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# Cases of Note -- Anna in the Altogether -- Lanham Act - False Endorsement

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sult an attorney,<sup>18</sup> and does not need to disclose this name to the FBI.<sup>19</sup>

- Exempts libraries “Libraries functioning in their ‘traditional capacity’”<sup>20</sup> from the National Security Letter provisions of section 505. Section 118(D) defines a National Security Letter as being “a request for information under one of the following provisions of law:

(1) Section 2709(a) of title 18, United States Code (to access certain communication service provider records).

(2) Section 1114(a)(5)(A) of the **Right to Financial Privacy Act** (12 U.S.C. 3414(a)(5)(A)) (to obtain financial institution customer records).

(3) Section 802 of the **National Security Act of 1947** (50 U.S.C. 436) (to obtain financial information, records, and consumer reports).

(4) Section 626 of the **Fair Credit Reporting Act** (15 U.S.C. 1681u) (to obtain certain financial information and consumer reports).

(5) Section 627 of the **Fair Credit Reporting Act** (15 U.S.C. 1681v) (to obtain credit agency consumer records for counterterrorism investigations).<sup>21</sup>

Although there are many who feel that the **PATRIOT Act** should not have been renewed, there are still some additional protections that have been included. Under the new provisions, most libraries will not face National Security Letters for circulation records. However, those libraries that provide Internet services may still be subject to the NSL provisions of the **PATRIOT Act**. Only time and judicial interpretation will tell whether the changes in the act have truly removed libraries from the jurisdiction of National Security Letters.

The House and Senate have been working on a number of important bills in the past sev-

eral months. However, each chamber has their own views, which has led to confusion over the final forms of many bills. Hopefully the Congress will be able to pass the Trademark and

Patent bills soon, so that librarians, lawyers, and others who follow these issues will be able to deal with laws that are on the books, rather than speculate on proposals and un-passed bills. 🐼

#### Endnotes

1. H.R. 109-683 (2005), introduced February 9, 2005; passed by House April 19, 2005.
2. H.R. 109-683(3) (as passed by the House).
3. *id.* (as amended by the Senate)
4. H.R. 109-2795.
5. **USA PATRIOT Act Improvement and Reauthorization Act of 2005** (H.R. 3199).
6. A.S., Congress Extends **PATRIOT ACT** Five Weeks, 37-2 *American Libraries* 9 (February 2006).
7. *id.*
8. *id.*
9. Congress Likely To Extend **PATRIOT Act** By Five Weeks, *Congress Daily at 12* (February 1, 2006).
10. *id.*
11. Feingold Drops Bid To Block Reauthorizing **PATRIOT Act**, *Congress Daily* (February 16, 2006).
12. The Senators voting no on the bill were **Daniel Akaka** (D-HI), **Jeff Bingaman** (D-NM), **Robert Byrd** (D-WV), **Russell Feingold** (D-WI), **Tom Harkin** (D-IA), **Jim Jeffords** (I-VT), **Patrick Leahy** (D-VT), **Carl Levin** (D-MI), **Patty Murray** (D-WA), and **Ron Wyden** (D-OR). **Senator Daniel Inouye** (D-Hawaii) did not vote. Agreement to Conference Report, **USA PATRIOT Act Improvement and Reauthorization Act of 2005** (H.R. 3199), 109th Congress, 2nd Session, 2006 Senate Vote No. 29 (Congressional Information Service, LEXIS, March 2, 2006).
13. House Renews **USA PATRIOT Act** in a Cliffhanger Vote, *Chicago Tribune* (March 8, 2006); available at <http://www.chicagotribune.com/news/nationworld/chi-0603080183mar08,1,6115495.story?coll=chi-newsnationworld-hed>. The renewal was supported by 214 Republicans and 66 Democrats and opposed by 13 Republicans, 124 Democrats and one independent. See, **Laurie Kellman**, Revised Patriot Act wins narrow approval in House, Many Still Opposed Despite Concessions, *San Jose Mercury News* (March 8, 2006); available at <http://www.mercurynews.com/mld/mercurynews/news/politics/14045829.htm>.
14. Press Release, U.S. Department of Justice, Fact Sheet: **USA PATRIOT Act Improvement and Reauthorization Act of 2005**, (March 2, 2006); available at <http://releases.usnewswire.com/GetRelease.asp?id=61784>.
15. H.R. 3199 § 106(a)(3), 109th Congress (2006) (enacted).
16. H.R. 3199 § 3511(b)(2).
17. H.R. 3199 § 106(d)(1)(A) and 106(d)(2)(C).
18. H.R. 3199 § 106(d)(1)(B)
19. H.R. 3199 § 106(d)(2)(C).
20. **Kellman**, Revised **PATRIOT Act** wins narrow approval in House, Many Still Opposed Despite Concessions.
21. H.R. 3199 § 118(d). See also, H.R. 3199 § 119(g), pertaining to auditing reports to Congress. This section uses the same definition for National Security Letters.

## Cases of Note — Anna in the Altogether — Lanham Act - False Endorsement

by **Bruce Strauch** (The Citadel) <strauchb@citadel.edu>

**Anna Kournikova v. General Media Communications, Inc.**, U.S. District Court for the Central District of California, 278 F. Supp. 2d 1111; 2003 LEXIS 13159 (2003).

Russian tennis babe **Anna Kournikova** appears nude in *Penthouse*. But it's not her!

*Yes, you wondered what happened to this one. It was all over the celebrity news, and then it vanished. Well, let's learn about it here.*

**General Media Communications (GMC)** publishes and distributes *Penthouse*, a magazine “known for its sexually explicit pictorials.”

*Yes, I suppose one could safely say that.*

And of course there's a *Penthouse.com* Website.

*I mention this purely for ... well, research purposes.*

*Penthouse* got a call from a photog claiming to have naked pics of the popular babe. The magazine of course jumped all over this with a June, 2002 blaring front cover: “EXCLUSIVE ANNA KOURNIKOVA CAUGHT CLOSE UP ON NUDE BEACH,” and the spine read: “ANNA KOURNIKOVA ... PET OF THE YEAR PLAYOFF.”

The real subject of the photos ... shall we call her Madam X? ... sued and got a settlement in very short order. **GMC** agreed to shred the 18,000 copies of the classic June issue still in their possession.

Then **Anna's** lawyers swung into action, suing for false advertising and false endorsement under Section 43(a) of the **Lanham Act**.

### Let's take a peek at that ol' Lanham Act

Section 43(a) of the **Lanham Act** (15 U.S.C. § 1125), forbids false descriptions and false rep-

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representations in the advertising and sale of goods & services. It is designed to provide protection against (1) unfair competition from false advertising and (2) false association.

### False Advertising

Normally you look for a misrepresentation in the marketplace that causes "a discernibly competitive injury." To be able to sue, **Anna** would have to show she competes in some market with *Penthouse*. *Halicki v. United Artists Communications, Inc.*, 812 F.2d 1213, 1214 (9th Cir. 1987). "[C]ompetitors are 'persons endeavoring to do the same thing and each offering to perform the act, furnish the merchandise, or render the service better or cheaper than his rival.'" *Summit Tech. v. High-line Med. Instruments Co.*, 933 F. Supp. 918, 937 (C.D. Cal. 1996) (quoting *Fuller Bros. v. International Mktg.*, 870 F. Supp. 299, 303 (D. Or. 1994)).

**GMC** said they were in trashy magazines and **Anna** was tennis.

But our court said "simplistic labeling" was not the answer to the question. Do they vie for the same dollars from the same consumers, and is there a competitive injury?

The court said both were in the entertainment biz. **GMC** has its sexually themed magazine and markets videos and calendars. While **Anna** is on the pro tennis tour, she also pursues a career "as a model and sex symbol" and markets videos and calendars.

The court then used the miracle of the Web to go to *Kournikova.com* where it found **Anna** in skimpy bathing attire with an ad for her 2003 calendar. And a hyperlink would take the alert browsing male to a site with another scantily clad **Anna** next to an all-but-nude **Pamela Anderson**.

*Pam's no longer there, guys. But as we go to press, you can link to "Body painting with Heidi Klum."*

Both parties compete for the same audience. Lonely lustful men.

**GMC** said, well, lonely, lustful men aside, **Anna** can't prove injury.

**Anna** alleged she had put a lot of effort into developing goodwill with advertisers and sponsors and *Penthouse* set out to misappropriate that goodwill. They built their sales on her worldwide consumer recognition.

But this is harm that will result from false association with *Penthouse* and future loss of endorsement deals in her role as competitor for male moolah spent on photos of "young, attractive women wearing little or no clothing."

The wrongful appropriation of a celebrity image gives rise to an action for false endorsement, not false advertising. *Waits v. Frito-Lay, Inc.*, 978 F.2d 1093, 1110.

Plus **Anna** admitted she had lost no endorsements and had no measurable drop in sales of her calendars or exercise videos. The **Kournikova** brand was still going strong.

So **GMC** got summary judgment on the false advertising claim.

### So how's about that false endorsement thingy?

"A false endorsement claim based on unauthorized use of a celebrity's identity is a type of false association claim ... which is likely to confuse consumers as to the plaintiff's sponsorship or approval of the product." *Id.* [S]tanding does not require 'actual competition' in the traditional sense; it extends to a purported endorser who has an economic interest akin to that of a trademark holder in controlling the commercial exploitation of his or her identity." *Id.*

### Likelihood of confusion.

**Anna** said the use of her name in the promotion of the issue was likely to cause confusion as to her association with and endorsement of the rag.

Remember? "Pet of the Year Playoff?"

Since celebrity names are used all over the place, the likelihood of confusion is the determinative issue. *Cairns v. Franklin Mint Co.*, 292 F.3d 1139, 1149 (9th Cir. 2002); see also *Abdul-Jabbar v. Motors Corp.*, 75 F.3d 1391, 1397 (9th Cir. 1996) ("News-papers and magazines commonly use celebrities' names and photographs without making endorsement contracts, so the public does not infer an enforcement agreement from the use.").

Confusion would exist if the use of **Anna's** name suggested she sponsored or approved the article. And that of course leads to a slew of factors to be considered.

(1) Strength/level of recognition of plaintiff's mark.

Both sides agreed **Anna** was one hot babe with a whole bunch of recognition.

(2) Relatedness of the goods.

"Related goods are those products which would be reasonably thought by the buying public to come from the same source if sold under the same mark." *AMF, Inc. v. Sleekcraft Boats*, 599 F.2d 341, 348 n. 10 (9th Cir. 1979). Both are in the entertainment business and their endeavors overlap. Two goes to **Anna**.

(3) Similarity of the marks.

*Penthouse* used her name. Three to **Anna**.

(4) Evidence of actual confusion.

Here she ran into trouble. **Anna** brought in an expert witness who launched into gobbledy-gook about "CAUGHT CLOSE UP ON NUDE BEACH" claiming that "caught" means she cooperated. The court had no trouble finding "caught" means trapped or ensnared. And the article virtually proclaimed surreptitious snaps of an unposed subject.

**Anna** next presented a class action lawsuit filed by peeved *Penthouse* purchasers who felt ripped off by not having the genuine naked **Anna**. But while they wanted to pant over the nude **Anna**, this does not show they believed she cooperated in the article.

Then she put forward a survey that purported to show a whole bunch of folks thought she cooperated. But the survey was flawed by absence of any meaningful mass of skin magazine readers. They bought neither *Playboy* nor *Penthouse*. They were not potential customers and not savvy to skin mag gimmicks.

So **GMC** took that one.

(5) Marketing channels used.

The parties compete in some markets and use some of the same channels. Another one to **Anna**.

*I'm skipping a few of the factors here. The prurient interest in this thing is dying hard.*

But it is of interest that the court never addressed the "PET OF THE YEAR PLAYOFF." That sure seems to indicate she was voluntarily engaged in a competition.

I know. *Penthouse* is so "seventies," it's hard to believe the thing is still around.

For you youthful readers out there, the *Penthouse* Pet was the imitation of the Playboy Playmate. And one got selected for Pet of the Year based on her pneumatic qualities. Or for that other aspect of her anatomy that Guccione pioneered which is not suitable for mention in a family publication such as this. But a playoff would seem to flatly state she had been the Pet on one of the twelve months of that year.

### Actual malice.

Due to potential impact on First Amendment rights, a public figure whose identity is used in noncommercial speech must show actual malice in the creating of false impression of endorsement. See *Hoffman v. Capital Cities/ABC Inc.*, 255 F.3d 1180, 1186, 1189 n.3 (9th Cir. 2001). **Anna** must show that *Penthouse* actually intended the average reader/browser to believe she voluntarily posed.

**Anna** could not overcome this hurdle. The "CAUGHT CLOSE UP" language was too plain. And in a last feeble bit of faux-worldliness, the court actually proposed alternative headlines that would show intent to confuse. "CAUGHT CLOSE UP ON NUDE BEACH" or "EXCLUSIVE NUDE PHOTOS OF ANN KOURNIKOVA" or "ANNA KOURNIKOVA EXPOSED."

*No doubt some judge's clerk was considering an alternative career in the skin magazine biz. I think he better keep his current job.*

*But as long as we're doing this, how about: "KOURNIKOVA KNABBED KNAKED?" or "BORSCHT BABE IN THE BUFF?"* 🐼

