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## University Trademarks: Let's Get Down to Business!

By Kevin R. Casey

### PART III

*This three-part article focuses on how universities parlay trademarks into several benefits.*

*In this third installment, read about enforcement against a variety of other parties.*

*Read Part I about how university trademarks make money (<https://www.stradley.com/insights/publications/2019/04/education-alert-april-2019>), and Part II about enforcement against third party merchandise (<https://www.stradley.com/insights/publications/2019/05/education-alert-may-2019>).*

### Enforcement Against Other Universities

A university would certainly want to prevent the sale in its immediate geographic region of counterfeit, unlicensed products bearing marks identical to its own which are being sold for the sole purpose of stealing sales from the university. Why would a university spend time and expend effort policing its marks, however, against a distant educational institution that clearly is not acting with such bad intent? Should a university actually file a lawsuit against a “sister” institution and inflict the costs of litigation on a school whose mission is focused on the betterment of the lives of young people? Wouldn't the publicity attendant to such a suit, portraying a (typically) large university as a bully harassing another, do far more damage to the university's brand than the incidental use of marks similar to its own by another school? Historically, the answers to these questions was usually “it would not,” “no,” “and “yes,” respectively – and trademark enforcement litigation between universities was relatively rare.

In the past five years, however, those answers have changed. Universities have become much more aggressive in challenging other universities who use the same or similar nicknames, logos, colors, mascots, and other insignia. In fact, enforcement actions have gone beyond other institutions of higher education to include, in many cases, high schools. *See, e.g., Lee Green, “Trademark Issues with Use of College Names, Logos, Mascots,” National Federation of State High School Associations (April 13, 2015).* Cease-and-desist letters have been sent by dozens of colleges to hundreds of school districts across the country.

The rise in concern by universities over the use of their trademarks has been attributed to the increased revenues derived by universities from trademarked apparel and other merchandise, the increased visibility of university marks on the Internet through university websites and social media, the increased monetization of university marks through the sales of apparel and merchandise by national retailers and online stores, and the increased number of university athletic games broadcast nationally, locally, and on the Internet and through which university nicknames, logos, and mascots are viewed by larger audiences than at any time in the past.

Two or more universities sharing the same name is no strange phenomenon. A simple Internet search of “Concordia College” or “Concordia University,” one of the more popular

college names, reveals a list of more than half a dozen independent institutions. None of the Concordias has filed lawsuits against another for trademark infringement. Recently, however, several trademark infringement disputes have arisen between colleges over their names. Four such cases are summarized below.

1. Mount St. Mary's University, located in Emmitsburg, Maryland, sued Mount Saint Mary's University of Los Angeles for trademark infringement, claiming that the California institution was unlawfully using the trademarks and trade names of the East Coast university. Both institutions had coexisted peacefully until recently, but that ended when the California location changed its name from Mount St. Mary's College in January 2015. The parties settled in 2016, with the California school changing its name to "Mount Saint Mary's University, Los Angeles."
2. After the Georgia Board of Regents renamed a consolidated university Georgia Regents University, officials at the private Regent University in Virginia sued because they felt the names were too similar. The case was ultimately dropped.
3. In November 2016, a Texas federal judge granted a preliminary injunction precluding the Houston College of Law from using its name after the University of Houston Law Center filed a trademark infringement suit. The case settled in March 2017, with the defendant changing its name to South Texas College of Law Houston. The Texas decision was based on the doctrine of initial confusion, which allows for a finding of trademark infringement even if consumer confusion is dispelled by the time the product or service (here, education) is bought. The idea behind the doctrine is that there is value in grabbing a consumer's attention by wrongfully using a trademark. *The Board of Regents of the University of Houston System v. South Texas College of Law*, Case No. 4:16-cv-01839 (S.D. Tex.).
4. Also in November 2016, a college called American InterContinental University (AIU) (located in Illinois) filed a preemptive lawsuit after it was threatened with trademark litigation by American University of Washington, D.C. The suit sought a declaratory judgment that AIU's name does not infringe American's trademark rights. *American InterContinental University Inc. v. American University*, Case No. 1:16-cv-10669 (N.D. Ill.). The Illinois court determined, on September 1, 2017, that it did not have personal jurisdiction over American University and, therefore, transferred the case to the U.S. District Court for the District of Columbia. That case was dismissed on December 11, 2017, after the parties reached a settlement agreement.



Courts balance several factors when deciding whether a likelihood of confusion exists between two marks. In *Fla. Int'l Univ. Bd. of Trustees v. Fla. Nat'l Univ., Inc.*, 91 F. Supp. 3d 1265 (S.D. Fla. 2015), *aff'd*, 830 F.3d 1242 (11th Cir. 2016), however, the U.S. Court of Appeals for the Eleventh Circuit's "balance" highlighted one factor. The July 2016 affirmation of the district court's dismissal of Florida International University's (FIU's) trademark lawsuit against Florida National University was rooted in a simple idea: Prospective college students would not accidentally spend tens of thousands of dollars and attend the wrong school because of a similar-sounding name.

Findings that the marks at issue in a suit are "similar in sound and appearance," 830 F.3d at 1260-61; that the parties' respective services are closely related and their promotional channels overlap; and that at least some actual confusion had occurred ordinarily might preclude entry of summary judgment of non-infringement (at least creating a factual dispute concerning the defendant's liability). But both the district court and Ninth Circuit held otherwise in a suit brought by the owner of the Florida International University and FIU marks against a user of the Florida National University and FNU marks.

The Ninth Circuit applied a modified balancing of factors in a suit involving university trademarks. Specifically, the appellate court ruled, "FIU's burden of establishing a likelihood of confusion was higher than usual in this case because, we repeat, potential college students are relatively sophisticated consumers who are unlikely to be easily or meaningfully confused by similar-sounding university names." *Id.* at 1265. Other factors supporting the decision were the relative weakness of the plaintiff's marks, caused by the abundance of other universities with names using the same words and structures, *id.* at 1256-60; differences in the students served by the parties, *id.* at 1261-62; and the motivation underlying the defendant's adoption of its marks, which the court viewed as "not improperly motivated," *id.* at 1263-64. But the Ninth Circuit's opinion repeatedly highlighted one factor as paramount.

Disputes between similarly named universities raise interesting questions of trademark law. A claim of infringement is predicated on the idea that consumers will be confused, but would any prospective student pay tens of thousands of dollars to accidentally attend the wrong college because of a sound-alike name? Would not consumers of college and university education services exercise care and skill in selecting a particular school to attend, such that mistake or error due to the particular names used by the schools is not likely? The Eleventh Circuit answered “no” and “yes,” respectively, to those questions in the FIU case.

### Enforcement Against Related Parties (Fans, Alumni, and Others)

Short for “fanatic,” a “fan” is an enthusiast or devotee who lies somewhere along a spectrum from casual to hard-core. Most (albeit not all) alumni are fans. Universities have some of the most loyal and passionate fans in the world. They love to show their spirit on their shirts, on their cars, at the game, and in their home. Some fans can become overzealous, however, in their use of their favorite university’s trademarks.

For example, fans of a university might create an unofficial website devoted to the university and its products and services. Such a “fan site” will almost certainly use the university’s trademarks. Universities should watch for content and for suggestions of official endorsement by the university of the site, especially when combined with a domain name or other location on the Internet where the public would naturally seek the university. If the fans do not suggest to site visitors that the university sponsored or endorsed the site, perhaps by unnecessarily emphasizing the university’s trademarks, they may avoid infringing. The university might have to take action against the fan site’s domain name in addition to its content, however, particularly if the domain name includes the university’s trademark.

Not all fan activity is benign and noncommercial. Although few fans manufacture clothing or own retail stores, some actually design and sell unlicensed apparel bearing the trademark of “their” university. As highlighted above, a university risks losing control and perhaps enforceability of its mark if it were to allow fan-designed apparel to proliferate bearing the university’s brand. Two recent cases provide examples in which universities enforced their trademark rights against alumni who were using university trademarks on apparel.



On March 21, 2018, the University of Illinois filed suit in Illinois federal court against a Chicago-area alumnus named Theodore “Ted” John O’Malley. In September 2017, Mr. O’Malley began to advertise shirts using the colors orange and blue (the official colors of the University) depicting an image of the former University of Illinois symbol “Chief Illiniwek,” portrayed by a student dressed as Chief Illiniwek and taken from a copyrighted image that is owned by the University along with the words “MAKE ILLINOIS GREAT AGAIN.” The complaint alleged trademark and copyright infringement, false advertising, trademark dilution, various common law torts, and violations of Illinois consumer protection laws.

The University owns various intellectual property rights to the word “ILLINOIS” and the Chief Illiniwek image from which O’Malley allegedly based the shirts, and claimed that O’Malley’s use of the image and the word “Illinois” with the school’s colors could lead consumers to mistakenly assume the shirts were sanctioned by the university, particularly because O’Malley “specifically marketed them to, and targeted fans of, the University’s sports teams.” As of June 20, 2018, the parties arrived at a settlement, in principle, that will resolve this matter completely.

In March 2017, Mr. O’Malley filed an application with the U.S. Patent and Trademark Office (PTO) to register the mark “Make Illinois Great Again.” The University opposed, but the opposition was dismissed after O’Malley argued that the trademark is a political statement referring to the “Make America Great Again” Republican political slogan. The First Amendment often provides a defense to intellectual property infringement for political speech.



The University of Arizona (UA) filed an infringement lawsuit against two graduates (and their company) who were selling apparel featuring the school’s famous hand gesture, a profane hashtag, and UA’s colors. *The Arizona Board of Regents on behalf of The University of Arizona v. Scumdevils, LLC*, Case No. 4:17-cv-00195-LAB (D. Ariz. April 28, 2017). The defendants were doing business primarily online at the website [www.Scumdevils.com](http://www.Scumdevils.com), which is a disparaging reference to the rival Arizona State University “Sun Devils.”

Thus, the Scumdevils website offered “brand name apparel with a dual purpose. Show off your pride and support for the UA Wildcats while simultaneously displaying hate towards ASU.” The defendants’ apparel featured a “WC” hand gesture, a reference to “Wild cats” (a mark that UA registered without the underlined emphasis) that UA fans often perform during games:



“On information and belief, the ‘WC’ hand gesture was created in 2003 by University of Arizona swimmer Simon Burnett and had been used by students (and student athletes) since that time to refer to the University of Arizona.” UA also took exception to Scumdevils’ use of “#BTFD” on apparel -- a hashtag that UA fans use on social media as an acronym for “Bear The F\*\*\* Down.” UA asserted that the profane hashtag is a reference to its registered and well-known “Bear Down” mark and related cheer. Finally, UA objected to Scumdevils’ use on apparel of the UA’s “widely recognized combination of bright red and dark blue (i.e., the University’s distinctive and source identifying color scheme).” The parties settled, and UA filed a notice of voluntary dismissal of the case on April 3, 2018.

As a trademark owner, the university cannot allow fans to create a website or to sell merchandise on the Internet that appears to be officially sanctioned. Universities certainly must police their marks. As noted above, the consequences of inaction may be severe, including the possibility of abandonment of trademark rights. Nevertheless, the university may need to handle fan-created sites and fan-sold merchandise more gingerly than those created and that sold by a large corporation. At least with respect to certain fan behavior, the university faces a dilemma as a trademark owner: whether to enforce its rights, and, if so, how to avoid alienating its fans (who are often its own students or alumni).

Why not proceed against fans? First, universities risk alienating their most fervent supporters; upset fans can turn against the university. Worse, enforcement actions can create a public relations backlash that is problematic at best and potentially devastating; the media can turn the remainder of the public against the university. Bad press from perfectly reasonable enforcement actions against fans can sour the public against the



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university, and it is unlikely the media will take the university’s side or even give it a fair portrayal. Rather, the university might be an easy target, categorized as a “trademark bully.”

The university should develop a balanced strategy for what, if anything, it will do about fan-based activities to minimize the possibility of trademark infringement. One possibility is simply to monitor fan sites and give them wide latitude, provided that they are free of charge, do not attempt to sell merchandise, do not interfere with licensing of the trademarks, and do not appear to be officially sanctioned. Another possibility is to engage the fans and strive for cooperation, provide content, and build up goodwill in exchange for making clear that the content is fan-created and not created by the university.

The trademark owner’s standard cease and desist letter might be sent by a lawyer accusing a fan of violating the university’s trademark rights, and demanding that the site be taken down or that the domain name be changed or that sales of merchandise stop and that all trademarks and references to the university be removed. The standard letter might conclude by suggesting that the university will file suit if the fan fails to comply with its demands in two weeks. Universities might want to avoid this approach with respect to fans: such a letter addresses the fan a criminal.

A better approach might be to send a more informal email initially or place a courteous telephone call, neither of which should be condescending or threatening. Even more effective might be to send a friendly and conversational letter that explains in simple language why the trademark needs to be protected. The letter might state that the university appreciates all of the time the fans have put into the site or sales, but explain clearly why the site or merchandise is confusing and describe why this confusion matters to the university and the public. The letter should explain that under law, universities are obligated to prevent misuse of their trademarks; otherwise, the university risks losing exclusive rights to them. For fan-created apparel and other merchandise, the letter might explain that fans need a license from the trademark owner to sell branded merchandise and provide contact information should the fan like to explore becoming a licensee. See generally Anne Gilson LaLonde & Jerome Gilson, *But I’m Your Biggest Fan! Handling Trademark Problems Posed by Fan Created Content* (Matthew Bender & Company, Inc. 2009).

## Enforcement Against “Gripe” Websites

A gripe website is a type of website that criticizes, complains about, or mocks a certain person, place, corporation, or institution (e.g., a university). Such websites are also called “sucks,” protest, or complaint sites. Such negative opinions are usually posted about universities by unhappy students or alumni, disgruntled former employees, or other discontented individuals who feel somehow wronged by the particular university.

The Internet provides an open and public platform for voicing opinions in newsgroups, blogs, and other interactive websites. A nominal fee and simple registration procedure will confer upon the cybergriper the domain name (the unique on-line identifier of a website such as “stradley.com”) of choice, which is generally identical to the university’s trademark, a slight variation on the university’s trademark, or the university’s trademark suffixed with a pejorative term such as “sucks.” Therefore, anyone, even of modest means, can reach a global audience via a gripe website. With increasing frequency, proactive critics are creating dedicated gripe sites to attack targeted universities.

A university targeted by a gripe site clearly has a cause for concern from a public relations standpoint, and may also have a legal cause of action. For example, the university might challenge the unauthorized use of its trademark in a domain name under trademark infringement law. On the other hand, the cybergriper may have a number of defenses, including First Amendment freedom of speech, that protect its choice of domain name and the negative content of the gripe site. Two sample cases outline some of the issues and how courts address them.

Consider first the case of a disgruntled Savannah College of Art and Design (SCAD) employee, Philippe Houeix, who created websites critical of SCAD, including [www.scad.info](http://www.scad.info) and [www.scad-and-us.info](http://www.scad-and-us.info), two days after he resigned and suggested that the sites stood for “Share, Communicate, Announce, Disclose.” SCAD had obtained from the PTO Registration No. 2,686,644 for its SCAD mark for education services, and Houeix clearly used the college’s trademarked “SCAD” acronym in his gripe site domain names. SCAD sued its former employee for trademark infringement, unfair competition, and trademark dilution in federal district court. In *Savannah College of Art and Design, Inc. v. Houeix*, 369 F. Supp. 2d 929 (S.D. Ohio 2004), the court found for Houeix because SCAD did not show that use of the marks constituted “commercial use” in connection with the advertising or sale of goods and services and there was very little evidence of likely confusion.

The second example case involved Dr. William Felsher, a French professor at the University of Evansville who was terminated in 1991. Apparently upset, Dr. Felsher took aim

at three University of Evansville employees: its President, Dr. James S. Vinson; its Vice President for Academic Affairs, Dr. Greiner; and its Dean of the College of Arts and Sciences, Dr. Colter. He created e-mail accounts and websites that included the target employee’s initials, last name, and the letters “UE” (an acronym for University of Evansville), such as [jvvinsonue@aol.com](mailto:jvvinsonue@aol.com); sent e-mail from the accounts nominating the employees for various positions at other institutions; and referred the reader to websites that Felsher created which contained materials critical of the three employees. The e-mail accounts were created in such a way that recipients of e-mail from the accounts would believe the mail came from one of the employees. In *Felsher v. University of Evansville*, 755 N.E.2d 589 (Sup. Ct. Ind. 2001), the Supreme Court of Indiana held that Felsher had violated the privacy rights of the three University of Evansville employees and enjoined him from engaging in such conduct in the future. The Supreme Court refused to hold, however, that Felsher had also violated the privacy rights of the University of Evansville on the ground that a university does not possess a right to privacy. The court also stated that the University may be able to obtain redress for any misuse of its name by asserting claims under other theories, such as unfair competition, which had not yet been plead.

In specific cases of cybersquatting (also known as “cyberpiracy” or “domain name hijacking”), which is an Internet phenomenon whereby individuals register domain names in violation of the rights of trademark owners, the university might invoke the Anticybersquatting Consumer Protection Act (ACPA), 15 U.S.C. § 1125(d). Congress adopted the ACPA in 1999 expressly to give courts a preferred alternative to stretching traditional trademark law when addressing cybersquatting cases. The ACPA created a cause of action for registering, trafficking in, or using a domain name confusingly similar to, or dilutive of, a trademark. An important obstacle to plaintiff trademark owners in ACPA cases is that they must prove the defendant domain name registrant had a bad faith intent to profit from the mark (typically, by registering an Internet domain name containing another’s trademark with no intention of creating a legitimate website, but instead planning to sell the domain name to the trademark owner or a third party). The ACPA does not prevent the fair use of trademarks or any use protected by the First Amendment, which typically includes gripe sites, per 15 U.S.C. § 1125(d)(1)(B)(ii).

In summary, traditional adversarial court proceedings against gripe sites might or might not succeed. Such proceedings are not only uncertain, they are long and costly. A university could instead consider a faster and less expensive administrative action against the cybergriper under the Uniform Domain Name Dispute Resolution Policy (UDRP). The UDRP provides for an expedited arbitration procedure for clear cases of abusive registrations and use of domain

names (e.g., cybersquatting). The full text of the UDRP, including the operative procedures for the arbitrations, and a list of providers is available at [www.icann.org](http://www.icann.org). All accredited registrars in the .biz, .com, .info, .name, .net and .org top-level domains and their registrants must agree by contract to abide by decisions rendered under the UDRP. A domain name registrant who has lost in a UDRP proceeding, however, may bring an action in federal court under 15 U.S.C. § 1114(2)(D) (v) to override the result of the proceeding.

Whether judicial or administrative, adversarial actions are only one strategy for addressing gripe sites. Other strategies exist, and the modern approach to grip sites should be measured and proportionate, keeping in mind as first principles that (1) the griper wants notice, and (2) the university's response will likely be forever memorialized online.

At least the following strategies for combatting the offending cybergriper, and preventing future cybergripers, are available. At the outset, the university should register its trademarks and domain names. Consider, too, preemptively registering common pejorative domain names (e.g., [dukeuniversitiesucks.com](http://dukeuniversitiesucks.com)). Although it is impossible to register all such domain names, removing some of them as possibilities for prospective gripers helps.

Next, the university will need to become aware of the gripe site. That need is addressed by the university itself identifying, or using a watch service to identify and provide notification of, new gripe sites. Once the gripe site has been identified, the university should monitor known gripe sites for commercial use, which may then give rise to legal causes of action, and record changes to the relevant website pages.

The university should then consult with its public relations team and consider non-legal solutions. Such solutions might include, among others, addressing and resolving the subject of the complaint, offering an apology if warranted, or contacting the griper to discuss the issues. The university might create a rebuttal website to the gripe site (for example, in response to [Walmart-Blows.com](http://Walmart-Blows.com), Wal-Mart set up a rebuttal website at [Walmartfacts.com](http://Walmartfacts.com)). Other non-legal solutions might be imagined and might depend upon the specific gripe site and its content.

Of course, the university might consult with its attorney about writing a letter to the cybergriper. Cease and desist letters are often sent to third parties to advise them of infringement of another's rights and, depending on the level of harshness of the letter, threaten to take legal action against the third party. Particularly for well-known university brands, before sending a cease and desist letter, the university should remember one of the "first principles" highlighted above and consider the risk that the third party may publicize the letter (envision the cease and desist letter on the front page of *The New York Times*),

thus making the university look like a "trademark bully."

To address and minimize the risk of public backlash, some trademark owners have started using humor in an attempt to lighten the tone of the letter while achieving the desired legal outcome and promoting the brand. Netflix sent a cease and desist letter to the Emporium Arcade bar in Chicago over a temporary location called "The Upside Down," that was a reference to an alternate dimension from the show "Stranger Things." The bar was designed to look like a main set from the show. Netflix took out many of the terms typically used in cease and desist letters and instead used references from the show. For example, the letter stated: "Look, I don't want you to think I'm a total wastoid, and I love how much you guys love the show. (Just wait until you see Season 2!) But unless I'm living in the Upside Down, I don't think we did a deal with you for this pop-up." The letter concluded asking the bar (1) not to extend the run beyond its initial six weeks; and (2) to contact Netflix for permission in the future.

While it may be impossible to prevent the creation of all university gripe sites, by being mindful of the above tips, universities can limit potential damage caused by cybergripers.

## Conclusion

As I used to tell my students at the beginning of their law school trademarks class, "Trademark law seeks to balance the interests of producers, consumers, and the public. You're all consumers and members of the public and, therefore, trademark experts already. You just need to become conscious about the importance of trademarks and learn why you make some of the purchasing decisions, based on trademarks, that you make. Let's embark."

This series of articles has focused on how universities, one type of producer, operate in the world of trademarks. Universities can parlay and have parlayed their trademarks into several benefits. Among those benefits is making money. And, as the mnemonic "ULE" suggests (<https://www.stradley.com/insights/publications/2019/04/education-alert-april-2019>), there are three basic ways to benefit from a trademark: use it, license it to others, and enforce it against others (<https://www.stradley.com/insights/publications/2019/05/education-alert-may-2019>). The best approach incorporates all three. Universities with the best reputations, enhanced by trademarks made strong through long and extensive use, enjoy great economic rewards. Many universities realize value from their trademarks by licensing (or, on occasion, selling) them to others. Finally, universities realize value from a trademark by enforcing the university's trademark rights against others who infringe those rights.

Class dismissed!