention or TRIPS to include language that explicitly permits or requires states to generally protect the “right to freedom of expression” when implementing their international trademark obligations.²⁹ Such an amendment may increase the chance that WTO panels and the Appellate Body will consider free speech interests—not just trade interests—when interpreting the trademark provisions of the Paris Convention and TRIPS. Yet it may not have much effect on national laws. The two international agreements already permit members to protect speech interests and international law recognizing the principle of freedom of expression is relevant to interpretation of the treaty terms. Therefore, this revision is not necessary for those states that want to enact more speech-protective trademark laws. Moreover, a vague international obligation to protect speech in national trademark laws will not effectively increase protection for expression in less-speech-protective states. If the international obligations are not specific, many states—especially those with civil law systems—will likely continue to protect speech (or not) at the same level in national trademark laws.

Instead of seeking speech-friendly amendments to the Paris Convention or TRIPS, free speech advocates should instead focus on encouraging states to amend their domestic trademark laws to better protect speech interests. Member states should wait to amend these international agreements until there is greater consensus on the proper balance between trademark and free speech rights. They should also refrain from creating new bilateral, regional, or international trademark laws that limit state discretion to protect freedom of expression in domestic trademark laws.

II. THE TRADEMARK PROVISIONS OF THE PARIS CONVENTION AND TRIPS GIVE STATES FLEXIBILITY TO PROTECT FREE SPEECH IN THEIR TRADEMARK LAWS

Many states protect the free flow of information and ideas from restriction by the government. Freedom of expression is acknowledged by some countries as a fundamental right in their constitutions, such as in the United States’s Bill of Rights.³⁰ Other countries, such as New Zealand, the United Kingdom, and Australia, have no constitutional free speech right but still recognize the right to freedom of expression in statutes or cases.³¹ As

29. See *infra* Section IV.B.

30. E.g., U.S. CONST. amend. I; Canadian Charter of Rights and Freedoms, Part I of the Constitution Act, 1982, *being* Schedule B to the Canada Act, 1982, ch. 11, § 2(b); GG [Constitution] art. 5 (F.R.G.); IR. CONST., 1937, art. 40(6)(1); KENPŌ [Constitution] art. 21, para. 1 (Japan); S. AFR. CONST. 1996 § 16; see KROTOSZYNSKI, *supra* note 4, at 12, 26-51, 93-104, 139-45.

31. E.g., New Zealand Bill of Rights Act 1990, § 14; Human Rights Act, 1998, c. 42, § 12 (U.K.); *id.* sch. 1, pt. 1, art. 10; see KROTOSZYNSKI, *supra* note 4, at 190, 198, 206 (noting that the

discussed later, many states are bound to protect this right by human rights treaties.³²

At the same time, some commentators argue that markholders have property rights in their trademarks and note that property rights are also protected by national constitutions and some human rights treaties, such as the European Convention on Human Rights.³³ In a recent case before the European Court of Human Rights involving the mark “Budweiser” for beer, the Court agreed that trademarks could be regarded as property rights for purposes of human rights analysis.³⁴ Regardless of whether trademarks are property rights, states must balance trademark rights against the right of free speech.³⁵ Some states provide strong protection for trademarks and speech interests in their trademark statutes and court decisions.

The United States is a good example. U.S. federal trademark law provides strong protection for trademarks, including dilution protection for famous marks.³⁶ Yet the United States also protects free speech values by exempting from dilution liability the fair use of another’s mark “other than as a designation of source” in comparative advertising, parody, criticism, and commentary; news reporting and news commentary; and noncommercial uses of a mark.³⁷ U.S. trademark law also protects speech interests by requiring distinctiveness of trademarks for protection and a likelihood of confusion for infringement claims and permitting the fair use of descriptive terms to describe the qualities or characteristics of goods or services.³⁸ In addition, U.S. courts also create and apply speech-protective trademark laws, such as a balancing test used in infringement cases involving unauthorized use of marks in the titles or content of songs (such as *Barbie Girl*), films (such as *Ginger & Fred*), and other types of literary or artistic expression; free speech rights

United Kingdom has no written constitution but that the U.K. Human Rights Act establishes a statutory right to free speech and U.K. courts also protect free speech values); David S. Bogen, *The Religion Clauses and Freedom of Speech in Australia and the United States: Incidental Restrictions and Generally Applicable Laws*, 46 DRAKE L. REV. 53, 63-82 (1997) (discussing how Australian courts protect freedom of speech); Roy Jordan, Research Note, Free Speech and the Constitution (June 4, 2002), <http://www.aph.gov.au/library/pubs/rn/2001-02/02rn42.htm> (same).

32. See *infra* Subsection III.B.3.

33. See, e.g., U.S. CONST. amend. V; Convention for the Protection of Human Rights and Fundamental Freedoms, Protocol 1, art. 1, Mar. 20, 1952, 213 U.N.T.S. 222; Burkhardt Goebel, *Geographical Indications and Trademarks—The Road from Doha*, 93 TRADEMARK REP. 964, 971-72 (2003); see also Jerre B. Swann & Theodore H. Davis, Jr., *Dilution, an Idea Whose Time Has Gone; Brand Equity as Protectable Property, The New/Old Paradigm*, 84 TRADEMARK REP. 267, 267-70, 282-99 (1994). Some human rights treaties, such as the International Covenant on Civil and Political Rights, do “not contain property protection provisions.” Rahmatian, *supra* note 6, at 345.

34. Anheuser-Busch Inc. v. Portugal, App. No. 73049/01, ¶¶ 72-78 (Eur. Ct. H.R. Jan. 11, 2007), <http://www.echr.coe.int>; see also Laurence R. Helfer, *The New Innovation Frontier? Intellectual Property and the European Court of Human Rights*, in IP&HR, *supra* note 6, at 25, 27-28, 43-45; Rahmatian, *supra* note 6, at 346-47.

35. See DINWOODIE ET AL., *supra* note 21, at 253.

36. 15 U.S.C. § 1125(c)(1)-(2) (2006).

37. *Id.* § 1125(c)(3).

38. *Id.* §§ 1052, 1114(1)(a), 1115(b)(4), 1125(a)(1)(A). For a discussion of the various ways the United States protects speech in its trademark laws, see, for example, Dreyfuss, *Reconciling Trademark Rights and Expressive Values*, *supra* note 6, at 267-80; Pierre N. Leval, *Trademark: Champion of Free Speech*, 27 COLUM. J.L. & ARTS 187 (2004); Lisa P. Ramsey, *First Amendment Limitations on Trademark Rights*, in 3 INTELLECTUAL PROPERTY AND INFORMATION WEALTH: ISSUES AND PRACTICES IN THE DIGITAL AGE 147 (Peter K. Yu ed., 2007).

trump trademark rights unless this use of the mark is not artistically relevant, or it explicitly misleads as to the source or the content of the work.³⁹ U.S. courts have also held that the First Amendment prohibits application of trademark dilution law to uses of marks in noncommercial speech⁴⁰ and have declined to find infringement or dilution of a trademark—even in a commercial context—when the mark is used in a successful parody, such as the “Chewy Vuiton” dog toy parodies of the Louis Vuitton handbags and marks.⁴¹

Other states also protect speech interests in their domestic trademark laws. For example, Australian trademark law currently requires an allegedly infringing mark to be used as a mark for trademark liability⁴² and does not contain a cause of action for dilution.⁴³ The Australian Trade Marks Office has found certain uses of marks in parodies were not deceptively similar when markholders filed oppositions to applications for trademark registration, such as for “Tenfolds Grunge” for wine (a “cheeky reference” or parody of “Penfolds Grange” wine),⁴⁴ “Dogue” for dog gifts (a parody of “Vogue” magazine)⁴⁵ and “Dickheads” for matches (a parody of “Redheads” matches).⁴⁶ The Constitutional Court of South Africa narrowly construed its trademark laws to protect speech interests in a case involving the unauthorized use of the mark “Carling Black Label” and related marks for beer in the parody “Black Labour” beer label displayed on the front of T-shirts sold for profit.⁴⁷ Citing the defendant’s constitutional right to freedom of expression, a French court allowed the nonprofit environmental group Greenpeace to use a parody of the logo of oil company Esso on a website to criticize the company and its industrial activities.⁴⁸ For similar reasons, the German Federal Court of Justice rejected a trademark claim by the distributor of Marlboro cigarettes

39. *Mattel, Inc. v. MCA Records, Inc.*, 296 F.3d 894, 902 (9th Cir. 2002); *Rogers v. Grimaldi*, 875 F.2d 994, 999 (2d Cir. 1989).

40. *E.g.*, *L.L. Bean, Inc. v. Drake Publishers, Inc.*, 811 F.2d 26, 30-33 (1st Cir. 1987) (declining to find dilution under Maine law in suit by L.L. Bean against a third party who used its marks in the parody “L.L. Bean Back-To-School-Sex-Catalog”).

41. *Louis Vuitton Malletier S.A. v. Haute Diggity Dog, LLC*, 507 F.3d 252, 260-62 (4th Cir. 2007).

42. Trade Marks Act, 1995, § 120(1) (Austl.); *Top Heavy Pty Ltd. v. Kilin* (1996) 34 I.P.R. 282, 285-87 (Austl.).

43. Daniel R. Shanahan & Annette Freeman, *Australia*, in *FAMOUS AND WELL-KNOWN MARKS: AN INTERNATIONAL ANALYSIS*, *supra* note 18, at 4-29, 4-34, 4-35.

44. *Southcorp Ltd. v. McKeeman*, [2006] ATMO 48, <http://www.austlii.edu.au/cgi-bin/sinodisp/au/cases/cth/ATMO/2006/48.html> (Austl.).

45. *Advance Magazine Publishers v. Bushby*, [2004] ATMO 19, <http://www.austlii.edu.au/cgi-bin/sinodisp/au/cases/cth/ATMO/2004/19.html> (Austl.).

46. *Intermatch v. Dick Smith Investments*, [2003] ATMO 18, <http://www.austlii.edu.au/cgi-bin/sinodisp/au/cases/cth/ATMO/2003/18.html> (Austl.); *see also* Lauren Eade, *Getting Away with (Brand) Murder: The Limits of Trademark Parody*, INT’L L. OFFICE, Nov. 16, 2009, <http://www.internationallawoffice.com/newsletters/detail.aspx?g=d30cba2f-38ce-448b-99f5-e0329cacfb1f> (discussing these Australian cases).

47. *Laugh It Off Promotions CC v. S. Afr. Breweries Int’l (Finance) B.V.* 2006 (1) SA 144 (CC) (S. Afr.), *discussed in* Daniel Greenberg, *To Dilute Your Trademark—Just Add Parody*, 27 EUR. INTELL. PROP. REV. 436 (2005).

48. *Cour d’appel [CA] [regional court of appeal] Paris, 4e ch.*, Nov. 16, 2005 (Fr.), *reprinted in* [2006] E.T.M.R. 53 (rejecting the trademark and unfair parasitic competition claims); *see* Rahmatian, *supra* note 6, at 349-50 (discussing the French case).

and its request for an injunction to prevent an anti-smoking organization from using the Marlboro marks in a parody of a Marlboro advertisement.⁴⁹

Commentators argue that national legislators and courts should further protect speech interests in their trademark laws and have set forth various proposals for speech-protective reforms. For example, in the United States, scholars propose that the government eliminate trademark protection for descriptive terms,⁵⁰ implement a trademark use requirement for trademark liability,⁵¹ and enact a moratorium on injunctions in dilution cases and require proof of actual injury for damages.⁵² William McGeeveran has suggested that the U.S. Congress revise the federal trademark statute to exempt from liability use of a mark in the content and relevant titles of communicative works, in news reporting and news commentary, and in political speech (with some exceptions).⁵³ Advocates of strong trademark protection may object to such reforms on the grounds that some (or all) of these changes would violate international obligations to protect trademarks.

Admittedly, the texts of the Paris Convention and TRIPS do not explicitly mention “the right to freedom of expression” or “free speech.”⁵⁴ Moreover, the legislative history of TRIPS suggests there were no significant discussions among the negotiators about the potential or actual conflict between trademark and free speech rights.⁵⁵ Regardless, this Article contends that the provisions of the Paris Convention and TRIPS requiring protection of trademark rights are sufficiently narrow and that the language in TRIPS Article 17—which allows limited exceptions to trademark rights—is sufficiently broad to allow members to incorporate free speech values into their national trademark laws.⁵⁶ Among other things, member states may:

49. Bundesgerichtshof [BGH] [Federal Court of Justice] Apr. 17, 1984 (F.G.R.), reprinted in [1986] E.C.C. 1, 6-7; see Rahmatian, *supra* note 6, at 349 (discussing the German case).

50. Ramsey, *Descriptive Trademarks*, *supra* note 12, at 1169-74.

51. See, e.g., Margreth Barrett, *Domain Names, Trademarks, and the First Amendment: Searching for Meaningful Boundaries*, 39 CONN. L. REV. 973, 979-87 (2007); Margreth Barrett, *Internet Trademark Suits and the Demise of “Trademark Use,”* 39 U.C. DAVIS L. REV. 371, 378-79 (2006); Mark A. Lemley & Stacey L. Dogan, *Grounding Trademark Law Through Trademark Use*, 92 IOWA L. REV. 1669, 1694-98 (2007); Uli Widmaier, *Use, Liability, and the Structure of Trademark Law*, 33 HOFSTRA L. REV. 603, 608 (2004). For the opposite view that critiques this proposal, see generally Graeme B. Dinwoodie & Mark D. Janis, *Confusion over Use: Contextualism in Trademark Law*, 92 IOWA L. REV. 1597 (2007); and Graeme B. Dinwoodie & Mark D. Janis, *Lessons from the Trademark Use Debate*, 92 IOWA L. REV. 1703 (2007).

52. LaFrance, *supra* note 13, at 722.

53. See, e.g., William McGeeveran, *Rethinking Trademark Fair Use*, 94 IOWA L. REV. 49, 115-19 (2008) [hereinafter McGeeveran, *Rethinking Trademark Fair Use*]; William McGeeveran, *Trademarks and Free Speech: A Safe Harbor Strategy* (Feb. 10, 2010) (manuscript at 45, on file with author); see also William McGeeveran, *Four Free Speech Goals for Trademark Law*, 18 FORDHAM INTELL. PROP. MEDIA & ENT. L.J. 1205 (2008).

54. See TRIPS, *supra* note 1; Paris Convention, *supra* note 1; Laurence R. Helfer, *Human Rights and Intellectual Property: Conflict or Coexistence?*, 5 MINN. INTELL. PROP. REV. 47, 50-51 (2003).

55. World Trade Organization, Negotiating Group on Trade-Related Aspects of Intellectual Property Rights, Reports of Meetings of the Negotiating Group & Working Documents, http://www.wto.org/english/tratop_e/trips_e/trips_e.htm (last visited Apr. 4, 2010) (providing a link to official documents from the 1986-1994 Uruguay Round trade talks on TRIPS under “Documents series: MTN.GNG/NG11/” and “Documents series: MTN.GNG/TRIPS”).

56. For the sake of brevity, this Article does not address whether the right to freedom of expression is harmed when governments refuse to register or protect certain trademarks in their national trademark laws. See generally Jonathan Griffiths, *Is There a Right to an Immoral Trade Mark*, in

(1) refuse to protect trademark rights in descriptive terms; (2) implement a commercial use or trademark use requirement for prima facie trademark liability; (3) refuse to enact a trademark dilution cause of action; and/or (4) specifically exempt from trademark liability uses of marks in political expression, news reporting, literary and artistic works, comparative advertising, parody, satire, criticism, and other commentary.

Such speech-protective national trademark laws do not violate international obligations to protect trademarks in the Paris Convention and TRIPS. For purposes of this Article, the pertinent Paris Convention provisions include international obligations relating to well-known marks (Article 6*bis*), protection of marks registered in another member state (Article 6*quinquies*), and unfair competition (Article 10*bis*). TRIPS Article 2(1) requires WTO members to comply with these Paris Convention provisions. The relevant trademark provisions in TRIPS relate to protectable subject matter (Article 15), the scope of rights conferred by a trademark (Article 16), and exceptions to trademark rights (Article 17). The enforcement provisions relevant to all intellectual property rights are set forth in TRIPS Articles 41 through 61. As explained below, the Paris Convention and TRIPS enable states to protect the right to freedom of expression in domestic trademark laws by excluding certain terms or other “signs” from protectable subject matter; limiting the scope of rights conferred by a trademark; implementing limited exceptions to trademark rights; and tailoring the remedies imposed in trademark disputes to protect speech interests.⁵⁷

A. *Protectable Trademark Subject Matter*

First, the Paris Convention and TRIPS allow member states to protect speech interests by preventing acquisition of trademark rights in certain types of expression. Article 15 of TRIPS defines the subject matter—the types of words, names, and other “signs”—which may constitute a protectable trademark.⁵⁸ Per Article 15(1), “[a]ny sign, or any combination of signs, capable of distinguishing the goods or services of one undertaking from those of other undertakings, shall be capable of constituting a trademark.”⁵⁹ The range of protectable signs is quite broad; “words including personal names,

IP&HR, *supra* note 6, at 309 (discussing the relevance of human rights treaties to U.K. and European laws denying trademark registration and protection on grounds of public policy and morality). The focus of this Article is on the conflict between free speech rights and the protection of trademark rights by states, whereby governments limit the unauthorized use of trademarks by third parties.

57. Previous scholarship has focused on the flexibility states have to protect the public interest and human rights in the patent and copyright provisions of TRIPS, not the trademark provisions. *See, e.g.*, Laurence R. Helfer, *Adjudicating Copyright Claims Under the TRIPs Agreement: The Case for a European Human Rights Analogy*, 39 HARV. INT’L L.J. 357 (1998); Cynthia M. Ho, *A New World Order for Addressing Patent Rights and Public Health*, 82 CHI.-KENT L. REV. 1469 (2007); Neil W. Netanel, *The Next Round: The Impact of the WIPO Copyright Treaty on TRIPS Dispute Settlement*, 37 VA. J. INT’L L. 441 (1997); Graeme B. Dinwoodie & Rochelle Cooper Dreyfuss, *WTO Dispute Resolution and the Preservation of the Public Domain of Science Under International Law*, in INTERNATIONAL PUBLIC GOODS AND TRANSFER OF TECHNOLOGY UNDER A GLOBALIZED INTELLECTUAL PROPERTY REGIME 861, 863 (Keith E. Maskus & Jerome H. Reichman eds., 2004).

58. TRIPS, *supra* note 1, art. 15(1); *see also* EC—GI, *supra* note 23, ¶ 7.600; GERVAIS, *supra* note 1, at 266.

59. TRIPS, *supra* note 1, art. 15(1).

letters, numerals, figurative elements and combinations of colours as well as any combination of such signs, shall be eligible for registration as trademarks.”⁶⁰

Yet not all signs must be protected as marks. TRIPS Article 15(1) expressly allows members to deny registration and protection for signs that are not “capable of distinguishing” among goods or services,⁶¹ such as the generic term “computer” for a personal computer, and signs that are not “visually perceptible,”⁶² such as marks consisting of sounds or smells.⁶³ Moreover, Article 15(2) provides that members may refuse to register and protect certain signs for additional reasons as long as the “other grounds” for denial “do not derogate from the provisions of the Paris Convention.”⁶⁴ The WTO Appellate Body in *United States—Section 211 Omnibus Appropriations Act of 1998 (US—Section 211)* specifically rejected the argument that Article 15(2) only permits those exceptions to registration or protection expressly set forth in Article 15(1). It held “that ‘other grounds’ for the denial of registration within the meaning of Article 15.2 of the TRIPS Agreement are not limited to grounds expressly provided for in the exceptions contained in the Paris Convention (1967) or the TRIPS Agreement.”⁶⁵ Thus, members may refuse to register or protect signs as trademarks in two situations: (1) where the Paris Convention or TRIPS specifically allows members to deny trademark registration and protection for this sign, or (2) where the grounds for refusal of trademark registration and protection is not inconsistent with the express terms of the Paris Convention and TRIPS.⁶⁶

Paris Convention Article 6(1) provides members with significant discretion in how they administer their trademark system; it says: “The conditions for the filing and registration of trademarks shall be determined in each country of the Union by its domestic legislation.”⁶⁷ Per Article 6*quinquies*(A)(1), members are generally required to accept for filing and protect any trademark registered in the state of origin “as it is,” but this rule is subject to the exceptions set forth in Article 6*quinquies*.⁶⁸ Article 6*quinquies*(B)(2) provides that states “may” deny registration or protection of signs that: (1) “are devoid of any distinctive character”; (2) “consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, place of origin, of the goods, or the time of production” (such as the descriptive phrase “The Best Beer in

60. *Id.*

61. *Id.*

62. *Id.*

63. Marks that are not visually perceptible are protected in the United States if they are distinctive. *See* *Qualitex Co. v. Jacobson Prods. Co.*, 514 U.S. 159, 162 (1995) (noting that NBC’s three chimes and the scent of plumeria blossoms on sewing thread are protectable marks under U.S. law, among other distinctive sounds or scents). As noted by Professor Gervais, countries that protect “olfactory and sound marks” register them “using musical notations, descriptions, or chemical formulas.” GERVAIS, *supra* note 1, at 267.

64. TRIPS, *supra* note 1, art. 15(2).

65. *US—Section 211*, *supra* note 23, ¶ 178 (italicization removed).

66. *Id.*, discussed in GERVAIS, *supra* note 1, at 268.

67. Paris Convention, *supra* note 1, art. 6(1).

68. *Id.* art. 6*quinquies*(A)(1). Although this provision requires registration of a foreign trademark “as it is” (or “telle quelle”), there is disagreement on whether this rule concerns only the form or also the content of marks. CORREA, *supra* note 1, at 175-78.

America” for beer); or (3) signs “customary in the current language or in the bona fide and established practices of the trade of the country where protection is claimed” (such as the generic terms or common names “Shredded Wheat” for breakfast cereal or “Escalator” for a moving walkway).⁶⁹ Thus, the Paris Convention expressly allows states to deny trademark protection to nondistinctive signs and to descriptive and generic signs regardless of whether they are distinctive.⁷⁰ If states implement all three limitations on protectable trademark subject matter, they will better protect the free flow of commercial speech and promote competition, as these laws will enable companies to use the full range of language to describe their wares in their brand names, slogans, and domain names.⁷¹

TRIPS Article 15(1) provides that members “may make registrability depend on distinctiveness acquired through use” when signs are not inherently distinctive.⁷² Inherently distinctive marks include fanciful marks (coined words, such as “Kodak” cameras), arbitrary marks (“Apple” computers), and suggestive marks (“Tide” laundry detergent). Yet Article 15(1) does not require members to protect descriptive signs with “acquired” distinctiveness; the language “may” is permissive, not mandatory (unlike “shall”). As explained above, the Paris Convention allows member states to refuse to register or protect trademark rights in marks that consist exclusively of descriptive or generic signs, and TRIPS allows members to deny trademark rights on grounds other than those set forth in TRIPS Article 15(1) provided they are consistent with the Paris Convention. Thus, a state’s decision to categorically exclude descriptive signs from protectable trademark subject matter—regardless of whether they have acquired distinctiveness—is consistent with the express terms of both agreements.⁷³ If members decide to exclude descriptive signs from protectable subject matter under Paris Convention Article 6quinquies(B)(2) and TRIPS Article 15(2), however, they must still provide effective protection against unfair competition.⁷⁴

69. Paris Convention, *supra* note 1, art. 6quinquies(B)(2), discussed in LADAS, *supra* note 1, at 1230-36.

70. Paris Convention, *supra* note 1, art. 6quinquies(B)(2). The first category of signs can overlap with the other two, as generic and descriptive signs may be devoid of distinctive character, but the categories are different. Descriptive signs and even generic signs may acquire distinctiveness (that is, identify and distinguish the source of goods or services) if governments grant a markholder exclusive rights to use this sign, Ramsey, *Descriptive Trademarks*, *supra* note 12, at 1151, and certain signs that are not descriptive or generic may still be deemed insufficiently distinctive for protection, LADAS, *supra* note 1, at 1230-32, such as a simple geometric shape or single color.

71. See generally Ralph H. Folsom & Larry L. Teply, *Trademarked Generic Words*, 89 YALE L.J. 1323 (1980) (discussing why the government should not protect trademark rights in generic terms); Ramsey, *Descriptive Trademarks*, *supra* note 12, at 1169-74 (arguing that the government should eliminate trademark protection for descriptive terms); Ramsey, *supra* note 38, at 150-52 (discussing the distinctiveness requirement).

72. TRIPS, *supra* note 1, art. 15(1).

73. TRIPS, *supra* note 1, art. 15(2); Paris Convention, *supra* note 1, art. 6quinquies(B)(2); see DINWOODIE ET AL., *supra* note 21, at 224; LADAS, *supra* note 1, at 1230-35, 1238-40; Paul J. Heald, *Trademarks and Geographical Indications: Exploring the Contours of the TRIPS Agreement*, 29 VAND. J. TRANSNAT’L L. 635, 639-40 (1996); G.E. Evans, *TRIPS and Trademark Use*, in TRADE MARK USE 279, 293 (J. Phillips & I. Simon eds., 2005).

74. Paris Convention, *supra* note 1, arts. 6quinquies(B), 10bis; see *infra* Subsection II.B.1 (discussing Paris Convention Article 10bis).

This interpretation of Article 15(1) is supported by the decision of the WTO Appellate Body in *US—Section 211*, which said:

If Article 15.1 required the registration of any and every sign or combination of signs that meets the distinctiveness criteria specified in that Article, then WTO members would be deprived of the legislative discretion they enjoyed under Article 6(1) of the Paris Convention (1967). In our view, Article 15.1 of the TRIPS Agreement limits the right of Members to determine the ‘conditions’ for filing and registration of trademarks under their domestic legislation pursuant to Article 6(1) only as it relates to the distinctiveness requirements enunciated in Article 15.1.⁷⁵

Such an interpretation of Article 15(1) is also supported by a comparison of the language in Article 15 with the comparable patent law provision relating to patentable subject matter, TRIPS Article 27. Article 27 provides that “[s]ubject to the provisions in paragraphs 2 and 3, *patents shall be available* for any inventions, whether products or processes, in all fields of technology, provided that they are new, involve an inventive step and are capable of industrial application.”⁷⁶ TRIPS Article 15 does not say trademark registration or protection “shall be available” for distinctive signs (that is, it does not say that such signs shall be registered or protected as trademarks), it just says such signs “shall be *capable* of constituting a trademark” and “shall be *eligible* for registration as trademarks.”⁷⁷

The United States refuses to protect trademark rights in generic signs regardless of whether they have allegedly become distinctive.⁷⁸ Yet descriptive signs can be registered on the principal trademark register and protected in trademark disputes in the United States if the sign acquires distinctiveness or “secondary meaning” due to advertising and sales of the trademarked goods or services.⁷⁹ I have argued in prior work that protection of trademark rights in terms that describe the quality or characteristics of products improperly restricts commercial expression and harms competition

75. *US—Section 211*, *supra* note 23, ¶ 165 (emphasis omitted) (italicization removed), discussed in CORREA, *supra* note 1, at 178. Professor Dinwoodie and his coauthors note this is a narrow reading of Article 15(1). DINWOODIE ET AL., *supra* note 21, at 224. Professor Gervais believes such language in the *US—Section 211* Report “may eventually be used to limit the rights of foreign trademark rightsholders.” GERVAIS, *supra* note 1, at 272.

76. TRIPS, *supra* note 1, art. 27(1) (emphasis added). The provisions in paragraphs 2 and 3 of TRIPS Article 27 contain specific subject matter that members “may exclude from patentability.” *Id.* art. 27(2)-(3).

77. *Id.* art. 15 (emphases added).

78. 15 U.S.C. §§ 1064(3), 1065(4) (2006); *S.F. Arts & Athletics, Inc. v. U.S. Olympic Comm.*, 483 U.S. 522, 531 n.7 (1987); *Hunt Masters, Inc. v. Landry’s Seafood Rest., Inc.*, 240 F.3d 251, 255 (4th Cir. 2001).

79. 15 U.S.C. § 1052(f); *KP Permanent Make-Up, Inc. v. Lasting Impression I, Inc.*, 543 U.S. 111, 122 (2004); *Times Mirror Magazines, Inc. v. Las Vegas Sports News*, 212 F.3d 157, 165-66 (3d Cir. 2000). In the European Union, Article 7.1 of the EU Community Trade Mark Regulation includes signs listed in Paris Convention Article 6*quinquies*(B)(2) (nondistinctive, descriptive, and generic signs) among the signs that can be refused registration. Council Regulation 207/2009, On the Community Trade Mark, art. 7.1(b)-(d), 2009 O.J. (L 78) 1, 3 (EC). Per Article 7.3, however, these provisions “shall not apply if the trade mark has become distinctive in relation to the goods or services for which registration is requested in consequence of the use which has been made of it.” *Id.* art. 7.3, at 4; *see also* Council Directive 2008/95, To Approximate the Laws of the Member States Relating to Trade Marks, art. 3(3), 2008 O.J. (L 299) 25, 27 (EU) (stating that descriptive terms may be registered if they acquire secondary meaning); *Joined Cases C-108 & 109/97, Windsurfing Chiemsee Produktions- und Vertriebs GmbH (WSC) v. Boots- und Segelzhubehör Walter Huber*, 1999 E.C.R. I-2779 (involving registration of the geographical name Chiemsee—a Bavarian lake and popular tourist attraction—for clothing).

when it limits the descriptive words available for use by competitors as part of a brand name, slogan, or domain name.⁸⁰ If the United States or any other state decided to refuse trademark registration and protection to both generic and descriptive signs regardless of any distinctiveness acquired through use, this rule would not violate the Paris Convention or TRIPS for the reasons discussed above. Moreover, members may also offer lesser protection for descriptive signs that have acquired distinctiveness, such as by requiring the infringing signs and goods/services to be virtually identical or by requiring a heightened level of consumer confusion.⁸¹

Advocates of descriptive trademark protection may argue that states cannot categorically exclude descriptive signs from registration and protection under the Paris Convention or TRIPS because such signs can acquire distinctiveness through use and thus become “capable of constituting a trademark” and “eligible for registration” under TRIPS Article 15(1).⁸² Under this view, members can only refuse to register or protect descriptive terms on a case-by-case basis after determining that the particular descriptive sign is not distinctive or capable of becoming distinctive.⁸³ This argument should fail because TRIPS states that distinctive signs which normally qualify as protectable subject matter under Article 15(1) can be refused registration and protection if an exception applies.⁸⁴ An olfactory or auditory mark that is distinctive but not visually perceptible can be refused registration per the last sentence of TRIPS Article 15(1). States may similarly categorically refuse to register and protect distinctive marks that consist exclusively of descriptive signs per Paris Convention Article 6*quinquies*(B)(2) and TRIPS Article 15(2). Case-by-case analysis of the distinctiveness of a descriptive sign is not required. Countries may elect to grant trademark rights in descriptive signs, but there is no obligation to do this in the Paris Convention or TRIPS.

B. *The Scope of Rights Conferred by a Trademark*

The Paris Convention and TRIPS also contain obligations to prevent certain uses of trademarks that create confusion or a likelihood of confusion, as well as third-party uses of “well-known” marks that indicate a connection with the markholder and are likely to damage its interests. This Section discusses the trademark rights provisions and limitations in their scope that allow states to protect free speech interests.

80. See Ramsey, *Descriptive Trademarks*, *supra* note 12, at 1099-01, 1146-74. *But see* Leval, *supra* note 38, at 192-94 (arguing that free expression is sufficiently protected in the marketplace if courts enforce a narrow scope of exclusivity for descriptive terms that have acquired distinctiveness and only prohibit the use of an identical mark in the same area of commerce).

81. If they use this approach, members must still comply with their other international obligations, such as national treatment. *E.g.*, TRIPS, *supra* note 1, art. 3.

82. TRIPS, *supra* note 1, art. 15(1).

83. *Cf.* Paris Convention, *supra* note 1, art. 6*quinquies*(C)(1) (“In determining whether a mark is eligible for protection, all the factual circumstances must be taken into consideration, particularly the length of time the mark has been in use.”).

84. See *US—Section 211*, *supra* note 23, ¶ 155.

1. *Paris Convention: Prevention of Unfair Competition*

In the Paris Convention, Article 6*bis* (the well-known marks provision discussed later in Subsection II.B.3) and Article 10*bis* contain the only “guaranteed minimum rights” for markholders.⁸⁵ Article 10*bis* does not specifically refer to “trademark” rights, but it still covers certain confusing uses of a competitor’s marks. Per Article 10*bis*(1), “[t]he countries of the Union are bound to assure to nationals of such countries effective protection against unfair competition.”⁸⁶ Article 10*bis*(3)(1) requires member states to specifically prohibit “all acts of such a nature as to create confusion by any means whatever with the establishment, the goods, or the industrial or commercial activities, of a competitor.”⁸⁷ This specific obligation to protect against unfair competition in the trademark context is limited to (1) uses of a mark that “create confusion” (2) with a competitor’s establishment, goods, or industrial or commercial activities.

Article 10*bis*(3)(1) therefore does not require states to protect trademarks from any unauthorized use by third parties. First, there is no obligation to prohibit nonconfusing uses of a mark by competitors. For example, a third party can use its competitor’s mark in a comparative advertisement if the ad does not create confusion. Second, Article 10*bis*(3)(1) does not require states to prohibit confusing use of trademarks by third parties who are not competitors, such as a disgruntled customer’s use of a firm’s trademark on an Internet website to parody or criticize the markholder. An unauthorized use of the mark need only be prevented under national law if it creates confusion “with the establishment, the goods, or the industrial or commercial activities, of a *competitor*.”⁸⁸ Although Article 10*bis*(1) broadly requires states to provide “effective protection against unfair competition,” the more specific (and relevant) language of Article 10*bis*(3)(1) suggests that this Article of the Paris Convention does not require states to provide property-like protection for trademarks at the expense of free speech interests of competitors and the public.

2. *TRIPS: Prevention of Likelihood of Confusion*

Additional international obligations regarding the scope of trademark rights are set forth in TRIPS in Article 16, entitled “Rights Conferred.” The “likelihood of confusion” provision, TRIPS Article 16(1), provides in pertinent part:

The owner of a registered trademark shall have the exclusive right to prevent all third parties not having the owner’s consent from using in the course of trade identical or similar signs for goods or services which are identical or similar to those in respect of which the trademark is registered where such use would result in a likelihood of

85. GERVAIS, *supra* note 1, at 274.

86. Paris Convention, *supra* note 1, art. 10*bis*(1).

87. *Id.* art. 10*bis*(3)(1).

88. *Id.* (emphasis added).

confusion. In case of the use of an identical sign for identical goods or services, a likelihood of confusion shall be presumed.⁸⁹

As noted by the WTO Appellate Body, the “exclusive rights [in Article 16(1)] protect the owner against infringement of the registered trademark by unauthorized third parties.”⁹⁰ Like Paris Convention Article 10*bis*(3)(1), TRIPS Article 16(1) contains various limitations on the obligations to protect trademark rights that allow states to protect free speech values in their trademark laws. As discussed below, Article 16(1) only requires members to protect against use of (a) registered trademarks, (b) used in the course of trade, (c) where the signs and goods/services are identical or similar to those of the markholder, and (d) this use causes a likelihood of confusion.⁹¹

a. *Registered Trademarks*

First, TRIPS Article 16(1) obligates members to grant markholders with an exclusive right to prevent likelihood of confusion only when the mark is “registered.”⁹² Of course, states can opt to provide infringement protection to distinctive unregistered marks—the United States, for example, protects marks based on use—but WTO members are not required to do this by Article 16(1) because of the “registered” limitation.⁹³ Paris Convention Article 10*bis*’s unfair competition provision is not limited to registered marks—as discussed above, it does not mention “trademarks” at all—and thus states still have to prevent unauthorized uses of unregistered marks by competitors which create confusion covered by that provision. If the parties are not competitors and the mark is not registered, then neither Paris Convention Article 10*bis* nor TRIPS Article 16(1) applies.

If states require registration of a mark for protection against infringement, they would give better notice to potential users of the mark that another claims trademark rights in this expression. Such a rule may chill less speech by providing third parties with a better understanding of whether this language is likely to be protected against infringement. On the other hand, a registration requirement for infringement protection would disadvantage successful businesses that failed to file an application to register the mark with the national trademark office and could harm consumers confused by a competitor’s use of the unregistered mark to identify its own goods or services.

89. TRIPS, *supra* note 1, art. 16(1).

90. See *US—Section 211*, *supra* note 23, ¶ 186.

91. See *EC—GI*, *supra* note 23, ¶ 7.601. The use must also be unauthorized. TRIPS, *supra* note 1, art. 16(1). This limitation will not be discussed here, however, as it is not relevant to the potential conflict between trademark and free speech rights.

92. TRIPS, *supra* note 1, art. 16(1); see *EC—GI*, *supra* note 23, ¶ 7.600; *US—Section 211*, *supra* note 23, ¶ 186.

93. CORREA, *supra* note 1, at 185; GERVAIS, *supra* note 1, at 274-75; Katja Weckström, *When Two Giants Collide: Article 17 and the Scope of Trademark Protection Afforded Under the TRIPS Agreement*, 29 *LOY. L.A. INT’L & COMP. L. REV.* 167, 182-83 (2007).

b. *Use of the Mark in the Course of Trade*

A second limitation on the trademark rights conferred in Article 16(1) is that member states need only enforce this infringement right against a third party “using” the mark “in the course of trade.”⁹⁴ A state can therefore refuse to enjoin or punish use of a mark outside “the course of trade,” even if that use of the mark is likely to cause confusion, as long as the state complies with its other international obligations.⁹⁵ Although the phrase “use . . . in the course of trade” also appears in Paris Convention Article 10*bis*(3)(3),⁹⁶ neither the Paris Convention nor TRIPS defines the phrase and its meaning has not yet been interpreted by any WTO panels or by the Appellate Body. According to Carlos Correa, who was closely involved in “the inception and implementation of the TRIPS Agreement,”⁹⁷ the phrase “using in the course of trade” refers to use of a mark “in commercial activities.”⁹⁸ The “in the course of trade” language is more common in regional and national laws in Europe, such as Articles 5 and 6 of the European Union Trade Mark Directive, Articles 9(1) and 12 of the European Council Trade Mark Regulation, and Section 10(1) of the United Kingdom’s Trade Marks Act.⁹⁹ The European Court of Justice has interpreted the phrase to mean use of another’s marks that “takes place in the context of commercial activity with a view to economic advantage and not as a private matter.”¹⁰⁰

Some states and commentators may argue that the phrase “using in the course of trade” in Article 16(1) also means use of the mark as a trademark or designation of source.¹⁰¹ Commentators and courts are divided on whether the phrase “use in the course of trade” in regional or national trademark laws requires a “trademark use” of the mark.¹⁰² The European Court of Justice has held that the phrase “use in the course of trade” in the EU Trade Mark

94. TRIPS, *supra* note 1, art. 16(1).

95. *E.g.*, TRIPS, *supra* note 1, arts. 1(3), 3, 4, 16(2)-(3); Paris Convention, *supra* note 1, arts. 2, 6*bis*, 10*bis*.

96. Paris Convention, *supra* note 1, art. 10*bis*(3)(3).

97. CORREA, *supra* note 1, at viii.

98. *Id.* at 186.

99. *See* Trade Marks Act, 1994, § 10(1) (U.K.); Council Regulation 207/2009, On the Community Trade Mark, arts. 9(1), 12, 2009 O.J. (L 78) 1, 5 (EC); Council Directive 2008/95, To Approximate the Laws of the Member States Relating to Trade Marks, arts. 5, 6, 2008 O.J. (L 299) 25, 28-29 (EU). Mostert says the use in the course of trade requirement for infringement under Article 5 of the EU Trade Mark Directive is “parallel to the US ‘noncommercial use’ defense” in 15 U.S.C. § 1125(c)(3)(C) (2006). MOSTERT, *supra* note 18, at 1-119 n. 283.

100. Case C-206/01, Arsenal Football Club Plc v. Reed, 2002 E.C.R. I-10273, ¶ 40.

101. *See, e.g.*, Weckström, *supra* note 93, at 182-83 (stating that the third party must use the mark “as a trade or service mark” for Article 16(1) to apply). Note that Weckström does not indicate which part of the text of Article 16(1)—the “using in the course of trade” or “goods or services” language—creates this limitation.

102. *See, e.g.*, 4 J. THOMAS MCCARTHY, MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 25:77 (4th ed. 2009) (discussing European cases); Hazel Carty, *Do Marks with a Reputation Merit Special Protection?*, 12 EUR. INTELL. PROP. REV. 684, 685 (1997); Charles Gielen & Benoit Strowel, *The Benelux Trademark Act: A Guide to Trademark Law in Europe*, 86 TRADEMARK REP. 543, 563 & n.66 (1996); Robert Sumroy & Carina Badger, *Infringing ‘Use in the Course of Trade’: Trade Mark Use and the Essential Function of a Trade Mark*, in TRADE MARK USE, *supra* note 73, at 163; David S. Welkowitz, *Protection Against Trademark Dilution in the U.K. and Canada: Inexorable Trend or Will Tradition Triumph?*, 24 HASTINGS INT’L & COMP. L. REV. 63, 88 n.136 (2000).

Directive does not require a trademark use of the mark for liability.¹⁰³ It is unclear whether WTO panels or the Appellate Body will find that Article 16(1) requires a trademark use of the mark. As there is significant disagreement on this issue, states that enact a trademark use requirement for infringement liability will likely argue (1) that “using in the course of trade” is ambiguous, and thus WTO panels and the Appellate Body should read the obligation narrowly and defer to that state’s decision to exempt nontrademark uses of marks from liability,¹⁰⁴ and/or (2) that exempting nontrademark uses of marks from trademark liability is a limited exception to trademark rights justifiable under Article 17 of TRIPS.¹⁰⁵

Because the phrase “using in the course of trade” at least means use of a mark in “commercial activities” or “commercial use” of the mark, states could impose a prima facie requirement of “using in the course of trade” or “commercial use of a mark” for infringement actions (or an exemption for “noncommercial use of mark”) without violating their international trademark obligations. Such a rule would protect speech interests and discourage markholders from threatening to sue third parties who use their marks in connection with political activities or social commentary. For example, according to news reports, attorneys for a business that sells rings with interchangeable stones under the registered mark “Change Rocks” sent a letter to presidential candidate Barack Obama’s political campaign suggesting it must seek permission if it had plans to sell T-shirts or other campaign memorabilia displaying the term “Change Rocks” in connection with a concert and campaign fundraiser.¹⁰⁶ Trademark holders ranging from a religious organization,¹⁰⁷ to a company offering hair restoration services¹⁰⁸ to a shopping mall¹⁰⁹ have sued individuals who set up websites on the Internet to complain or provide information about the markholders and their goods, services, or activities. Today it is often unclear whether such trademark claims are valid under national infringement laws that do not contain an explicit commercial use requirement. Even if precedent suggests an accused infringer would prevail, some third parties may stop using the mark due to the uncertainty and expense of litigation.¹¹⁰

Categorical speech-protective trademark rules, like a commercial use requirement for trademark liability, can provide more predictability in trademark disputes and make it easier for judges to dispose of frivolous trademark claims early.¹¹¹ Individuals and small companies may not be able to afford to litigate through discovery to summary judgment or trial. It may also be easier for defendants to recover sanctions for frivolous trademark claims

103. Case C-206/01, *Arsenal Football Club*, 2002 E.C.R. I-10273.

104. See *infra* Section III.C.

105. See *infra* Section II.C.

106. Julie Moran Alterio, *Teen’s, Obama’s Slogans Overlap*, J. NEWS, Jan. 9, 2008, at A1.

107. *Utah Lighthouse Ministry v. Found. for Apologetic Info. & Research*, 527 F.3d 1045 (10th Cir. 2008).

108. *Bosley Med. Inst., Inc. v. Kremer*, 403 F.3d 672 (9th Cir. 2005).

109. *Taubman Co. v. Webfeats*, 319 F.3d 770 (6th Cir. 2003).

110. See McGeeveran, *Rethinking Trademark Fair Use*, *supra* note 53 (explaining why categorical safe harbors in trademark law can protect speech interests).

111. Ramsey, *supra* note 5, at 454-57 (discussing the benefits of speech-protective trademark rules).

that ignore a rule explicitly allowing this use of the mark.¹¹² Expression is more likely to be chilled and suppressed if litigants and judges are uncertain about whether trademark law restricts this particular noncommercial use of a mark.¹¹³ Yet some speech-protective trademark rules may be overbroad and permit certain uses of marks that are harmful to consumers. For example, one problem with a commercial use requirement for infringement liability is that it does not prohibit confusing use of the marks of nonprofit organizations in noncommercial speech. Regardless of whether states believe the public benefits overall from a commercial use requirement, they are permitted to implement such a rule in their domestic trademark laws per the “using in the course of trade” limitation in Article 16(1).

If a WTO member wants to permit infringement liability for some noncommercial uses of marks outside “the course of trade,” it could instead more specifically exempt certain “nontrademark” uses of marks outside the course of trade that express information or ideas—in other words, noncommercial uses of a mark “otherwise than as a mark” or not as a “designation of source.” A domestic law exemption for noncommercial and nontrademark uses of a mark would protect speech interests by discouraging markholders from threatening to sue third parties who use marks without authorization in the content of political speech, cybergripe websites, and other types of noncommercial expression. At the same time, this more narrow exemption would protect consumers against certain confusing uses of marks “as marks” in noncommercial speech, such as use of a mark to impersonate political or religious groups in a way that causes confusion about the source of the third party’s goods, services, or activities.¹¹⁴

There is no explicit “commercial use” requirement in the federal infringement statutes in the United States;¹¹⁵ however, some courts have read such a requirement into the law because of concerns regarding the constitutionality of applying infringement law to noncommercial speech.¹¹⁶

112. *Id.* at 456 & n.438.

113. Of course, fact-finders must still determine whether a particular use of a mark falls within the scope of a law exempting noncommercial uses of a mark from liability, so speech-protective trademark rules do not completely eliminate subjectivity or prevent bias from infecting the decision of the fact-finder. Yet there is generally more predictability, and less discretion to err, when judges use definitional balancing rather than ad hoc balancing. *Id.* at 453-57.

114. See generally Lisa P. Ramsey, *Brandjacking on Social Networks: Trademark Infringement by Impersonation of Markholders*, 58 BUFF. L. REV. (forthcoming 2010), <http://ssrn.com/abstract=1498557> (discussing when trademark infringement law should apply to the use of marks to impersonate markholders and cause confusion about the source of expression). Many nonprofit organizations identify and distinguish themselves and their goods, services, and activities using a name or logo, which is protectable by U.S. trademark law if it is distinctive. *Id.* (manuscript at 16). Charitable organizations distribute or resell donated goods (such as food or clothing), churches provide religious services, and political groups engage in voter registration and fundraising activities.

115. 15 U.S.C. §§ 1114(1)(a), 1125(a)(1) (2006). U.S. courts and commentators today agree the phrase “use[s] in commerce” in both infringement statutes is jurisdictional—Congress may only regulate “commerce” within its control—and thus the “in commerce” language does not create a “commercial use” requirement for infringement liability. See, e.g., *Bosley Med. Inst., Inc. v. Kremer*, 403 F.3d 672, 677 (9th Cir. 2005); *United We Stand Am., Inc. v. United We Stand, Am. N.Y., Inc.*, 128 F.3d 86, 92-93 (2d Cir. 1997); MCCARTHY, *supra* note 102, § 25:57.

116. E.g., *Utah Lighthouse Ministry v. Found. for Apologetic Info. & Research*, 527 F.3d 1045, 1051-53 (10th Cir. 2008); *Bosley*, 403 F.3d at 676-77; *Taubman Co. v. Webfeats*, 319 F.3d 770, 775, 778 (6th Cir. 2003).

The U.S. Supreme Court has held that the test for identifying commercial speech is not whether speech is sold for a profit, but whether it is “speech which does no more than propose a commercial transaction.”¹¹⁷ The United States may argue that “using in the course of trade” or “commercial use” of a mark is equivalent to use of a mark in “commercial speech,” as that term is defined by the U.S. Supreme Court, and thus the United States has discretion to exempt uses of marks from trademark liability unless they fit within this narrow definition. Some U.S. courts hold that the phrase “noncommercial use of a mark” in the federal dilution statute is synonymous with use of a mark in “noncommercial speech,” and that mixed commercial/noncommercial speech that is inextricably intertwined—such as a song sold for profit—is fully protected by the First Amendment just like pure noncommercial speech.¹¹⁸ In prior work, I have argued that use of another’s mark in the content or titles of films, books, or magazines, or displayed on the front of merchandise to express information or ideas does not qualify as “pure commercial speech” under U.S. constitutional law because it does more than “propose a commercial transaction.”¹¹⁹ If Correa is correct that Article 16’s “using in the course of trade” language would “not control the use of trademarks, for instance, in writings not intended to promote the sales of the trademarked products and services,”¹²⁰ this language could be read to justify an exemption for uses of marks in noncommercial speech even if the expression is sold for profit.

Other states may argue the phrase “using in the course of trade” includes uses of marks in expression sold for a profit, especially merchandising sales, and is broader than the U.S. concept of commercial speech. For example, the European Court of Justice held the third-party sale of clothing bearing the marks of the Arsenal sports team is use “in the course of trade” because it “takes place in the context of commercial activity with a view to economic advantage and not as a private matter.”¹²¹ Yet there is a significant distinction from a free-speech perspective in the following uses of marks on goods sold for profit: (1) use of a mark for shoes (such as “Nike”) by a competitor to falsely identify the source of its own shoes; (2) use of the marks of sports teams and universities (such as “Chargers” or “USD”) displayed on clothing in a way that is visible to others; (3) use of another’s marks in parody, satire, criticism, and other commentary visibly displayed on clothing (such as the use of Mutual of Omaha’s marks—the variation “Mutant of Omaha” and a shrunken image of its Indian head logo—in an anti-nuclear message on T-shirts and other expressive merchandise); (4) use of another’s marks in the

117. *Bd. of Trs. of the State Univ. of N.Y. v. Fox*, 492 U.S. 469, 473-74, 482 (1989); *Va. State Bd. of Pharmacy v. Va. Citizens Consumer Council*, 425 U.S. 748, 762 (1976); *Nissan Motor Co. v. Nissan Computer Corp.*, 378 F.3d 1002, 1017 (9th Cir. 2004) (applying this definition of commercial speech in a trademark case).

118. *Mattel, Inc. v. MCA Records, Inc.*, 296 F.3d 894, 904-07 (9th Cir. 2002).

119. Ramsey, *supra* note 5, at 395-404. Yet just because expression is constitutionally protected does not mean that it cannot be regulated. A trademark infringement law regulating noncommercial speech could survive constitutional scrutiny in the United States if it were narrowly tailored and the government interest in regulating the speech was compelling. *Id.* at 444.

120. CORREA, *supra* note 1, at 186.

121. *Case C-206/01, Arsenal Football Club Plc v. Reed*, 2002 E.C.R. I-10273, ¶ 40.

titles of literary or artistic works (such as the *Dairy Queens* film) and advertisements for them;¹²² and (5) use of another's marks in the content of literary or artistic works (such as the fake "Michelob Oily" ad).¹²³ Interpreting "using in the course of trade" to mean use of a mark in any expression sold for profit could significantly harm speech interests if states were required to protect against all such uses of marks. The term "using in the course of trade" is ambiguous. It is not clear whether it refers to the use of a mark only in pure commercial speech, all speech sold for profit, or something in between. As discussed later in Section III.C, states should have discretion to determine whether trademark or free speech rights should prevail when the terms of the international trademark agreements are ambiguous.¹²⁴

In sum, the limitation of "using in the course of trade" in Article 16(1) permits national legislatures to increase protection of speech in their trademark laws by enacting a statutory "commercial use" requirement for trademark infringement liability, and allows national courts to refuse to apply infringement law to noncommercial uses of marks. WTO members may also be able to justify an exception from trademark liability for noncommercial expression under Article 17 or other elements of Article 16(1), which requires the signs and goods or services to be identical or similar, and the use of the mark to cause a likelihood of confusion.

c. *Signs and Goods/Services Must Be Identical or Similar*

Additional limitations in Article 16(1) of TRIPS relate to the signs and the goods or services of the parties. For the exclusive right in Article 16(1) to apply: (1) the signs used by the third party and markholder must be "identical or similar," (2) the sign must be used by the third party "for goods or services," and (3) those goods or services must be "identical or similar to those in respect of which the trademark is registered."¹²⁵ Members therefore need not protect against allegedly confusing uses of dissimilar marks. For example, national courts need not protect the mark "Apple" for computers against use of the dissimilar mark "Dell" for computers.

In addition, if the third party is not using the sign for goods or services, this use—even if confusing—is outside the scope of TRIPS Article 16(1). The confusing use of similar or identical signs with dissimilar goods or services is also not covered by Article 16(1), although Article 16(3) may apply if the mark is well-known, as discussed later.¹²⁶ An example may clarify this limitation. If a mark, such as "Toyota," is registered only for automobiles, and a third party is using the mark on the Internet or on T-shirts to criticize the markholder and its products, this third party's use of the sign would fall outside the obligations of Article 16(1) because the sign is not used for goods

122. *Mut. of Omaha Ins. Co. v. Novak*, 836 F.2d 397, 398-403 (8th Cir. 1987); *Am. Dairy Queen Corp. v. New Line Prods., Inc.*, 35 F. Supp. 2d 727 (D. Minn. 1998).

123. *Anheuser-Busch, Inc. v. Balducci Publ'ns*, 28 F.3d 769 (8th Cir. 1994). *See generally* Ramsey, *supra* note 5, at 395-404 (discussing how U.S. courts should classify these uses of marks under the Supreme Court's commercial speech doctrine).

124. *See infra* Section III.C.

125. TRIPS, *supra* note 1, art. 16(1).

126. *See infra* Subsection II.B.3.

or services “identical or similar to those in respect of which the trademark is registered”—here, automobiles. A third party may be providing information services when it uses another’s mark on the Internet, but these services are not identical or similar to the goods or services of the markholder in this example. On the other hand, if the Toyota mark is also registered for information services (such as the dissemination of information about the automobile industry on the Internet) or goods (such as T-shirts and other expressive merchandise), and the third party is displaying the mark in connection with identical or similar services or goods, this particular element of Article 16(1) is satisfied. Importantly, Article 16(1) provides that likelihood of confusion is presumed if the third party uses “an identical sign for identical goods or services.”¹²⁷

Free speech will be better protected in national trademark laws if members construe the terms “identical or similar” and “goods or services” narrowly when implementing their obligations in trademark statutes and the common law. Moreover, states may want to consider whether they should permit firms who primarily sell noninformational goods or services to register their marks for information services.¹²⁸ News reporters, cybergrippers, and other commentators and critics often use the identical sign of the markholder when they provide information about the markholder. Markholders who want to take advantage of the likelihood of confusion presumption will have an incentive to register their marks for information services. If they do this and then sue for infringement based on unauthorized use of the mark in this commentary or criticism, the free flow of information could be harmed, as individuals accused of infringement will often not have the funds to litigate and rebut a presumption of likelihood of confusion.

d. *A Likelihood of Confusion*

Finally, only unauthorized uses of protected marks that result in “a likelihood of confusion” are covered by Article 16(1). TRIPS does not require members to protect against uses of a mark that only might cause some confusion,¹²⁹ although, as noted previously, a likelihood of confusion must be presumed in cases involving “use of an identical sign for identical goods or services.”¹³⁰

TRIPS does not define the phrase “a likelihood of confusion,” so it is unclear whether Article 16(1) requires members to only protect against “core” or more traditional types of confusion, such as confusion about the source of goods or services. Interpreted broadly, this phrase could require members to protect markholders against unauthorized uses of marks that cause confusion regarding the markholder’s affiliation with or sponsorship of a third party or its products, initial interest confusion, post sale confusion, or reverse

127. TRIPS, *supra* note 1, art. 16(1).

128. The U.S. Patent and Trademark Office permits such registrations if the mark is being used to identify the source of information services, and not just advertise the underlying goods or services. See Ramsey, *supra* note 114, at 18.

129. CORREA, *supra* note 1, at 186.

130. TRIPS, *supra* note 1, art. 16(1).

confusion, among other types of confusion.¹³¹ If national trademark laws prohibit such uses of a mark where there is no confusion about source or quality, and thereby provide property-like protection for trademarks, this could seriously harm free expression, especially when a markholder is suing to stop unauthorized use of its marks to convey information or ideas. Given the discord among legislatures, courts, and scholars about what type of confusion is covered by the phrase “a likelihood of confusion,” and the potential harm to free speech values if this phrase is interpreted broadly, states should have sufficient flexibility to interpret this ambiguous obligation in Article 16(1) narrowly and only protect marks against traditional infringement harms.¹³²

One interesting issue is whether WTO members can use the “likelihood of confusion” limitation to take free speech values into account—or put a “thumb on the scale” on the side of free speech—in trademark disputes involving the unauthorized use of marks in expression. For example, a national court may hold that a particular use of another’s mark is not likely to be confusing under trademark infringement law because it communicates ideas, or a humorous joke or pun, rather than information about the source of the goods or services.¹³³ Such a case-by-case interpretation of national infringement law clearly complies with Article 16(1) because members are only required to prevent uses of a mark that cause “a likelihood of confusion.” The more difficult question is whether domestic legislatures and courts can cite the “likelihood of confusion” limitation in TRIPS Article 16(1) to categorically exempt certain “expressive” uses of marks, such as comparative advertising or parody, from the scope of trademark infringement liability. Certain uses of another’s mark may generally be unlikely to cause confusion or other significant social harms. Yet if certain expressive uses of registered trademarks in the course of trade for identical or similar goods/services do cause confusion, but are categorically exempted from trademark infringement liability, that state’s laws may be found inconsistent with Article 16(1). A state may have an easier time justifying this type of categorical speech-protective trademark law under Article 17.

3. Trademark Rights in Well-Known Marks

Well-known marks are entitled to a distinct type of trademark protection pursuant to the Paris Convention and TRIPS. Examples of well-known marks include “Kodak,” “Coca-Cola,” “Sony,” “Cartier,” “Marlboro,”¹³⁴ the marks

131. For a discussion of when confusion is material in trademark infringement disputes, see Mark A. Lemley & Mark P. McKenna, *Irrelevant Confusion*, 62 STAN. L. REV. 413, 427-46 (2010).

132. Cf. CORREA, *supra* note 1, at 186 (“The meaning of ‘confusion’ should be understood in the light of Article 15.1; that is, in relation to the capacity of a trademark to distinguish identical or similar goods or services of one undertaking from those of another.”); see *infra* Section III.C.

133. E.g., *Louis Vuitton Malletier S.A. v. Haute Diggity Dog, LLC*, 507 F.3d 252, 260-62 (4th Cir. 2007) (finding no likelihood of confusion because “the ‘Chewy Vuiton’ dog toys are successful parodies”).

134. MOSTERT, *supra* note 18, at 1-2; see also Xuemin Chen, *China*, in FAMOUS AND WELL-KNOWN MARKS: AN INTERNATIONAL ANALYSIS, *supra* note 18, at 4-127, 4-145; Charles Gielen, *Benelux*, in FAMOUS AND WELL-KNOWN MARKS: AN INTERNATIONAL ANALYSIS, *supra* note 18, at 4-61, 4-71; Peter Dirk Siemsen, *Brazil*, in FAMOUS AND WELL-KNOWN MARKS: AN INTERNATIONAL

“Bimbo” and “Cemex” in Mexico,¹³⁵ and Proctor & Gamble’s mark “Safeguard” in China.¹³⁶ Article 6*bis*(1) of the Paris Convention provides that members must prohibit registration and use “of a trademark which constitutes a reproduction, an imitation, or a translation, liable to create confusion, of a mark considered by the competent authority of the country of registration or use to be well-known in that country as being already the mark of a person entitled to the benefits of this Convention and used for identical or similar goods.”¹³⁷ This doctrine was developed “to provide owners of marks, which were widely known in the marketplace but not registered, with a measure of protection against later registrations of the same mark by others.”¹³⁸ Such a rule is especially important in states where registration of a mark is normally required for protection, but it has also been applied in some states to circumstances where a mark is neither registered nor used, but has acquired a well-known reputation in that state.¹³⁹ Thus, unlike in TRIPS Article 16(1), marks can be protected in the absence of registration under Paris Convention Article 6*bis* if they are well-known in the state in which protection is sought.¹⁴⁰

TRIPS creates additional obligations relating to well-known marks in the last two sections of Article 16.¹⁴¹ Article 16(2) extends the protection in Paris Convention Article 6*bis* to services; the text of Article 6*bis* only refers to goods. It also provides some clarification on when a mark is deemed to be “well-known”: “In determining whether a trademark is well-known, Members shall take account of the knowledge of the trademark in the relevant sector of the public, including knowledge in the Member concerned which has been obtained as a result of the promotion of the trademark.”¹⁴² The “relevant sector of the public” could include both the plaintiff’s and the defendant’s customers and potential customers.¹⁴³ Thus, even if McDonald’s has not yet registered its marks or expanded its hamburger franchise into South Africa, advertising or other promotion of the marks in that state may make it more

ANALYSIS, *supra* note 18, at 4-81, 4-86.

135. Martin Michaus, *Mexico*, in *FAMOUS AND WELL-KNOWN MARKS: AN INTERNATIONAL ANALYSIS*, *supra* note 18, at 4-273.

136. Chen, *supra* note 134, at 4-127, 4-140 to -142.

137. Paris Convention, *supra* note 1, art. 6*bis*(1).

138. MOSTERT, *supra* note 18, at 1-26; *see* CORREA, *supra* note 1, at 188-93; GERVAIS, *supra* note 1, at 275-78.

139. MOSTERT, *supra* note 18, at 1-26, 1-33 to -35. A markholder may be able to prove it has a well-known reputation with evidence of spillover advertising and survey evidence. *Id.* at 1-35 to -44. In the United States, appellate courts disagree about whether federal trademark law requires use of a well-known mark in the United States for protection. *Compare* Grupo Gigante S.A. de C.V. v. Dallo & Co., 391 F.3d 1088 (9th Cir. 2004) (holding that reputation without use can be the basis of a claim for federal trademark infringement), *with* ITC Ltd. v. Punchgini, Inc., 482 F.3d 135 (2d Cir. 2007) (refusing to apply the reputation-without-use doctrine under federal trademark law). *See also* David W. Ehrlich & Ronald J. Lehrman, *United States*, in *FAMOUS AND WELL-KNOWN MARKS: AN INTERNATIONAL ANALYSIS*, *supra* note 18, at 4-467, 4-484 to -486, which discusses the “reputation-without-use” doctrine in the United States.

140. MOSTERT, *supra* note 18, at 1-33. In Brazil, it is not necessary to have the mark registered or used in Brazil—mere registration anywhere suffices under Article 6*bis* of the Paris Convention. Siemsen, *supra* note 134, at 4-81, 4-97.

141. TRIPS, *supra* note 1, art. 16(2)-(3).

142. *Id.* art. 16(2).

143. MOSTERT, *supra* note 18, at 1-39.

likely the McDonald's marks will be deemed "well-known" to the relevant public and enable McDonald's to prevent third parties from registering or using its marks in that state for identical or similar goods or services.¹⁴⁴

These obligations to protect well-known marks in Paris Convention Article 6*bis* and TRIPS Article 16(2) are limited in certain ways—a WTO member need only offer infringement protection to well-known marks where: (1) the mark is well-known in the state where protection is sought; (2) the third party's mark is "a trademark which constitutes a reproduction, an imitation, or a translation" of the well-known mark—this language may require more identity between the marks than Article 16(1) (which requires infringement protection if the marks are identical or similar); (3) the third party's mark is "liable to create confusion" with the well-known mark—this language may require a stronger showing of confusion than Article 16(1) (which requires a "likelihood of confusion"); (4) the third party is using the mark for goods or services; and (5) the goods or services of the parties are identical or similar.¹⁴⁵ If any of these elements are not satisfied, Paris Convention Article 6*bis* and/or TRIPS Article 16(2) do not apply. To protect speech interests, states can cite these limitations on the scope of their international obligations to justify denying infringement protection to unregistered well-known marks unless the third party's mark is virtually identical, the goods or services are identical or similar, and/or there is evidence of actual confusion or a stronger showing of likelihood of confusion.

TRIPS also creates obligations relating to well-known marks used by third parties in connection with the sale of dissimilar goods or services that suggest a "connection" with the markholder and are likely to damage its interests. An example would be unauthorized use of the "Kodak" mark for bicycles.¹⁴⁶ TRIPS Article 16(3) provides that Paris Convention Article 6*bis* now applies "to goods or services which are not similar to those in respect of which a trademark is registered, provided that use of that trademark in relation to those goods or services would indicate a connection between those goods or services and the owner of the registered trademark and provided that the interests of the owner of the registered trademark are likely to be damaged by such use."¹⁴⁷ As Article 16(3) applies to noncompeting goods or services, it requires states to provide stronger trademark protection across industries to well-known marks.

While TRIPS Article 16(3) extends the obligations in Paris Convention Article 6*bis* so that they now apply to goods or services which are not similar, it does contain some limitations on trademark rights which enable states to protect speech interests. States need only provide this strong form of protection when, in addition to the first four limitations ((1) through (4)) listed above for TRIPS Article 16(2) and Paris Convention Article 6*bis*, the

144. *McDonald's Corp. v. Joburgers Drive-Inn Restaurant (Pty.) Ltd.* 1997 (1) SA 1 (A) at 35 (S. Afr.) (holding that "a mark is well-known in the Republic if it is well-known to persons interested in the goods or services to which the mark relates"); see MOSTERT, *supra* note 18, at 1-11, 1-36 to -41.

145. TRIPS, *supra* note 1, art. 16(2); Paris Convention, *supra* note 1, art. 6*bis*(1).

146. See MOSTERT, *supra* note 18, at 1-75 to -127 (discussing protection of well-known marks on noncompeting goods).

147. TRIPS, *supra* note 1, art. 16(3).

following elements are satisfied: (5) the third party's use of the mark indicates a connection between its goods or services and the markholder; (6) this use is likely to damage the markholder's interests; and (7) the markholder has "registered" the well-known mark in at least one WTO member state.¹⁴⁸

TRIPS Article 16 only sets forth minimum standards of protection, so member states may elect to offer greater protection for well-known marks regardless of whether the mark is registered or use of the mark causes confusion, indicates a connection between the third party and markholder, or is likely to cause damage to the markholder.¹⁴⁹ They can offer strong trademark protection against "dilution" of well-known marks.¹⁵⁰ Yet there is disagreement on whether TRIPS Article 16(3) requires anti-dilution protection of well-known marks.¹⁵¹ Some WTO members, such as Australia, interpret the TRIPS Article 16(3) obligations more narrowly and do not confer a broad anti-dilution right on the holders of well-known marks.¹⁵² Such states may claim they comply with their obligations in their infringement laws by protecting against confusing uses of well-known marks on dissimilar or "unrelated" goods or services.¹⁵³

A few years after TRIPS became effective, representatives of the United States and other WTO members who wanted stronger anti-dilution protection for well-known marks sought to clarify the meaning of TRIPS Article 16(3) in another forum: the World Intellectual Property Organization (WIPO). The WIPO membership significantly overlaps with, but is not identical to, the WTO membership.¹⁵⁴ In 1999, the General Assembly of the WIPO and the Members of the Assembly of the Paris Union for Industrial Property (Paris Union) adopted the Joint Recommendation Concerning Provisions on the Protection of Well-Known Marks.¹⁵⁵ According to the Preface, "[t]he

148. *Id.*; see MOSTERT, *supra* note 18, at 1-75 (noting registration of a well-known mark is a condition of Article 16(3)). "Although the rationale for the reference to Article 6bis of the Paris Convention is unclear, the limitation of Article 16.3 to registered trademarks cannot be seen, in the light of the interpretive principles of the Vienna Convention, just as a drafting mistake." CORREA, *supra* note 1, at 192-93.

149. TRIPS, *supra* note 1, art. 1(1).

150. *E.g.*, 15 U.S.C. § 1125(c) (2006) (U.S. federal dilution statute). According to Mostert, an action for trademark dilution has also been recognized in Germany, the Netherlands, France, Italy, and Spain, among other states. MOSTERT, *supra* note 18, at 1-97.

151. Compare Frederick W. Mostert, *Well-Known and Famous Marks: Is Harmony Possible in the Global Village?*, 86 TRADEMARK REP. 103, 130 (1996) (arguing that dilution is a requirement), and 141 CONG. REC. 19310 (Dec. 19, 1995) (statement of Sen. Orrin Hatch) (arguing that the need for dilution protection to meet the United States's obligations under TRIPS is one reason Congress should enact the Federal Trademark Dilution Act), with Heald, *supra* note 73, at 642-44, 654-55 (arguing that dilution is not a requirement). In his treatise, Mostert notes that this provision "will probably serve as a basis for legal action founded on a likelihood of confusion of business connection or sponsorship," but that "[i]t is also possible that this provision will form the grounds, where appropriate, of an action of trademark dilution in the absence of any confusion but where some association of the well-known mark with the goods or services of the registered owner is present." MOSTERT, *supra* note 18, at 1-76.

152. Shanahan & Freeman, *supra* note 43, at 4-29, 4-34, 4-35 (discussing Australian law).

153. *E.g.*, Trade Marks Act, 1995, § 120(3) (Austl.), discussed in Shanahan & Freeman, *supra* note 43, at 4-39 (noting that Australia has no law of dilution but that Section 120(3) provides protection for "unrelated" goods or services where the mark is well-known).

154. See World Intellectual Property Organization, Member States, <http://www.wipo.int/members/en> (last visited Apr. 3, 2010) (listing 184 WIPO members); World Trade Organization, Members and Observers, http://www.wto.org/english/thewto_e/whatis_e/tif_e/org6_e.htm (last visited Apr. 3, 2010) (listing 153 WTO members as of July 23, 2008).

155. See WIPO, *Joint Recommendation Concerning Provisions on the Protection of Well-*

Recommendation is the first implementation of WIPO's policy to adapt to the pace of change in the field of industrial property by considering new options for accelerating the development of international harmonized common principles."¹⁵⁶

Among other things, the Joint Recommendation states that members "shall protect a well-known mark against conflicting marks"¹⁵⁷ and provides in Article 4(1)(b) that a "mark shall be deemed to be in conflict with a well-known mark" even for dissimilar goods or services "where at least one of the following conditions is filled": (i) "the use of that mark would indicate a connection between the goods and/or services for which the mark is used, is the subject of an application for registration, or is registered, and the owner of the well-known mark, and would be likely to damage his interests," (ii) "the use of that mark is likely to impair or dilute in an unfair manner the distinctive character of the well-known mark," and/or (iii) "the use of that mark would take unfair advantage of the distinctive character of the well-known mark."¹⁵⁸ The first subpart, (i), is similar to the language of TRIPS Article 16(3), although it does not require the well-known mark to be registered for protection.¹⁵⁹ The last two subparts, (ii) and (iii), require states to protect against "dilut[ion]" and "tak[ing] unfair advantage" of the distinctive character of a well-known mark regardless of whether this use of the mark indicates a connection with the markholder or is likely to damage the interests of the markholder.¹⁶⁰ With the addition of these last two subparts, Article 4(1)(b) of "the Joint Recommendation explicitly requires dilution protection for well-known marks, and does so in language that goes beyond Article 16(3) of TRIPS."¹⁶¹

This interpretation of TRIPS Article 16(3) in the Joint Recommendation of Well-Known Marks does not by itself bind the WTO members.¹⁶² Some commentators refer to this nonbinding resolution as "soft law,"¹⁶³ although it is not really "law" in any traditional sense because it does not create any binding legal obligation. Representatives of the WIPO say that states are "under a moral obligation" to comply with the Joint Recommendation, but, unlike in the WTO, the WIPO has no dispute settlement mechanism to encourage compliance.¹⁶⁴ Moreover, several members refused to join the recommendation with regard to the provisions requiring protection of dilution, including Brazil, Chile, Cuba, the Philippines, Portugal, the Republic of Korea, Spain, and Uruguay.¹⁶⁵ During the meetings regarding the Joint

Known Marks, art. 4, WIPO Pub. 833(E) (Sept. 29, 1999), available at http://www.wipo.int/about-ip/en/development_iplaw/pub833.htm.

156. *Id.* preface.

157. *Id.* art. 3(1).

158. *Id.* art. 4(1)(b)(i)-(iii).

159. *Id.* art. 4(1)(b)(i).

160. *Id.* art. 4(1)(b)(ii)-(iii).

161. DINWOODIE ET AL., *supra* note 21, at 211.

162. *Id.* at 210.

163. *E.g.*, CORREA, *supra* note 1, at 191.

164. DINWOODIE ET AL., *supra* note 21, at 210.

165. WIPO, *Joint Resolution Concerning Provision on the Protection of Well-known Marks: Memorandum by the Director General*, ¶ 8, WIPO Doc. A/34/13 (Aug. 4, 1999), available at http://www.wipo.int/edocs/mdocs/govbody/en/a_34/a_34_13.pdf. Note that some documents and

Recommendation, Argentina pointed out the problems with drafting such a nonbinding joint resolution; it noted the Joint Recommendation creates legal insecurity about a member's international obligations and creates "de facto norms" without "the permanent transparency of the negotiation and decision-making processes."¹⁶⁶ WTO panels and the Appellate Body may consider these nonbinding norms when interpreting the obligations in TRIPS.¹⁶⁷ Yet they should not be determinative. As noted by Graeme Dinwoodie and Rochelle Dreyfuss, the refusal of several WTO members to join this portion of the Joint Recommendation means that the Joint Recommendation "does not shed light on the issue" of whether TRIPS requires dilution protection.¹⁶⁸

After the Joint Recommendation was drafted, the United States and other states entered into subsequent binding free trade agreements that adopted the interpretation of TRIPS Article 16(3) set forth in the Joint Recommendation.¹⁶⁹ For example, in 2003 the United States entered into a bilateral free trade agreement with Singapore which provides that both states shall give effect to Articles 1 through 6 of the Joint Recommendation.¹⁷⁰ States that enter into such bilateral agreements are bound to follow the Joint Recommendation's broad interpretation of TRIPS Article 16(3) which requires dilution protection. As a result of these agreements, it is now more difficult for states such as the United States to take the position that Article 16(3) is more limited than the Joint Recommendation suggests. These bilateral agreements would not be enforceable in the WTO dispute settlement system, but WTO jurists may hold that states who are parties to such agreements are estopped from denying the position they took in these agreements.

Per the customary rules of treaty interpretation, which are relevant in WTO disputes, subsequent agreements between the parties regarding the interpretation of treaty provisions should be taken into account when WTO panels and the Appellate Body determine the meaning of the language.¹⁷¹ If a subsequent agreement is concluded only between a subset of the parties,

commentators refer to the "Joint Recommendation" as the "Joint Resolution." *Id.*

166. WIPO, *General Report of the Thirty-Fourth Series of Meetings*, ¶ 178, WIPO Doc. A/34/16 (Sept. 29, 1999), discussed in DINWOODIE ET AL., *supra* note 21, at 206; and Graeme B. Dinwoodie, *The Architecture of the International Intellectual Property System*, 77 CHI.-KENT L. REV. 993, 1003 (2002).

167. They have done this in the past. *E.g.*, Panel Report, *United States—Section 110(5) of the US Copyright Act*, ¶¶ 6.67-70, WT/DS160/R (June 15, 2000) [hereinafter *US—Section 110(5)*] (taking into account the WIPO Copyright Treaty, which was not yet in force); Helfer, *Toward a Human Rights Framework*, *supra* note 6, at 1000; Peter K. Yu, *Challenges to the Development of a Human-Rights Framework for Intellectual Property*, in IP&HR, *supra* note 6, at 77, 92.

168. Graeme B. Dinwoodie & Rochelle C. Dreyfuss, *Designing a Global Intellectual Property System Responsive to Change: The WTO, WIPO, and Beyond*, 46 HOUS. L. REV. 1187, 1228 (2009); see also CORREA, *supra* note 1, at 191 (noting the Joint Recommendation "substantially expands the concept of well-known trademarks, beyond the boundaries of the TRIPS Agreement").

169. See DINWOODIE ET AL., *supra* note 21, at 210; Graeme B. Dinwoodie, *Trademarks and Territory: Detaching Trademark Law from the Nation-State*, 41 HOUS. L. REV. 885, 927 (2004).

170. Free Trade Agreement, U.S.-Sing., art. 16.1(2)(b)(i), May 6, 2003, available at http://www.ustr.gov/sites/default/files/uploads/agreements/fta/singapore/asset_upload_file708_4036.pdf, discussed in CORREA, *supra* note 1, at 192 & n.78; and DINWOODIE ET AL., *supra* note 21, at 210. The Free Trade Agreement between the United States and Chile includes different language; the parties agreed to "recognize[] the importance" of the Joint Recommendation and be guided by its principles. Free Trade Agreement, U.S.-Chile, art. 17.2(9), June 6, 2003, available at http://www.ustr.gov/sites/default/files/uploads/agreements/fta/chile/asset_upload_file912_4011.pdf.

171. See *infra* Subsection III.B.2.

however, their interpretation should not be adopted if it affects the rights or obligations of other WTO members who objected to that interpretation and/or who were not a party to the subsequent agreement.¹⁷² The Joint Recommendation's expansive interpretation of the well-known marks provision would increase the scope of the parties' trademark obligations beyond that required by the text of TRIPS Article 16(3). As some WTO members objected to this interpretation and only a few parties are members of the binding bilateral free trade agreements that adopt it, the Joint Recommendation does not provide guidance to WTO jurists on the issue of whether TRIPS requires dilution protection.¹⁷³

Article 16(3) is ambiguous on this point, and thus members have flexibility in how they implement their obligations to protect well-known marks for the reasons discussed later in Section III.C. States such as Australia can protect well-known marks in infringement laws without offering dilution protection to markholders,¹⁷⁴ while the United States can enact a strong dilution statute with exceptions for certain types of noncommercial and nontrademark uses of marks.¹⁷⁵ Until there is a consensus among more of the WTO members on the proper interpretation of TRIPS Article 16(3), free speech will be better protected, international obligations will be more clear, and national sovereignty will be properly respected, if the obligations to protect trademarks in Article 16(3) are interpreted narrowly for all of the members and limited to those obligations expressly set forth in the text of that provision. States can still protect against dilution, but they are not obligated to do so by the Paris Convention or TRIPS.

4. *Strategic Reasons To Argue That Certain Unauthorized Uses of a Mark Fall Outside the Scope of Trademark Rights*

In a WTO dispute, the burden of proof is normally on the complainant if the issue is the existence of a TRIPS Article 16 violation,¹⁷⁶ while the burden is on the respondent for a determination of whether Article 17 permits an exception to the rights conferred by a trademark.¹⁷⁷ If the treaty terms are ambiguous, or if evidence is difficult to obtain, the state with the burden of proof may have a difficult time persuading a WTO panel or the Appellate Body that it should prevail. For states accused of violating their international trademark obligations, the different placement of the burden of proof is a significant advantage to conceptualizing certain uses of a mark as outside the scope of trademark rights in TRIPS Article 16, rather than as a "limited exception" or "defense" to trademark rights permitted under TRIPS Article 17. It is therefore important to consider whether there is a colorable argument that this contested use of a trademark is outside the scope of rights conferred by a trademark. Free speech values are better served if the burden of proof can

172. Petros C. Mavroidis, *No Outsourcing of Law? WTO Law as Practiced by WTO Courts*, 102 AM. J. INT'L L. 421, 472 (2008).

173. Dinwoodie & Dreyfuss, *supra* note 168, at 1228.

174. Trade Marks Act, 1995, § 120(3) (Austl.).

175. 15 U.S.C. § 1125(c)(1)-(3) (2006).

176. *EC—GI*, *supra* note 23, ¶ 7.540.

177. *See, e.g., id.* ¶ 7.645.

reasonably be placed on the state seeking to force another WTO member to protect trademark rights at the expense of speech interests.¹⁷⁸

C. *Limited Exceptions to Trademark Rights*

Article 17 of TRIPS provides states with additional discretion to implement speech-protective trademark laws. Article 17 states in full: “Members may provide limited exceptions to the rights conferred by a trademark, such as fair use of descriptive terms, provided that such exceptions take account of the legitimate interests of the owner of the trademark and of third parties.”¹⁷⁹ Article 17 “presupposes that a certain degree of likelihood of confusion can be permitted,”¹⁸⁰ so states may create affirmative defenses that are only relevant after a finding of likelihood of confusion and still satisfy their obligations under TRIPS.¹⁸¹ States cannot allow compulsory licensing of trademarks—that is expressly prohibited by TRIPS Article 21¹⁸²—but they can refuse to prohibit or punish certain uses of a mark under Article 17.

Compared to the exception provisions in TRIPS relating to copyright (Article 13) and patent rights (Article 30), it is a lot easier for WTO members to create exceptions to trademark rights under Article 17.¹⁸³ The copyright provision, Article 13, is entitled “Limitations and Exceptions” and provides “[m]embers shall confine limitations or exceptions to exclusive rights to certain special cases which do not conflict with a normal exploitation of the work and do not unreasonably prejudice the legitimate interests of the right holder.”¹⁸⁴ Article 30 sets forth “Exceptions to Rights Conferred” by a patent and states that “[m]embers may provide limited exceptions to the exclusive rights conferred by a patent, provided that such exceptions do not unreasonably conflict with a normal exploitation of the patent and do not unreasonably prejudice the legitimate interests of the patent owner, taking account of the legitimate interests of third parties.”¹⁸⁵

As noted by the WTO panel in *European Communities—Protection of Trademarks and Geographical Indications for Agricultural Products and Foodstuffs (EC—GI)*, “unlike these other provisions, Article 17 contains no reference to ‘conflict with a [or the] normal exploitation’ [of the work or patent], no reference to ‘unreasonabl[e] prejudice’ to the ‘legitimate interests’ of the right holder or owner, and it not only refers to the legitimate interests of third parties but treats them on par with those of the right holder.”¹⁸⁶

178. Courts in the United States place the burden of proof on the government or party who is seeking to restrict expression. *See, e.g.,* *Edenfeld v. Fane*, 507 U.S. 761, 770 (1993).

179. TRIPS, *supra* note 1, art. 17.

180. *EC—GI*, *supra* note 23, ¶ 7.670; *see* CORREA, *supra* note 1, at 193-95.

181. *Cf.* *KP Permanent Make-Up, Inc. v. Lasting Impression I, Inc.*, 543 U.S. 111 (2004) (holding that the doctrine of descriptive fair use can apply even after a finding of likelihood of confusion).

182. TRIPS, *supra* note 1, art. 21.

183. Even so, scholars have emphasized there are also inherent flexibilities in the patent and copyright provisions of the TRIPS Agreement. *See supra* note 57.

184. TRIPS, *supra* note 1, art. 13; *see US—Section 110(5)*, *supra* note 167.

185. TRIPS, *supra* note 1, art. 30; *see* Panel Report, *Canada—Patent Protection of Pharmaceutical Products*, WT/DS114/R (Mar. 17, 2000) [hereinafter *Canada—Patent Protection*].

186. *EC—GI*, *supra* note 23, ¶ 7.649.

Moreover, because “Article 17 requires only that exceptions ‘take account’ of the legitimate interests of the owner of the trademark, and does not refer to ‘unreasonabl[e] prejudice’ to those interests,” this “suggests a lesser standard of regard for the legitimate interests of the owner of the trademark is required.”¹⁸⁷ These differences between Article 17 and the copyright and patent exception provisions are important, and show the WTO members were willing to allow states to have more discretion to create exceptions to trademark rights than in copyright and patent law.

It is clear from the text of Article 17 that states may allow “fair use of descriptive terms,”¹⁸⁸ but WTO members are not restricted to this particular exception; they may enact other limited exceptions to trademark rights. As discussed below, Article 17 requires a state to satisfy two elements: (1) the exception must be limited; and (2) the exception must take into account the legitimate interests of both the trademark holder and third parties.¹⁸⁹ As noted previously, the burden of proving both elements is on the respondent, or the state that created a limited exception to trademark rights within its borders.¹⁹⁰

1. *The Exception Must Be Limited*

According to the WTO panel in the *EC—GI* dispute, a “limited exception” is narrow and permits only a small diminution of the rights conferred by a trademark.¹⁹¹ The exception must be examined on a “per right” basis.¹⁹² Among other things, “an exception could curtail the right of the owner in respect of the third parties concerned, or with respect to the identity or the similarity of the signs or the goods or services concerned or with respect to the degree of likelihood of confusion, or some combination of these.”¹⁹³ Importantly, an exception may qualify as “limited” even if it is not limited in all of these ways.¹⁹⁴

In the *EC—GI* dispute, the panel found the European Union’s geographical indication regulations allowing certain unauthorized uses of language claimed as a trademark to be a limited exception to trademark rights where the trademarked phrase consisted of a protected geographical indication (GI).¹⁹⁵ According to the panel, the exception was limited for a variety of reasons. First, the trademark “may continue to be used” by the markholder even if covered by the EU regulations.¹⁹⁶ Second, “the trademark owner’s

187. *Id.* ¶ 7.671.

188. TRIPS, *supra* note 1, art. 17; *see also* CORREA, *supra* note 1, at 195; GERVAIS, *supra* note 1, at 280. This defense is included in the trademark laws of the United States, 15 U.S.C. § 1115(b)(4) (2006), and Europe, Parliament and Council Directive 2008/95, art. 6(1), 2008 O.J. (L299) 25, 29 (EC). The European Court of Justice has heard cases involving unauthorized uses of marks to describe the purpose of a compatible product, *e.g.*, Case C-228/03, *Gillette Co. v. LA-Labs. Ltd.*, 2005 E.C.R. I-2337, and in comparative advertising to refer to a competing product, *e.g.*, Case C-487/07, *L’Oreal SA v. Bellure NV* (Dec. 1, 2008), <http://curia.europa.eu>.

189. *EC—GI*, *supra* note 23, ¶ 7.648.

190. *Id.* ¶ 7.645.

191. *Id.* ¶ 7.650.

192. *Id.* ¶ 7.651.

193. *Id.* ¶ 7.653.

194. *Id.* ¶ 7.654.

195. *Id.* ¶¶ 7.655-.661.

196. *Id.* ¶ 7.659.

right to prevent confusing uses is unaffected, except with respect to the use of a GI as entered in the GI register in accordance with its registration”—only registered GIs (and not their “linguistic versions” or translations) are covered by the EU regulations.¹⁹⁷ Third, the panel also thought it was important that the exception to trademark rights in the EU regulations “will not apply”—the GI would not be allowed to co-exist with the preexisting trademark—in circumstances “where the likelihood of confusion is relatively high.”¹⁹⁸ WTO panels or the Appellate Body may use a similar analysis when states allow certain unauthorized uses of marks to protect the right to freedom of expression.

Article 17 allows WTO members to enact a variety of limited exemptions and defenses to trademark rights to protect speech interests. An exemption for noncommercial uses of marks is already permissible under Article 16(1)’s “using in the course of trade” limitation, but it would also be permissible under Article 17 because it is narrow and does not harm a markholder’s rights with regard to commercial uses of its marks. Members could also implement an exemption for all nontrademark uses of marks, and limit application of trademark law to unauthorized use of a trademark “as a mark” or “designation of source.” Alternatively, states could enact specific exceptions for the nontrademark use of marks in political speech, news reporting, literary and artistic works, parody, satire, criticism, and other commentary. Other permissible limitations include an exception for comparative advertising and other nominative fair uses of a mark in commercial speech, such as use of the mark to refer to the markholder or describe the goods or services of those who resell or repair its trademarked products. States may also exempt nontrademark use of a mark in commercial parodies or satire displayed on the front of T-shirts or other expressive merchandise sold for profit. Such uses of trademarks are generally unlikely to result in a likelihood of confusion regarding the source of the third party’s goods or services. These provisions could be characterized in national trademark laws as exemptions or exclusions from the scope of trademark liability, or as affirmative defenses.¹⁹⁹

These exceptions are narrow and not unlimited because they would not apply to all third parties, all signs, all goods and services, and all uses of a mark likely to cause confusion or indicate a connection with a well-known mark. If a state permitted such uses of a mark either categorically or on a case-by-case basis, markholders would still have the right to sue competitors and other third parties who used their registered marks as a designation of source in the course of trade on similar goods or services in ways that cause a likelihood of confusion, or that indicate a connection with a well-known mark in a manner likely to damage the markholder’s interests. These exceptions will

197. *Id.*

198. *Id.* ¶ 7.670; *see also* MCCARTHY, *supra* note 102, § 14:1.50 (discussing this WTO dispute).

199. *See* MARY LAFRANCE, UNDERSTANDING TRADEMARK LAW 229-33, 260-343 (2d ed. 2009) (discussing exceptions and defenses in U.S. trademark law, and First Amendment analysis by courts); Graeme B. Dinwoodie, *Developing Defenses in Trademark Law*, 13 LEWIS & CLARK L. REV. 99, 101, 108-12 (2009) (explaining the advantages and disadvantages of characterizing exceptions as affirmative defenses).

likely only cause a small diminution in the markholder's rights unless they are interpreted broadly by national courts. Thus, these types of speech-protective uses of marks should be deemed limited exceptions under the first prong of Article 17.

2. *The Legitimate Interests of the Markholder and of Third Parties*

Even if an exception is limited, it must also satisfy the requirement that “such exceptions take account of the legitimate interests of the owner of the trademark and of third parties” in order for Article 17 to exempt a WTO member from its obligations to protect rights conferred by a trademark.²⁰⁰ The phrase “legitimate interests” is not defined in TRIPS. It was interpreted by the WTO panel in the *EC—GI* dispute “as a normative claim calling for protection of interests that are ‘justifiable’ in the sense that they are supported by relevant public policies or other social norms.”²⁰¹ The phrase is not equivalent to the “legal rights” of the markholder or third parties.²⁰² As “nothing in the text of Article 17 indicates that a case-by-case analysis is a requirement under the TRIPS Agreement,”²⁰³ a categorical rule allowing a particular type of use of a mark (such as comparative advertising or parody) may sufficiently take into account the legitimate interests of trademark holders and third parties and satisfy Article 17.

a. *The Markholder's Legitimate Interests*

In disputes involving a conflict between trademark and free speech rights, there are certain “legitimate interests” of a markholder that are justifiable and supported by relevant public policies and other social norms. As noted by the *EC—GI* panel:

Every trademark owner has a legitimate interest in preserving the distinctiveness, or capacity to distinguish, of its trademark so that it can perform that function. This includes its interest in using its own trademark in connection with the relevant goods and services of its own and authorized undertakings. Taking account of that legitimate interest will also take account of the trademark owner's interest in the economic value of its mark arising from the reputation that it enjoys and the quality that it denotes.²⁰⁴

Even if certain unauthorized uses of a mark could harm its distinctiveness, this is not “fatal to the applicability of Article 17 given that, as a provision permitting an exception to the exclusive right to prevent uses that would result in a likelihood of confusion, it presupposes that a certain degree of likelihood of confusion can be permitted.”²⁰⁵

If a state presents evidence, such as a survey or report, that shows its limited exception would generally not result in a likelihood of confusion, it

200. *EC—GI*, *supra* note 23, ¶ 7.662.

201. *Id.* ¶ 7.663.

202. *Id.* ¶ 7.662.

203. *Id.* ¶ 7.672.

204. *Id.* ¶ 7.664.

205. *Id.* ¶ 7.670.

may be more likely to convince a WTO panel or the Appellate Body that its law takes account of the legitimate interests of markholders.²⁰⁶ A survey could also be used to establish that certain uses of well-known marks do not indicate a connection between the goods or services of the markholder and third parties. Experts may testify that this type of use of a mark is not likely to damage the legitimate interests of markholders. If there is no likelihood of confusion or other harm to the markholder caused by third-party use of the mark in this way, then the legitimate interests of the markholder are taken into account by an exception allowing this expression.

Where a limited exception does create some confusion or does harm the distinctiveness of a mark, markholders may have a legitimate interest in preventing these harms that justifies protection of their trademark rights. Yet that does not mean Article 17 is not satisfied, as the legitimate interests of third parties are also relevant and, unlike with the copyright and patent provisions, are treated “on par with those of the right holder.”²⁰⁷ Even if markholders are deemed to have property interests in their marks, WTO panels and the Appellate Body must balance the markholder’s interests against the interests of third parties when determining if Article 17 permits this exception to trademark rights.

b. *The Legitimate Interests of Third Parties*

TRIPS Article 17 is equally concerned with the legitimate interests of third parties. Relevant third parties could include trademark licensees, competitors of the trademark holder, the person or firm using the mark without authorization,²⁰⁸ consumers or potential consumers of the markholder’s goods or services, and the rest of the general public. Each of these parties may have different interests that are legitimate.

Trademark licensees, consumers, and legitimate competitors have interests aligned with the trademark holder in preventing consumer confusion resulting from confusing uses of marks.²⁰⁹ Trademark licensees want consumers to be able to identify their products by brand name in the marketplace. As noted by the WTO panel in *EC—GI*, “[c]onsumers have a legitimate interest in being able to distinguish the goods and services of one undertaking from those of another, and to avoid confusion.”²¹⁰ Consumers generally benefit if they can rely on trademarks to identify and distinguish the source and quality of goods or services in the marketplace. Trademarks can reduce consumer search costs. Protection of trademarks may encourage the continued production by firms of quality products once they realize they will enjoy the benefits of a good reputation. Competitors of the markholder also have an interest in not having third parties use a confusing mark, as the infringer may be stealing customers that were not willing to pay the

206. *Id.* ¶ 7.674.

207. *Id.* ¶ 7.649.

208. *Cf. id.* ¶ 7.681 (agreeing that “third parties” includes “persons using a GI in accordance with a GI registration” that consists of another’s mark).

209. *See id.* ¶¶ 7.676, 7.680.

210. *Id.* ¶ 7.676.

markholder's prices but are willing to pay the competitors' prices. Reasonable people may disagree on what scope of trademark protection is appropriate, but surely most people would agree social welfare increases when states provide at least some protection against confusing uses of trademarks.

Yet there is another legitimate interest of third parties that must be considered in trademark disputes: the right to freedom of expression.²¹¹ When trademark laws regulate uses of marks in expression, they implicate the right to freedom of expression.²¹² This right is recognized in human rights treaties, which are relevant when WTO panels and the Appellate Body interpret the meaning of Article 17 and the other provisions of TRIPS.²¹³ Furthermore, as discussed in the introduction to this Part, the right of free speech is protected in various national constitutions, statutes, and court decisions.

WTO members may protect speech from government restriction for a number of reasons. The two main theories used to justify protection of the right to freedom of expression include the marketplace of ideas metaphor and the democratic self-government paradigm.²¹⁴ Those that support the former theory believe the discovery of truth will be served by a robust marketplace of ideas. Citizens can communicate and listen to a variety of ideas. Different ideas are allowed to compete for acceptance within the community based on their merits, not on whether the government approves of their content or viewpoint. While this theory is both over- and underinclusive, and it can be difficult to define what qualifies as "expression" and determine the scope of protection for certain types of expression, free speech laws that embrace this theory help facilitate the exchange of ideas and information.²¹⁵

As freedom of expression is essential in a democratic society, some argue the main focus of free speech theory should instead be on its ability to facilitate democratic self-government by generating open discussion on matters of public concern.²¹⁶ This theory links the free speech right to free and open democratic deliberation and tolerates more government regulations of speech, including laws that make it easier for minority groups or the poor to express themselves. It also provides a better rationale for protecting speech relating to politics or self-governance over other important values, yet it is underinclusive due to its focus on protecting speech that assists the community in deciding who should govern and what rules should apply to the community.²¹⁷

211. Cf. Daniel J. Gervais, *Intellectual Property and Human Rights: Learning To Live Together*, in IP&HR, *supra* note 6, at 3, 18 ("[T]he third step [in the copyright three-step test] was interpreted [by the WTO panel in *US—Section 110(5)*] as allowing public interest considerations (i.e., what constitutes an allowable 'justification' for the exception), and human rights principles might thus inform the determination of the proper scope of exceptions."); Netanel, *supra* note 57, at 475 (arguing in the copyright context that WTO jurists should consider the right to freedom of expression when evaluating limitations and exceptions to the scope of copyright).

212. See *supra* note 5.

213. See *infra* Subsection III.B.3.

214. KROTOSZYNSKI, *supra* note 4, at 13-21. A detailed discussion of free speech theory is beyond the scope of this Article, but others have addressed this topic. See sources cited *supra* note 4.

215. KROTOSZYNSKI, *supra* note 4, at 14-17.

216. *Id.* at 15-17.

217. *Id.*

Some trademark disputes involve uses of marks in commentary about important political matters, while others involve the communication of ideas or information related to the markholder, its products, or society in general. For example, Nadia Plesner sold “Simple Living” T-shirts and posters featuring the image of a malnourished Darfurian child holding a Chihuahua and a bag that Louis Vuitton alleges was similar to its protected “Multicolore Trademark.”²¹⁸ For this Darfur fundraiser, Plesner was allegedly trying to evoke Paris Hilton and express the idea that the media covers meaningless news about celebrities and handbags, and ignores what is going on in Darfur.²¹⁹ Activist organizations use parodies of company trademarks to draw attention to their public message about the environment (such as Greenpeace’s parody of Esso, the oil company) or health issues (such as the anti-smoking campaign parody of the Marlboro mark).²²⁰ The rock band Aqua used the “Barbie” mark in its *Barbie Girl* song to poke fun at Barbie and the values she represents, while Laugh it Off Promotions used the “Carling Black Label” marks on the front of parody T-shirts that made references to the exploitation of blacks in South Africa.²²¹ Such third parties have a legitimate interest in using the marks of others to express themselves, and the public has a legitimate interest in hearing what they have to say. WTO panels and the Appellate Body should take this into account when determining whether a speech-protective trademark law is consistent with Article 17.

Although there is no global consensus on the scope of the free speech right, there is likely sufficient agreement among many states who are members of the WTO that core free speech rights should be protected against government restriction. When they undertook obligations to protect trademark rights in the Paris Convention and TRIPS, many members also had international and constitutional obligations to protect free speech rights. These states likely assumed they would continue to have discretion to protect the right to freedom of expression and find the proper balance between trademark and free speech rights when they agreed to minimum standards of trademark protection and drafted the language permitting limited exceptions to trademark rights in TRIPS Article 17. As noted by the panel in the *EC—GI* dispute, the WTO members’ “use of the word ‘fair’ [in the example in Article

218. Cease and Desist Letter from Nathalie Moullé-Berteaux, Intellectual Property Director, Louis Vuitton Malletier, to Nadia Plesner (Feb. 13, 2008), *available at* <http://www.nadiaplesner.com/Website/LouisVuittonLetter.pdf>; Letter from Nadia Plesner to Nathalie Moullé-Berteaux, Intellectual Property Director, Louis Vuitton Malletier (Feb. 27, 2008), *available at* <http://www.nadiaplesner.com/Website/AnswerToLouisVuitton.pdf>; *see also Art Student Nadia Plesner’s Giant Louis Vuitton Copyright Suit*, N.Y. MAG., May 6, 2008, *available at* http://nymag.com/daily/fashion/2008/05/art_student_nadia_pelsners_gia.html (interview with Plesner and photo of the T-shirt); Mike Masnick, *Louis Vuitton Sues Darfur Fundraiser, Seems Unclear on the Concept of Trademark*, TECHDIRT.COM, Apr. 25, 2008, <http://www.techdirt.com/articles/20080425/114126947.shtml>.

219. *See Art Student Nadia Plesner’s Giant Louis Vuitton Copyright Suit*, *supra* note 218; *Louis Vuitton Tried To Prevent the Nadia Plesner Lawsuit*, N.Y. MAG., May 9, 2008, http://nymag.com/daily/fashion/2008/05/louis_vuitton_tried_to_prevent.html. On her website, Plesner claims she “decided to cease the sales of the *Simple Living* t-shirts in June 2008” due to the cost of litigation and the possibility that “the case would take between 5 and 10 years in court.” Nadia Plesner.com, Biography, <http://www.nadiaplesner.com/Website/about.php> (last visited Apr. 13, 2010).

220. *See supra* notes 48-49 and accompanying text.

221. *Mattel, Inc. v. MCA Records, Inc.*, 296 F.3d 894 (9th Cir. 2002); *see supra* note 47 and accompanying text.

17 permitting ‘fair use of descriptive terms’] and the nature of descriptive terms illustrate a public policy concern that certain terms should be available for use under certain conditions.”²²²

Thus, the “legitimate interests of third parties” in trademark disputes must include the right to freedom of expression and, more specifically, the right to use language claimed as a trademark to communicate information and ideas. The person or firm using the mark has a free speech right to speak. The audience has the right to receive the expression. Future speakers (including competitors, critics, social activists, and other commentators) and the rest of the general public will benefit if third parties choose to communicate in certain truthful ways because they believe their right of free speech will be protected against litigious trademark holders. States that protect both trademark and free speech rights strongly, such as the United States, are more likely to create a conflict between these two rights that will need to be resolved. Article 17 gives states discretion to find the proper balance between these two rights as long as the exceptions are limited and take into account the legitimate interests of both the markholder and third parties.

D. *Trademark Enforcement Obligations*

When enforcing trademark rights, courts in member states have the flexibility under Part III of TRIPS—consisting of Articles 41 through 61—to tailor remedies in ways that protect speech.²²³ Article 41 requires members to implement enforcement procedures that “permit effective action against any act of infringement of intellectual property rights covered by this Agreement, including expeditious remedies to prevent infringements and remedies which constitute a deterrent to further infringements.”²²⁴ Yet section 5 of Article 41 also provides that states are not obligated “to put in place a judicial system for the enforcement of intellectual property rights distinct from that for the enforcement of laws in general.”²²⁵

TRIPS also gives members discretion in how they award specific remedies in trademark cases, including injunctions. Trademark injunctions can significantly harm speech interests if they prohibit the use of another’s marks to express information or ideas. Article 44 provides that “judicial authorities shall have the authority to order a party to desist from infringement,” but this provision does not require judges to enjoin infringing use of another’s trademark in every successful trademark case.²²⁶ For example, in cases involving speech interests (such as parody or criticism of the markholder), a court can refuse to grant injunctive relief to protect freedom of expression, especially where there is no proof of actual confusion, dilution, or any other injury.²²⁷ Courts may also impose more speech-friendly remedies, such as

222. *EC—GI*, *supra* note 23, ¶ 7.683.

223. TRIPS, *supra* note 1, arts. 41-61.

224. *Id.* art. 41(1).

225. *Id.* art. 41(5).

226. *Id.* art. 44(1); *see* Dinwoodie & Dreyfuss, *supra* note 57, at 877.

227. *See* LaFrance, *supra* note 13, at 723 (calling for a moratorium on injunctions in dilution cases and requirement of proof of actual injury for damages); Michael Spence, *Intellectual Property and the Problem of Parody*, 114 L.Q.R. 594, 617-19 (1998) (discussing the ways that U.K. judges can

damages,²²⁸ or require use of a disclaimer, in lieu of an injunction to protect expression.

If a nation's speech-protective remedies are challenged in the WTO, WTO panels and the Appellate Body should defer to members in how they implement their enforcement obligations in TRIPS Part III.²²⁹ This was the approach used by the panel in the recent WTO dispute brought by the United States against China, where the United States argued that China was violating its enforcement obligations under TRIPS. Although China did violate some of its obligations,²³⁰ the WTO panel held that the United States did not establish that China's customs measures regulating disposal of confiscated products or thresholds for criminal trademark counterfeiting and infringement were inconsistent with the first sentence of TRIPS Article 46, Article 59, or the first sentence of Article 61.²³¹

Like the substantive trademark provisions in the Paris Convention and TRIPS, the enforcement provisions in Part III of TRIPS give WTO members latitude to protect the free flow of expression in the remedial phase of trademark litigation.

* * *

In sum, member states can opt to protect free speech in their domestic trademark laws, as the international obligations in the Paris Convention and TRIPS are narrow and permit members to exclude certain signs from trademark protection, limit the scope of trademark rights, enact limited exceptions to trademark rights, and award speech-protective remedies. Among other things, states can refuse to protect trademark rights in descriptive terms, require commercial use of the mark for infringement, protect well-known marks without enacting a strong trademark dilution law, and exempt nontrademark uses of marks from application of the trademark laws. Importantly, international obligations to protect trademark rights under the Paris Convention and TRIPS are narrower than many national trademark laws today. Thus, states with strong trademark laws may reduce protection for rightsholders to protect speech interests and still comply with their obligations to protect trademark rights under these agreements.

protect speech interests in trademark disputes involving parodies). Per the U.S. Supreme Court's decision in *eBay v. MercExchange*, courts may decline to award injunctions in intellectual property disputes when they are not warranted by principles of equity. 547 U.S. 388, 391-93 (2006).

228. TRIPS, *supra* note 1, art. 45.

229. *See id.* art. 1(1); *see infra* Section III.A (discussing TRIPS Article 1(1)).

230. The WTO panel found that China's copyright law was inconsistent with its obligations under Article 5(1) of the Berne Convention, as incorporated by TRIPS Article 9(1) and TRIPS Article 41(1). *See China—Measures*, *supra* note 23, ¶¶ 7.139, 7.181, 7.191, 8.1(a). The panel also held the customs regulations permitting simple removal of a counterfeit mark when products are auctioned were inconsistent with the fourth sentence of TRIPS Article 46 and Article 59. *Id.* ¶¶ 7.394, 7.395(c), 8.1(b)(iii).

231. *Id.* ¶¶ 7.395(b), 7.669, 7.681, 8.1(b)(ii), 8.1(c). For a summary of this case, see Leah Chan Grinvald, *Making Much Ado About Theory: The Chinese Trademark Law*, 15 MICH. TELECOMM. & TECH. L. REV. 53, 97-103 (2008).

III. THE RELEVANT PRINCIPLES OF TREATY INTERPRETATION FOR WTO DISPUTES INVOLVING INTERNATIONAL OBLIGATIONS TO PROTECT TRADEMARKS AND FREE SPEECH

If a WTO member elects to adopt more speech-protective trademark laws and thereby reduce the rights of markholders within its borders, it may have to defend this decision in a WTO dispute settlement proceeding. This Part considers the general principles of treaty interpretation that are relevant when WTO panels and the Appellate Body determine the meaning of the language in TRIPS and the trademark provisions of the Paris Convention incorporated into TRIPS. As discussed below, Articles 1(1), 7, and 8 of TRIPS specifically provide that members have flexibility in implementing their intellectual property obligations, and may enact laws that balance intellectual property rights with other public interests. Furthermore, the WTO Agreement says that WTO panels and the Appellate Body must use the customary rules of treaty interpretation and, among other things, consider relevant international laws applicable to the parties—which would include human rights treaties recognizing the right to freedom of expression—when interpreting the members’ obligations under the covered agreements. Past scholarship has primarily focused on the proper interpretation of TRIPS in the context of patent and copyright disputes;²³² this Article evaluates these rules of treaty interpretation in the trademark context. This Part concludes by arguing that WTO jurists should narrowly interpret ambiguous obligations to protect trademarks in the covered agreements, broadly interpret the language in TRIPS Article 17 where states are protecting free speech interests, and thereby defer to states in how they implement their obligations to protect trademarks and free speech. This will protect trademark rights expressly set forth in the agreements, the speech interests of third parties, and state sovereignty.

A. *Provisions in TRIPS Relevant to Its Interpretation*

Articles 1(1), 7, and 8 of TRIPS give states some flexibility to protect speech interests in their trademark laws, but the limitations on trademark rights must not be inconsistent with express terms of TRIPS.²³³ TRIPS Article 1(1), which is entitled “Nature and Scope of Obligations,” expressly gives WTO members the ability “to determine the appropriate method of implementing the provisions of this Agreement within their own legal system and practice.”²³⁴ As noted by Daniel Gervais, this provision recognizes “the flexibility of countries implementing TRIPS vis-à-vis their legal systems and practices.”²³⁵ States may “develop their own law and policies within the framework established by the Agreement.”²³⁶

232. See *supra* note 57.

233. Abdulqawi A. Yusuf, *TRIPS: Background, Principles and General Provisions*, in IP&IT, *supra* note 1, at 3, 14.

234. TRIPS, *supra* note 1, art. 1(1).

235. GERVAIS, *supra* note 1, at 164.

236. *Id.* at 165-66.

WTO panels and the Appellate Body must interpret TRIPS in light of the objectives and purpose expressed in TRIPS Articles 7 and 8.²³⁷ Like Article 1(1), TRIPS Articles 7 and 8 contain language that suggests WTO jurists should defer to states attempting to find the proper balance between conflicting international obligations to protect trademark and free speech rights. Article 7, entitled “Objectives,” provides that:

The protection and enforcement of intellectual property rights should contribute to the promotion of technological innovation and to the transfer and dissemination of technology, to the mutual advantage of producers and users of technological knowledge and in a manner conducive to social and economic welfare, and to a balance of rights and obligations.²³⁸

Third parties who “use” the marks of others without authorization may not be “users of technological knowledge” of the markholders, but the rest of the language in Article 7 suggests that states “should” consider the general “social and economic welfare” and “balance” trademark rights and obligations with other relevant rights and obligations when implementing the international trademark laws.²³⁹

Protection of trademark rights is only “conducive to social and economic welfare” if national trademark laws do not unreasonably restrict the free flow of information and ideas, including commercial expression. If states prohibit all uses of marks without the markholder’s consent, this will harm free speech values and hinder competition. The public and competitors should be free to use marks without authorization to refer to the markholder (such as in news reporting or comparative advertising), describe their own goods or services, and otherwise engage in expression protected by the right to freedom of expression. Allowing such expressive uses of marks can ensure a vibrant marketplace of ideas and increase competition, which will benefit both social and economic welfare. WTO panels and the Appellate Body should “balance” trademark and free speech rights when they interpret the members’ trademark obligations in the covered agreements and consider the competing legitimate interests of the markholder and third parties as required by the language in TRIPS Article 17.

Furthermore, as long as national laws are consistent with TRIPS, Article 8 states that the “Principles” of TRIPS include the ability of members to “adopt measures necessary . . . to promote the public interest in sectors of vital

237. TRIPS, *supra* note 1, arts. 7, 8; World Trade Org. [WTO], *Declaration on the TRIPS Agreement and Public Health*, ¶ 5(a), WT/MIN(01)/DEC/W/2 (Nov. 14, 2001) (“In applying the customary rules of interpretation of public international law, each provision in the TRIPS Agreement shall be read in the light of the object and purpose of the Agreement as expressed, in particular, in its objectives and principles.”); *Canada—Patent Protection*, *supra* note 185, ¶ 7.26 (“Both the goals and the limitations stated in Articles 7 and 8.1 must obviously be borne in mind when [interpreting the scope of provisions of the TRIPS Agreement allowing limitations on rights (in that case, Article 30)] as well as those of other provisions of the TRIPS Agreement which indicate its object and purposes.”); *see infra* Subsection III.B.1.

238. TRIPS, *supra* note 1, art. 7.

239. *Cf.* CORREA, *supra* note 1, at 93 (noting that the use of the term “should” in Article 7 “indicates that these provisions are to be systematically applied in the implementation and interpretation of the Agreement”); Henning Grosse Ruse-Khan, *Proportionality and Balancing Within the Objectives for Intellectual Property Protection*, in IP&HR, *supra* note 6, at 161, 173-93 (noting that several sets of competing interests need to be balanced).

importance to their socio-economic and technological development” and “prevent the abuse of intellectual property rights by right holders or the resort to practices which unreasonably restrain trade.”²⁴⁰ According to Correa, this provision gives states discretion to both define the public interest and use it in various ways to limit intellectual property rights.²⁴¹ Of course, WTO members must be careful not to adopt a completely unreasonable or dubious position about what is in their nation’s public interest and thereby effectively eliminate the binding obligations in TRIPS. Yet Article 8 permits states to adopt certain laws necessary to promote the public interest and increase competition, and therefore requires WTO jurists to interpret and apply TRIPS “in light of human rights laws.”²⁴² As discussed later, international law’s recognition of the principle of freedom of expression is relevant when WTO panels and the Appellate Body interpret the members’ obligations under the trademark provisions of the Paris Convention and TRIPS, and thus it should be recognized as a valid “public interest” that states can consider under Article 8 of TRIPS.

B. *The Customary Rules of Treaty Interpretation*

In the Understanding on Rules and Procedures Governing the Settlement of Disputes (Dispute Settlement Understanding), the WTO members specifically agreed that customary rules of treaty interpretation should be used to clarify the meaning of the WTO Agreement provisions.²⁴³ The Dispute Settlement Understanding, which is Annex 2 to the WTO Agreement, sets forth rules and procedures that “apply to disputes brought pursuant to the consultation and dispute settlement provisions” of the covered agreements, including TRIPS.²⁴⁴ According to Article 3(2) of the Dispute Settlement Understanding, “[t]he Members recognize that the [dispute settlement system] serves to preserve the rights and obligations of the Members under the covered agreements, and to clarify the existing provisions of those agreements in accordance with customary rules of interpretation of public international law.”²⁴⁵ Thus, TRIPS, like other WTO Agreements, “is not to be read in clinical isolation from public international law.”²⁴⁶

The customary rules of public international law relating to treaty interpretation are set forth in Articles 31 and 32 of the Vienna Convention on

240. TRIPS, *supra* note 1, art. 8.

241. CORREA, *supra* note 1, at 105 (“[T]he definition of what constitutes the ‘public interest’ rests with the concerned Member. It is clearly a domestic issue. Members cannot challenge what ‘public interest’ is in accordance with the views of a particular Member It may be deemed to encompass any matter that affects the public.”).

242. Estelle Derclaye, *Intellectual Property Rights and Human Rights: Coinciding and Cooperating*, in IP&HR, *supra* note 6, at 133, 140; see CORREA, *supra* note 1, at 100-01.

243. Dispute Settlement Understanding, *supra* note 22, art. 3(2).

244. *Id.* art. 1(1).

245. *Id.* art. 3(2).

246. Appellate Body Report, *United States—Standards for Reformulated and Conventional Gasoline*, ¶ 43, WT/DS2/AB/R (Apr. 29, 1996) [hereinafter *US—Standards for Reformulated Gasoline*]. WTO jurists have applied this principle when they “relied on the case law of other international tribunals, namely the International Court of Justice, The European Court of Human Rights cases and the Inter-American Court of Human Rights, in interpreting the provisions of the WTO Agreement.” GERVAIS, *supra* note 1, at 511.

the Law of Treaties.²⁴⁷ The “General Rule of Interpretation” is set forth in Article 31, while “Supplementary Means of Interpretation” are discussed in Article 32.²⁴⁸ The relevant provisions of Article 31 provide that a treaty must be interpreted in accordance with: (1) the ordinary meaning of its terms and its context, objective, and purpose; (2) any subsequent practices or agreements relating to the interpretation of the treaty; and (3) any relevant rules of public international law applicable in the relations between the parties.²⁴⁹

1. *The Ordinary Meaning of the Treaty Terms and the Treaty’s Context, Objective, and Purpose*

Vienna Convention Article 31(1) provides that treaty provisions must be interpreted “in good faith in accordance with the ordinary meaning to be given to the terms of the treaty in their context and in the light of its objective and purpose.”²⁵⁰ As noted by Gervais, in past decisions WTO jurists have focused on the dictionary meaning of terms; they likely use “the normal meaning of words” to “avoid broadening or indirectly renegotiating the scope of WTO agreements, which may result in findings of concessions not ‘bargained for.’”²⁵¹ The “context” of a treaty includes the text, preamble, annexes, and other agreements relating to the treaty between the parties made in connection with the conclusion of the treaty.²⁵² The object and purpose of TRIPS may be found in the substantive provisions in the agreement,²⁵³ as well as the “Objectives” and “Principles” provisions of TRIPS—Articles 7 and 8.²⁵⁴

2. *Subsequent Agreements Between the Parties Regarding the Interpretation of the Treaty and Subsequent Practices*

Article 31(3)(a) of the Vienna Convention provides additional guidance for WTO jurists interpreting TRIPS: “There shall be taken into account, together with the context: (a) any subsequent agreement between the parties regarding the interpretation of the treaty or the application of its

247. Vienna Convention on the Law of Treaties arts. 31-32, *opened for signature* May 23, 1969, 21 U.S.T. 77, 1155 U.N.T.S. 331 [hereinafter Vienna Convention]. For applications of these Vienna Convention rules, see *US—Standards for Reformulated Gasoline*, ¶¶ 15-16, *supra* note 246; and *EC—GI*, *supra* note 23, ¶ 7.605.

248. If the meaning of the text is ambiguous or would lead to manifestly absurd or unreasonable results, the treaty interpreter can resort “to supplementary means of interpretation, including the preparatory work of the treaty and the circumstances of its conclusion.” Vienna Convention, *supra* note 247, art. 32.

249. *Id.* art. 31.

250. *Id.* art. 31(1).

251. GERVAIS, *supra* note 1, at 239; Mavroidis, *supra* note 172, at 446.

252. Vienna Convention, *supra* note 247, art. 31(2). Among other things, the TRIPS preamble “[r]ecogniz[es] the underlying public policy objectives of national systems for the protection of intellectual property, including developmental and technological objectives.” TRIPS, *supra* note 1, pmb. (emphasis removed). This text “confirm[s] the need for achieving a balance, or, perhaps more accurately, the need to arrive at a series of equilibriums: . . . between the private rights of intellectual property owners and cases where the public interest may trump some aspects of the protection of intellectual property” GERVAIS, *supra* note 1, at 158.

253. *EC—GI*, *supra* note 23, ¶ 7.620.

254. *See supra* note 237.

provisions”²⁵⁵ In the trademark context, there are no subsequent agreements between all of the WTO members regarding interpretation of the trademark provisions of TRIPS or the relevant Paris Convention provisions. Moreover, as discussed in Subsection II.B.3, WTO jurists should not consult the bilateral free trade agreements and the nonbinding Joint Recommendation relating to well-known marks referenced in those agreements when interpreting the obligations set forth in TRIPS Article 16(3), as the bilateral agreements are between a small subset of the parties, and some WTO members have objected to the Joint Recommendation’s interpretation of Article 16(3).²⁵⁶

Vienna Convention Article 31(3)(b) permits WTO panels and the Appellate Body interpreting the agreements to also take into account “any subsequent practice in the application of the treaty which establishes the agreement of the parties regarding its interpretation.”²⁵⁷ The practice must be “concordant, common, and consistent” to qualify, though there is disagreement on how many states must participate for it to result in an “agreement of the parties.”²⁵⁸ If national practice evolves toward a clear international consensus on higher or lower standards of intellectual property protection, WTO jurists may rely on this consensus and use it to interpret or evaluate the global minimum baseline of protection.²⁵⁹ Importantly, WTO rulings “cannot add to or diminish the rights and obligations provided in the covered agreements” per Article 3(2) of the Dispute Settlement Understanding, and thus these subsequent practices and agreements may not be used to justify judicial lawmaking by WTO panels and the Appellate Body.²⁶⁰ For this reason, WTO jurists often primarily rely on what they understand to be the ordinary meaning of the terms and focus less on state practice and subsequent agreements.²⁶¹

3. *International Law Recognizing a Right to Freedom of Expression*

Per Vienna Convention Article 31(3)(c), WTO jurists should also take into account “any relevant rules of international law applicable in the relations between the parties” when determining a WTO member’s international obligations to protect trademarks under the Paris Convention and TRIPS.²⁶² This would include treaties or principles of customary international law that require protection of the right to freedom of expression. As noted by Neil Netanel, Article 31(3)(c) requires a WTO panel or the Appellate Body to “take account of any possible conflict between a maximalist interpretation of

255. Vienna Convention, *supra* note 247, art. 31(3)(a).

256. *See supra* Subsection II.B.3.

257. Vienna Convention, *supra* note 247, art. 31(3)(b).

258. *US—Section 110(5)*, *supra* note 167, ¶ 6.55 n.66; Helfer, *supra* note 57, at 426-31 & nn. 310-11; Mavroidis, *supra* note 172, at 453-54.

259. Helfer, *supra* note 57, at 422-23, 426.

260. Dispute Settlement Understanding, *supra* note 22, art. 3(2); Helfer, *supra* note 57, at 426-31.

261. Mavroidis, *supra* note 172, at 446.

262. Vienna Convention, *supra* note 247, art. 31(3)(c).

TRIPS and international law regarding freedom of expression.”²⁶³ Netanel persuasively argues that “international law regarding freedom of expression may require a WTO dispute panel to interpret broadly the scope of permissible limitations under TRIPS where such limitations are designed to support the free flow of information, robust debate, and other free speech interests.”²⁶⁴ Although Netanel’s focus is on the potential conflict between copyright and freedom of expression, his arguments are also pertinent to disputes where WTO jurists evaluate international obligations to protect trademark rights.

International law recognizing a free speech right may be found in treaties and, according to some commentators, in customary international law. One such treaty is the International Covenant on Civil and Political Rights (ICCPR),²⁶⁵ a treaty with 165 parties.²⁶⁶ Per Article 19(2) of the ICCPR, “the right to freedom of expression . . . shall include the freedom to seek, receive and impart information and ideas of all kinds, regardless of frontiers, either orally, in writing or in print, in the form of art, or through any other media of his choice.”²⁶⁷ Regional treaties, such as the European Convention on Human Rights and the American Convention on Human Rights, also recognize a free speech right.²⁶⁸

Moreover, the Universal Declaration of Human Rights (UDHR) provides in Article 19 that “[e]veryone has a right to freedom of opinion and expression; this right includes freedom to hold opinions without interference and to seek, receive and impart information and ideas through any media and regardless of frontiers.”²⁶⁹ Although the UDHR is not a treaty and does not impose binding obligations, some commentators have argued the principles in the UDHR have become part of customary international law and are binding on all states.²⁷⁰ Christophe Geiger argues the Universal Declaration of Human Rights is a “relevant rule” of international law under Vienna Convention Article 31(3)(c) and thus requires WTO jurists to consider free speech interests when interpreting TRIPS.²⁷¹

In the ICCPR, the right to freedom of expression is subject to some restrictions which allow states to prohibit certain types of speech, as this right

263. Netanel, *supra* note 57, at 475.

264. *Id.*; *see id.* at 475-90.

265. International Covenant on Civil and Political Rights, Dec. 16, 1966, S. EXEC. DOC. E, 95-2 (1978), 999 U.N.T.S. 171 [hereinafter ICCPR].

266. United Nations Treaty Collection, International Covenant on Civil and Political Rights, http://treaties.un.org/Pages/ViewDetails.aspx?src=IND&mtdsg_no=IV-4&chapter=4&lang=en (last visited Apr. 2, 2010).

267. ICCPR, *supra* note 265, art. 19(2).

268. American Convention on Human Rights art. 13, Nov. 22, 1969, O.A.S.T.S. No. 36, 1144 U.N.T.S. 123; Convention for the Protection of Human Rights and Fundamental Freedoms art. 10(1), Nov. 4, 1950, 213 U.N.T.S. 222 [hereinafter European Convention on Human Rights].

269. Universal Declaration of Human Rights art. 19, G.A. Res. 217A, U.N. GAOR, 3d Sess., 1st plen. mtg., U.N. Doc. A/810 (Dec. 12, 1948) [hereinafter UDHR]. For a discussion of the relevance of the UDHR in the context of copyright law, see, for example, Paul L.C. Torremans, *Copyright (and Other Intellectual Property Rights) as a Human Right*, in *IP&HR*, *supra* note 6, at 195, 199-204.

270. *E.g.*, Audrey R. Chapman, *The Human Rights Implications of Intellectual Property Protection*, 5 J. INT’L ECON. L. 861, 863 (2002); *see* Christophe Geiger, *The Constitutional Dimension of Intellectual Property*, in *IP&HR*, *supra* note 6, at 101, 113 & n. 59 (“[M]any authors consider that the declaration exerts a binding effect as customary international law.”).

271. Geiger, *supra* note 270, at 119 n.87.

“carries with it special duties and responsibilities.”²⁷² ICCPR Article 19(3) provides the free speech right may “be subject to certain restrictions, but these shall only be such as are provided by law and are necessary,” including restrictions “[f]or respect of the rights or reputations of others.”²⁷³ Assuming this language covers trademark and other intellectual property “rights,” states can only restrict expression to protect such rights if the restrictions are (1) set forth in the “law” and (2) “necessary.”²⁷⁴ Trademark laws that restrict commercial speech are more likely to satisfy this standard.²⁷⁵

States may determine that they are required by international free speech laws to exempt from trademark liability certain uses of marks, such as noncommercial or nontrademark uses of marks, to protect speech interests. They may find “wiggle room” to enact certain exceptions to trademark rights in the “using in the course of trade” language of TRIPS Article 16(1) or the language of Article 17. If states protect free speech rights in this way, WTO panels and the Appellate Body should interpret ambiguous international obligations to protect trademarks narrowly and TRIPS Article 17 broadly to avoid an actual or potential conflict with international obligations to protect the right to freedom of expression.²⁷⁶

Of course, the membership of these human rights treaties is not identical to the membership of the WTO and Paris Convention, and thus this international law may not be relevant for all WTO members involved in WTO disputes. As of this writing, there are 153 members of the WTO,²⁷⁷ 173 contracting parties of the Paris Convention,²⁷⁸ and 165 states who are parties to the ICCPR.²⁷⁹ Some WTO members are not bound by the obligations in the ICCPR. An example is the twin island state of Antigua and Barbuda; it is a member/party of the WTO and Paris Convention, but not the ICCPR. While the membership is not identical, most states are parties to all three treaties. Thus, taking into account the right to freedom of expression when interpreting

272. ICCPR, *supra* note 265, art. 19(3).

273. *Id.* The European Convention on Human Rights contains a similar provision. European Convention on Human Rights, *supra* note 268, art. 10(2).

274. ICCPR, *supra* note 265, art. 19(3). Article 10(2) of the European Convention on Human Rights similarly provides that restrictions on speech must be: (1) “prescribed by law”; and (2) “necessary in a democratic society.” European Convention on Human Rights, *supra* note 268, art. 10(2).

275. *See* sources cited *infra* notes 316-317 (discussing the standards for restricting commercial speech in the United States and the European Union).

276. *Cf.* Annette Kur & Henning Grosse Ruse-Kahn, *Enough Is Enough—The Notion of Binding Ceilings in International Intellectual Property Protection* 23 (Max Planck Inst. for Intellectual Prop., Competition & Tax Law, Research Paper No. 09-01, 2008), <http://ssrn.com/abstract=1326429> (“Generally speaking, any treaty must be applied with a presumption in favour of continuity and against conflict in the sense that all pre-existing international rules continue to apply unless there is clear evidence that the parties to the treaty wished to depart from a specific pre-existing rule.”); *see also* Panel Report, *Korea—Measures Affecting Government Procurement*, ¶ 7.96, WT/DS163/R (May 1, 2000) (“[I]nternational law applies to the extent that the WTO treaty agreements do not ‘contract out’ from it.”).

277. World Trade Organization, *supra* note 154. This number accounts for ninety-seven percent of world trade. World Trade Organization, *The WTO in Brief*, http://www.wto.org/english/thewto_e/whatis_e/inbrief_e/inbr02_e.htm (last visited Mar. 21, 2010). There are also thirty observer governments who are negotiating membership. *Id.*

278. World Intellectual Prop. Org., *Contracting Parties to the Paris Convention*, http://www.wipo.int/treaties/en/ShowResults.jsp?treaty_id=2 (last visited Mar. 21, 2010).

279. United Nations Treaty Collection, *supra* note 266.

the treaty terms is not as troublesome as considering the subsequent bilateral agreements between states that adopt the expansive interpretation of TRIPS Article 16(3) in the Joint Recommendation.²⁸⁰ Moreover, if customary international law does recognize the right to freedom of expression, then it will be easier to conclude that this right is “relevant” when interpreting the trademark obligations of all members in disputes before the WTO.

Unfortunately, the broad language of the ICCPR and other human rights treaties may not provide much guidance on how to resolve conflicts between trademark and free speech rights. At a minimum, these treaties suggest that WTO jurists should avoid a maximalist interpretation of ambiguous trademark obligations that would conflict with free speech values. Importantly, taking into account the right to freedom of expression when interpreting the trademark provisions of the Paris Convention and TRIPS will not require stronger protection of trademark rights beyond the express terms of the agreements. (This is not the case if WTO jurists consult the bilateral agreements that incorporate the Joint Recommendation and find them to be determinative on the meaning of TRIPS Article 16(3).) For all of these reasons, WTO panels and the Appellate Body should consider international obligations to protect free speech rights when they interpret the trademark provisions of the Paris Convention and TRIPS.

C. *WTO Panels and the Appellate Body Should Use a Narrow and Deferential Interpretation of Ambiguous International Trademark Obligations*

As discussed in Part II, the terms “using in the course of trade” and “likelihood of confusion” in TRIPS Article 16(1) are ambiguous in certain respects. Moreover, the scope of protection for well-known marks in Paris Convention Article 6*bis* and TRIPS Article 16(3), the permitted limitations under TRIPS Article 17, and the remedies required under TRIPS Part III are not entirely clear from the text of the agreements. When interpreting the WTO members’ obligations under the Paris Convention and TRIPS, this Article argues that WTO panels and the Appellate Body should use a narrow interpretation of vague international obligations to protect and enforce trademark rights, broadly interpret TRIPS Article 17 where states are restricting trademark rights to protect free speech interests, and thereby defer to states attempting to resolve any conflicts between trademark and free speech rights.²⁸¹ At the same time, WTO jurists should hold states to clear obligations in the international agreements, as they would not be preserving the “rights and obligations” of members under TRIPS or making an “objective assessment” of the matter if they granted excessive deference to states.²⁸²

280. See *supra* Subsection III.B.2.

281. Cf. Graeme B. Dinwoodie, *A New Copyright Order: Why National Courts Should Create Global Norms*, 149 U. PA. L. REV. 469, 512-18 (2000) (discussing the problems with public international lawmaking and concluding “that WTO panels should not actively develop international standards beyond those clearly presented in the TRIPS text”); Helfer, *supra* note 57, at 410-36 (using the jurisprudence of the European Court of Human Rights to propose a similar approach in the international copyright law area that is more deferential to national legislatures, courts, and administrative bodies).

282. Helfer, *supra* note 57, at 411-12 (citing Dispute Settlement Understanding, *supra* note 22,

WTO jurists should also not engage in judicial activism when interpreting ambiguous obligations to protect trademarks and thereby increase (or decrease) the scope of trademark obligations explicitly required by the Paris Convention or TRIPS.²⁸³ Examples would be a WTO ruling that states must protect trademarks against all unauthorized nontrademark uses of marks under the “using in the course of trade” language and not permit exemptions for such uses under TRIPS Article 17; that “likelihood of confusion” refers to any type of confusion, not just source confusion; that WTO members must enact strong trademark dilution laws similar to the U.S. federal dilution statute; or that WTO members are required to exempt noncommercial or nontrademark uses of marks from trademark liability. There are no such mandatory rules in the text of these international agreements, and requiring states to enact such rules without their clear consent will harm sovereign interests and severely hamper the ability of states to balance trademark and free speech rights in ways unique to their domestic legal systems and cultures. Members have the option to implement such rules, but not an obligation.

Commentators note there are complaints about alleged “judicial activism” in WTO dispute settlement proceedings.²⁸⁴ WTO jurists sometimes engage in judicial lawmaking by clarifying ambiguities and filling gaps in the WTO Agreement when interpreting it.²⁸⁵ Other times, they give a precise and narrow meaning to language that was intentionally left vague by the WTO members, possibly because states could not agree on more specific language or because they wanted to permit a range of national practices.²⁸⁶ Article 3(2) of the Dispute Settlement Understanding provides that WTO jurists can clarify the provisions of the WTO-covered agreements, but imposing one meaning on ambiguous language may contradict the intent of the members, create new rights or obligations, and upset the balance of rights and responsibilities.²⁸⁷

While some intellectual property scholars argue that WTO panels and the Appellate Body should not employ a “passivist” interpretation of the international agreements “by stalling progress or by shying away from areas of political contention,”²⁸⁸ there are many reasons why WTO jurists should avoid an “activist” interpretive philosophy when evaluating complaints under the trademark provisions of the Paris Convention or TRIPS. First, judicial lawmaking is explicitly prohibited under the WTO Agreement. The WTO members clearly stated in Article 3(2) of the Dispute Settlement Understanding that “[r]ecommendations and rulings . . . cannot add to or diminish the rights and obligations provided in the covered agreements.”²⁸⁹

arts. 3(2), 11).

283. See, e.g., Dinwoodie, *supra* note 281, at 503-18 (explaining why WTO jurists should reject an activist interpretive philosophy in resolving WTO disputes).

284. Richard H. Steinberg, *Judicial Lawmaking at the WTO: Discursive, Constitutional, and Political Constraints*, 98 AM. J. INT’L L. 247, 248, 257 (2004).

285. *Id.* at 248, 252.

286. *Id.* at 252-54.

287. *Id.* at 259-61.

288. E.g., Weckström, *supra* note 93, at 171 (arguing that WTO panels “should interpret the TRIPS Agreement and its provisions in the legal framework and practical context in which they operate”).

289. Dispute Settlement Understanding, *supra* note 22, art. 3(2); see Dinwoodie, *supra* note 281, at 503.

WTO members therefore did not agree to allow WTO panels or the Appellate Body to broaden the scope of the agreements by creating new obligations regarding trademark or free speech rights not contemplated by the parties. Both WTO panels and the Appellate Body have noted that “[t]he fundamental rule of treaty interpretation requires a treaty interpreter to read and interpret the words actually used by the agreement under examination, not words the interpreter may feel should have been used.”²⁹⁰

Second, many scholars believe that states may be bound in international law only through “consent, strictly construed.”²⁹¹ They adopt the principle of *in dubio mitius*, which ordains that “where there are two plausible approaches to the interpretation of a treaty provision, the treaty interpreter adopt the interpretation that is less restrictive of the sovereignty of the State or States undertaking the obligation in question.”²⁹² A deferential interpretive method will ensure that members are not bound unless they clearly consented to a particular obligation to protect trademark or free speech rights. WTO panels and the Appellate Body have used such a deferential approach in past intellectual property disputes.²⁹³ They should continue to do this rather than adopt a particular solution to the conflict between trademark and free speech rights.

Third, TRIPS Article 1(1) expressly gives WTO members the ability “to determine the appropriate method of implementing the provisions of [the TRIPS] Agreement within their own legal system and practice.”²⁹⁴ Dinwoodie and Dreyfuss convincingly argue this language supports using a “neo-federalist” approach in interpretation of the text of TRIPS, whereby WTO jurists read ambiguous obligations narrowly and defer to states in their implementation of TRIPS as long as the members do not derogate from particular commitments to protect intellectual property rights under the covered agreements.²⁹⁵ Dinwoodie and Dreyfuss note “[p]ermitting some diversity of approach allows nation states to act as laboratories in the development of international rules; affording space for the self-determination of sovereign states encourages voluntary and ultimately more effective compliance with international norms.”²⁹⁶ As it is difficult to amend a

290. *E.g.*, *EC—GI*, *supra* note 23, ¶ 7.624 (quoting Appellate Body Report, *EC—Measures Concerning Meat and Meat Products (Hormones)*, ¶ 181, WT/DS26/AB/R (Aug. 18, 1997)).

291. Steinberg, *supra* note 284, at 258.

292. Robert Howse, *The Canadian Generic Medicines Panel: A Dangerous Precedent in Dangerous Times*, 3 J. WORLD INTELL. PROP. 493, 497 (2000).

293. *See, e.g.*, *EC—GI*, *supra* note 23; *US—Section 211*, *supra* note 23; *US—Section 110(5)*, *supra* note 167; *see also* Graeme B. Dinwoodie, *The Development and Incorporation of International Norms in the Formation of Copyright Law*, 62 OHIO ST. L.J. 733, 765 (2001) (noting that the *US—Section 110(5)* “report contains several passages apparently exhibiting substantial deference to national autonomy”).

294. TRIPS, *supra* note 1, art. 1(1); *see also* Appellate Body Report, *India—Patent Protection for Pharmaceutical and Agricultural Chemical Products*, ¶ 59, WT/DS50/AB/R (Dec. 19, 1997) (applying TRIPS Article 1(1)); J.H. Reichman, *The TRIPS Agreement Comes of Age: Conflict or Cooperation with the Developing Countries?*, 32 CASE W. RES. J. INT’L L. 441, 446 (2000).

295. *See* Graeme B. Dinwoodie & Rochelle Cooper Dreyfuss, *International Intellectual Property Law and the Public Domain of Science*, 7 J. INT’L ECON. L. 431 (2004); Dinwoodie & Dreyfuss, *supra* note 57, at 880-81.

296. Dinwoodie & Dreyfuss, *supra* note 57, at 883; *see* Dinwoodie, *supra* note 293, at 747; Dinwoodie, *supra* note 281, at 514-15; *cf.* LADAS, *supra* note 1, at 9-16 (discussing the advantages and disadvantages of harmonization and uniformity of industrial property law).

multilateral treaty,²⁹⁷ it is extremely troublesome if a WTO panel or the Appellate Body adopts an incorrect interpretation of the trademark provisions of the Paris Convention or TRIPS that eliminates the flexibility states currently have to adopt different speech-protective trademark laws in response to changes in technology, society, and national trademark and free speech jurisprudence.

A fourth, independent reason to reject an activist interpretive approach in WTO dispute settlement proceedings is because these judicial proceedings are not the best source of new international rules. Proceedings are often confidential and not procedurally transparent.²⁹⁸ As noted by Dinwoodie, “the WTO dispute settlement process is, in terms of representational legitimacy, far removed and insulated from appropriate democratic pressures (both by inherent institutional place and by current rules on transparency of process).”²⁹⁹ A WTO panel or the Appellate Body might not have sufficient information to adopt the perfect solution (if one exists) to a particular conflict between trademark and free speech rights. Even more problematic, “the WTO dispute resolution process will generate rules of international effect that are immediately, upon first articulation, embedded as norms of a fundamental, higher level with preemptive effect on alternative generative mechanisms.”³⁰⁰ As it is deciding one dispute between a few states and only hearing their evidence and arguments, it is inappropriate for one panel or the Appellate Body to develop a new rule that then creates legitimate expectations among other WTO members regarding their obligations under the covered agreements.

Finally, it is important to recall that even if WTO panels and the Appellate Body read ambiguous provisions narrowly, WTO member states may still err on the side of protecting strong trademark rights within their borders when trademark and free speech rights conflict. A deferential approach to WTO members’ international obligations to protect trademarks does not require states to reduce trademark rights to protect freedom of expression. It just gives states that option. This Article argues that countries have the flexibility to implement speech-protective trademark laws if they desire to protect the free flow of information in the marketplace and beyond.

In WTO dispute settlement proceedings WTO jurists should therefore also not conclude that the ICCPR or other human rights treaties require states to protect expression in certain ways in their national trademark laws. An example would be a WTO ruling that states must enact a mandatory exemption from trademark liability for uses of marks in noncommercial expression. TRIPS Article 1(1) provides that WTO members “may, but shall not be obliged to, implement in their domestic law more extensive protection than is required by this Agreement, provided that such protection *does not contravene the provisions of this Agreement.*”³⁰¹ Some scholars argue that WTO panels and the Appellate Body should construe public international law

297. See Dinwoodie, *supra* note 281, at 501; Weckström, *supra* note 93, at 189-90.

298. See Dinwoodie, *supra* note 281, at 503, 505, 508.

299. *Id.* at 503.

300. *Id.*

301. TRIPS, *supra* note 1, art. 1(1) (emphasis added).

obligations (including the WTO-covered agreements and other relevant international rules of law between the parties) as a whole to create a more uniform international law, and that they can use non-WTO-covered agreements as a source of law in WTO disputes.³⁰² If “relevant” human rights treaties can be used in this way, and these treaties are interpreted to protect noncommercial expression from restriction, free speech advocates may argue that extending the scope of trademark protection to noncommercial uses of marks—uses of marks outside the course of trade—“contravene[s] the provisions of this Agreement” and thus is not permitted under Article 1(1) of TRIPS.

There are several problems with allowing WTO jurists to use the ICCPR or other relevant international human rights treaties as a source of law in WTO disputes, and thereby engage in speech-protective judicial lawmaking when interpreting the trademark provisions of the Paris Convention or TRIPS. First, scholars convincingly argue that “relevant rules of international law” should only be used to aid in the interpretation of the WTO agreements, and cannot be used as a source of law that binds the WTO members.³⁰³ This approach is supported by Article 3(2) of the Dispute Settlement Understanding.³⁰⁴ Relevant international law should be taken into account per the customary rules of international law in a manner similar to the U.S. *Charming Betsy* rule—“interpret so as to avoid conflict where possible.”³⁰⁵ If states want to create obligations to protect free speech values in the trademark provisions of the Paris Convention or TRIPS, they should amend those agreements, as discussed in Part IV.

Moreover, the free speech obligations in the human rights treaties are broadly worded and thus do not impose specific obligations on their members to protect certain types of speech from restriction. For example, Article 19(2) of the ICCPR provides that “the right to freedom of expression . . . shall include the freedom to seek, receive and impart information and ideas of all kinds, regardless of frontiers, either orally, in writing or in print, in the form of art, or through any other media of his choice.”³⁰⁶ Does this language require states to protect all noncommercial expression from trademark restrictions? Does it more specifically prevent states from applying trademark law to the unauthorized use of marks in political speech, news reporting, literary and artistic works, comparative advertising, or commercial parodies and satire displayed on T-shirts and other merchandise sold for a profit? Article 19(3) of the ICCPR permits states to protect trademark “rights” if the restrictions are (1) set forth in the “law” and (2) “necessary.”³⁰⁷ Does the ICCPR therefore

302. JOOST PAUWELYN, CONFLICT OF NORMS IN PUBLIC INTERNATIONAL LAW: HOW WTO LAW RELATES TO OTHER RULES OF INTERNATIONAL LAW 470-73 (2003); Joost Pauwelyn, *The Role of Public International Law in the WTO: How Far Can We Go?*, 95 AM. J. INT’L L. 535, 540-52 (2001).

303. See, e.g., Mavroidis, *supra* note 172, at 425, 436-37; Trachtman, *supra* note 22, at 342-43, 347-48.

304. Dispute Settlement Understanding, *supra* note 22, art. 3(2); see Mavroidis, *supra* note 172, at 425.

305. Trachtman, *supra* note 22, at 343 (citing *Murray v. Schooner Charming Betsy*, 6 U.S. (2 Cranch) 64, 118 (1804)); see also Curtis A. Bradley, *The Charming Betsy Canon and Separation of Powers: Rethinking the Interpretive Role of International Law*, 86 GEO. L.J. 479 (1998).

306. ICCPR, *supra* note 265, art. 19(2).

307. *Id.* art. 19(3).

allow states to prevent confusing uses of marks in noncommercial speech to impersonate markholders and generally protect the right of nonprofit organizations to use trademarks to identify and distinguish themselves from others?³⁰⁸ Not only do the human rights treaties provide little guidance on these issues, but it is not clear that trade-focused WTO dispute settlement proceedings are the proper forum for resolving such actual or potential conflicts between trademark and free speech rights.

Another problem is that there is currently no global consensus on the scope of the free speech right.³⁰⁹ Many states believe in a right to free speech about political issues, but some restrict political speech to further other important goals.³¹⁰ For example, Canada and Germany protect the right to freedom of expression in their constitutions but these states elevate concerns about equality and the dignity of persons above free speech concerns.³¹¹ Moreover, Germany “prohibits political parties who wish to disestablish democratic self-government in Germany” and thus “an entire category of core political speech activity enjoys no protection whatsoever in the German constitutional system.”³¹² Japan offers stronger protection for political speech, but its right of free speech does not extend to commercial speech or erotica.³¹³ The free speech right is most broad in the United States where, among other things, it encompasses political speech, scientific and academic speech, entertainment, nonobscene pornography, commercial advertising, expression on T-shirts, and other types of noncommercial and commercial speech.³¹⁴

The European Convention on Human Rights protects freedom of expression, including commercial expression,³¹⁵ but as in the United States,³¹⁶ the government has more discretion to limit commercial expression to further other important government interests.³¹⁷ Moreover, as discussed in the introduction to Part II, the European Court of Human Rights recently held that trademarks are property rights for purposes of human rights analysis,³¹⁸ and

308. See, e.g., *United We Stand Am., Inc. v. United We Stand, Am. N.Y., Inc.*, 128 F.3d 86 (2d Cir. 1997).

309. KROTOSZYNSKI, *supra* note 4, at 214-22; Dinwoodie, *supra* note 281, at 513-14.

310. KROTOSZYNSKI, *supra* note 4, at 218-19.

311. *Id.* at 4, 9, 26-138.

312. *Id.* at 94 (citing GG [Constitution] art. 21(2)).

313. *Id.* at 9, 139-82.

314. *Id.* at 12-25; see *Ayres v. City of Chicago*, 125 F.3d 1010, 1017 (7th Cir. 1997) (Posner, C.J.) (stating that defendant’s T-shirts advocating the legalization of marijuana “are to [the seller] what the *New York Times* is to the Sulzbergers and the Ochs—the vehicle of her ideas and opinions”); *Smith v. Wal-Mart Stores, Inc.*, 537 F. Supp. 2d 1302, 1309, 1312, 1339 (N.D. Ga. 2008) (WAL★OCAUST and WAL-QAEDA T-shirts).

315. European Convention on Human Rights, *supra* note 268, art. 10; Griffiths, *supra* note 56, at 309, 329 (discussing the European Court of Human Rights cases that say commercial expression is protected by Article 10 of the European Convention on Human Rights).

316. *Cent. Hudson Gas & Elec. Corp. v. Pub. Serv. Comm’n*, 447 U.S. 557, 566 (1980).

317. Christoph B. Graber, *The Hertel Case and the Distinction Between Commercial and Non-Commercial Speech*, in *HUMAN RIGHTS AND INTERNATIONAL TRADE* 273-78 (Thomas Cottier, Joost Pauwelyn & Elisabeth Bürgi Bonanomi eds., 2005) (discussing *Hertel v. Switzerland*, App. No. 25181/94 (Eur. Ct. H.R. Aug. 25, 1998), <http://www.echr.coe.int>); Helfer, *supra* note 57, at 388-410, 434-35; A. Kamperman Sanders, *Unfair Competition Law and the European Court of Human Rights: The Case of Hertel v. Switzerland and Beyond*, 10 *FORDHAM INTELL. PROP. MEDIA & ENT. L.J.* 305 (1999).

318. *Anheuser-Busch Inc. v. Portugal*, App. No. 73049/01, ¶¶ 72-78 (Eur. Ct. H.R. Jan. 11, 2007), <http://www.echr.coe.int>.

thus this right must be balanced against the free speech right. In some trademark cases in Europe, judges have interpreted the free speech right narrowly. For example, in *Miss World Limited*, the U.K. registrant of the mark “Miss World” sought an injunction to prevent a television station from using the title “Mr. Miss World” while broadcasting a news segment about a transsexual beauty pageant.³¹⁹ The trial judge rejected the argument that this use of the mark was permitted by the right to freedom of expression in Section 12 of the U.K. Human Rights Act and Article 10 of the European Convention on Human Rights, and held that “[a]bsent a sign which is really telling a political story, making a political point or identifying some matter of public importance, I find the idea that use of a trade mark can of itself generally engage Article 10 of the Convention difficult.”³²⁰

As there is little agreement on the scope of the free speech right, or its importance compared to trademark rights, it is troublesome for WTO panels or the Appellate Body to use the international right to freedom of expression to create binding, mandatory speech-protective trademark rules in WTO dispute settlement proceedings. Although such rules would further free speech values, they would bind the WTO members without their consent and impinge on their sovereignty. In the future, more WTO members may acknowledge the potential conflict between trademark and free speech rights and decide to pursue mandatory protection of free speech interests in national or international trademark laws. Until then, WTO jurists should not create new obligations on states to adopt speech-protective trademark laws. Rather than attempt to find the proper balance between free speech and trademark rights, WTO jurists should instead defer to states when international obligations to protect trademark or free speech rights are ambiguous and let states resolve any conflicts created by application of trademark laws to expression.

If states have discretion to protect free speech in their trademark laws in a variety of ways, there will be many distinct national trademark laws. This can increase costs for markholders who sell their products globally. Yet harmonization of national laws is not the best solution for markholders, competitors, or the public if the trademark laws created by WTO panels or the Appellate Body are not good, effective laws. States were not able to agree on one particular type of trademark regime and instead opted to require certain minimum standards of trademark protection in the Paris Convention and TRIPS. As there is national discord today on the proper scope of trademark and free speech rights, it is best to let states experiment and find the best domestic solution to the conflict between these rights before new international trademark rules are created by WTO panels or the Appellate Body, or, as discussed next, by the WTO members in the form of an amendment to TRIPS.

* * *

In sum, states have flexibility under TRIPS Article 1(1) on how they implement their international trademark obligations. TRIPS Articles 7 and 8

319. *Miss World Ltd. v. Channel 4 Television Corp.*, [2007] EWHC (Pat) 982 (Eng.).

320. *Id.* ¶ 47.

allow states to protect the public interest in free speech in their trademark laws as long as the laws are consistent with the express terms of the Paris Convention and TRIPS. Moreover, international law relating to the right to freedom of expression is “relevant” when WTO panels and the Appellate Body interpret the trademark provisions of these international agreements. In WTO disputes involving conflicting trademark and free speech rights, WTO panels and the Appellate Body should narrowly interpret ambiguous trademark obligations in the Paris Convention and TRIPS, broadly construe the permissible limitations on trademark rights in TRIPS Article 17, and recognize that the enforcement provisions in TRIPS Part III give states flexibility to use speech-protective remedies. This will prevent the WTO from imposing obligations on its members without their consent, and reduce trademark law’s potential conflict with international laws and constitutional provisions requiring protection of the right to freedom of expression.

IV. THE ADVANTAGES AND DISADVANTAGES OF ADDING NEW SPEECH-PROTECTIVE AMENDMENTS TO THE INTERNATIONAL TRADEMARK AGREEMENTS

It is clear that states have the option to protect speech interests in their trademark laws in certain ways without violating the Paris Convention and TRIPS. One important question, however, is whether states should amend these international agreements to explicitly protect the right to freedom of expression. States could add provisions with permissive language (using terms like “may”) to these international documents and more clearly provide that states have the option to protect speech interests in their domestic trademark laws, or use mandatory language in the provisions (using terms like “shall”) and require states to protect speech in certain ways in their statutes and in trademark disputes.³²¹ An example of a permission provision currently in TRIPS is Article 17, which provides: “Members *may* provide limited exceptions to the rights conferred by a trademark, such as fair use of descriptive terms, provided that such exceptions take account of the legitimate interests of the owner of the trademark and of third parties.”

An example of a mandatory provision would be the emphasized language in this revised version of TRIPS Article 17: “Members may provide limited exceptions to the rights conferred by a trademark provided that such exceptions take account of the legitimate interests of the owner of the trademark and of third parties. *Members shall permit the fair use of descriptive terms otherwise protected as trademarks.*” Another example of a mandatory rule would be a prohibition in TRIPS Article 15 on protecting trademark rights in certain subject matter. For example, if the WTO members wanted to deny trademark protection to descriptive and generic terms, Article 15 could be amended to add the following language: “Members shall refuse to register or protect trademark rights in trademarks that consist exclusively of descriptive or generic terms.” Put another way, using language from Article

321. I appreciate the helpful comments provided by Graeme Dinwoodie on this issue, among others.

6quinquies(B)(2) of the Paris Convention, this mandatory rule would state: “Members shall refuse to register or protect trademark rights in trademarks that consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, place of origin, of the goods, or the time of production, or have become customary in the current language or in the bona fide and established practices of the trade of the country where protection is claimed.”

Some scholars argue that member states should amend TRIPS to add mandatory provisions that require states to protect speech in their trademark laws.³²² Below, this Part considers whether states should add permissive or mandatory provisions to the Paris Convention or TRIPS that protect the right to freedom of expression in specific or general ways. While there may be some advantages to such an amendment, new speech-protective provisions may not ultimately protect expression better than the current flexible trademark provisions of the Paris Convention and TRIPS.

A. *Specific Exceptions to Trademark Rights*

For the reasons discussed in Parts II and III, it is unnecessary to amend the Paris Convention or TRIPS to add more speech-protective permission provisions because states already can protect speech interests in their trademark laws and still comply with their international trademark obligations. Yet there may still be some advantages to such an amendment. For example, if TRIPS Article 17 is amended to list certain noncommercial or nontrademark uses of marks that “may” be exempted from trademark liability, this will clarify that such exceptions are definitely permitted under Article 17. It may encourage more states, especially those with civil law systems, to implement these “WTO-approved” exceptions to trademark rights. As states would not be bound to include these rules in their domestic trademark laws, however, they may not have a sufficient incentive to change their trademark statutes to make them more speech-protective. Permissive provisions will also not provide states with an excuse to refuse to increase trademark rights above the minimum obligations required by the Paris Convention and TRIPS in subsequent bilateral or regional trade agreements.

As a permissive approach may not adequately protect speech interests, free speech advocates may argue that states should instead amend the Paris Convention or TRIPS to require states to impose mandatory exceptions to trademark rights in areas of trademark law that are particularly speech-harmful. Such limitations or exceptions to intellectual property rights have been called “users’ rights” or “substantive maxima.”³²³ If the rules are mandatory, states cannot protect intellectual property rights above the levels indicated in the agreement in statutes and court or administrative decisions. Some scholars endorse this approach in the international copyright law area;

322. See *infra* Section IV.A.

323. Graeme B. Dinwoodie, *The International Intellectual Property Law System: New Actors, New Institutions, New Sources*, 10 MARQ. INTELL. PROP. L. REV. 205, 214 (2006).

they propose adding specific “users’ rights” to TRIPS’ copyright provisions or a new copyright treaty.³²⁴

Recently, as part of the Intellectual Property Rights in Transition (IPT) Project, members of a working group of the International Association for the Advancement of Teaching and Research in Intellectual Property (ATRIP) drafted a proposed amendment to TRIPS which includes mandatory “ceilings” or limitations on intellectual property rights.³²⁵ Unlike many past proposals for creating “maximum rights” in international intellectual property law, this document also included proposed changes to the trademark provisions of TRIPS. Among other things (including a significant revision of Articles 7 and 8, and the addition of a new Article 8a and 8b), the 2006 IPT draft proposed substituting the following language into TRIPS Article 17:

1. In accordance with Articles 7 to 8b, the protection conferred by a trademark shall not extend to: (a) strictly non-commercial use[, with the possible exception of private possession and use of counterfeit goods]; (b) use in the course of trade (i) for descriptive purposes, like indications concerning the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of the service, or other characteristics of goods or services; (ii) in order to provide information in connection with sales of goods or services that are legitimately commercialised on the market concerned; (iii) for other marketing purposes providing relevant information, in particular comparative advertising; (iv) in a satirical or parodist manner or other modes of use covered by rules applying to freedom of speech and/or freedom of art in the Member concerned; provided that such use is in accordance with honest practices in industrial or commercial matters. In particular, use shall be deemed inadmissible that is likely to mislead the average consumer about the existence of a commercial link between the holder of the trademark and a third party.
2. Members may further restrict the protection conferred by trademarks subject to the provisions of Articles 7 to 8b, provided that this does not impair the capability of trademarks to convey correct and reliable information as to the commercial origin of goods or services.³²⁶

According to Annette Kur, the provisions in the ATRIP working group’s IPT proposal “largely reflect what is considered already to-date as the standard to which most countries adhere in their substantive laws.”³²⁷ She

324. See, e.g., Rochelle Cooper Dreyfuss, *TRIPS-Round II: Should Users Strike Back?*, 71 U. CHI. L. REV. 21, 27, 30, 32-33 (2004); P. Bernt Hugenholtz & Ruth L. Okediji, *Conceiving an International Instrument on Limitations and Exceptions in Copyright* 35-50 (Open Soc’y Inst., 2008), <http://www.ivir.nl/publicaties/hughenoltz/finalreport2008.pdf>; Ruth L. Okediji, *The International Copyright System: Limitations, Exceptions and Public Interest Considerations for Developing Countries* 22- 23 (UNCTAD—ICTSD Project on IPRs and Sustainable Dev., Issue Paper No. 15, 2006), <http://www.iprsonline.org/unctadictsd/docs/ruth%202405.pdf>. See generally Kur & Grosse Ruse-Kahn, *supra* note 276 (discussing the advantages of mandatory ceilings for all the intellectual property rights covered by TRIPS and discussing proposed revisions to the international intellectual property agreements).

325. See Kur & Grosse Ruse-Kahn, *supra* note 276, at 64-68; A. Kur, *TRIPS Amendments-Background and Explanations* (2006), <http://www.atrip.org/upload/files/activities/Parma2006/Kur%20AMENDMENT.pdf> (explaining the IPT proposal presented at the 2006 ATRIP Congress in Parma, Italy that was created by a working group of ATRIP members consisting of Kur, Marianne Levin, Niklas Bruun, Jens Schovsbo, and François Curchod).

326. INT’L ASS’N FOR THE ADVANCEMENT OF TEACHING & RESEARCH IN INTELLECTUAL PROP., *SYNOPSIS OF ORIGINAL VERSION AND PROPOSALS FOR AMENDMENT TO TRIPS 7* (2006), <http://www.atrip.org/upload/files/activities/Parma2006/Kur%20SYNOPSIS.pdf> [hereinafter PROPOSED TRIPS REVISION SYNOPSIS] (alterations in original).

327. Kur, *supra* note 325, at 7; see PROPOSED TRIPS REVISION SYNOPSIS, *supra* note 326, at 2-3.

argues that WTO jurists interpreting the terms of TRIPS are more likely to consider the public interest if users' rights are codified just like intellectual property rights.³²⁸ Kur also says mandatory users' rights are needed because some states have not taken advantage of the current flexibilities in TRIPS to protect the public interest and have instead adopted laws that favor strong intellectual property rights.³²⁹ If TRIPS is amended to require members to reduce the scope of patent, copyright, and trademark protection in favor of user rights, it may be easier for developing states to resist pressure to increase intellectual property rights and add "TRIPS-Plus" provisions during negotiations of bilateral or regional trade agreements.³³⁰

In the trademark context, member states seeking to craft or revise domestic trademark laws may ignore free speech concerns in favor of maximum trademark rights unless particular exceptions to trademark rights are expressly set forth in the international trademark agreements. In those states where treaty provisions are self-executing or enacted word-for-word in trademark statutes, or in civil law countries where judges do not develop the law much beyond its statutory terms, including speech-protective trademark rules in TRIPS may better protect speech interests by encouraging states to enact users' rights in domestic legislation. Once a specific list of permitted uses of trademarks is added to national laws, it will be easier for third parties to predict whether they can use language claimed as a mark in certain ways in that state and less speech will be chilled or suppressed by courts.

As more trademarks cross national boundaries today via the Internet and global trade, mandatory speech-protective exceptions to trademark rights may be necessary to maintain the free flow of information in all states. If states have the flexibility to protect trademark rights at the expense of free speech without violating their international obligations, any restrictions of expression will also affect the speech-protective states with industries that sell and advertise their products globally. For example, if a state protects strong trademark rights in descriptive terms and prevents their use by competitors as part of a brand name or in slogans or domain names, both domestic and foreign companies will not be able to use these descriptive terms in similar ways when they sell their own goods in stores or on the Internet to people in that state. Consumers will not have access to full descriptive information about products in the marketplace, which may harm competition. In addition, foreign governments may prevent the unauthorized use on websites of marks to communicate information or ideas, such as in comparative advertising, criticism of the markholder or its products or services, or a good parody of a self-important markholder. If these websites have a global audience, any national decision to restrict expression to protect trademark rights will harm the free speech rights of people outside that state who would normally have access to this website.

There are also other speech-related benefits of adding mandatory exceptions to trademark rights in international law. If less speech-protective

328. Kur, *supra* note 325, at 3.

329. *Id.*

330. *Id.* Many of the arguments in this paragraph are also discussed in Kur & Grosse Ruse-Kahn, *supra* note 276, at 64-68.

states agree to protect free speech in the context of trademark law to obtain the trade-related benefits of membership in the WTO and protect users' rights in their trademark statutes and court decisions, citizens of those states may realize the advantages of stronger free speech rights and eventually convince their governments to embrace the principle of freedom of expression generally. Encouraging others throughout the world to protect free speech is a valid goal. But it is not clear that international trademark law should serve as the vehicle for accomplishing this goal.

Although there are some advantages to listing required exceptions to trademark rights in TRIPS or the Paris Convention, there are also some disadvantages. First, mandatory ceilings on trademark rights limit the flexibility of states. A "one-size-fits-all" list of exceptions may discourage states from balancing free speech and trademark rights in unique ways that benefit their citizens.³³¹ Some rules may be unfavorable and ill-fitting in certain domestic situations.³³² For example, Kur admits that the exclusion for use of a mark for strictly noncommercial purposes in the draft IPT proposal to amend TRIPS could give rise to problems in countries where private possession and use of counterfeit goods is a crime.³³³ A mandatory noncommercial use exemption could also be problematic in states that want to protect the ability of nonprofit organizations to identify and distinguish themselves from competitors and prevent consumer confusion about the source of noncommercial goods, services, or activities. States have not yet sufficiently experimented with enacting these types of speech-protective trademark laws at a local level. Until we are more confident that certain rules properly balance trademark and free speech rights, states should be wary about adding specific mandatory exemptions to trademark rights to the Paris Convention or TRIPS that bind states at an international level.

In addition, it may be difficult for states to agree on the content and specificity of speech-protective trademark rules. Most states can likely agree that trademark laws should not unreasonably conflict with the right to freedom of expression, but there will be much disagreement when they discuss the details. Should the members agree to exempt all noncommercial or nontrademark uses of marks from trademark liability, or include more specific exemptions for use of a mark in the content of political speech, news reporting, and other noncommercial expression? Will they permit unauthorized use of a competitor's mark in comparative advertising, commercial parody and satire, and other commercial expression? Can states agree on whether third parties can use another's marks in a message displayed on the front of T-shirts and other expressive merchandise, in a domain name linked to a website, or in a keyword that triggers an advertisement on an Internet search engine? States may not be able to achieve consensus today on some of these issues.

331. See Kur & Gross Ruse-Kahn, *supra* note 276, at 28-29.

332. Kur, *supra* note 325, at 6.

333. *Id.* at 19. That is why proposed TRIPS Article 17(1)(a)'s "strictly non-commercial use" exception includes the following language: "[, with the possible exception of private possession and use of counterfeit goods]." *Id.* (alterations in original); PROPOSED TRIPS REVISION SYNOPSIS, *supra* note 326, at 7.

Moreover, unless the international trademark agreement clearly provides that members still have discretion to implement unlisted exceptions to trademark rights, states may incorrectly believe they no longer have the flexibility to exempt from trademark liability uses of a mark that are not listed in the agreement. If specific rules are added, it is critical to retain the language in TRIPS Article 17 or a similar catch-all provision that allows other limited exceptions to trademark rights.³³⁴ In WTO disputes, this will discourage WTO panels and the Appellate Body from focusing just on the specific listed exceptions. It will also permit states to adapt domestic trademark laws to social, technological, and legal changes. Marks may be used without authorization in new and unforeseen ways—when TRIPS was drafted, no one knew that Google and other Internet service providers would use marks without authorization within keywords to trigger advertisements on Internet search engines. Such trademark uses may further free speech interests without causing confusion or other significant social harms; allowing comparative advertising can increase the free flow of commercial information about less costly or higher quality alternatives to the leading brand.

It is true that increasing certainty regarding international obligations to protect trademark rights and limitations on those rights can protect free speech values. States may err on the side of more trademark protection—and less free speech protection—if they are uncertain about their obligations and want to avoid an international trademark dispute. Yet predictability is not as critical in the international realm as it is in national trademark laws because international law regulates states, not individual speakers. In international trademark disputes before the WTO, the parties to the dispute are states, not persons or entities trying to decide whether a national trademark law allows them to use a word claimed as a mark in a particular way. During WTO dispute settlement proceedings, the issue would be whether a state is complying with its international trademark obligations when it reduces trademark rights to protect free expression. Unlike in national trademark disputes, the speakers—the individuals or entities using language claimed as a mark—will not be directly penalized or enjoined in WTO disputes. For these reasons, certainty for states may not be as important for free speech purposes as flexibility for states at the international level.

Furthermore, national trademark rules will only be more speech-protective if the rules in international trademark agreements ultimately require states to provide the same or more protection for free speech in their trademark laws. Any international consensus that could be reached at this point may not adequately protect speech interests. Harmonization does not further free speech goals if the harmonized trademark laws do not adequately protect speech. We may end up with a global free speech policy in trademark law that is less speech-protective because it reflects compromises among states. The scholarly literature on this topic is fairly new and states may not be fully aware of the scope of this conflict between trademark and free speech

334. See Geiger, *supra* note 270, at 123-24. The ATRIP working group's IPT proposal included such a provision in the second paragraph of its revised version of Article 17. PROPOSED TRIPS REVISION SYNOPSIS, *supra* note 326, at 7.

rights. If the new international standard is lower than some current national trademark laws, there is always a risk that those states will reduce users' rights to that lower, harmonized standard.³³⁵

Finally, even if mandatory ceilings on trademark rights are added to TRIPS, these new rules may not significantly increase national protection of free speech rights. States will likely only file complaints in the WTO to protect users' rights if there are also trade advantages; WTO dispute settlement proceedings will rarely be initiated by states solely for altruistic reasons.³³⁶ TRIPS does not have direct effect in many countries, so states would need to revise their laws to incorporate these ceilings on trademark rights.³³⁷ If other states are unlikely to complain about a failure to adopt mandatory users' rights, WTO members have less of an incentive to implement these provisions in their domestic laws.

As the costs of amendment appear to outweigh the benefits, this Article concludes that member states should not amend the Paris Convention or TRIPS at this time to add specific mandatory exceptions to trademark rights. They should instead pursue speech-protective reforms of trademark law at the national level. Rigid international rules reflect global norms at a specific point in time and do not give members flexibility to adapt their national laws to changed circumstances. Multilateral treaties can be amended, but not as easily as national laws. Speech may be better protected globally if countries retain control to decide the proper balance of trademark and free speech rights. Of course, member states should also refrain from amending the Paris Convention or TRIPS to reduce the flexibility of states to protect speech interests in domestic trademark laws.

B. *A General Requirement That Members Protect the Right to Freedom of Expression in National Trademark Laws*

States could also amend the Paris Convention or TRIPS to explicitly protect free speech interests in a more general way. They could enact a provision that permits or requires states to protect "the right to freedom of expression" when implementing their obligations under the Paris Convention and TRIPS.³³⁸ For example, mandatory language such as "Members shall protect the right to freedom of expression when implementing the provisions of this Agreement" could be added to Articles 1(1), 7, or 8 of TRIPS, or similar trademark-specific language could be added to the end of Article 17. (A permissive provision would substitute "may" for "shall.")

If TRIPS is amended to explicitly recognize the right to freedom of expression, this would discourage states or markholders from arguing that TRIPS' silence on this issue means that trademark rights automatically trump free speech rights. It may also discourage WTO panels and the Appellate

335. Kur, *supra* note 325, at 6.

336. *Id.* at 4-5.

337. *Id.* at 5-6.

338. Cf. Geiger, *supra* note 270, at 118 ("It would be worth considering including a reference to the [Universal Declaration of Human Rights] in the TRIPS Agreement, so that the Declaration could serve as a guideline for its interpretation.").

Body from adopting a maximalist interpretation of ambiguous international trademark obligations and encourage them to explicitly balance trademark and free speech rights in WTO reports.³³⁹ Such a provision would continue to give WTO members discretion to protect speech in their trademark laws but would not lock states into complying with inflexible rules that reflect international norms at a specific point in time. Moreover, this standards-based approach is consistent with other provisions in TRIPS, such as TRIPS Articles 13, 17, and 30, which contain broad language rather than a specific list of permitted exceptions.³⁴⁰

Yet because such an amendment lacks specificity and does not provide guidance to member states on how to protect speech interests in their domestic trademark laws, it may not significantly increase protection of free speech rights. Here, too, the costs of amendment seem to outweigh the benefits. Some member states may claim it is not worth the effort to amend TRIPS or the Paris Convention—a daunting task—just to add a vague requirement that members “shall” or “may” protect the right to freedom of expression when implementing their international trademark obligations. As discussed in Parts II and III, the current trademark provisions are sufficiently flexible to allow states to limit trademark rights to protect free speech values and the international right of freedom of expression is already relevant when WTO jurists interpret these provisions. Without an amendment requiring exemptions for specific types of trademark uses, it will be difficult to argue that states are clearly violating a mandatory international obligation to protect the right to freedom of expression when they protect trademark rights at the expense of free speech.³⁴¹ A vague provision requiring or allowing protection of the right to freedom of expression in national trademark laws will not be very effective in encouraging some less-speech-protective countries, such as China or Cuba, to actually adopt more speech-protective trademark laws. Human rights advocates may also argue that efforts to amend TRIPS should be focused on other more important issues, such as public health exceptions in international patent law, or users’ rights in international copyright law.

For all of these reasons, member states need not, and should not, attempt to revise the Paris Convention or TRIPS today to more explicitly protect the right to freedom of expression. As noted above, they will better protect free speech values by pursuing reform of trademark laws at the national level. Those states and commentators that recognize the potential conflict between trademark and free speech rights may eventually change international norms by educating others about this problem and ultimately pave the way for speech-protective amendments to international trademark laws sometime in the future.

339. Cf. Kur & Grosse Ruse-Kahn, *supra* note 276, at 51 (noting that flexible ceilings on IP rights may cause policymakers to consider the issues more thoroughly, and have the value of not taking away flexibilities and policy space necessary to tailor an IP regime to domestic needs).

340. See *Canada—Patent Protection*, *supra* note 185, ¶ 7.70. While early drafts of TRIPS Article 30 included specific exemptions for “private use, scientific use, prior use, a traditional exception for pharmacists and the like,” the WTO panel noted that an “illustrative list approach was abandoned in favour of a more general authorization following the outlines of the present Article 30.” *Id.*

341. Cf. KROTOSZYNSKI, *supra* note 4, at 5.

V. CONCLUSION

In WTO disputes involving conflicting trademark and free speech rights, WTO panels and the Appellate Body should recognize the inherent flexibilities in the trademark provisions of the Paris Convention and TRIPS to protect the right to freedom of expression. Member states may protect speech interests by excluding certain signs from protectable trademark subject matter, narrowly defining the rights conferred by a trademark, and allowing certain exceptions to trademark rights. The enforcement provisions of TRIPS also permit national courts to tailor trademark remedies to protect expression. The international trademark obligations set forth in the agreements are narrower than many national trademark laws today, so members can scale back strong national trademark rights to protect speech without violating the Paris Convention or TRIPS.

To better protect speech interests in international trademark law, member states could amend the Paris Convention or TRIPS to explicitly require states to protect “the right to freedom of expression” when implementing their trademark obligations. States could also add specific permissive or mandatory exemptions for certain uses of a mark to the international trademark laws. This Article concludes that states should instead adopt speech-friendly trademark laws at the national level, evaluate whether these domestic laws properly balance trademark and free speech rights, and not pursue international reform until more states recognize that certain trademark laws can harm the free flow of information and ideas.