

7-1-2008

Who is really protecting Barbie: Goliath or the Silver Knight? A defense of Mattel's aggressive international attempts to protect its Barbie copyright and trademark

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Liz Somerstein, *Who is really protecting Barbie: Goliath or the Silver Knight? A defense of Mattel's aggressive international attempts to protect its Barbie copyright and trademark*, 39 U. Miami Inter-Am. L. Rev. 559 (2008)

Available at: <http://repository.law.miami.edu/umialr/vol39/iss3/7>

Who is really protecting Barbie: Goliath or the Silver Knight? A defense of Mattel's aggressive international attempts to protect its Barbie copyright and trademark

Liz Somerstein*

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INTRODUCTION

There is an inherent tension between an original creation and its subsequent reinvention or distortion, which is increasingly

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problematic for large corporations.¹ Opponents of the recent proliferation of corporate attempts to expand the scope of their intellectual property rights² have commented that the growth of the intellectual property disputes between corporate icons and their subsequent users is not logical or correct, but rather it is a product of frivolous lawsuits and sheer intimidation tactics.³

The Mattel Corporation ("Mattel") is no exception to this international trend of utilizing aggressive litigation in an attempt to increase the scope of its intellectual property rights. In fact, "it's no secret California-based Mattel, Inc. has taken great measures to protect the image of its legendary Barbie doll . . . [and] the company's aggressiveness often has taken Barbie from her Malibu dream house to a U.S. courthouse."⁴ For example, in 1998 Mattel brought legal action against MCA Records for trademark infringement and dilution associated with a song⁵ that satirized the Barbie trademark.⁶ In a 2002 decision,⁷ the 9th Circuit Court confirmed the idea that Mattel's actions were overly aggressive and held there was no such infringement, further advising Mattel "to chill."⁸

A comment on Mattel's Barbie icon provoked more than lawsuits. For example, in 1989 "[c]ritics of the 'Barbie ideal'⁹ created the Barbie Liberation Organization ("BLO"), "a project of 'culture-jamming' ® ™ARK ("art-mark"), to stage cultural events that mock[ed] the doll."¹⁰ Of note was the infamous BLO prank wherein members switched the voice boxes of approximately 300 talking versions of G.I. Joe and Barbie dolls, and at the pull of a string the mottled image of Barbie shouted: "Vengeance is mine."¹¹

1. See, DAVID BOLLIER, *BRAND NAME BULLIES: THE QUEST TO OWN AND CONTROL CULTURE* (2005).

2. *Id.*

3. *Id.*; See also, Tom Forsythe Artsurdism, http://creativefreedomdefense.org/bio_foodchain.cfm (last visited Feb. 6, 2008) (commenting "Corporations proceed quietly, below the radar of public scrutiny, merely by making a business decision to throw their intimidating wealth in the face of hapless artists.").

4. Dan Trigoboff, *Ruling Keeps Barbie at Bottom of Food Chain*, 3/04 Corp. Legal Times 54, (col.1)(2004).

5. The song at issue was Danish band Aqua's hit single entitled "Barbie Girl." *Mattel, Inc. v. MCA Records, Inc.*, 28 F.Supp.2d 1120 (C.D.Cal.,1998).

6. *Id.*

7. *Mattel, Inc. v. MCA Records, Inc.*, 296 F.3d 894 (2002).

8. *Mattel, Inc.*, 296 F.3d at 908.

9. BOLLIER, *supra* note 1.

10. *Id.*

11. *Id.* As an additional aspect of the prank, G.I. Joe was rigged to say, "Let's plan our dream wedding." *id.*

Mattel is at war in both the United States and Canada, perpetually fighting for the right to protect its Barbie copyright and trademark. Embracing this war ideology, Mattel's attorneys sent mock hand grenades to prospective clients, affixing a note stating they will "go to war" for them.¹² This aggressive and ruthless approach earned Mattel the repute as a brand-name bully¹³ and perpetual Goliath.¹⁴ This "disturbing trend"¹⁵ is critiqued as a mere "paranoid overreaction of an over-layered corporation,"¹⁶ whose abuse of copyright and trademark law has caused a stifling and arcane "zone of the illegal imagination."¹⁷ This note argues that Mattel, however, is not an overreacting Goliath and paranoid bully; its dogmatic litigation strategy is defensible and justified when looked at under the lens of Legal Realism.

Part I of this note outlines the theoretical underpinnings of Legal Realism, a school of thought couched in the understanding of the inherent fluidity of the law. Part II examines Mattel's suit brought in spite of entrenched American copyright law in the case of *Mattel, Inc. v. Walking Mountain Production*.¹⁸ Part III justifies this American battle for Barbie by considering Mattel's corporate litigation strategy in light of two core tenets of Legal Realism – ambiguity of legal language and the role of distinctive fact situations and contexts. Part IV examines a similar fight against entrenched Canadian trademark law in the case of *Mattel, Inc. v. 3894207 Canada, Inc.*¹⁹ ("BARBIE"), noting the evolution of the relevant legal framework. Part V provides justification for Mattel's actions, with a particular emphasis on the immediate effect of shifting Canadian trademark jurisprudence. Part VI concludes by suggesting that, in light of Legal Realist philosophy, Mattel's aggressive international battles to protect its Barbie copyright and trademark is not only justifiable, but has the added benefit of

12. Tom Forsythe Artsurdism, http://creativecommonsdefense.org/bio_foodchain.cfm (last visited Feb. 6, 2008).

13. BOLLIER, *supra* note 1.

14. Editorial, *Throwing Barbie on the Barbie ruled OK, if it's art*, The Austr. (Australia), July 3, 2004, at 1 (commenting on Mattel's reputation in the United States); *Putting Barbie on the Barbie*, Daily Tel. (Sydney, Australia), May 28, 2005 (commenting on Mattel's reputation in Canada by stating, "A Canadian restaurant owner in invoking Australian slang in its defense in a David and Goliath court battle against US toymaker Mattel.").

15. BOLLIER, *supra* note 1, at 5.

16. BOLLIER, *supra* note 1, at 16.

17. BOLLIER, *supra* note 1, at 12.

18. *Mattel, Inc. v. Walking Mountain Production*, 353 F.3d 792 (2003).

19. *Mattel, Inc. v. 3894207 Canada, Inc.*, 1 S.C.R. 772 (2006).

slowly reshaping entrenched intellectual property laws in both the United States and Canada.

I. LEGAL REALISM: AN OVERVIEW

Legal Realist philosophy seeks to recast legal reasoning in terms of active reason and views the law as “less a matter of the invariable application of norms . . . and more a matter of equitable [and] variable, discretion on the part of officials of the state.”²⁰ Legal Realists do not conform to the traditional understanding of the rule of law, but rather view rules “not with reference to principles but. . .with respect to considerations of policy, [and] social advantage.”²¹

According to the Legal Realist philosophy, the inherent fluidity and indeterminacy of the law is exemplified in the ambiguity of legal language, social and economic change, distinctive fact situations and contexts, as well as the psychological interplay of judge-made decisions.²² Skeptical of traditional jurisprudence,²³ a fixed rule of law is a fallacy as “[r]ight-minded and informed men cannot be expected always to reach the same conclusions.”²⁴ This doubt of the traditional notion of prescribed and exacting legal rules underscores the Realist’s notion that the law is fluid. It is a paradoxical understanding that the true understanding of the law is liquid; cases have the ability to change the law as quickly as currents through the sea or as slowly as glass turns to liquid.²⁵

Throughout the 1930’s and into the 1940’s, Legal Realism’s theoretical analysis of jurisprudence was widely celebrated, yet its eminence as a preeminent school of legal thought has slowly lost

20. Christopher Shannon, *The Dance of History* (Book Review), 8 Yale J.L. & Human. 495, 497 (1996) (citing JOHN HENRY SCHLEGEL, *AMERICAN LEGAL REALISM AND EMPIRICAL SOCIAL SCIENCE*, at xii, 418, 44 (Chapel Hill: University of North Carolina Press)(1995).

21. Christopher Shannon, *The Dance of History* (Book Review), 8 Yale J.L. & Human. 495, 497 (1996) (citing JOHN HENRY SCHLEGEL, *AMERICAN LEGAL REALISM AND EMPIRICAL SOCIAL SCIENCE*, at xii, 418, 226 (Chapel Hill: University of North Carolina Press)(1995); See also, KARL LLEWELLYN, *BRAMBLE BUSH*, (10th ed. 1996).

22. WILFRID E. RUMBLE, *AMERICAN LEGAL REALISM: SKEPTICISM, REFORM, AND THE JUDICIAL PROCESS*, 63-69 (Cornell University Press 1968).

23. RUMBLE, *supra* note 22, at 48.

24. RUMBLE, *supra* note 22, at 235; See, LLEWELLYN, *supra* note 21 (“What these officials do about disputes is. . .the law itself.”).

25. Is Glass a Solid or An Extremely Slow Moving Liquid?, <http://www.science.daily.com/releases/2007/08/070809130014.htm> (last visited Feb. 6, 2008) (commenting that it is merely scientific legend that glass is a liquid, however the concept remains applicable).

luster.²⁶ The “inevitable question” as posed by Professor Wilfrid Rumble is, “why a movement of such clear significance is no longer the dynamic force which it once was?”²⁷ There is no simple answer to this question. Although “muted”²⁸ over time, the contemporary relevance and impact of the Legal Realist school of thought remains.²⁹

It is easy to overlook those cases that flow like glass: slow and imperceptible to the naked eye, changing the law one molecule at a time. Mattel, however, is an exemplar of a major corporation wherein a loss at court has the positive effect of slowly shaping international intellectual property law.

Based upon Mattel’s philosophy to aggressively protect its property rights, this note will address the legitimacy of Mattel’s international battles in the specific cases of *Walking Mountain*³⁰ and *BARBIE*.³¹ Both reflect instances where Mattel fought and lost in the wake of then existing status of the law. Although Mattel lost at court, it is through these international legal battles that the “contemporary relevance and impact of the legal realist school of thought”³² triumphed, proving the axiom that one can lose the battle but win the war.

II. MATTEL’S AMERICAN BATTLE: *MATTEL, INC. v. WALKING MOUNTAIN PRODUCTIONS*

“She is tall and blonde and if you want to top her with cheese and put her in the oven, you can.”³³

Copying, to a certain degree, is essential to creativity and the birth of new ideas³⁴ in the face of expanding United States intel-

26. RUMBLE, *supra* note 22, at 238.

27. RUMBLE, *supra* note 22, at 238.

28. RUMBLE, *supra* note 22, at 2-3; *See*, JEROME HALL, *STUDIES IN JURISPRUDENCE AND CRIMINAL THEORY* 136-142 (New York: Oceana 1958).

29. RUMBLE, *supra* note 22, at 3.

30. *Mattel, Inc. v. Walking Mountain Production*, 353 F.3d 792 (2003).

31. *Mattel, Inc. v. 3894207 Canada, Inc.*, 1 S.C.R. 772 (2006).

32. RUMBLE, *supra* note 22.

33. Editorial, *Throwing Barbie on the Barbie ruled OK, if it's art*, *The Austr.* (Australia), July 3, 2004, at 1.

34. In confirmation of this notion, psychological theory and “case studies (from Mozart to Charlie Parker to the Beatles) demonstrate that an intense period of immersion characterized by practice and rehearsal based on imitating and copying the work of others is a necessary condition for creativity and innovation.” Jane Bailey, *Deflating the Michelin Man: Protecting User's Rights in the Canadian Copyright Reform Process* (2005), http://ansuz.sooke.bc.ca/lawpoli/copyright/geistbook/2_02_Bailey.pdf.

lectual property law (wherein the stated purpose is to protect the advancement of "Progress," i.e., creativity).³⁵ This means that imitation may no longer support the adage "sincerest form of flattery," as originality is currently plagued by the irking sensation that creation no longer is a pure and original endeavor.³⁶ Artists, in particular, increasingly draw upon corporate images in the face of this "precarious"³⁷ depletion of original ideas. In response, corporations are pigeonholed as "bullies,"³⁸ criticized for their "disturbing"³⁹ efforts to tighten the scope of the law in an attempt to protect their original creative works from rebirth.⁴⁰

Mattel, specifically, has garnered the reputation as one of the most litigious American corporations. With this repute arises a metaphorical comparison to the biblical battle between David and Goliath.⁴¹ Goliath represents a giant corporation consistently battling the smaller, less powerful David. Notwithstanding the supportable legal frameworks, it is hard for the courts morally to justify a ruling in favor of the big corporation, Goliath, Inc. This aggressive strategy, however, is the only way Mattel is able to eventually shape the law to their advantage, exemplifying the Legal Realist conception of the fluid "indispensible dynamic quality of the law."⁴²

Mattel's American battle of David and Goliath, in *Walking Mountain*, is an archetypical example of how, even in the face of defeat, its aggressive litigious stance has the added benefit of slowly chipping away at the detrimentally entrenched American copyright laws. In this instance, the Court found the case law and relevant portion of the Copyright Act, 17 U.S.C.A. §107 ("*US Act*")

35. U.S. Const. Art. I, sec 8, cl. 8 (wherein the primary objective of copyright is "[t]o promote the Progress of Science and useful Arts.").

36. Kimball Tyson, *The Illegal Art Exhibit: Art or Exploitation? A Look At the Fair Use Doctrine in Relation to Corporate Degenerate Art*, 9 Computer L. Rev. & Tech. j. 425, 431(2005) (stating "when the idea of 'absolute novelty' as an impossibility has survived for centuries, artists of the postmodern era feel as though they are in the precarious situation of creating something new in a world where there is nothing new to create.").

37. Tyson, *supra* note 37, at 431.

38. BOLLIER, *supra* note 1.

39. BOLLIER, *supra* note 1, at 5.

40. BOLLIER, *supra* note 1, at 4-5 (commenting "[there] is a radical expansion of the scope of copyright and trademark law. The owners of intellectual property, especially large entertainment industries, are asserting sweeping new rights of ownership and control for themselves at the expense of the public and future creators.").

41. Editorial, *supra* note 14, at 1.

42. EDWARD H. LEVI, AN INTRODUCTION TO LEGAL REASONING 2 (The University of Chicago Press 1949).

clearly against Mattel. Paradoxically, this pursuit allowed Mattel to establish distinctions, which can then be used by Mattel to ultimately swing the court into its favor.

The following analysis of *Walking Mountain* will discuss how the Court's interpretation of the facts, as read in light of statutory text and case law, led the Court to dismiss Mattel's infringement claim. Under the guise of a Legal Realist lens, Mattel theoretically did not lose. To be more precise, *Walking Mountain* is an exemplar of two Legal Realist tenets that serve to shape the law through (1) the ambiguity of legal language and (2) distinctive fact situations and contexts.⁴³

A. *The Walking Mountain case*: Background

Self-taught Utah artist Tom Forsythe, also known as Walking Mountains Productions, is infamous for producing photographic portraits with social and political overtones. In 1997, he created a series of 78 photographs, entitled "Food Chain Barbie," ("the series") which depicted Mattel's Barbie doll in a variety of incongruous and erotic positions. Throughout this series, Forsythe used the word "Barbie" to title some of the photographs featuring nude and often sexualized Barbie dolls juxtaposed in compromising positions among vintage kitchen appliances.⁴⁴ In line with his reputation, the series was created to address the social overtones of the Barbie figure in the American culture, simultaneously commenting on "the objectification of women . . . and the conventional beauty myth."⁴⁵ Forsythe stated that he was looking for a figure that would "represent crass commercialism . . . [a]nd about two seconds later [he] thought, 'Aha! Barbie!'"⁴⁶ Throughout this attempt to lambast the beauty-obsessed consumer culture, Forsythe maintains that the totality of the series justly exercised use of his artistic expression to convey a serious message, while retaining a blatantly humoristic overtone.⁴⁷

The series was exhibited at two art festivals⁴⁸ and subse-

43. RUMBLE, *supra* note 22, at 65-69.

44. *Mattel Inc.*, 353 F.3d at 796.

45. *Id.*

46. Editorial, *supra* note 14, at 1.

47. *Mattel Inc.*, 353 F.3d at 796. Forsythe carries this humor into all aspects of the case. In December, 1999 "after Mattel . . . served Forsythe with its complaint, [he] videotaped himself 'execut[ing]' his collection of Barbies. Forsythe claims he did this to 'let off steam' and as a humorous statement." *id.* at 798 n.5.

48. The two festivals included the Park City Art Festival in Park City, Utah and the Plaza Art Fair in Kansas City, Missouri. *Mattel Inc.*, 353 F.3d at 796.

quently chosen for display in a variety of exhibitions.⁴⁹ He promoted the series through a postcard depicting the photo entitled "Barbie Enchiladas," a business card describing himself as an "Artsurdist"⁵⁰ and a website depicting low-resolution pictures of the series.⁵¹ Of the 2000 promotional postcards printed only 500 circulated,⁵² grossing Forsythe profits of merely \$3,659.⁵³ Over half of Forsythe's gross sales accrued from purchases by Mattel investigators.⁵⁴

Forsythe had an "entirely different idea about what to put into a burrito,"⁵⁵ yet this humor was not appreciated by Mattel. On August 23, 1999, Mattel filed an action in the United States District Court for the Central District of California against Forsythe alleging the series infringed on Mattel's copyright, trademark, and trade dress.⁵⁶ Thereafter, Forsythe moved for summary judgment and Mattel filed a cross-motion for summary judgment.⁵⁷ The District Court granted Forsythe's motion for summary judgment, holding that Forsythe's use of the Mattel copyrighted work was fair and permissible.⁵⁸ Additionally, the Court held that his use of Mattel's trademark and trade dress caused no likelihood of confusion to Mattel's sponsorship of the series.⁵⁹ The District Court dismissed the trademark dilution claim, finding that the use was "noncommercial."⁶⁰

49. Including an exhibition by the Deputy Director and Chief Curator of the Guggenheim Museum of Modern Art in New York City. *Mattel Inc.*, 353 F.3d at 796 n.2.

50. Also depicted on the business card was his photo entitled "Champagne Barbie." *Mattel Inc.*, 353 F.3d at 797.

51. *Mattel Inc.*, 353 F.3d at 797. The series was not equipped for online purchasing at the time of trial, but as an interesting postscript, the Barbie images are currently for sale on Forsythe's website. Tom Forsythe Artsurdism, <http://creativecommons.org/Results.cfm?category=12> (last visited Jan. 15, 2008).

52. *Mattel Inc.*, 353 F.3d at 797 (detailing that some of the distributed postcards circulated throughout his hometown of Kanab, and others to a feminist scholar who used the series in her academic presentations. 180 of the postcards were also sold to a Kanab bookstore owner, and personal friend of the artist, to be resold. 22 postcards were sold to two other personal friends of the artist).

53. *Mattel Inc.*, 353 F.3d at 797.

54. *Id.* at 3.

55. Transcript of National Public Radio Morning Edition, *Analysis: Federal appeals court rules artist's depictions of Barbie being threatened by kitchen appliances are a form of protected speech*, Jan. 2, 2004.

56. *Mattel Inc.*, 353 F.3d at 797.

57. *Id.* at 798.

58. *Id.*

59. *Mattel Inc.*, 353 F.3d at 798.

60. *Id.*

Mattel appealed the District Court's decision.⁶¹ Inevitably and ironically, Forsythe's humor triumphed. On appeal, the United States Court of Appeals for the Ninth Circuit of California affirmed the District Court's grant of summary judgment for Forsythe commenting, "[C]opyrights don't protect Barbie from being parodied or threatened by a food processor."⁶²

B. *The Walking Mountain Court's Analysis*

While it is undisputed that Mattel, as the owner of the copyrighted Barbie doll, established a *prima facie* case of copyright infringement due to Forsythe's Barbie photographs and reproductions of said photographs,⁶³ this note focuses on the core issue as to whether Mattel was justified in their action against Forsythe.⁶⁴ In order to make this determination, one must look at the Court's interpretation of the law in regards to Mattel's claim.⁶⁵

Artistic license is more than a colloquial term; Forsythe's sarcastic juxtaposition of classic and youthful cultural icons within disturbing and depressing contexts is subject to the fair use exception of the *U.S. Act*.⁶⁶ Since the "evolution of creativity cannot happen in a vacuum,"⁶⁷ the affirmative fair use defense⁶⁸ allows an infringer limited use of a copyrighted work,⁶⁹ so as to exclude "from copyright restrictions certain [reasonable] works, such as those that criticize and comment on another work."⁷⁰ Fair use

61. *Id.* at 799.

62. Transcript of National Public Radio Morning Edition, *Analysis: Federal appeals court rules artist's depictions of Barbie being threatened by kitchen appliances are a form of protected speech*, Jan. 2, 2004; *See also*, *Mattel Inc.*, 353 F.3d at 816.

63. *Mattel Inc.*, 353 F.3d at 799; *See also*, Dana Drexler, *MATTEL INC. V. WALKING MT. PRODS.*, 15 DePaul-LCA J. Art & Ent. L. 433, 436 (2005).

64. *Mattel Inc.*, 353 F.3d at 799; *See also*, Dana Drexler, *MATTEL INC. V. WALKING MT. PRODS.*, 15 DePaul-LCA J. Art & Ent. L. 433, 436 (2005).

65. *Mattel Inc.*, 353 F.3d at 799; *See also*, Dana Drexler, *MATTEL INC. V. WALKING MT. PRODS.*, 15 DePaul-LCA J. Art & Ent. L. 433, 436 (2005).

66. *Copyright, Commerce & Creativity*, Financial Times Information Limited (India), July 13, 2004, at 1.

67. *Id.*

68. 17 U.S.C. §107.

69. Brent A. Olson, et. al., *Business Law Deskbook, Formation And Operation of Businesses Current Through the 2007-2008 Update*, 9 Ariz. Prac., Buisness Law Deskbook §15:14 (2007).

70. *Mattel Inc. v. Walking Mountain Productions*, 353 F.3d 792, 799 (9th Cir. 2003); *See also*, 17 U.S.C. §107; *Dr. Seuss Enters. v. Penguin Books USA, Inc.*, 109 F.3d 1394, 1399 (9th Cir.) (holding fair use "permits courts to avoid rigid application of the copyright statute when, on occasion, it would stifle the very creativity which the law is designed to foster."), *cert. dismissed*, 118 S.Ct. 27 (1997).

determinations are made with a "flexible balancing"⁷¹ of the following four mandatory factors:⁷²

(1) the purpose and character of the use, including whether such use is of a commercial nature or is for nonprofit educational purposes; (2) the nature of the copyrighted work; (3) the amount and substantiality of the portion used in relation to the copyrighted work as a whole; and (4) the effect of the use upon the potential market for or value of the copyrighted work.⁷³

Campbell v. Acuff-Rose Music, Inc.,⁷⁴ solidified that not only are the aforementioned four factors necessary in a fair use determination, all four factors must be considered jointly.⁷⁵ *Campbell* serves as extremely persuasive precedent in the interpretation of fair use. *Campbell*, read jointly with the *U.S. Act*, emphasizes the entrenchment of the fair use defense in United States jurisprudence. The Court heavily relies on both in making their own, almost systematic and textbook, fair use analysis.

i. Purpose and character of use

The first of the four factors the Court considered in making their fair use determination was "purpose and character of use" with the subsequent relevant inquiry asking "'to what extent the new work is transformative' and does not simply 'supplant' the original work."⁷⁶ Whether a work is transformative is central to a fair use analysis.⁷⁷ Parody, considered a subset of transformative works, comments or criticizes a work by appropriating aspects of the original in the creation of the new.⁷⁸ At the threshold of the transformative determination is the perception of parody.⁷⁹ *Mattel*, supported by survey evidence, argued that a reasonable juror could not conclude that Forsythe's series parodied *Mattel's Barbie*.⁸⁰ As the issue of parody is a question of law, not a matter

71. *Mattel Inc.*, 353 F.3d at 800.

72. Howard B. Abrams, *Chapter 15: Fair Use C. The Fair Use Analysis*, COPYLAW §15:31(2007) (citing 17 U.S.C. §107: "[i]n determining whether the use made of a work in any particular case is a fair use the factors to be considered shall include" the four specified factors.'").

73. *Mattel Inc.*, 353 F.3d at 800 (citing *Dr. Seuss*, 109 F.3d at 1399-1404).

74. *Campbell v. Acuff-Rose Music, Inc.*, 114 S.Ct. 1164 (1994).

75. *Mattel Inc.*, 353 F.3d at 800; See also, Abrams, *supra* note 73.

76. *Mattel Inc.*, 353 F.3d at 800 (citing *Campbell*, 114 S.Ct. at 1164).

77. See, Abrams, *supra* note 73.

78. *Mattel Inc.*, 353 F.3d at 801; *Dr. Seuss*, 109 F.3d at 1400.

79. *Mattel Inc.*, 353 F.3d at 800.

80. *Id.* at 801.

of public opinion,⁸¹ the court refused to consider Mattel's survey evidence.⁸²

Likewise, whether a parody arose in bad taste is not relevant to a fair use determination.⁸³ Over the years, Mattel has solidified Barbie as an icon of "the ideal American woman and a symbol of American girlhood."⁸⁴ Regardless of how one may feel about his approach,⁸⁵ Forsythe turned Mattel's carefully crafted image "on its head"⁸⁶ by positioning Barbie in ridiculous poses and dangerous situations.⁸⁷ His use of lighting, background, props, and camera angles all served to provide the viewer of the series with a different set of associations and contexts for Mattel's sweetheart.⁸⁸

The attempted commentary on gender roles is easy to glean from the series of photographs in which Barbie is on the verge of destruction from domestic staples, such as kitchen appliances, while continually displaying her "well known smile, disturbingly oblivious to her predicament."⁸⁹ In other photographs in the series, Forsythe comments on the position of women in society by positioning Barbie nude, in sexually suggestive situations.⁹⁰ Inevitably, the court found that Barbie's associations convey messages about gender, social roles, and society in such a way that is ripe for social commentary.⁹¹ By transforming these associations, Forsythe created a classic example of social criticism and parodic speech encouraged by the *U.S. Act* and protected by the First

81. *Mattel Inc.*, 353 F.3d at 801 (citing *Campbell*, 114 S.Ct. at 582-83).

82. *Mattel Inc.*, 353 F.3d at 801 (commenting that the "[u]se of surveys in assessing parody would allow majorities to determine the parodic nature of a work and possibly silence artistic creativity. Allowing majorities to determine whether a work is a parody would be greatly at odds with the purpose of the fair use exception and the Copyright Act.").

83. *Mattel Inc.*, 353 F.3d at 801. See also, *Campbell*, 114 S.Ct. at 582-83.

84. *Mattel Inc.*, 353 F.3d at 802 (citing *Mattel, Inc. v. MCA Records, Inc.*, 296 F.3d 894, 898 (9th Cir. 2002), cert. denied, 537 U.S. 1171 (2003)).

85. *Sick Barbie Artist Escapes the Chop*, Sunday Mercury (Birmingham, UK) March 14, 2004 (stating "An artist who photographed naked Barbie dolls, put them in a blender and then cooked them, has been given the go-ahead to carry on with his *sick trade*." (emphasis added)).

86. *Mattel Inc.*, 353 F.3d at 802.

87. *Id.*

88. *Id.*

89. *Id.*

90. *Mattel Inc.*, 353 F.3d at 802; Editorial, *supra* note 14, at 1 ("His favourite is Heatwave – a naked Barbie baking and basting in the orange glow of a rotisserie oven. Sunbeams has the doll's taut posterior poking out above a Sunbeam mixer. Others show the well-endowed plastic icon bathing in a martini glass and wallowing in a wok.").

91. *Mattel Inc.*, 353 F.3d at 802.

Amendment.⁹²

The second element considered under the "purpose and character of use factor"⁹³ is whether the "purpose" was commercial or had a non-profit aim.⁹⁴ Although conceded that Forsythe presumably intended to find a market for his art, the commercial expectations for his art did not weigh against him given the "extremely transformative nature and parodic quality of [his] work."⁹⁵

ii. Nature of the copyrighted work

The second factor considered under a fair use analysis is the nature of the copyrighted work.⁹⁶ The more creative the work, the more protection it receives, with fictional works usually considered more "creative" than factual works.⁹⁷ The Court recognized that Mattel's Barbie is a creative work; however one that is openly subject to parody.⁹⁸ Although not an extremely important factor in the scheme of a fair use analysis, the Court did conclude that this second factor weighed slightly against Forsythe.⁹⁹

iii. Amount and substantiality of the portion used

The third factor involves a review of the amount and substantiality of the portion used, with the extent permissibly copied varying with the purpose and character of its use.¹⁰⁰ Mattel argued that Forsythe could have used a lesser portion of the Barbie doll; the Court found this argument without merit.¹⁰¹ First, the Court found that Forsythe did not copy the work verbatim.¹⁰² Depending on the angle or contextual obstructions, the entire head and body of the Barbie doll were never on display in the series.¹⁰³ The Court found the third factor in favor of Forsythe and granted him the

92. *Mattel Inc.*, 353 F.3d at 803.

93. 17 U.S.C. §107.

94. *Mattel Inc.*, 353 F.3d at 803(citing *Campbell*, 510 U.S. at 584).

95. *Mattel Inc.*, 353 F.3d at 803(citing *Harper & Row Publishers, Inc. v. Nation Enters.*, 471 U.S. 539, 579 (1985)).

96. *Mattel Inc.*, 353 F.3d at 803; Olson, *supra* note 70.

97. Olson, *supra* note 70.

98. *Mattel Inc.*, 353 F.3d at 803.

99. *Id.*

100. *Mattel Inc.*, 353 F.3d at 803 (citing *Campbell*, 510 U.S. at 586-87); *See also*, Olson, *supra* note 70.

101. *Mattel Inc.*, 353 F.3d at 804.

102. *Mattel Inc.*, 353 F.3d at 803 (stating "A verbatim copy of Barbie would be an exact three dimensional reproduction of the doll").

103. The court noted that the majority of copyright infringement actions involve works that are naturally severable, such as songs, videos, or written works; the new work can easily sever select portions of the original and simply add to it. Due to the

legal artistic license to create new from deconstructing the old, therefore justifying the series as a reincorporation of the original into a novel context, infused with new character.¹⁰⁴

iv. Effect upon the potential market

The fourth factor posed the question, was there actual market harm to Mattel resulting from the series?¹⁰⁵ Mattel argued that the series could lead to potential market harm by impairing the value of “Barbie itself, Barbie derivatives, and licenses for the use of the Barbie name and/or likeness to non-Mattel entities.”¹⁰⁶ The court rejected Mattel’s contention and concluded that this market substitution effect is highly unlikely given the parodic nature of the series.¹⁰⁷

Eerily similar is the previous lawsuit brought by Mattel against artist Susan Pitt; Pitt created a series of dolls, “Dungeon Dolls,” that were essentially Barbie dolls altered and dressed in sadomasochistic attire.¹⁰⁸ In *Mattel, Inc. v. Pitt*¹⁰⁹ the Southern District Court of New York, analogous to the *Walking Mountain* Court, found Pitt’s work sufficiently transformative. The Court held that most likely no danger to the potential market would transpire because Mattel was highly unlikely to develop, or license others to develop, an “‘adult’ doll market.”¹¹⁰ For the same reason, Forsythe’s series could only reasonably substitute photographs in the market for “adult-oriented artistic photographs of Barbie.”¹¹¹ The Court confidently assumed that Mattel would not enter, nor license others to enter, this adult market.¹¹² After an analysis and balance of the four aforementioned factors, the Court held that Forsythe’s series clearly amounted to fair use and affirmed the District Court’s grant of summary judgment.¹¹³

unique nature of the original work, the court justified Forsythe’s contextual addition captured in the photographs. *Mattel Inc.*, 353 F.3d at 804.

104. *Mattel Inc.*, 353 F.3d at 804.

105. *Id.*

106. *Id.* at 805.

107. *Id.* at 805.

108. *Id.* at 806.

109. *Mattel, Inc. v. Pitt*, 229 F.Supp.2d 315 (S.D.N.Y. 2002).

110. *Mattel Inc.*, 353 F.3d at 806 (citing *Pitt*, 229 F.Supp.2d at 324).

111. *Mattel Inc.*, 353 F.3d at 806.

112. The court concludes the analysis with confirming the overwhelming benefits to the public by promoting free speech, artistic freedom, and social criticism. *Mattel Inc.*, 353 F.3d at 806.

113. *Mattel Inc.*, 353 F.3d at 800.

III. AT LOOK AT *WALKING MOUNTAIN* UNDER THE LEGAL REALIST LENS

A. *Ambiguity of legal language*

"Almost all legal sentences . . . have a way of reading as though they had been translated from German by someone with a rather meager knowledge of English."¹¹⁴ Legal Realists concede and embrace the notion that legal language is ambiguous and not self-expounding.¹¹⁵ The *Walking Mountain* court made their ultimate decision based on their interpretation of the fair use defense codified in the *U.S. Act*.

Statutory interpretation, at first blush, would not seem subject to the critical lens of the Legal Realist. Each word of a statute has a particular meaning; in order to effectuate legislative intent, every word must be read to reflect the exact nuance in which it was written.¹¹⁶ This demanding nature of statutory language, however, is just another feature of the constant ebb and flow that eventually realigns the law.¹¹⁷ A statute can therefore be relaxed from this rigid statement of strict legislative intent to that of a general statement, "describ[ing] a general situation . . . a picture of which the outline is not solid steel, but rubber, or. . . a wreath of smoke. It can be extended pretty widely and contracted pretty narrowly. And if you are a little clever, it will catch or let out the situation you are deciding."¹¹⁸ Legal Realist Edward Levi contends that statutes are even more flexible and prone to manipulation than case law.¹¹⁹ Mattel's aggressive corporate strategy, and the fact that they sued in spite of the *U.S. Act* weighing so strongly against it, evidences that Mattel has embraced the Legal Realist's conception of ambiguity inherent in statutes.

The *Walking Mountain* Court happened to rule against Mattel, but subsequent courts might have different interpretations of the ambiguities of the statute. People individually make statutory interpretations. Mattel's continual fight provides additional opportunities for a fresh set of eyes to interpret and apply the stat-

114. RUMBLE, *supra* note 22, at 63 (quoting Legal Realist - Fred Rodell).

115. RUMBLE, *supra* note 22, at 66; JEROME FRANK, *COURTS ON TRIAL: MYTH AND REALITY IN AMERICAN JUSTICE* 299 (Princeton: Princeton University Press, 1950) ("The serpent in the imagined garden of Eden is the irrepressible semantic problem.").

116. KARL LLEWELLYN, *THE COMMON LAW TRADITION* 521-534 (1960); SOIA MENTSCHIKOFF & IRWIN P. STOTZKY, *THE THEORY AND CRAFT OF AMERICAN LAW* 41 (1981).

117. LEVI, *supra* note 43, at 30.

118. RUMBLE, *supra* note 22, at 64 (quoting Legal Realist - Max Radin).

119. See LEVI, *supra* note 43, at section III.

ute. As an aggressive litigant, Mattel is advancing the Legal Realist theory by fortifying its position through a reliance on the ambiguity of legal language. Mattel's actions, therefore, are decidedly not without merit because (under a Legal Realist lens) there is no true and solid interpretation of the fair use defense in the *U.S. Act*. Further, not suing in an attempt to achieve a different interpretation is considered bad corporate policy on Mattel's behalf.

Additionally, in its interpretation of the ambiguous language of the *U.S. Act*, the Court went as far as to attack Mattel's claim as frivolous.¹²⁰ In accord with notions of Legal Realism, calling Mattel's claim "frivolous" is a harsh characterization. Frivolous is defined as "having no sound basis (as in fact or law)."¹²¹ The design of both the *U.S. Act* and the affirmative fair use defense intends to strike a balance between the copyright owner and those wishing to comment or parody the copyright at hand. According to the noted Legal Realist scholar Wesley Hohfeld, for every right asserted there is a corresponding legal duty.¹²² Under this conception of the power play inherent in the law, in order for Mattel to win its right to monopolize its copyright, artists have a duty to abide by the four fair use factors. Mattel's claim, therefore, is theoretically not frivolous as it is grounded in the "sound basis"¹²³ that its right of copyright corresponds with the duty to abide and comply with the fair use factors.

B. Distinctive fact situations and contexts

The ability for mere factual distinctions to change the law is key to understanding the unseen benefit of Mattel's defeat in the instant case. As stated by Wilfrid Rumble, "[t]he unique character of facts in a case is important, too, because it gives judges an opportunity to reach a number of competing decisions *without* outright reversal of established rules."¹²⁴ What facts are at issue are imperative in a judge-made prediction as to how the case will be decided in light of precedent. Legal Realism advances the notion

120. Not Reported in F.Supp.2d, 2004 WL 1454100 (C.D.Cal.); *See also*, James B. Astrachan, *Commentary: Court calls Mattel's copyright suit frivolous*, Daily Record (Baltimore, MD) July 2, 2004.

121. Merriam-Webster on-line, <http://www.m-w.com/dictionary/frivolous> (last visited Feb. 7, 2008).

122. LLEWELLYN, *supra* note 21, at 91- 101.

123. Merriam-Webster on-line, <http://www.m-w.com/dictionary/frivolous> (last visited Feb. 7, 2008).

124. RUMBLE, *supra* note 22, at 69.

of prediction. "The predictable element [the rule] in it all is what courts have done in response to the stimuli of the facts of the concrete cases before them."¹²⁵

In this regard, Mattel's action against Forsythe contributed to the cannon of fair use case law that will be referenced in future decisions; the facts and circumstances of *Walking Mountain* affords Mattel factual instances upon which to draw and distinguish any possible future cases. For instance, the Court's determination of the third fair use factor, substantiality of the portion used, rested upon the fact that Forsythe never displayed the *entire* head and body;¹²⁶ the court did not establish a universal, absolute amount allowable for reproduction of the Barbie doll, rather they created a 'Forsythe standard' of use. Under the tenets of Legal Realism, the 'Forsythe standard' is just another factual stimulus¹²⁷ added to the database of precedent upon which Mattel can access to make subsequent factual distinctions. If in the future an infringer uses even one plastic toe more than the 'Forsythe standard,' Mattel may have a much stronger case. The more circumstances Mattel has to draw from, the more facts Mattel will have in its arsenal with which to make winning distinctions.

Outside of guiding Mattel's actions, this dynamic quality of the law is almost palpable to the artists. Although a clear victory for artists, upon discussing the outcome five years after the fact, Forsythe commented, "People [artists] don't feel particularly safe . . . [you] should always be a little bit wary."¹²⁸

Although Mattel lost in *Walking Mountain*, their aggressive litigation strategy in the United States is justifiable under the lens of Legal Realism in that judicial interpretation of statutes and preceding case law shift due to distinguishable facts and societal pressures. In Canada, Mattel's actions have shown fruit of this aggressive approach wherein a change occurred due to the Court's Legal Realist acknowledgment of the looseness inherent in the language of the law. This justifies that Mattel's actions confirm the notion that a shift, although imperceptible, is a shift nonetheless.

125. RUMBLE, *supra* note 22, at 63 (citing Herman Oliphant, *A return to Stare Decisis*, 159 A.B.A.J., XIV (1928)).

126. *Mattel Inc.*, 353 F.3d at 806.

127. RUMBLE, *supra* note 22, at 63 (citing Herman Oliphant, *A return to Stare Decisis*, 159 A.B.A.J., XIV (1928)).

128. Telephone Interview with Tom Forsythe, Artist (Dec. 18, 2007).

IV. MATTEL'S CANADIAN BATTLE: *MATTEL, INC. v. 3894207 CANADA INC.*

"The Supreme Court broke the heart of the world's most famous doll yesterday, ruling Mattel Inc. does not have the exclusive right to use the Barbie name."¹²⁹

A. *Evolution of the legal framework*

i. *Trade-marks Act*

Trademarks are "something of an anomaly in intellectual property law."¹³⁰ To understand the significance of the BARBIE ruling, one must look at its statutory evolution and case law precedent:¹³¹ the *Trade-marks Act*¹³² ("Act") and *Pink Panther Beauty Corp. v. United Artist Corp*¹³³ ("*Pink Panther*"). The Act, as it reads today, grants a monopoly in relation to the wares or services of the trademark holder for the express social benefit of assuring customers that they are receiving the supplier's actual wares or services,¹³⁴ thus guaranteeing the quality associated with that particular trademark.¹³⁵ Under the initial *Unfair Competition Act of 1932*, this monopolistic grant of power over trademarked wares or services extended only to those wares or services that were "similar."¹³⁶

The impetus for change came in 1953 with Dr. Harold G. Fox's Report of the Trade-mark Law Revision Committee to the Secretary of State of Canada ("Fox Report").¹³⁷ Notably, the report suggested that "[s]ome trade-marks are so well known that the use of the same or similar trade-marks on any wares of any kind would cause the general purchasing public to believe that the orig-

129. Kirk Makin, *Barbie not just a doll, top court rules Trademarks not unassailable, judges decide in two cases*, Globe & Mail (Toronto, Canada) Jun. 3, 2006.

130. Stikeman Elliott, *Supreme Court Rules on Famous Mark Protection*, Mondaq Bus. Briefing July 16, 2006.

131. See Julius Melnitzer, *The Battle for Trademark Protection*, Lexpert, Nov. 2007, at 49.

132. *Trade-marks Act*, R.S.C. 1985, c. T-13.

133. *Pink Panther Beauty Corp. v. United Artist Corp.* (1998), 80 C.P.R. (3d) 247 (F.C.A.), reversing 67 C.P.R. (3d) 216 (F.C.T.D.). Leave to appeal was granted by the SCC but subsequently withdrawn following a settlement between the parties.

134. *Trade-marks Act*, R.S.C. 1985, c. T-13.

135. Sophie Picard, *The Barbie Case: Fame Is Not Everything*, 96 Trademark Rep. 1005, 1056 (2006); See also, Kamleh Nicola, *Trademark Protection In Canada: Are You Official Or Are You Famous*, Mondaq Bus. Briefing Dec. 4 2006.

136. Picard, *supra* note 136, at 1056.

137. Picard, *supra* note 136, at 1056.

inal user and owner of the trade-mark was in some way responsible for the wares to which the use of the mark has been extended."¹³⁸ The Fox Report spurred Parliament's replacement of the *Unfair Competition Act of 1932*, to the currently used *Act of 1954*.¹³⁹ Evolution of the *Act* to incorporate the Fox Report codifies the underlying legislative intent to give a wider ambit of protection to the trademark holder.¹⁴⁰

The Canadian Courts have not "wholeheartedly embraced"¹⁴¹ the notion of famous marks as evident in the somewhat conflicting case law in Canada's jurisprudence.¹⁴² Prior to *Pink Panther*, the *Act* was interpreted to reflect the principles of the Fox Report; there was a general trend for the court to interpret the *Act* to protect those owners of a famous mark.¹⁴³ *Pink Panther* misconstrued the original intent of the *Act* and swung the pendulum away from the protection of famous marks, making it virtually impossible for the owner of the mark to win. Up until BARBIE, it stood as the leading interpretation of the *Act*'s determinative phrase: "whether or not the wares or services are of the same general class"¹⁴⁴ in regards to Canadian trademark infringement issues.

ii. *The Pink Panther*

Pink Panther was an action in opposition of trademark registration by United Artist Corporation, a film studio, against Pink Panther Beauty Corporation, a hair care and beauty supplier.¹⁴⁵ United Artist opposed the registration on the basis that the Pink Panther Beauty Corporation's attempted registration of the mark

138. Picard, *supra* note 136, at 1056.

139. Picard, *supra* note 136, at 1057.

140. *Court throws Mattel's claim on the Barbie*, St. Paul Pioneer Press (Minn.) June 3, 2006 (quoting a Mattel representative as stating "Canada's trademark laws, as drafted over 50 years ago, were always intended to give the widest scope of protection to famous and well-known marks.").

141. Nicola, *supra* note 136.

142. Robert MacDonald, *Supreme Court of Canada Gives Hope to Owners of Famous Marks*, Mondaq Business Briefing June 13, 2006.

143. *John Walker & Sons Ltd. v. Steinman*, 44 C.P.R. 58 (1965); *James Burrough Ltd. v. Reckitt & Colman (Canada) Ltd.*, 53 C.P.R. 276 (1967); *John Haig & Co. Ltd. v. Haig Beverages Ltd.*, 21 C.P.R. (2d) 271 (1975); *Carson v. Reynolds*, 2 F.C. 685 (1980); *Conde Nast Publications Inc. v. Gozlan Brothers Ltd.*, 2 C.F. F 912 (1981); *Polysar Ltd. v. Gesco Distributing Ltd.*, 36 A.C.W.S. (2d) 184 (1985); *Sun Life Assurance Co. of Canada v. Sunlife Juice Ltd.*, 22 C.P.R. (3d) 244 (1988); *Glen Warren Productions Ltd. v. Gertex Hosiery Ltd.*, 29 C.P.R. (3d) 7 (1990); *Visa International Service Assn. v. Auto Visa Inc.*, 41 C.P.R. (3d) 77 (1991); *See also*, MacDonald, *supra* note 143.

144. *Trade-marks Act*, R.S.C. 1985, c. T-13.

145. *Pink Panther*, 80 C.P.R. 247, para. 5.

PINK PANTHER¹⁴⁶ would likely be confused with United Artist's longstanding registration¹⁴⁷ of the mark THE PINK PANTHER.¹⁴⁸ United Artists argued that the famous nature of their mark, along with its diverse association, would logically suggest that "confusion among consumers, no matter the extent of the difference between the products" was highly likely.¹⁴⁹ The Court disagreed and the majority set an extremely stringent test for confusion, noting that without a "connection whatsoever"¹⁵⁰ in the wares or services, a finding of confusion will be rare.¹⁵¹ This is in direct contrast to the ideas promulgated by the Fox Report and incorporated in the governing Act.

An inkling of the impending shift, however, evinces from Justice McDonald's dissenting opinion. In his dissent, he urged that the association with similar wares or services in the use of a famous mark should not preclude the finding of market confusion.¹⁵² He adds that the allowance of the beauty salon to use the mark PINK PANTHER would "almost certainly" confuse the average consumer given the widespread use and longevity of THE PINK PANTHER mark in the Canadian marketplace and its widespread diversification.¹⁵³ Justice McDonald concludes, stressing his concern of the *Pink Panther* majority ruling:

"To come to any other result in the case of such a famous and widespread trade name as the Pink Panther, in my opinion, tips the balance too far in favour [sic] of the copy-cat artist seeking to profit financially from someone else's creative fortune . . . I believe the [majority] decision. . . launches trade-mark protection down a slippery slope which will result in the protection of famous names in only the very clearest of cases."¹⁵⁴

146. THE PINK PANTHER mark was in association with a wide variety of hair care and beauty product supplies, and in the operation of a business dealing in the distribution of hair care and beauty product supplies, and instructing and educating others in the distribution of hair care supplies and beauty products. *Pink Panther*, 80 C.P.R. 247, para. 5.

147. *Pink Panther*, 80 C.P.R. 247, para. 1 ("The trade mark owned by the studio was a clearly famous and inherently distinctive one. The studio's mark had been used in Canada for over 30 years.")

148. See, *Pink Panther*, 80 C.P.R. 247.

149. *Mattel, Inc.*, 1 S.C.R. 772; Nicola, *supra* note 136.

150. *Pink Panther*, 80 C.P.R. 247, para. 1.

151. Further, as there was no connection between the wares or services of the company, any argument based on corporate diversification "should be based on potential expansion of existing operations." Nicola, *supra* note 129.

152. *Pink Panther*, 80 C.P.R. 247, para. 1.

153. *Pink Panther*, 80 C.P.R. 247, para. 2.

154. *Pink Panther*, 80 C.P.R. 247.

The *Pink Panther* era¹⁵⁵ gave "Canada a worldwide reputation for a soft underbelly on famous trademark enforcement" and left trademark owners with little hope of protection for their mark beyond their traditional wares or service line.¹⁵⁶ "Absent a link between the products or the area of activity, it became virtually impossible to establish the likelihood of confusion," says Barry Gamache of Montreal firm Léger Robic Richard L.L.P.¹⁵⁷

Pink Panther shifted the pendulum away from the *Act*'s original intent in protecting the famous mark. It was not until BARBIE that the "ambiguous legal language" of the statute was reexamined. BARBIE did not have the effect of swinging the pendulum back to its place when the *Act* initially incorporated the Fox Report, but Mattel's aggressive force rocked its interpretation from its seemingly static state of inertia, thereby setting the pendulum back into swing. When looked at under the Legal Realist lens, this shift stemmed from Mattel's aggressiveness;¹⁵⁸ it forced a new set of factual stimuli¹⁵⁹ before the court and with these new stimuli came a new conclusion. Although based on the same "ambiguous legal language" of the *Act* in issue in *Pink Panther*, the BARBIE court retrenched from its strict interpretation, thus affording a wider protection for the owner of a famous mark.¹⁶⁰

B. *The BARBIE case: Background*

Mattel brought suit in 2002 against a small chain of Montreal suburban restaurants named "Barbie's."¹⁶¹ In 1992, 3894207 Canada Inc. began using the name Barbie's when they opened for business the first of their three restaurants.¹⁶² Barbie's restaurants were slated as an adult oriented "bar-and-grill operation"¹⁶³ with items unabashedly featured as cooked on the "barbie-q,"

155. See also, *Toyota Jidosha Kabushiki Kaisha v. Lexus Foods, Inc.*, 2 F.C. 15 (2001).

156. Melnitzer, *supra* note 132, at 50.

157. Melnitzer, *supra* note 132, at 50.

158. *Putting Barbie on the Barbie*, Daily Telegraph (Sydney, Australia) May 28, 2005 ("A Canadian restaurant owner in invoking Australian slang in its defense in a David and Goliath court battle against US toymaker Mattel.").

159. RUMBLE, *supra* note 22, at 63 (citing Herman Oliphant, *A return to Stare Decisis*, 159 A.B.A.J., XIV (1928)).

160. Picard, *supra* note 136, at 1067 ("The Supreme Court's decision in the BARBIE case settled the question as to how the factor of a trade-mark's fame is pertinent in determining the likelihood of confusion in the minds of prospective consumers.").

161. *Mattel, Inc.*, 1 S.C.R. 772, para. 10.

162. *Mattel, Inc.*, 1 S.C.R. 772, para. 11.

163. *Id.*

along with service of alcoholic beverages.¹⁶⁴

In 1993, 3894207 Canada Inc. applied for the mark BARBIE'S & Design in association with "restaurant services, take-out services, catering and banquet services."¹⁶⁵ Mattel opposed registration of the mark on the grounds of likelihood of marketplace confusion due to the fame of their established Barbie mark.¹⁶⁶ The primary association for the Barbie mark is dolls, geared towards the target audience of young girls. Mattel, however, offered evidence that the Barbie mark expands beyond its target audience¹⁶⁷ and beyond its association purely with dolls, claiming association with diverse products ranging from cologne and food products to bikes.¹⁶⁸

The Trade-marks Opposition Board of the Canadian Intellectual Property Office ("Board") sided with 3894207 Canada Inc, accepting the argument that there is no likelihood of confusion; they allowed the registration.¹⁶⁹ Both the Federal Court and the Federal Court of Appeal subsequently confirmed the Board's decision.¹⁷⁰

On June 2, 2006, the Supreme Court of Canada ("SCC") dismissed Mattel's appeal and upheld 3894207 Canada Inc.'s registration as valid, insisting that the BARBIE'S & Design mark, registered in association with restaurant services, carried no likelihood of confusion with Mattel's famous Barbie doll.¹⁷¹ Similar to the *Walking Mountain* ambiguous fair use factors, the SCC used the flexible test for confusion set out in section six of the *Act* in reaching their interpretive decision.¹⁷² The relevant portion of the *Act* reads in full as follows:

6. (2) [Idem] The use of a trade-mark causes confusion with another trade-mark if the use of both trade-marks in the same area would be likely to lead to the inference that the wares or services associated with those trade-marks are manufactured, sold, leased, hired or performed by the same

164. *Id.*

165. *Id.*

166. *Mattel, Inc.*, 1 S.C.R. 772, para. 10.

167. Target audience girls aged 3 – 11. *Mattel, Inc.*, 1 S.C.R. 772, para. 4.

168. *Mattel, Inc.*, 1 S.C.R. 772, para. 4 ("[c]ologne, hand lotion and body lotion," food products such as "spices, breads, cakes, cereal, coffee, crackers, flour, herbs, pies, ice cream, pizza," as well as bicycles, backpacks, books and construction pads).

169. *Id.*

170. *Id.* (both courts rejected Mattel's introduction of survey evidence proffered to show the likelihood of confusion between the two marks).

171. *Mattel, Inc.*, 1 S.C.R. 772, para. 4.

172. *Mattel, Inc.*, 1 S.C.R. 772, para. 74-89.

person, *whether or not the wares or services are of the same general class.*

(5) [What to be considered] In determining whether trade-marks or trade-names are confusing, the court or the Registrar, as the case may be, shall have regard to all the surrounding circumstances including

(a) the inherent distinctiveness of the trade-marks or trade-names and the extent to which they have become known;

(b) the length of time the trade-marks or trade-names have been in use;

(c) the nature of the wares, services or business;

(d) the nature of the trade; and

(e) the degree of resemblance between the trade-marks or trade-names in appearance or sound or in the ideas suggested by them.¹⁷³

The primary issue before the BARBIE court was the same at issue in *Pink Panther*: what is the proper interpretation of the Act's concluding phrase, "whether or not the wares or services are of the same general class" in relation to a famous mark?¹⁷⁴ SCC ultimately held that the fame of the Barbie mark could not trump the requirement of a connection between the goods or services offered in order to find likelihood of confusion.¹⁷⁵

The BARBIE court is consistent with the *Pink Panther* test, yet "softened the wording."¹⁷⁶ Under the Legal Realist concept of prediction, the crux of the BARBIE decision was unsurprising as based on the *Pink Panther* Court's rationale. The *Pink Panther* Court reasoned that the mark, "The Pink Panther" was (1) clearly famous and distinct and that (2) the two marks at issue, although very similar,¹⁷⁷ were not identical. Additionally, the (3) difference in the nature of the wares and the divergent nature of the trade of the two marks¹⁷⁸ confirmed their ruling that the two marks do not risk the likelihood of confusion.¹⁷⁹ The BARBIE Court similarly found Mattel's Barbie trademark was (1) famous and (2) parallel to that of 3894207 Canada Inc.'s BARBIE'S & Design mark; it was

173. *Trade-marks Act*, R.S.C. 1985, c. T-13.

174. Picard, *supra* note 136, at 1057.

175. *Mattel, Inc.*, 1 S.C.R. 772.

176. Nicola, *supra* note 136; Melnitzer, *supra* note 132, at 49 ("[N]owadays, the Pink Panther is playing second fiddle to the Barbie doll.").

177. *Mattel, Inc.*, 1 S.C.R. 772 ("The Pink Panther" v. "Pink Panther").

178. *Pink Panther*, 80 C.P.R. 247 (stating "not a fissure but a chasm"); *See also*, Nicola, *supra* note 136.

179. Nicola, *supra* note 136; *See, Mattel, Inc.*, 1 S.C.R. 772.

not, however, identical to 3894207 Canada Inc.'s opposing mark. Additionally, the Court determined that (3) the divergence in the wares and services of Mattel and 3894207 Canada Inc. did not lead to likelihood of confusion.¹⁸⁰ As predicted, the Court rejected extension of broad protection for the famous Barbie mark.¹⁸¹

What was decidedly unpredicted, however, was the Court's noted "reject[ion of] the limitations placed on the protection of famous marks by the infamous case of [*Pink Panther*]."¹⁸² *Pink Panther's*¹⁸³ protection of a famous mark "only in exceptional circumstances, if ever" standard was too constrictive according to the BARBIE court. Although BARBIE held fame alone cannot "act as a trump card,"¹⁸⁴ it also slowly eviscerated the *Pink Panther* standard.¹⁸⁵ BARBIE lowered the bar for granting protection to famous marks, thereby broadening the remedies available to famous mark holders, such as Mattel.¹⁸⁶ This initial concession swung the pendulum in the direction of the wider expanse of protection as originally proffered by the Fox Report. Thereby, cracking open the long-closed door in Canadian jurisprudence, consequently enabling famous trademarks to receive broad protection.¹⁸⁷

V. A LOOK AT BARBIE UNDER A LEGAL REALIST LENS

A. Ambiguity of legal language

Mattel should take comfort in this loss. Despite the entrenched interpretations of the *Act*, its attack challenging the

180. Nicola, *supra* note 136.

181. Gary Daniel, et. al., *Commonwealth Countries: Marked Goods*, Legal Week Aug. 31, 2006 (commenting on the "low degree of inherent distinctiveness; of its significance as a common contraction of 'Barbara' and, to some extent, because it had surname significance.").

182. MacDonald, *supra* note 143; Daniel, *supra* note 182; See also, Melnitzer, *supra* note 132, at 49 ("The Supreme Court raised the possibility that a mark could be found to be confusing with a famous trade-mark used in a very different business under certain circumstances."); Taran Atwal, *Supreme Court of Canada Decisions on "Famous" Trade-marks*, Mondaq. Bus. Briefing June 16, 2006.

183. See Melnitzer, *supra* note 132, at 52 ("Overall the decision in Mattel. . . can still be seen as beneficial for owners of famous trademarks in Canada in view of narrowing down of the decisions in *Pink Panther* and *Lexus*."); Daniel, *supra* note 182.

184. *Mattel, Inc. v. 3894207 Canada Inc.*, 1 S.C.R. 772 (2006).

185. In their attempt to soften *Pink Panther*, the BARBIE Court commented that "the 'exceptional circumstances if ever' test puts the bar too high. *id.*"

186. Melnitzer, *supra* note 132, at 49.

187. MacDonald, *supra* note 143 ("As a result, owners of famous marks can be better assured that, in the appropriate circumstances, their trade marks will be fully protected in Canada.").

use of their Barbie mark has proved to be a tangible boon, more so than the theoretical boon seen in their aggressive challenged to the *U.S. Act*. In establishing the likelihood of confusion under the *Act*, a trademark's fame has become just one factor considered.¹⁸⁸ The SCC openly views the *Act* through a Legal Realist lens and notes that the listed circumstances considered under the *Act* are not exhaustive and that each factor considered is governed by a context-specific analysis.¹⁸⁹ Consistent with the Legal Realist approach, the inherent ambiguity of the *Act* resulted in the BARBIE court expressing a different interpretation of the same statutory language at issue in *Pink Panther*. Where the *Pink Panther* court found resemblance of wares or services singular in an *Act* analysis and imperative to determining the likelihood of confusion, the BARBIE court did not. The BARBIE court noted that not only is resemblance not paramount, it is also "clearly not a requirement under [the *Act*]." ¹⁹⁰ They go further to state that *Pink Panther's* requirement that the contested marks be at least of the same general class is not necessary and that "[a] trademark's fame is capable of carrying the mark across product lines where lesser marks would be circumscribed to their traditional wares or services . . . If, in the end, the result of the use of the new mark would be to introduce confusion into the marketplace, it should not be permitted."¹⁹¹ Mattel's actions forced the reconsideration of this issue by the SCC. This push opened the door for protection of famous marks and gave credence to the Legal Realist notion that statutory interpretations are not strict and with a little creativity "will catch or let out the situation you are deciding."¹⁹²

B. *Social and economic change*

In BARBIE, it was the phrase "whether or not the wares or services are of the same general class" of the *Act* that bore interpretation. Although the wording "will not change verbally,"¹⁹³ shifts in surrounding social and economic norms and pressures alter a court's interpretation of that word(s). It is this "celerity and per-

188. Nicola, *supra* note 136.

189. Elliott, *supra* note 131; *See also*, *Mattel, Inc.*, 1 S.C.R. 772, para. 5 ("The general class of wares and services, while relevant, is not controlling.").

190. *Mattel, Inc.*, 1 S.C.R. 772, para. 5.

191. *Id.*

192. RUMBLE, *supra* note 22, at 64.

193. LEVI, *supra* note 43, at 32.

vasiveness of social change”¹⁹⁴ that lead to BARBIE being heralded as putting Canadian trademark law “back on course,”¹⁹⁵ thereby closer in step to the trademark laws of the United States.¹⁹⁶ “Canada was definitely the international odd duck in the aftermath of *Pink Panther*,” says Daniel Drapeau of Ogilvy Renault L.L.P. in Montreal.¹⁹⁷ With increased globalization, there is increased pressure to modernize the Canadian trademark policies to those of its bordering country, the United States.¹⁹⁸ With the SCC’s decision in BARBIE, no longer can Canada be considered the “odd duck”¹⁹⁹ in the international intellectual property pond. It was in the face of the entrenched case and statutory interpretations that Mattel’s aggressive approach secured a small victory for Mattel; this movement towards synchronization enables this California-based corporation to strategically and efficiently approach future trans-border trademark conflicts.²⁰⁰

VI. CONCLUSION

“The legal system is little more than a boxing ring for the rich with the common people not even invited to experience the proceedings on Pay Per View.” -Tom Forsythe²⁰¹

In the face of entrenched intellectual property law, Mattel’s aggressive control over their icon garners it, in both the United

194. RUMBLE, *supra* note 22, at 66 (“New instruments of production, new modes of travel and of dwelling, new credit and ownership devices, new concentrations of capital, new social customs, habits, aims and ideals- all these factors of innovation make vain the hope that definitive legal rules can be drafted that will forever after solve all legal problems.”).

195. MacDonald, *supra* note 143; Melnitzer, *supra* note 132, at 54 (“while the SCC rulings may not be a sea change, the currents have swerved.”).

196. Melnitzer, *supra* note 132, at 54-55 (quoting Douglas Wolf, co-chair of the trademark and copyright group at Wolf, Greenfield & Sack, P.C.: “The decision[] should be welcomed as bringing Canadian law back into step with the international standards on the protection of famous marks.”); *See also*, MacDonald, *supra* note 143.

197. Melnitzer, *supra* note 132, at 50.

198. Melnitzer, *supra* note 132, at 49 (“In recent years, major global corporations have discovered that owning a famous trademark is not all it’s cracked up to be in Canada – especially when compared to the protection given to their trademarks in the U.S. and Europe.”).

199. Melnitzer, *supra* note 132, at 50.

200. Melnitzer, *supra* note 132, at 54-55 (quoting Douglas Wolf, co-chair of the trademark and copyright group at Wolf, Greenfield & Sack, P.C.: “Canada and the U.S. are now so close in terms of the law and cases on trademark protection that companies on both sides of the border should be guided by the same strategic considerations in assessing the questions of infringement relating to famous marks.”).

201. Tom Forsythe Artsurdism, http://creativecommons.org/bio_foodchain. cfm (last visited Feb. 6, 2008).

States and Canada, the reputation as Goliath,²⁰² a relentless bully fighting a fruitless battle. After an embrace of Legal Realist philosophy, however, Mattel's reputé shifts from Goliath to that of a Silver Knight - a corporation making gallant strides in its ultimate battle to protect its princess, Barbie.

Although Mattel lost in the case of *Walking Mountain*, their aggressive litigation strategy in the United States is justifiable under the lens of Legal Realism due to variable interpretations of ambiguous legal language and shifts due to distinguishable facts and societal pressures. Legal Realists explicate the notion that statutory language is ambiguous and not self-expounding.²⁰³ Mattel's continual battle in the face of detrimentally entrenched interpretations of the *U.S. Act* confirms that it has embraced the Legal Realist's conception of ambiguity. Further, simply by bringing suit, the facts and circumstances of *Walking Mountain* affords Mattel "factual stimuli"²⁰⁴ which could be the determining factor in future cases.

Even though there is no tangible victory to date for Mattel in the United States, it appears its policy to keep fighting adds the effect of putting its opponents on the defense, thereby frustrating possible use of Barbie due to the threat of potential lawsuit. Artist Tom Forsythe commented on this chilling effect resulting from Mattel's aggressive stance in the United States noting, "You can fight these things and win but it is always a pain to be sued."²⁰⁵

Unlike the proposed theoretical changes stemming from the Mattel's strategy in the United States, this aggressive stance has already proved successful in Canada.²⁰⁶ It created imperceptible shifts in statutory interpretation, consequently bringing Canadian trademark law more in line with that of the United States.

Consistent with the Legal Realist approach, the inherent ambiguity of the *Act* resulted in the BARBIE Court reinterpreting

202. Editorial, *Throwing Barbie on the Barbie ruled OK, if it's art*, The Austr. (Australia), July 3, 2004, at 1 (commenting on Mattel's reputation in the United States); *Putting Barbie on the Barbie*, Daily Tel. (Sydney, Australia), May 28, 2005 (commenting on Mattel's reputation in Canada by stating, "A Canadian restaurant owner in invoking Australian slang in its defense in a David and Goliath court battle against US toymaker Mattel.").

203. RUMBLE, *supra* note 22, at 66; JEROME FRANK, *COURTS ON TRIAL: MYTH AND REALITY IN AMERICAN JUSTICE* 299 (Princeton: Princeton University Press, 1950) ("The serpent in the imagined garden of Eden is the irrepressible semantic problem.").

204. RUMBLE, *supra* note 22, at 63 (citing Herman Oliphant, *A return to Stare Decisis*, 159 A.B.A.J., XIV (1928)).

205. Telephone Interview with Tom Forsythe, Artist (Dec. 18, 2007).

206. Melnitzer, *supra* note 132, at 54.

the same statutory language at issue in *Pink Panther*. BARBIE loosened the *Pink Panther*'s "only in exceptional circumstances, if ever" standard and held that the factors to be considered under the *Act* are not all-inclusive. Where *Pink Panther* found resemblance of wares or services imperative to providing famous mark protection, the BARBIE Court expounded that not only is resemblance not paramount, it is also not a clear requirement.²⁰⁷ Although not a "slam-dunk"²⁰⁸ for Mattel, this concession brought Canadian trademark law closer in-line with the wider expanse of protection as originally sought by the *Act*.²⁰⁹

Walking Mountain and BARBIE are both reflective of instances wherein Mattel fought against the then existing status of law. Although Mattel did not prevail in either case, both mark a slow erosion of the entrenched copyright and trademark laws against large corporations such as Mattel.

207. *Mattel, Inc.*, 1 S.C.R. 772, para. 5.

208. Melnitzer, *supra* note 132, at 54.

209. Melnitzer, *supra* note 132, at 54 ("The Supreme Court's interpretation of *Pink Panther* brings us closer to what we thought the law used to be in Canada.").