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**WENNER MEDIA LLC and
HYBRID PROMOTIONS LLC**

**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

F.E.A. MERCHANDISING, INC.;
LIVE NATION MERCHANDISE,
INC.; **BRAVADO**
INTERNATIONAL GROUP
MERCHANDISING SERVICES,
INC.,

Plaintiffs,

vs.

WENNER MEDIA LLC AND
HYBRID PROMOTIONS LLC d/b/a
HYBRID APPAREL,

Defendants.

Case No. **CV09-06474 VBF (RZx)**

**DEFENDANTS WENNER MEDIA
LLC AND HYBRID
PROMOTIONS LLC'S NOTICE
OF MOTION AND MOTION TO
DISMISS FIRST, SECOND AND
THIRD CAUSES OF ACTION OF
COMPLAINT; MEMORANDUM
OF POINTS AND AUTHORITIES**

[Fed. R. Civ. P. 12(b)(6)]

Date: December 14, 2009

Time: 1:30 p.m.

Courtroom: 9

[Request for Judicial Notice and
Declarations of Monica Pa and John
Gruber with Exhibits A-Z; Notice of
Lodging; and Corporate Disclosure
Statements Filed Concurrently]

Action Filed: Sept. 4, 2009

1 TO ALL PARTIES AND THEIR ATTORNEYS OF RECORD:

2 PLEASE TAKE NOTICE that on Monday, December 14, 2009, at 1:30 p.m.,
3 or as soon thereafter as the matter may be heard before the Honorable Valerie Baker
4 Fairbank of the United States District Court for the Central District of California, in
5 Courtroom 9 of the Spring Street Courthouse, located at 312 N. Spring Street, Los
6 Angeles, California 90012, defendants Wenner Media LLC, the owner and publisher
7 of *Rolling Stone* magazine (“Rolling Stone”) and Hybrid Promotions LLC d/b/a
8 “Hybrid Apparel” will and hereby do move to dismiss the first cause of action for
9 false advertising pursuant to 15 U.S.C. § 1125(a), the second cause of action for
10 trademark infringement pursuant to 15 U.S.C. § 1114, and the third cause of action
11 for trademark dilution pursuant to 15 U.S.C. § 1125(c) (collectively, the “Trademark
12 Claims”), set forth in the complaint of plaintiffs FEA Merchandising, Inc., Live
13 Nation Merchandise, Inc., and Bravado International Group Merchandising Services,
14 Inc., pursuant to Federal Rule of Civil Procedure 12(b)(6). This Motion is made on
15 the following grounds:

16 1. Plaintiffs, who allegedly have the exclusive merchandising rights to
17 license items bearing the names and likeness of four musical celebrities (Nirvana,
18 Run-D.M.C., Kurt Cobain and Beyoncé (collectively, the “Artists”)), have brought
19 Trademark Claims based on t-shirts, tote bags, and posters that feature reproductions
20 of famous and historic *Rolling Stone* magazine covers (the “Covers”) that are sold as
21 part of a promotional subscription program (the “RS Promotional Items”). The
22 Trademark Claims are barred by the First Amendment because the RS Promotional
23 Items are expressive non-commercial speech, and are fully protected by the First
24 Amendment. *Rolling Stone*, moreover, has the constitutional right to promote its
25 magazine by reprinting its famous Covers in other formats, even if sold for profit.

26 2. Plaintiffs’ Trademark Claims are also barred by the First Amendment
27 because defendants’ use of plaintiffs’ trademarks had artistic relevance to the Covers,
28

1 and the RS Promotional Items did not explicitly mislead the public about any
2 endorsement of these items by any person featured on the Covers.

3 3. Plaintiffs' Trademark Claims are barred by the nominative fair use
4 defense because any uses of the Artists' trademarks on the RS Promotional Items are
5 *bona fide* uses for non-trademark purposes that do not convey sponsorship or
6 endorsement.

7 4. Finally, plaintiffs fail to properly plead each of their purported
8 Trademark Claims. Specifically:

9 (a) Plaintiffs' first claim for false advertising fails to allege, as
10 required, any competitive injury.

11 (b) Plaintiffs' second claim for trademark infringement fails to
12 identify any registered trademarks owned by the Artists that
13 allegedly have been used by Rolling Stone.

14 (c) Plaintiffs' third claim for trademark dilution fails to allege any
15 actual dilution, and could not, since the RS Promotional Items are
16 not commercial speech and the reproduction of *Rolling Stone*
17 covers is entirely descriptive and accurate.

18 This Motion is based on this Notice; on the attached Memorandum of Points
19 and Authorities; on the concurrently-filed Request for Judicial Notice and
20 Declarations of John Gruber and Monica Pa with Exhibits A-Z; on any other matters
21 of which this Court may take judicial notice; on all pleadings, files and records in this
22 action; and on such other argument as may be received by this Court at the hearing
23 on this Motion.

24 This Motion is made following the conference of counsel pursuant to Local
25 Rule 7-3, which took place on October 19, 2009. Pa Decl. ¶ 4.

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For each of these reasons, defendants respectfully request that the Court grant this Motion and dismiss plaintiffs' Trademark Claims without leave to amend.

DATED: October 30, 2009

DAVIS WRIGHT TREMAINE LLP
ALONZO WICKERS IV

By: _____ /s/
Alonzo Wickers IV

Attorneys for Defendants
WENNER MEDIA LLC and
HYBRID PROMOTIONS LLC

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OTHER AUTHORITIES

Fed. R. Civ. P. 12(b)(6) *passim*

Fed. R. Civ. P. Rule 23 3

SUMMARY OF ARGUMENT/PRELIMINARY STATEMENT

1
2 Plaintiffs' complaint is deceptively simple. They accuse Wenner Media
3 LLC/Rolling Stone LLC ("Rolling Stone") of peddling "bootleg merchandise,"
4 specifically t-shirts, tote-bags, and posters that bear the names and images of four
5 musical celebrities that plaintiffs, merchandising agents, allege they have the
6 exclusive right to license (Nirvana, Run-D.M.C., Kurt Cobain, and Beyoncé
7 (collectively, the "Artists")). Buried in the complaint is the fact that Rolling Stone is
8 the owner and publisher of the internationally renowned, award-winning *Rolling*
9 *Stone* music magazine, and that the so-called "bootleg merchandise" are actually
10 t-shirts, tote bags and posters that feature reproductions of famous and historic
11 *Rolling Stone* magazine covers (the "Covers"), each of which prominently displays
12 *Rolling Stone*'s trademark and logo, as do the inside labels and hangtags attached to
13 the items (the "RS Promotional Items"). In fact, as the items themselves make clear,
14 each is sold only as part of a subscription promotion campaign involving many of the
15 most celebrated *Rolling Stone* covers, and each purchased RS Promotional Item
16 comes with a subscription to *Rolling Stone* magazine.

17 During the past twenty-five years during which the underlying *Rolling Stone*
18 Covers were published and promoted, none of the Artists or plaintiffs expressed any
19 concern with the Covers or Rolling Stone's republication of the Covers in other
20 promotional campaigns. Only now, plaintiffs seek to challenge Rolling Stone's
21 constitutionally permissible republication of the same covers on the RS Promotional
22 Items as part of a campaign to celebrate the Covers and the *Rolling Stone* brand,
23 promote *Rolling Stone*'s quality and content, and increase subscriptions. However,
24 based upon the complaint and a review of the actual RS Promotional Items in
25 dispute, it is evident that plaintiffs' three trademark claims fail as a matter of law for
26 several independent reasons.

27 First, it is axiomatic that the RS Promotional Items are expressive non-
28 commercial speech that is fully protected by the First Amendment. Not only are

1 t-shirts, tote bags, and posters entitled to full constitutional protection when they act
2 as the conduit for speech; in this case, the RS Promotional Items are republications of
3 *Rolling Stone*'s famous cover art and are sold as part of a promotional subscription
4 program. As such, Rolling Stone has the constitutional right to promote its magazine
5 by reprinting its famous Covers on other merchandise, regardless if such
6 merchandise is sold for profit, or in a manner which encourages subscriptions to
7 *Rolling Stone*. (**Point II (A)**)

8 Second, because the claims arise from the use of the Artists' names and images
9 in expressive works, plaintiffs' trademark claims are barred by the First Amendment
10 because the use of such names and images have artistic relevance to the Covers and
11 the RS Promotional Items do not explicitly suggest an endorsement by any of the
12 Artists featured on the Covers. *E.S.S. Entertainment 2000, Inc. v. Rock Star Videos,*
13 *Inc.*, 547 F.3d 1095 (9th Cir. 2008). Here, the Artists plainly have direct artistic
14 relevance to the actual Covers on which they appeared, and given the prominent
15 display of *Rolling Stone*'s logo on the RS Promotional Items, there can be no
16 implication of an endorsement, let alone an explicit one. As such, the RS
17 Promotional Items as a matter of law are not actionable under the Lanham Act.
18 (**Point II (B)**)

19 Third, plaintiffs' trademark claims are also barred by the nominative fair use
20 defense. Any use of the Artists' trademarks on RS Promotional Items are *bona fide*
21 uses for non-trademark purposes that do not convey sponsorship or endorsement.
22 Rolling Stone's use of the Artist's name or likeness is merely a descriptive use to
23 identify his or her actual appearance on the cover of *Rolling Stone*. (**Point II (C)**)

24 Finally, plaintiffs fail to properly plead each of their purported trademark
25 claims. Thus, they bring a "False Advertising Claim," but fail to allege, as required,
26 any competitive injury. They bring a claim for trademark infringement under
27 Section 1114(1)(a) of the Lanham Act, but fail to identify any registered trademarks
28 owned by the Artists that allegedly have been used by Rolling Stone. And they bring

1 a claim for trademark dilution, but fail to allege any actual dilution, and could not
2 since the reproduction of *Rolling Stone*'s covers is entirely descriptive and accurate.

3 *(Point II (D))*

4 FACTS AND PROCEDURAL HISTORY

5 The Parties

6 Plaintiffs F.E.A. Merchandising, Inc. ("FEA"), Live Nation Merchandise, Inc.
7 ("Live Nation"), and Bravado International Group Merchandising Services, Inc.
8 ("Bravado") are merchandisers that produce, distribute, and sell merchandise,
9 including t-shirts and posters. Compl. ¶¶ 4, 8, 12. FEA, Live Nation, and Bravado
10 allege that they control exclusive merchandising rights for "numerous well-known
11 musical artists," specifically all "rights in and to the names, trademarks, likenesses,
12 and rights of publicity" for the artists Nirvana, Kurt Cobain, Beyoncé, and
13 Run-D.M.C. *Id.* ¶¶ 5, 9, 13, 21.¹

14 Wenner Media LLC is the parent company of Rolling Stone LLC, the owner
15 and publisher of *Rolling Stone* magazine, an internationally renowned publication
16 that has chronicled the music industry since its launch in 1967. Compl. ¶ 17;
17 Declaration of John Gruber ("Gruber Dec."), ¶ 2. More than 1,450,000 copies of
18 *Rolling Stone* magazine are distributed every two weeks, with estimated readership
19 exceeding 12 million. *Id.*

20
21
22 ¹ Beyond these four musical artists, the complaint does not identify what artists
23 plaintiffs represent, or which of these artists have an interest in this action.
24 Nonetheless, plaintiffs appear to be attempting to bring this action on behalf of *all* of
25 the artists they represent. *See, e.g.*, Compl. ¶¶ 16, 29, 37, 43. However, they did not
26 plead a class action and have not otherwise pled sufficient facts to assert claims on
27 behalf of unidentified individuals concerning unrevealed trademarks or other rights
28 used on unspecified works. *See* Fed. R. Civ. P. 23 (plaintiff in class action must
allege the class is so numerous that joinder is impracticable; common questions of
law or fact; claims and defenses of the class representative are typical of those of the
class; and class representative will fairly and adequately represent the interests of the
class); *see Bell Atlantic Corp. v. Twombly*, 550 U.S. 544, 127 S.Ct. 1955, 1974, 167
L.Ed.2d 929 (2007) (to avoid dismissal, a complaint must plead "enough facts to
state a claim to relief that is plausible on its face").

1 Hybrid Promotions LLC d/b/a “Hybrid Apparel” is a California limited
 2 liability company with its principal place of business in Cypress, California, and it
 3 was responsible for manufacturing and distributing some of the RS Promotional
 4 Items. Compl. ¶ 18.

5 **The Covers**

6 *Rolling Stone* magazine covers are a part of both music history and popular
 7 culture. Gruber Dec. ¶ 4. Since 1967, *Rolling Stone* has reproduced its famous
 8 magazine covers in not only the magazine itself (print and online), but also in two
 9 separate books: *Rolling Stone The Complete Covers*, published by Aradale Press,
 10 1998, and *Rolling Stone, 1000 Covers*, published by Harry N. Abrams, Inc., 2006.
 11 *Id.*; Pa Dec. Ex. 4. Five covers are at issue in this action, all published within the last
 12 twenty-five years. Compl. ¶¶ 21-22.

- 13 • The cover from the December 4, 1986 issue (RS 488) of *Rolling Stone*
 14 that featured the rap group Run-D.M.C. and the cover line “Run-D.M.C.
 15 Sets the Record Straight on Rap Music and Violence,” along with other
 16 cover lines (the “Run-D.M.C. Cover”). Gruber Dec. Ex. E.
- 17 • The cover from the April 16, 1992 issue (RS 628) of *Rolling Stone* that
 18 featured Nirvana as one of the “New Faces of Rock 1992” and a cover
 19 headline, “Inside the Heart and Mind of Kurt Cobain,” along with other
 20 cover lines (the “Nirvana Cover”). *Id.* Ex. H.
- 21 • The June 2, 1994 issue (RS 683) of *Rolling Stone* that was an “in
 22 memorial” cover on the death of Kurt Cobain, featuring his image and
 23 the dates of his birth and death (the “Cobain Memorial Cover”). *Id.*
 24 Ex. J.
- 25 • The cover from the May 13, 1999 issue (RS 812) of *Rolling Stone* that
 26 featured Kurt Cobain and the cover line “Artist of the Decade”, along
 27 with other cover lines (the “Cobain ‘Artist of the Decade’ Cover”). *Id.*
 28 Ex. N.
- The March 4, 2004 issue (RS 943) of *Rolling Stone* that featured the
 artist Beyoncé and the cover line “Beyoncé. What Makes the Shy Girl
 So Hot,” along with other cover lines (the “Beyoncé Cover”). *Id.* Ex. P.

25 Plaintiffs and the Artists assert no claims arising out of the use of the Artists’
 26 images and names on the cover of *Rolling Stone*, or any associated advertising and
 27 promotion. Compl., *passim*. Instead, plaintiffs’ claims arise out of the reproduction
 28 of the *Rolling Stone* covers – complete with all cover lines and the prominent display

1 of the distinctive *Rolling Stone* trademark and logo – on RS Promotional Items as
 2 part of a subscription promotion campaign for the magazine (the “Campaign”).
 3 Compl. ¶ 22.

4 **The RS Promotional Items**

5 *Rolling Stone* consistently has promoted its magazine and sought new
 6 subscribers by republishing its covers in all forms of media and display. Gruber Dec.
 7 ¶ 5. For several years, *Rolling Stone* has engaged in a subscription promotion
 8 campaign that features its iconic magazine covers on posters and that provides each
 9 purchaser of a poster with a subscription to *Rolling Stone* for no additional cost. *Id.*
 10 ¶ 6. In May 2008, *Rolling Stone* expanded the subscription Campaign by featuring
 11 selected *Rolling Stone* Covers on collectors-edition t-shirts.² *Id.* Described by
 12 plaintiffs as “bootleg merchandise,” Compl. ¶ 20, the Campaign has to date used over
 13 eighty-four individual covers selected from the *Rolling Stone* archive, including the
 14 five covers at issue here. Gruber Dec. ¶ 6. (In addition, the Campaign includes t-
 15 shirts that do not contain any reproductions of any covers, but features only the
 16 ROLLING STONE trademark in its distinctive logotype. *Id.*)

17 The front of each RS Promotional Item that contains a reproduction of a
 18 famous *Rolling Stone* cover clearly contains the ROLLING STONE mark³ in its
 19 distinctive logotype at the top. See Gruber Dec., Exs. A, B, C, F, I, K, O, Q. The

20 _____
 21 ² The Campaign was later further expanded to include reproductions of certain
 22 covers on tote bags. Gruber Dec. ¶ 6. Of the RS Promotional Items identified in the
 23 Complaint, the Campaign only uses the Beyoncé Cover on a tote bag and only the
 24 Cobain Memoriam Cover as a poster. *Id.*

25 ³ *Rolling Stone*’s rights in its famous mark are evidenced by the more than 60
 26 trademark registrations and applications in the United States and worldwide,
 27 including the following trademark registrations and applications in the United States:
 28 ROLLING STONE (an incontestable U.S. Registration, No. 1,574,947, for
 entertainment magazines); ROLLING STONE (stylized) (an incontestable U.S.
 Registration, No. 1,588,810, for entertainment magazines); ROLLING STONE.COM
 (stylized) (an incontestable U.S. Registration, No. 2,163,640, for providing an online
 magazine and providing information online in the fields of popular culture, politics,
 and music); and ROLLING STONE (stylized) (U.S. Registration, No. 2,726,171, for
 backpacks. Gruber Dec. ¶ 3.

1 inside label of the t-shirt is branded with the mark ROLLING STONE
2 COLLECTION. The back of the t-shirts are either blank or have the “RS” trademark
3 in its distinctive logotype. Each t-shirt has attached to it a ROLLING STONE
4 COLLECTION branded hangtag. *Id.* Exs. A-C. The inside label of each tote bag is
5 branded with the mark ROLLING STONE ORIGINALS. *Id.* ¶ 17(b), Exs. D, S.
6 Each poster is branded with the mark ROLLING STONE AUTHENTIC and contains
7 a sticker that states “1 Year of Rolling Stone + Rolling Stone Collection Poster Just
8 \$9.99.” *Id.* ¶ 14(d), Ex. M.

9 The Campaign is intended to celebrate and promote the famous *Rolling Stone*
10 covers and brand, and to increase reader subscriptions. *Id.* ¶ 8. The Campaign is
11 structured so that the purchase price includes a complimentary 26-issue or 12-issue
12 subscription to *Rolling Stone* magazine as well as the RS Promotional Item. *Id.* The
13 hangtag affixed to each t-shirt and tote bag contains a redemption card that
14 prominently states: “YOU PAID FOR IT. TELL US WHERE TO SEND IT,” and
15 features a montage of other Rolling Stone covers, along with the magazine’s
16 distinctive trademark. *Id.* Ex. T, emphasis in original. The redemption card states
17 that the purchaser may “Claim your 12 issue Rolling Stone Subscription” with the
18 purchase of the t-shirt or tote bag, and then asks that the purchaser set forth his or her
19 name, address, and email address. *Id.* A subscription card also accompanies each
20 poster, with a sticker on the outside of the package stating “1 Year of Rolling Stone +
21 Rolling Stone Collection Poster Just \$9.99.” *Id.* Exs. M, U.

22 **The Complaint**

23 Arising out of the sale of the RS Promotional Items as part of the magazine’s
24 subscription promotion campaign, plaintiffs bring a series of claims, including three
25 claims under the Lanham Act: a False Advertising claim under 15 U.S.C. §§ 1125(a),
26 a Trademark Infringement claim under 15 U.S.C. § 1114, and a Trademark Dilution
27 claim, under 15 U.S.C. § 1125(c) (“Trademark Claims”). Compl. ¶¶ 28-44.
28 Plaintiffs also bring companion state law right of publicity and unfair competition

1 claims. For the reasons set forth below, plaintiffs' Trademark Claims must be
2 dismissed and the Court should decline to exercise supplemental jurisdiction over
3 plaintiffs' remaining state and common law claims.

4 ARGUMENT

5 I.

6 **THE ISSUES PRESENTED IN THIS MOTION** 7 **SHOULD BE DECIDED AT THE PLEADING STAGE**

8 A motion to dismiss under Rule 12(b)(6) tests the legal sufficiency of the
9 plaintiff's claims. Dismissal is warranted if no relief could be granted under any set
10 of facts that could be proved consistent with the allegations. *See Ashcroft v. Iqbal*,
11 -- U.S. --, 129 S. Ct. 1937, 1949, 173 L. Ed. 2d 868 (2009); *Twombly*, 550 U.S. at
12 563. In evaluating the facts alleged in the complaint, a court should not "accept any
13 unreasonable inferences or assume the truth of legal conclusions cast in the form of
14 factual allegations." *Ileto v. Glock*, 349 F.3d 1191, 1200 (9th Cir. 2003).

15 When ruling on a motion to dismiss, a court may consider not only the
16 plaintiff's allegations, but also material that properly is the subject of judicial notice.
17 *MGIC Indem. Corp. v. Weisman*, 803 F.2d 500, 504 (9th Cir. 1986). The Ninth
18 Circuit also has recognized that a court may consider "document[s] the authenticity
19 of which [are] not contested, and upon which plaintiffs' complaint necessarily
20 relies[.]" even if those materials are not attached to the complaint. *Parrino v. FHP*,
21 146 F.3d 699, 706 (9th Cir. 1998), *superseded by statute on other grounds*, *Abrego v.*
22 *Dow Chem. Co.*, 443 F.3d 676, 681 (9th Cir. 2006). Thus, courts deciding Rule
23 12(b)(6) motions regularly examine expressive works, even if not attached to the
24 complaint, to determine whether they are actionable. *See Brown v. Electronic Arts,*
25 *Inc.*, Case No. 2:09-cv-01598-MMM (C.D. Cal. Sept. 23, 2009) (hereinafter
26 "*Brown*") (analyzing allegedly infringing video game at issue, holding that the First
27 Amendment barred the Plaintiff's Lanham Act claim); *Burnett v. Twentieth Century*
28 *Fox Film Corp.*, 491 F. Supp. 2d 962, 973 (C.D. Cal. 2007) (granting motion to

1 dismiss misappropriation and Lanham Act claims after reviewing television program
 2 that formed basis of lawsuit); *Metrano v. Twentieth Century Fox*, Case No. CV
 3 08-6314 PSG (VCKx) (C.D. Cal. July 16, 2009) (taking judicial notice of
 4 defendants' film; granting motion to dismiss Lanham Act claim); *Kent v. Universal*
 5 *Studios*, Case No. CV 08-2704 GAF (SHx) (C.D. Cal. Aug. 15, 2008) (same).

6 Here, plaintiffs' three trademark claims all arise from the reproduction of
 7 actual *Rolling Stone* covers on the RS Promotional Items as part of Rolling Stone's
 8 subscriber promotion campaign. Compl. ¶¶ 20-22. Since the RS Promotional Items
 9 are extensively referred to in the Complaint and are the sole basis of the claims, the
 10 Court may (and should) consider the contents of the RS Promotional Items in
 11 deciding this motion.

12 By doing so, this Court may resolve this lawsuit at the pleading stage, which is
 13 especially appropriate because plaintiffs' claims target expressive works. In *Winter*
 14 *v. D.C. Comics*, 30 Cal. 4th 881 134 Cal. Rptr. 3d 634 (Cal. 2003), the California
 15 Supreme Court emphasized that "because unnecessarily protracted litigation would
 16 have a chilling effect upon the exercise of First Amendment rights, speedy resolution
 17 of cases involving free speech is desirable." *Id.* at 891. To that end, the Court noted
 18 that misappropriation and related claims "can often [be] resolve[d] ... as a matter of
 19 law simply by viewing the [defendant's] work in question and, if necessary,
 20 comparing it to an actual likeness of the [plaintiff]." *Id.* Critically, the Court
 21 instructed that such claims are "*often* properly resolved on summary judgment or, if
 22 the complaint includes the work in question, even [on] demurrer" (or, by logical
 23 extension, on a motion to dismiss). *Id.* (emphasis added). That is the precisely the
 24 case here.

25 II.

26 **PLAINTIFFS' TRADEMARK CLAIMS SHOULD BE DISMISSED**

27 The Lanham Act "does not prohibit all unauthorized uses of a trademark";
 28 instead a trademark owner's rights are violated only where the unauthorized use has a

1 substantial capacity to mislead consumers into confusion as to the source of the
 2 goods or services. *Bosley Medical Inst, Inc. v. Kremer*, 403 F.3d 672, 677, 679 (9th
 3 Cir. 2005) (“[t]rademark infringement protects only against mistaken *purchasing*
 4 *decisions* and not against confusion generally”) (emphasis in original).

5 Where, as here, a celebrity brings a trademark claim, the “celebrity persona”
 6 functions as the “mark” for trademark purposes. See *White v. Samsung Electronics*
 7 *America, Inc.*, 971 F.2d 1395, 1399-1400 (9th Cir. 1992). But, as the court observed
 8 in *Cairns v. Franklin Mint*, 107 F. Supp. 2d 1212, 1214 (C.D. Cal. 2000), “not all
 9 uses of a celebrity’s image are actionable under § 1125(a). Only uses which suggest
 10 sponsorship or approval are prohibited [,] ... not mere use of an image or name.” *Id.*

11 Plaintiffs have not identified any trademark registrations associated with the
 12 Artists they represent, nor have they identified any specific images of the Artists that
 13 they claim function as source identifiers for the Artists. Compl., *passim*. As
 14 recognized by the Sixth Circuit in declining to accept the “untenable” claim that
 15 Tiger Woods functions as a “walking, talking trademark,” and that therefore all
 16 images of him denote sponsorship, “mere images of the celebrity itself” are not
 17 protectable as a trademark because they do not perform the trademark function of
 18 designation. They do not distinguish and identify the source of goods.” *ETW Corp.*
 19 *v. Jireh Pub., Inc.*, 332 F.3d 915, 922 (6th Cir. 2003).⁴ See also *Pirone v. MacMillan,*
 20 *Inc.*, 894 F.2d 579, 583 (2d Cir. 1990) (no trademark protection in photographs of
 21 Babe Ruth since “an individual’s likeness is not a consistently represented fixed
 22 image”); *Estate of Presley v. Russen*, 513 F. Supp. 1339, 1363-1364 (D.N.J. 1981)
 23 (Presley estate did not have a trademark in every “likeness and image” of Elvis).

24 _____
 25 ⁴ With a finding that is equally true here, the *ETW* court observed that “there
 26 are undoubtedly thousands of images of Woods taken by countless photographers ...
 27 which have been published in many forms of media, and sold and distributed
 28 throughout the world.” *Id.* at 922. Innumerable photos of Nirvana, Cobain,
 Run-*D.M.C.*, and Beyoncé have similarly been published and sold and the Complaint
 does not identify any specific images of the Artists that are consistently used to
 denote their sponsorship.

1 In addition to the other independent grounds for dismissal identified below, the
 2 First Amendment provides a complete defense to each of the three Trademark Claims
 3 brought by plaintiffs.

4 **A. RS Promotional Items Are Entitled To Full First Amendment Protection**

5 **1. The RS Promotional Items Are Expressive Speech**

6 Plaintiffs do not challenge the use of the Artists' names and likenesses on the
 7 covers of *Rolling Stone* as originally published and promoted. Instead, plaintiffs
 8 challenge the reproduction of the *same* covers on RS Promotional Items, even though
 9 the items themselves demonstrate that they are only sold as part of *Rolling Stone's*
 10 subscription promotion campaign. Gruber Dec., Exs. A-U. The first step in any
 11 trademark analysis is to determine whether the items at issue contain purely
 12 commercial speech or expressive speech. Here, the law is clear that the RS
 13 Promotional Items are afforded full First Amendment protection as expressive non-
 14 commercial speech.⁵

15 The California Supreme Court has flatly rejected the contention that t-shirt
 16 merchandise bearing celebrity images is commercial speech; instead, it recently held
 17 that t-shirts containing the bare reproduction of a charcoal drawing of the Three
 18 Stooges and sold for profit were nevertheless "expressive works and not
 19 advertisement or endorsement of a product." *Comedy III Prods. v. Gary Saderup,*
 20 *Inc.*, 25 Cal. 4th 387, 396, 106 Cal. Rptr. 2d 126 (2001). In *Comedy III*, the Court
 21 found that defendant's t-shirts did not lose their First Amendment protection merely
 22 because they were entertaining rather than informing, or were in the "form of

23 _____
 24 ⁵ The "protection of the First Amendment is not limited to written or spoken
 25 words." *ETW Corp.*, 332 F.3d at 924. *See also Zacchini v. Scripps-Howard*
 26 *Broadcasting Co.*, 433 U.S. 562, 578, 97 S. Ct. 2849, 2859, 53 L. Ed. 2d 965 (1977)
 27 ("entertainment, as well as news, enjoys First Amendment protection"). This is
 28 because non-commercial speech receives more robust constitutional protection. *Id.*
 That said, even "commercial speech does receive some First Amendment
 protection." *Facenda v. N.F.L. Films, Inc.*, 542 F.3d 1007, 1018 (3d Cir. 2008);
Central Hudson Gas & Elec. Corp. v. Pub. Serv. Comm'n of N.Y., 447 U.S. 557, 561,
 100 S.Ct. 2343, 2349, 65 L. Ed. 2d 341 (1980).

1 nonverbal, visual representation, or even because they contained “no discernable
2 message.” *Id.* at 399. Moreover, the fact that the shirts were not original, single
3 works of art, but instead were part of a commercial enterprise designed to generate
4 profit solely from the sale of multiple reproductions of the likeness of the Three
5 Stooges, did not undermine the fact that they were fully protected expression. *Id.* at
6 408.⁶

7 Indeed, in case after case, courts have held that speech conveyed on a t-shirt is
8 entitled to full First Amendment protection, regardless of whether the shirt was sold
9 for profit. *See, e.g., Ayres v. City of Chicago*, 125 F.3d 1010, 1014 (7th Cir. 1997)
10 (t-shirts were akin to “the sandwich boards that union pickets sometimes wear”; the
11 t-shirts were “a medium of expression prima facie protected by the free-speech
12 clause of the First Amendment, and they do not lose their protection by being sold
13 rather than given away”); *Universal City Studios, Inc. v. Tee-shirt Gallery, Ltd.*, 634
14 F. Supp. 1468, 1477 (S.D.N.Y. 1986) (refusing to enjoin makers of “Miami Mice”
15 t-shirts parodying the Miami Vice television series); *Smith v. Wal-Mart Stores, Inc.*,
16 537 F. Supp. 2d 1302, 1339-1340 (N.D. Ga. 2008) (t-shirts containing parody were
17 noncommercial speech and not subject to Wal-Mart’s trademark dilution claims,
18 despite the fact that defendant sold shirts to the public); *c.f., Cohen v. California*, 403
19 U.S. 15, 91 S. Ct. 1780, 29 L. Ed. 2d 284(1971) (jacket carrying political message
20 was protectable speech).

21 _____
22 ⁶ The court in *Comedy III* ultimately held that defendant’s depiction of the
23 Three Stooges was not immune from misappropriation claims by the owner of the
24 Three Stooges’ post-mortem rights of publicity. Specifically, the defendant’s shirts
25 were infringing because they were not sufficiently transformative; instead, they
26 consisted of literal and nearly identical charcoal drawings of the faces of the Three
27 Stooges. 25 Cal. 4th at 408-409. But unlike in *Comedy III*, the *Rolling Stone* Covers
28 are not a mere reproduction of the Artists’ names and images on merchandise;
instead, they are reproductions of previously published *Rolling Stone* magazine cover
art designed by Rolling Stone, with the highly distinctive *Rolling Stone* logo at the
top, cover lines communicating messages concerning the Artists, issue numbers and
other design elements. As such, the Covers are plainly transformative and are more
akin to the “collage of images” found to be sufficiently transformative in the Tiger
Woods decision discussed above. *ETW*, 332 F.3d at 938.

1 Here, the *Rolling Stone* Covers, with their distinctive artistic designs and
2 communicative cover lines, are textbook example of expressive, non-commercial
3 speech. When the *Rolling Stone* Covers are reproduced in full on RS Promotional
4 Items, like the Three Stooges depiction in *Comedy III*, they do not lose their status as
5 expressive works fully protected by the First Amendment.

6 **2. The *Rolling Stone*'s Covers Were Republished To Promote
7 The Magazine's Quality And Content**

8 While fully protected as independent expressive works, the RS Promotional
9 Items enjoy additional constitutional protection because they are marketed as a
10 means to promote the magazine and increase subscriptions. A magazine's cover is
11 its calling card and best evidences the quality and content of the publication. As
12 courts have repeatedly acknowledged, the primary way for a publication to promote
13 itself is to show its covers or other examples of actual features from the magazine.
14 Such uses are a necessary and logical extension of the clearly protected editorial use
15 of the content on and in the magazine, and do not give rise to any claims from
16 individuals featured on a cover. *See Montana v. San Jose Mercury News, Inc.*,³⁴
17 Cal. App. 4th 790, 797, 40 Cal. Rptr. 2d 639, 643 (1995); *Namath v. Sports*
18 *Illustrated*, 48 A.D.2d 487, 371 N.Y.S.2d 10 (N.Y. App. Div. 1975) (“use of
19 plaintiff's photograph was merely incidental advertising of defendants' magazine in
20 which plaintiff had earlier been properly and fairly depicted”). Even if a
21 republication of its past covers involve “in motivation, sheer advertising and
22 solicitation” and even if “the reproduction appeared in other media[,]” the
23 reproduction is still protected speech. *Id.* at 488.

24 In *Montana*, for example, quarterback Joe Montana took issue when the *San*
25 *Jose Mercury News* republished its front page celebration of the San Francisco 49er's
26 Super Bowl win on posters – prominently featuring an artist's rendition of Montana –
27 and sold them to the public. *Montana*, 34 Cal. App. 4th at 797. As here, Montana
28 did not challenge the use of his name or likeness on the front pages of the newspaper.

1 Instead, his action arose exclusively out of the posters sold for profit, which he
2 argued did not enjoy First Amendment protection. The court rejected Montana's
3 argument finding that the posters are:

4 similarly entitled to First Amendment protection.... This is because
5 Montana's name and likeness appeared in the posters for *precisely* the
6 same reason they appeared on the original newspaper front pages:
because Montana was a major player in contemporaneous newsworthy
sports events.

7 *Id.* at 794 (emphasis in original). Thus, the court held that the newspaper had a
8 constitutional right to promote itself by reproducing its front covers to illustrate the
9 quality and content of its work product. "Constitutional protection extends to the
10 truthful use of a public figure's name and likeness in advertising which is merely an
11 adjunct of protected publication and promotes only the protected publication." *Id.* at
12 797.⁷

13 Case after case has recognized the now-settled principle that magazines and
14 newspapers may reproduce their covers or articles on products and in ads to illustrate
15 their content and to increase subscriptions. *See, e.g., Booth v. Curtis Publishing*
16 *Company*, 15 A.D.2d 343, 223 N.Y.S.2d 737 (N.Y. App. Div. 1962), *aff'd*, 11
17 N.Y.2d 907, 228 N.Y.S.2d 468 (1962) (republication of photo of actress in a full-
18 page advertisement for the magazine not actionable as commercial speech); *Lerman*
19 *v. Flynt Distributing Co., Inc.*, 745 F.2d 123, 130-131 (2nd Cir. 1984) (republications
20 of front page of magazine in solicitations for subscriptions which identified plaintiff
21 as having posed nude in a movie did not infringe her right of publicity); *Velez v. VV*
22 *Publ. Corp.*, 135 A.D.2d 47, 524 N.Y.S.2d 186 (N.Y. App. Div. 1988) (subscription-
23 soliciting advertisement containing reproduction of newspaper cover depicting
24 plaintiff did not infringe publicity right); *Lawrence v. A.S. Abell Co.*, 299 Md. 697,
25 707, 475 A.2d 448, 453-454 (Md. 1984) (newspaper's advertising campaign that

26 _____
27 ⁷ For the reasons set forth in *Namath, Montana*, and related cases, plaintiff's
28 state law right of publicity and unfair competition claims also fail, as will be readily
established in any subsequent proceedings.

1 reproduced a front page photograph of two infants was mere incidental use of
 2 photograph and did not suggest that infants endorsed newspaper or its advertising
 3 campaign); RESTATEMENT THIRD, UNFAIR COMPETITION § 47, comment a (1995) (“[a]
 4 magazine soliciting subscriptions, for example, may refer to a past article about a
 5 particular celebrity as an illustration of the magazine’s customary content”).⁸

6 Rolling Stone, like other publications, has the constitutional right to promote
 7 itself and to solicit subscriptions by reproducing its indisputably fully protected
 8 covers in other mediums. Rolling Stone’s republication of its actual Covers on the
 9 RS Promotional Items is no different than the publication of Namath’s photograph in
 10 subscription-soliciting advertisements for *Sports Illustrated* or the publication on
 11 posters of Montana’s image from the front pages of the *San Jose Mercury News*. The
 12 Ninth Circuit has made clear that “trademark laws do not give the [celebrities] the
 13 right to channel their fans’ enthusiasm (and dollars) only into items licensed or
 14 authorized by them.” *New Kids on the Block v. New America Pub.*, 971 F.2d 302,
 15 309 (9th Cir. 1992) (newspapers’ use of plaintiff’s names to conduct a survey for
 16 profit not actionable).⁹

17
 18
 19 _____
 20 ⁸ Analogously, courts regularly dismiss claims based on advertisements for
 21 expressive works because such advertisements are incidental to the constitutionally
 22 protected activity. *See, e.g., William O’Neil & Co., Inc. v. Validea.Com, Inc.*, 202 F.
 23 Supp. 2d 1113, 1119 (C.D. Cal. 2002) (granting defendants’ Rule 12(b)(6) motion
 24 dismissing misappropriation and unfair competition claims based on advertisement
 25 for a book critical of plaintiff; advertisement was “an adjunct” of the book, and was
 accordingly “protected to the same extent as the book itself”); *Hoepker v. Kruger*,
 200 F. Supp. 2d 340, 350-351 (S.D.N.Y. 2002) (granting Rule 12(b)(6) motion to
 dismiss claims based on advertisements that used photograph of plaintiff to promote
 an art exhibit); *Astaire v. Best Film & Video Corp.*, 116 F.3d 1297, 1301 (9th Cir.
 1997) (defendants may reproduce image of Fred Astaire on advertisement for
 instructional dance videos).

26 ⁹ Tellingly, these claims come not from the Artists themselves but from their
 27 licensing agents, which show how the heart of this litigation is the fact that the RS
 28 Promotional Items were sold “without in any way compensating the Artists”, or,
 more specifically, their exclusive merchandising agents. Compl. ¶ 20.

1 In short, the reproduction of the *Rolling Stone* Covers on merchandise to
2 promote the magazine and to generate subscriptions is expressive activity that is fully
3 protected by the First Amendment.

4 **B. The First Amendment Bars Plaintiffs' Trademark Claims Because Any**
5 **Use Of The Artists' Names And Likenesses Had Artistic Relevance To**
6 **The Covers, And The RS Promotional Items Do Not Explicitly Mislead As**
7 **To Source Or Origin**

8 While "Section 43(a) of the Lanham Act prohibits the use of false designations
9 of origin, false descriptions, and false representations in the advertising and sale of
10 good and services," *Waits v. Frito-Lay, Inc.*, 978 F.2d 1093, 1106 (9th Cir. 1992),
11 where, as here, plaintiffs' trademark claims arise from the alleged use of a name or
12 likeness in an expressive work, courts do not apply the traditional likelihood-of-
13 confusion test because it "fails to account for the full weight of the public's interest
14 in free expression." *Mattel v. MCA Records*, 296 F.3d 894, 900 (9th Cir. 2002).
15 Instead, to prevent plaintiffs from misusing the Lanham Act to stifle expressive
16 works, the Ninth Circuit adopted the two-part *Rogers v. Grimaldi* test. *E.S.S. v. Rock*
17 *Star Videos, Inc.*, 547 F.3d 1095, 1099 (9th Cir. 2008). Under the *Rogers* test, the
18 Lanham Act will "apply to artistic works *only* where the public interest in avoiding
19 consumer confusion outweighs the public interest in free expression." *Rogers v.*
20 *Grimaldi*, 875 F.2d 994, 995 (2d Cir. 1989) (emphasis in original).

21 The *Rogers* test has two prongs. First, a court must examine whether the
22 defendant's use of the trademark has any artistic relevance to the underlying work.
23 *Id.* "[O]nly the use of a trademark with no artistic relevance to the underlying work
24 whatsoever does not merit First Amendment protection ... In other words, the level
25 of relevance merely must be above zero." *E.S.S.* 547 F.3d at 1100. Second, the court
26 evaluates whether the use "*explicitly* misleads" as to the source or the content of the
27 work. *Id.* (emphasis added). To be "*explicitly* mislead[ing]," the defendant's work
28 must make some affirmative statement of the plaintiffs' sponsorship or endorsement,
beyond the mere use of plaintiffs' name or other characteristic. *See Rogers*, 875 F.2d

1 at 1001; *E.S.S.*, 547 F.3d at 1101. As the Ninth Circuit has suggested, if the only
2 alleged basis for a claim of sponsorship or endorsement is the inclusion of the
3 plaintiff's mark within the defendant's work, the plaintiff necessarily fails to satisfy
4 the second prong of the *Rogers* test. *MCA Records*, 296 F.3d at 902. Any other
5 result "would render *Rogers* a nullity." *Id.* See also *Rogers*, 875 F.2d at 1001
6 (holding that title of the film *Ginger and Fred* did not explicitly mislead consumers
7 into believing that Ginger Rogers approved or produced the film); *ETW*, 332 F.3d at
8 915, 920, 937 (even though defendant used the registered mark "Tiger Woods" in
9 marketing materials and depicted image of Woods in prints, merchandise did not
10 explicitly mislead as to sponsorship or endorsement).

11 When the *Rogers* test has been applied to a broad array of expressive works –
12 including videogames, movies, covers of CDs, posters, and the like – courts routinely
13 have granted motions to dismiss. The August 2008 decision from Judge Fees in
14 *Kent v. Universal Studios, Inc.*, Case No. CV08-2704 GAF (SHx) (C.D. Cal. 2008),
15 is instructive. There, a television journalist who briefly achieved fame as the "Stud
16 Scud" during the First Gulf War sued the producer of the film *Charlie Wilson's War*,
17 alleging that the film's use of war footage narrated by the journalist gave rise to a
18 false-endorsement claim under Section 43(a). *Kent* at 2. The court stated that the
19 defendants' motion to dismiss "raised essentially ... legal questions" – including
20 application of the two-part *Rogers* test – "that do not require further factual
21 development." *Id.* For purposes of the motion, the court reviewed the film and
22 accepted as true the allegations that the defendants used the footage without the
23 plaintiff's permission, that the footage contained his voice, and that filmgoers
24 "recognized his voice." *Id.* at 3. In dismissing the Lanham Act claim with prejudice,
25 the court held that the footage had artistic relevance to the film, and that the film did
26 not explicitly mislead viewers as to the plaintiff's endorsement of the film. *Id.* See
27 also *Metrano v. Twentieth Century Fox Film Corp., et al.*, Case No. 08-6314 PSG
28 (VBKx) (C.D. Cal. 2009) (motion to dismiss Lanham Act claim granted on alleged

1 use of plaintiff's comedy act in television series *Family Guy*); *Brown, supra*
2 (defendants' motion to dismiss Lanham Act claims granted on alleged use of football
3 player's likeness in video games); *Armstrong v. Eagle Rock Enter., Inc.*, 09-Cv-
4 11704 (E.D. Mich. Sept. 10, 2009) (defendants' motion for judgment on the
5 pleadings dismissing Lanham Act claim based on the unauthorized use of plaintiff's
6 image on the back cover and internal packaging on a DVD concerning a historic jazz
7 orchestra and concert).¹⁰

8 Here, the use of the Artists' names and likenesses on reproductions of actual
9 *Rolling Stone* covers on which they each appeared easily meets the very low artistic
10 relevance threshold. *E.S.S.*, 547 F.3d at 1160. The reproduction of *Rolling Stone*
11 covers that include the Artists' names and likenesses as examples of the quality and
12 content of the magazine to promote *Rolling Stone* clearly exceeds the requirement
13 that there be some artistic relevance above "zero relevance" to the magazine. *E.S.S.*,
14 547 F.3d at 1160.

15 Under the second prong of the *Rogers* test, the question is whether the RS
16 Promotional Items "explicitly" signaled that the Artists sponsored or endorsed the
17 items. *E.S.S.*, 547 F.3d at 1100; *MCA Records*, 296 F.3d at 902 (must "explicitly
18 mislead as to the source or the content of the work"). As noted above, the alleged
19 use of the Artists' names and likeness on the Covers alone is insufficient as a matter
20 of law to establish that the RS Promotional Items are explicitly misleading. *E.S.S.*,
21 547 F.3d at 1101 ("mere use of a trademark alone cannot suffice to make such use
22
23

24 ¹⁰ Other courts have not hesitated to dismiss Lanham Act claims when the
25 defendant's expressive work is before the court on a Rule 12(b)(6) motion. *See, e.g.*,
26 *Comedy III Prods. v. New Line Cinema*, 200 F.3d 593, 596 (9th Cir. 2000); *Burnett*,
27 491 F. Supp. 2d at 972-973 (granting motion to dismiss Section 43(a) claim based on
28 animated television show's parody of actress); *Felix the Cat Prods. v. New Line
Cinema*, 54 U.S.P.Q.2d 1856, 1857-1858 (C.D. Cal. Apr. 28, 2000) (granting motion
to dismiss Lanham Act claim based on defendants' use of clip of Poindexter cartoon
in movie *Pleasantville*).

1 explicitly misleading”); *ETW*, 332 F.3d at 920, 937. There must be something more,
2 but here there is nothing to support endorsement, let alone explicit endorsement.

3 While plaintiffs allege that the RS Promotional Items create the “false
4 impression” that the Artists endorsed or sponsored the items, they provide no support
5 for that legal conclusion. Compl. ¶ 29. In fact, a simple review of the challenged
6 items belies any suggestion of endorsement. The RS Promotional Items at issue are
7 only five out of more than eighty different Covers selected to be included in this
8 subscription program (and the Campaign also includes the t-shirts that only feature
9 the famous ROLLING STONE mark without the reproduction of any covers).
10 Gruber Dec. ¶ 6. The only unifying theme is the fact that they are all sold by *Rolling*
11 *Stone* magazine, feature *Rolling Stone*’s magazine covers, and each comes with a
12 complimentary subscription to *Rolling Stone* magazine. Moreover, each
13 reproduction of a *Rolling Stone* cover prominently features the distinctive *Rolling*
14 *Stone* trademark, which is also displayed on the t-shirt’s inside label and the
15 subscription redemption tags attached to each item. *Id.* ¶ 7-8. The unmistakable
16 conclusion is that *Rolling Stone* reproduced its own famous magazine covers on the
17 merchandise as part of a subscription promotion program. There is nothing to
18 support an “explicit” endorsement from any Artist referred to or depicted on the
19 Covers. *Abdul-Jabbar v. GMC*, 85 F.3d 407, 413 (9th Cir. 1996) (“[n]ewspapers and
20 magazines commonly use celebrities’ names and photographs without making
21 endorsement contracts, so the public does not infer an endorsement agreement from
22 the use”).

23 Finally, even if there is any risk that consumers may mistakenly believe that
24 the Artists somehow endorsed the RS Promotional Items, the mere risk of consumer
25 mistake cannot meet plaintiffs’ burden of showing affirmative and explicit acts of
26 misrepresentation. For example, in *Rogers*, 875 F.2d at 1001, even though survey
27 evidence suggested that some members of the public drew the incorrect inference
28 that Ginger Rogers was associated with the defendants’ film based on its title

1 “*Ginger and Fred*”, the court held that the “risk of misunderstanding, not engendered
 2 by any overt claim in the title, is so outweighed by the interests in artistic expression
 3 as to preclude application of the Lanham Act.” *Id. See also Armstrong*, Order at 19
 4 (holding that use of plaintiff’s image on DVD back cover with erroneous statement
 5 concerning plaintiff’s consent, which could be mistakenly viewed as an endorsement,
 6 was not sufficient to overcome First Amendment defense).

7 **C. Rolling Stone’s Use Of The Artist’s Name And Likeness Was Not A**
 8 **Trademark Use; Any Use Was Protected By The Nominative Fair Use**
 9 **Defense**

10 Plaintiffs cannot bring a Lanham Act claim where the allegedly infringing use
 11 of the mark “is descriptive of and used fairly and in good faith only to describe the
 12 goods ... of such party [.]” 15 U.S.C. § 1115(b)(4); *see San Francisco Arts and*
 13 *Athletics, Inc. v. U.S. Olympic Comm.*, 483 U.S. 522, 565, 107 S. Ct. 2971, 97 L. Ed.
 14 2d 427 (1987). This is especially the case with names: “[p]ersonal names used as
 15 trademarks are generally treated as descriptive terms, since a name might be regarded
 16 as a convenient description[;]” as such, names are only protected if “through usage,
 17 they have acquired distinctiveness and secondary meaning.” *Pirone*, 894 F.2d at 583
 18 (name “Babe Ruth” was used in merchandise only in the descriptive sense).

19 Rolling Stone’s descriptive use of the Artists’ names or likenesses to
 20 accurately depict its actual covers on which the Artists appeared is not a trademark
 21 use; or, put differently, it is a nominative fair use insulated from liability because
 22 such use “does not implicate the source-identification function that is the purpose of
 23 the trademark.” *New Kids*, 971 F.2d at 308. There are three elements for a
 24 nominative fair use defense: (1) plaintiffs’ product or service in question must be one
 25 not readily identifiable without use of the trademark; (2) only so much of the mark or
 26 marks may be used as is reasonably necessary to identify the [plaintiffs’] product or
 27 service; and (3) the user must do nothing that would, in conjunction with the mark,
 28 suggest sponsorship or endorsement by the trademark holder. *Id. See also Cairns v.*
Franklin Mint Co., 292 F.3d 1139, 1151 (9th Cir. 2002).

1 In the seminal *New Kids* case, two newspapers used the trademarked name of
2 the plaintiff – a teen band – to publicize their product, a for-profit telephone poll
3 about the band. 971 F.2d at 304. The Ninth Circuit held that the fair use defense
4 barred the band’s trademark claims because the newspapers had used the band’s
5 name accurately to describe plaintiffs’ product (*e.g.*, their band), even though
6 defendants’ ultimate goal was to describe their own products. *Id.* In response to the
7 band’s arguments that their fans have limited resources, the newspaper’s product
8 directly competes with their products, and the newspapers sought to usurp the band’s
9 good will and publicity, the Ninth Circuit held that the band’s trademark “right does
10 not entitle them to control their fans’ use of their own money.” As the court noted,
11 “trademark laws do not give the [band] the right to channel their fans’ enthusiasm
12 (and dollars) only into items licensed or authorized by them.” *Id.* at 309

13 Similarly, in *Cairns v. Franklin Mint Co.*, the Ninth Circuit affirmed the
14 dismissal of Princess Diana’s estate’s trademark claims arising out of the defendants’
15 use of her name and likeness to sell jewelry, plates, and dolls, and to advertise these
16 products. 292 F.3d at 1151. The court concluded that these uses of her name and
17 likeness were merely descriptive of the products, and did not imply any endorsement.
18 *Id.* at 1150. As such, “use of her name did not implicate the source-identification
19 purpose of trademark protection,” and none of defendants’ advertisements claimed
20 that the products were endorsed by the estate. *Id.*

21 Here, the first two prongs of the *New Kids* test can quickly be disposed of.
22 The Artists’ names and likenesses were used to identify them just as they originally
23 appeared on the *Rolling Stone* Covers, and no other use was made. *See Cairns*, 292
24 F.3d at 1154 (where “the description of the defendant’s product depends on the
25 description of the plaintiffs’ product, more use of the plaintiffs’ trademark is
26 ‘reasonably necessary’ to identify the plaintiffs’ product”).

27 Rolling Stone also easily satisfies the third prong for nominative fair use. As
28 discussed in the previous section, the magazine’s use of the Artists’ names and

1 images on the Covers is insufficient to affirmatively and explicitly show sponsorship
2 or endorsement by any of the Artists of the RS Promotional Items. *Cairns*, 292 F.3d
3 at 1150 (“Defendants’ use of the image of Princess Diana on their products and the
4 words “Diana, Princess of Wales” to *describe* their products does not imply
5 endorsement by plaintiffs”) (emphasis in original).

6 Moreover, where, as here, Rolling Stone prominently displays its own mark on
7 the products, thereby making clear that it is the source of the product in question, the
8 use of plaintiffs’ trademark cannot – as a matter of law – cause confusion as to the
9 source of the product. Instructive is the Seventh Circuit’s decision in *Packman v.*
10 *Chicago Tribune Co.*, 267 F.3d 628, 639-640 (7th Cir. 2001). There, the *Chicago*
11 *Tribune* published a series of front page celebrations of the Chicago Bulls’ sixth
12 National Basketball Association title that included plaintiffs’ trademark, “The Joy of
13 Six.” The Tribune then republished its front pages on promotional memorabilia,
14 including t-shirts, posters, and plaques. Noting, as here, that the defendants
15 “distinctive masthead” appeared prominently on each piece of memorabilia and
16 appeared on the product’s tags “plainly indicating the Tribune was the source,” the
17 court had no trouble concluding that the use of the plaintiff’s mark was a fair use and
18 not actionable. *Id.* at 639-640. *See also Universal City Studios v. Ideal Publishing*
19 *Corp.*, 195 U.S.P.Q. 761 (S.D.N.Y. 1977) (fan magazine’s use of plaintiff’s mark not
20 actionable because no confusion as to the source of the magazine because the cover
21 bore defendants’ own “Teen Beat” trademark).

22 Just as in *Packman*, the strength of *Rolling Stone*’s distinctive trademark that is
23 emblazoned on every item at issue, including on the t-shirts’ inside label and attached
24 tags, unmistakably identifies the source of the products. This is all the more true
25 because consumers understand that celebrities photographed on a cover of a
26 magazine do not necessarily imply they endorse the magazine or its contents. *See*
27 *Abdul-Jabbar*, 85 F.3d at 413 (distinguishing television ads from magazines which
28

1 “commonly use celebrities’ names and photographs without making endorsement
2 contracts, so the public does not infer and endorsement agreement from the use”).

3 In short, Rolling Stone’s use of their covers to promote the magazine, which
4 contained the names and likenesses of certain artists, is a classic example of a
5 nominative fair use, and thus is not actionable.

6 **D. Plaintiffs’ Trademark Claims Fail For Additional Independent Reasons**

7 **1. Plaintiffs’ Infringement Claim Should Be Dismissed**

8 Section 1114 of the Lanham Act applies only to the infringement of a
9 registered mark. 15 U.S.C. § 1114(1)(a). *Sebastian Intern., Inc. v. Russolillo*, 186 F.
10 Supp. 2d 1055, 1063 (C.D. Cal. 2000). Here, not only is the Complaint wholly bereft
11 of allegations concerning the registration of any of the Artists’ trademarks, it does
12 not identify which trademarks are even at issue. Paragraph 37 of the Complaint
13 alleges only in the broadest, most conclusory way, that “Defendants have engaged in
14 the unauthorized use in commerce of reproductions, counterfeits, copies and/or
15 imitations of the Artists’ registered trademarks,” but the Complaint defines “Artists”
16 as all of the three plaintiffs’ hundreds of clients (Compl. ¶ 16), and not only Nirvana,
17 Run-D.M.C., Kurt Cobain, and Beyoncé, and it never identifies what trademarks are
18 registered or at issue. As such, plaintiffs’ failure to allege any trademark
19 registrations is fatal to their Section 1114 claim.

20 **2. Plaintiffs’ False Advertising Claim Should Be Dismissed**

21 A false advertising claim under 15 U.S.C. § 1125(a)(1)(B) is different than a
22 false endorsement claim under 15 U.S.C. § 1125(a)(1)(A). *Waits*, 978 F.2d at 1108
23 (the two claims are distinguishable, they involve “different prongs of section 43(a)
24 and implicate distinct interests”). To allege a claim for “false advertising,” there
25 must be an allegation that plaintiff suffered a commercial injury based upon a
26 misrepresentation about a product, and also that the injury was ‘competitive’ i.e.
27 harmful to the plaintiff’s ability to compete with the defendant.” *Jack Russell*
28 *Terrier Network of Northern Ca. v. American Kennel Club, Inc.*, 407 F.3d 1027,

1 1037 (9th Cir. 2005); *Kournikova v. General Media Communications Inc.*, 278 F.
2 Supp. 2d 1111, 1128-1129 (C.D. Cal. 2003).

3 Here, plaintiffs' false advertising claim is defective because it fails to allege
4 that the RS Promotional Items caused plaintiffs or the Artists any competitive injury.
5 Mere allegation of the unauthorized use of a celebrity's "name and identity ... is not
6 sufficient to constitute a 'competitive injury' for standing under a false advertising
7 claim." *Kournikova*, 278 F. Supp. 2d at 1119. Instead, a plaintiff must allege some
8 lost sales or other financial loss as a result of the unauthorized use of his or her name
9 and likeness. *Id.* In this case, plaintiffs' miscast false advertisement claim is not
10 supported by any allegation of financial loss, which is fatal to their false advertising
11 claim.

12 Indeed, plaintiffs label their First Claim For Relief as one for "False
13 Advertising," but their allegations in support of this claim sound in false
14 endorsement. *See* Compl. ¶¶ 29-30. Plaintiffs allege that defendants' uses of the
15 Artists' names on the RS Promotional Items allegedly "mislead the public and
16 misrepresent and create the false impression that the [RS] Merchandise was
17 authorized, approved, endorsed, sponsored, connected or affiliated with the
18 respective Artists." Compl. ¶ 29. Accordingly, to the degree that plaintiffs' attempt
19 to assert a false advertisement claim, it should be dismissed. *Waits*, 978 F.2d at 1110
20 (celebrity alleging that advertisement created false impression of endorsement could
21 only bring claim for false endorsement and not false advertisement); *Kournikova*,
22 278 F. Supp. 2d at 1128-1129 (dismissing celebrity tennis player's false
23 advertisement claim against magazine publisher based on allegation that magazine's
24 false identification of plaintiff as subject of nude photograph sounded only in false
25 endorsement).

26 **3. Plaintiffs' Dilution Claim Should Be Dismissed**

27 To allege a claim for trademark dilution, a plaintiff must allege that (1) its
28 mark is famous; (2) the defendant is making commercial use of the mark in

1 commerce; (3) the defendant's use began after the plaintiffs' mark became famous;
2 and (4) the defendant's use presents a likelihood of dilution of the distinctive value of
3 the mark." *Thane Intern., Inc. v. Trek Bicycle Corp.*, 305 F.3d 894, 907 (9th Cir.
4 2002).

5 Plaintiffs' dilution claim fails for two reasons. First, the RS Promotional Items
6 are expressive non-commercial works that are being sold to promote *Rolling Stone*
7 magazine. Yet, "a claim of dilution applies only to purely commercial speech."
8 *Mattel*, 353 F.3d at 812; *Burnett*, 491 F. Supp. 2d at 974 (dismissing dilution claim
9 against television show because "dilution action only applies to purely commercial
10 speech"). Moreover, plaintiffs have not, because they cannot, alleged that
11 republication of the Covers on the RS Promotional Items actually diluted any of the
12 Artists' trademarks. "Dilution" is defined as the "gradual 'whittling away' of a
13 trademark's value." *Playboy Enter., Inc. v. Welles*, 279 F.3d 796, 805 (9th Cir. 2002).
14 The Supreme Court has made clear that a dilution claim requires "actual dilution,
15 rather than a likelihood of dilution." *Moseley v. V Secret Catalogue, Inc.*, 537 U.S.
16 418, 433, 123 S. Ct. 1115, 1124, 155 L. Ed. 2d 1 (2003).

17 In this case, the RS Promotional Items used the Artists' marks only in a
18 descriptive and truthful manner, accurately identifying that they had appeared on the
19 cover of *Rolling Stone*. Because this use is not in any way inaccurate, nor does it
20 undermine the ability of the Artists otherwise to identify themselves, there can be no
21 diminishment or dilution of their marks. *See Welles*, 279 F.3d at 806 (truthful use of
22 plaintiff's trademark "playmate of the year" on defendant's website "merely
23 identifi[ed] trademark holder's product" because "such uses cause no harm"). Just as
24 the initial publication of the Covers featuring the Artists did not cause dilution to
25 their marks, plaintiffs have not alleged, nor could they, that *Rolling Stone's* use of
26 the Artists' marks on the RS Promotional Items actually diluted their marks. *See*
27 *Moseley*, 537 U.S. at 434 (dismissing dilution claim given the "complete absence of
28 evidence of any lessening of the capacity of the VICTORIA'S SECRET mark to

1 identify and distinguish goods or services sold in Victoria's Secret stores or
2 advertised in its catalogs”).

3 **CONCLUSION**

4 For the reasons stated above, defendants respectfully request that the Court
5 dismiss plaintiffs’ three federal Lanham Act claims, with prejudice, and decline to
6 exercise supplemental jurisdiction over plaintiffs remaining state law claims, and
7 dismiss them without prejudice.

8
9 DATED: October 30, 2009

DAVIS WRIGHT TREMAINE LLP
ALONZO WICKERS IV

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11 By: _____/s/_____
12 Alonzo Wickers IV

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