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References to Figures Involved in Historic Events to Promote Products or Services May Land You in Litigation

TO: Clients and Friends¹
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One might think that First Amendment principles would allow a company to compare its products or services to a historical, newsworthy event without fear of liability to those who took part in it. However, a recent court decision shows that notion could be wrong. In 2006, after the devastation of Hurricanes Katrina, Wilma and Rita, Cingular Wireless (now known as AT&T Mobility) issued a 755 word press release about the ability of its service to perform during disasters, such as hurricanes, through its emergency preparedness equipment, including its MACH 1 and MACH 2 mobile command centers. The publication's fifth paragraph quotes a company official as stating:

Nearly 60 years ago, the legendary test pilot Chuck Yeager broke the sound barrier and achieved Mach 1. Today, Cingular is breaking another kind of barrier with our MACH 1 and MACH 2 mobile command centers, which will enable us to respond rapidly to hurricanes and minimize their impact on our customers.

The press release was referring to the October 14, 1947 flight during which, as part of a U.S. Air Force mission to break the sound barrier, Air Force test pilot Charles E. Yeager became the first pilot to exceed the speed of sound. It did not use Yeager's picture, did not mention Yeager's name in any headline or heading, did not suggest that Yeager used Cingular's service and was not promoting any particular product or service.

In November 2007, however, retired General Charles E. Yeager sued Cingular in a California federal court for violation of his common law and statutory rights to privacy and right of publicity, violation of § 43(a) of the federal trademark act (known as the

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“Lanham Act”), which forbids false claims of endorsement, sponsorship or association, and other claims. *Yeager v. Cingular Wireless LLC*, Civil Action No. 2:07-cv-02517 (FCD)(GGH)(E.D. Cal.) General Yeager claimed that Cingular had referred to him in the press release to capitalize upon his name, reputation and iconic image and as a “hook” to entice the audience to read about Cingular’s improved services. Cingular conceded that the press release was intended, in part, to “create positive associations in people’s mind” with its brand by making “an association between breaking the sound barrier and breaking new barriers of disaster preparedness.”

In a December 7, 2009 decision, the court denied AT&T’s (Cingular’s successor) motion for summary judgment asserting First Amendment defenses to General Yeager’s claims. AT&T asserted that its press release was noncommercial speech about a matter of public interest and importance – disaster preparedness – and that its First Amendment rights barred Yeager’s claims. In first addressing the right of privacy and publicity claims, the court acknowledged that a tension exists between First Amendment principles and publicity and privacy rights, which courts must balance. In general, if a publication invokes a public figure’s name in connection with expression of an editorial opinion on a matter of public interest, and the connection is more than tenuous, the First Amendment provides a defense. This is considered noncommercial speech. However, when a celebrity’s identity is used to promote or sell a product, that unauthorized use violates the celebrity’s rights and overrides the First Amendment’s protection of expressions of editorial opinion.

AT&T contended that its press release was noncommercial speech about the importance of disaster preparedness that did not promote any particular product or service or propose any transaction and was therefore entitled to First Amendment Protection. The court, however, found that it was commercial speech. The court noted that the “central theme” of the press release is how AT&T’s “emergency preparedness program enhances its wireless services,” which had been improved to handle emergencies, not merely disaster preparedness in general, and that AT&T’s name as a service provider was mentioned many times. Thus, although AT&T was commenting on a newsworthy subject, it was doing so primarily in the context of promoting its own commercial interests and so was not entitled to First Amendment protection.

The court next addressed Yeager’s Lanham Act claim asserting that the invocation of his name falsely implied that he endorsed AT&T’s services. The court held that “[a] false endorsement claim is actionable under the Lanham Act if such claim is based on the unauthorized use of a uniquely distinguishing characteristic of a celebrity’s identity that is likely to confuse consumers as to the plaintiff’s sponsorship or approval of a the product.” AT&T’s summary judgment motion was denied because Yeager presented sufficient evidence from which a reasonable jury could conclude that a significant segment of relevant consumers could believe that Yeager endorsed AT&T’s mobile phone services. That evidence included Yeager’s wife’s “somewhat vague” testimony that she received phone calls regarding confusion as to whether plaintiff endorsed defendant’s services.

Finally, AT&T tried to argue that its use of Yeager's name was somehow entitled to the defense of "nominative fair use." That defense is available where a trademark (here a celebrity name) is used, and necessarily must be used, as a reference to describe a trademarked product or compare it to the defendant's product or service. For example, a defendant performing a survey about a popular music group is entitled to use the group's name in the survey because there is no other way to refer to the group. *New Kids on the Block v. New Am. Publ'g, Inc.*, 971 F.2d 302 (9th Cir. 1992). Similarly, a former Playboy "Playmate of the Year" is entitled to use that trademarked term to describe herself and her credentials because there is no other way to refer to that particular accomplishment. *Playboy Enterprises, Inc. v. Welles*, 279 F.3d 796 (9th Cir. 2002). The thrust of AT&T's argument was apparently that its use of Yeager's name was nominative because there is no other way to refer to Yeager's accomplishment of breaking the sound barrier. Although that proposition seems dubious, the court rejected the "nominative fair use" defense on the ground that such use must not imply sponsorship or endorsement by the trademark owner, and a reasonable jury could find such an implication here.

Although denial of summary judgment in AT&T's favor does not necessarily mean that it will ultimately be found liable to General Yeager for invoking his name without consent, it is a substantial step in that direction. The case will now presumably proceed to trial unless it is settled – in which event we will never know. The lesson the case teaches is that businesses need to think carefully, and probably consult their attorneys, before referring to people involved in historical or newsworthy events in connection with any publication that arguably promotes the business's products or services, directly or indirectly. It could lead to a lawsuit.

For more information, please contact L. Donald Prutzman, (212) 508-6739; prutzman@thshlaw.com, Drew Jaglom, (212) 508-6740; jaglom@thshlaw.com or the partner at Tannenbaum Helpert with whom you generally deal.