

UNITED STATES COURT OF APPEALS
FOR THE SECOND CIRCUIT

August Term, 2006

(Argued March 2, 2007 Decided February 4, 2008)

Docket No. 06-2184-cv

American Express Co.,

Plaintiff-Counter-Defendant-Appellee,

v.

Stephen G. Goetz and Gardner Design Group, LLC,

Defendants-Counter-Plaintiffs-Appellants.

Before:

JACOBS, Chief Judge,
CARDAMONE, and POOLER, Circuit Judges.

Defendants Stephen Goetz and Gardner Design Group, LLC appeal from a judgment entered February 24, 2006 in the United States District Court for the Southern District of New York (Kaplan, J.) granting plaintiff American Express's motion for summary judgment and dismissing Goetz's counterclaims. Goetz had alleged that American Express infringed upon his trademark by using the slogan MY LIFE. MY CARD.

Affirmed.

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KEITH A. VOGT, Chicago, Illinois (Rolf O. Stadheim, Joseph A. Grear, George C. Summerfield, Stadheim & Grear, Ltd., Chicago, Illinois; Micah R. Jacobs, Jacobs & Ferraro, LLP, San Francisco, California, of counsel), for Defendants-Appellants.

MARC J. RACHMAN, New York, New York (Howard J. Rubin, Shirin Keen, Davis & Gilbert, LLP, New York, New York, of counsel), for Plaintiff-Appellee.

1 PER CURIAM:

2 Many might associate the phrase MY LIFE. MY CARD. with
3 advertisements for the American Express credit card featuring
4 celebrity cardholders like Robert De Niro and Tiger Woods. But
5 before American Express Co. (American Express) made the phrase
6 famous, Stephen Goetz, the president of Gardner Design Group, LLC
7 (Goetz), used a virtually identical slogan in a sales pitch to
8 credit card companies. Goetz's idea was to personalize credit
9 cards by reproducing photographs selected by cardholders on the
10 face of their cards. In search of clients, Goetz sent proposals
11 to various credit card companies, including American Express,
12 containing a description of his concept and the catchphrase My
13 Life, My Card.

14 In response to American Express's MY LIFE. MY CARD.
15 campaign, Goetz demanded the company cease and desist using the
16 slogan. American Express responded by commencing the instant
17 declaratory judgment action in the United States District Court
18 for the Southern District of New York before Judge Lewis A.
19 Kaplan seeking a declaration that it had not misappropriated the
20 slogan and that Goetz lacked a viable claim for infringement. In
21 a judgment entered on February 24, 2006 the district judge
22 granted summary judgment to American Express and dismissed
23 Goetz's counterclaims for misappropriation and trademark
24 infringement.

1 Patent and Trademark Office for registration of the My Life, My
2 Card mark.

3 American Express never replied to Goetz's proposal, but
4 MasterCard expressed interest. In December 2004 and February
5 2005 Goetz met with MasterCard to discuss his personalized credit
6 card services and, in his correspondence with Mastercard
7 representatives, Goetz suggested they view his demonstration on
8 the Internet.

9 Also in the summer of 2004 American Express hired the Ogilvy
10 Group advertising agency (Ogilvy) to assist in the development of
11 a new global campaign for American Express products. On July 22,
12 2004 Ogilvy proposed the MY LIFE. MY CARD. idea as the lynchpin
13 of American Express's new campaign. American Express responded
14 favorably and, between July 26 and July 28, Ogilvy developed
15 several advertisements centering on the slogan. On July 29
16 Ogilvy's outside counsel conducted a preliminary trademark search
17 to determine the availability of the slogan as a service mark in
18 the United States. Ogilvy next asked its counsel to follow-up
19 with a full trademark search on July 31, which was two days prior
20 to the scheduled delivery date of Goetz's proposal to American
21 Express. Neither trademark search produced any references to
22 Goetz.

23 After deciding in August 2004 to proceed with the slogan and
24 the campaign, American Express registered the domain name
25 www.mylifemycard.com on September 1, 2004 and filed an Intent to
26 Use application for MY LIFE. MY CARD. with the United States

1 Patent and Trademark Office on September 15, 2004. Ultimately,
2 in early November 2004 American Express launched the global
3 campaign by means of television, print, outdoor, and Internet
4 advertising. The present litigation followed.

5 During discovery, Goetz sought to examine in their entirety
6 numerous computer hard drives belonging to Ogilvy and American
7 Express employees. When American Express refused this request,
8 Goetz moved to compel production. On October 27, 2005 Judge
9 Kaplan granted Goetz's motion only to the extent it involved
10 electronic records pertinent to the disputed dates of creation of
11 two documents. The district court also granted American
12 Express's motion to stay further discovery pending the court's
13 disposition of its summary judgment motion.

14 In a judgment entered on February 24, 2006 the court granted
15 summary judgment to American Express and dismissed Goetz's
16 counterclaims. The court held that Goetz had "no valid
17 protectable trademark rights in My Life, My Card or any other
18 purported mark using those words that are senior to [American
19 Express's] rights in MY LIFE. MY CARD." The district court also
20 observed that Goetz did not contest that American Express
21 independently conceived of the slogan. Following entry of
22 judgment, Goetz filed a timely appeal of the trademark ruling as
23 well as its October 27, 2005 order denying his more far-reaching
24 discovery motion.

1 DISCUSSION

2 I Standard of Review

3 We review the district court's grant of summary judgment de
4 novus, construing the facts in the light most favorable to Goetz.
5 See Tocker v. Philip Morris Cos., 470 F.3d 481, 486 (2d Cir.
6 2006). Discovery rulings are reviewed under an abuse of
7 discretion standard. Gualandi v. Adams, 385 F.3d 236, 244-45 (2d
8 Cir. 2004).

9 II Goetz Did Not Use the Slogan As a Trademark

10 Under the Lanham Act, 15 U.S.C. §§ 1051 et seq., a trademark
11 or service mark is any combination of words, names, symbols or
12 devices that are used to identify and distinguish goods or
13 services and to indicate their source. See 15 U.S.C. § 1127.
14 While copyright law protects the content of a creative work
15 itself, see EMI Catalogue P'ship v. Hill, Holliday, Connors,
16 Cosmopulos Inc., 228 F.3d 56, 63 (2d Cir. 2000), it is trademark
17 law that protects those symbols, elements or devices which
18 identify the work in the marketplace and prevent confusion as to
19 its source. See id. at 62-63; see also 1 J. Thomas McCarthy,
20 McCarthy on Trademarks and Unfair Competition § 6:17.50, at 6-38
21 (4th ed. 2000) (noting that trademark law does not serve as a
22 substitute for copyright). For example, the title of a song
23 might identify that song in the marketplace, but the musical
24 composition itself would not perform that function; thus, while
25 the title may be protectable by trademark, the composition would
26 not be. EMI Catalogue P'ship, 228 F.3d at 63. Further, a mark

1 that does not perform the role of identifying a source is not a
2 trademark. See id. at 64.

3 Notably, the same mark that performs this source-identifying
4 role in one set of hands may constitute the creative work itself
5 in another. Such distinction often is appropriate when an
6 advertising agency licenses a slogan to a client for the client's
7 use in marketing a product. In this scenario, the slogan is part
8 of the advertising agency's creative work, but it may become a
9 source identifier when used by the client. See 2 McCarthy,
10 supra, § 16.39, at 16-64.2 ("In many situations . . . the mere
11 conception of a mark by an advertising agency for possible use by
12 the client does not create any trademark rights in the agency.").

13 The Patent and Trademark Office's Trademark Trial and Appeal
14 Board has long recognized, in such situations, that the slogans
15 cannot be registered as marks by the advertising agency, even if
16 they would be subject to registration by the end users of the
17 marks. See In re Admark, Inc., 214 U.S.P.Q. 302, 303 (T.T.A.B.
18 1982). The reason is plain: the slogan does not identify and
19 distinguish the services of the advertising agency, but rather is
20 the creative work itself. Id.; see also In re Adver. & Mktg.
21 Dev., Inc., 821 F.2d 614, 620 (Fed. Cir. 1987) (explaining that
22 an advertising agency cannot register a mark it uses to identify
23 the subject of the advertising as opposed to the agency's
24 services); In re Local Trademarks, Inc., 220 U.S.P.Q. 728, 730
25 (T.T.A.B. 1983) ("We believe that applicant's insurance agency
26 clients would view the slogan 'WHEN IT'S TIME TO ACT[]' . . . as

1 a feature of applicant's product and not as a mark identifying
2 and distinguishing the service being rendered by applicant.").

3 In the present case, construing all the facts in Goetz's
4 favor, the only reasonable conclusion that can be drawn is that
5 My Life, My Card was a component of Goetz's business proposal to
6 the credit card companies rather than a mark designating the
7 origin of any goods or services he offered to them.

8 According to Goetz, he believed that the phrase My Life, My
9 Card would "perfectly embody what card consumers sought." Yet,
10 for the obvious reason that Goetz did not sell credit cards, he
11 never displayed the slogan to card consumers. Instead, he
12 offered the slogan as a complement to the card personalization
13 concept and software he proposed to sell and, in this respect,
14 his claim is no better than that of an advertising agency that
15 offers its clients a marketing concept to enhance their sales.

16 Our review of Goetz's letters and proposals to card
17 companies reinforces that conclusion. Every use of the tagline
18 My Life, My Card is immediately followed by the name of a credit
19 card company which might choose to deliver personalized cards
20 with such a slogan. My Life, My Card never appears as a stand-
21 alone logo and the phrase is never followed by a reference to
22 Goetz himself or his company. It is thus clear that Goetz did
23 not intend the phrase My Life, My Card to ensure MasterCard,
24 American Express or Citigroup would associate the card
25 personalization concept with him, but instead to interest these
26 companies in a slogan that would identify personalized cards with

1 whichever company elected to make this product available to its
2 customers.

3 A comparison of Goetz's use of the Mez Design logo with his
4 use of the My Life, My Card slogan in his correspondence with
5 prospective clients further illustrates our point. The Mez
6 Design logo appeared in the upper left hand corner of both the
7 proposal itself and Goetz's cover letters to the companies. Such
8 placement indicated to readers that Mez Design was the source of
9 Goetz's proposal. Similarly, in his letters Goetz emphasized
10 that "[w]ith over 10 years of marketing and design expertise, Mez
11 Design is in a unique position to deliver competitive solutions,"
12 "Mez Design has helped its partners increase brand awareness and
13 gain market share," and "Mez Design has done the research, and
14 will invest the capital to deliver your product." We recognize
15 that a company's marks need not be derived from its trade name,
16 and many companies use multiple marks, but Goetz's references to
17 Mez Design furnish a solid example of typical trademark usage:
18 Goetz plainly desired readers to associate his goods or services
19 with the Mez Design mark. My Life, My Card, by contrast,
20 appeared in the section of Goetz's correspondence in which he
21 described the content of his proposal.

22 In sum, Goetz employed the slogan My Life, My Card to
23 generate interest among potential licensee credit card companies
24 and not to differentiate or identify the origin of his goods or
25 services. In such circumstances, the slogan served as "a mere
26 advertisement for itself as a hypothetical commodity."

1 Silberstein v. Fox Entm't Group, Inc., 424 F. Supp. 2d 616, 633
2 (S.D.N.Y. 2004). Consequently, Goetz's trademark claim was
3 properly dismissed.

4 III Analogous Use

5 It is firmly established that "the right to exclusive use of
6 a trademark derives from its appropriation and subsequent use in
7 the marketplace." La Societe Anonyme des Parfums le Galion v.
8 Jean Patou, Inc., 495 F.2d 1265, 1271 (2d Cir. 1974) (Friendly,
9 J.). Thus, there can be no trademark absent goods sold and no
10 service mark without services rendered. See, e.g., Chance v.
11 Pac-Tel Teletrac Inc., 242 F.3d 1151, 1156 (9th Cir. 2001)
12 ("[L]ike with trademarks, common law rights are acquired in a
13 service mark by adopting and using the mark in connection with
14 services rendered." (emphasis added)). Unlike trademarks,
15 service marks usually cannot be "affixed" or displayed in close
16 connection with the services, so advertisements and solicitations
17 are often used as evidence of use. See generally 4A Rudolf
18 Callmann, The Law of Unfair Competition, Trademarks and
19 Monopolies § 26:27, at 26-225 to 26-228 (Louis Altman 4th ed.
20 1998). However, it cannot be said that a service mark is
21 actually used if it is displayed in an advertisement for services
22 that are non-existent or will only hypothetically be available at
23 some point in the future. See, e.g., Greyhound Corp. v. Armour
24 Life Ins. Co., 214 U.S.P.Q. 473, 474-75 (T.T.A.B. 1982). Goetz
25 made no actual use of My Life, My Card since Goetz's services

1 were wholly hypothetical when he sent his promotional materials
2 to the credit card companies.

3 Goetz counters that even if he did not actually use My Life,
4 My Card as a trademark, his activities were analogous to
5 trademark use. Goetz cites Diarama Trading Co. v. J. Walter
6 Thompson U.S.A., Inc., No. 01 Civ. 2950, 2005 WL 2148925
7 (S.D.N.Y. Sept. 6, 2005) and Housing & Services, Inc. v. Minton,
8 No. 97 Civ. 2725, 1997 WL 349949 (S.D.N.Y. June 24, 1997), in
9 support of the assertion that analogous use is sufficient to
10 establish trademark rights in the absence of actual use. These
11 cases suggest that the analogous use doctrine, where it applies,
12 eases the technical requirements for trademarks and services
13 marks in favor of a competing claimant who asserts priority on
14 the basis of earlier analogous use of the mark. Diarama, 2005 WL
15 2148925, at *7 ("[P]rior 'use of a designation . . . in a manner
16 analogous to trademark and service mark use' can defeat a
17 trademark registered by a subsequent user."); Minton, 1997 WL
18 349949, at *3 (noting that evidence of an actual sale may not be
19 required to establish prior use).

20 Goetz's use of the My Life, My Card logo does not qualify as
21 analogous use. At the very least analogous use must be use that
22 is "open and notorious." See Minton, 1997 WL 349949, at *4. In
23 other words, analogous use must be "of such a nature and extent"
24 that the mark has become "popularized in the public mind" so that
25 the relevant segment of the public identifies the marked goods
26 with the mark's adopter. Id.; see Diarama, 2005 WL 2148925, at

1 *7. Here, Goetz used his slogan only in communications with a
2 few commercial actors within the credit card industry. There was
3 no public exposure of the My Life, My Card slogan. In fact,
4 Goetz himself, in a series of emails to Hans Krebs between August
5 and October 2004, indicated that he wanted to keep a low profile
6 for the project and for the website. Such use was neither open
7 nor notorious and My Life, My Card never came to be associated
8 with Goetz in the public mind.

9 Moreover, as Goetz never made actual use of the slogan, he
10 would have us rely on his purported analogous use as the sole
11 source of his trademark rights. The doctrine, however, has not
12 been stretched so far as to obviate the requirement that Goetz
13 show eventual actual use. See De Beers LV Trademark Ltd. v.
14 DeBeers Diamond Syndicate Inc., 440 F. Supp. 2d 249, 265 n.14
15 (S.D.N.Y. 2006) ("[I]nsofar as plaintiffs contend that they can
16 obtain protectable rights in a mark solely through [analogous
17 use], this view of Section 43(a)'s scope has never been adopted
18 by this circuit." (emphasis in original)); WarnerVision Entm't
19 Inc. v. Empire of Carolina Inc., 915 F. Supp. 639, 646 (S.D.N.Y.
20 1996), vacated on other grounds 101 F.3d 259 (2d Cir. 1996) (any
21 promotional activities "must be within a commercially reasonable
22 time prior to actual use" for them to be considered analogous
23 uses).

24 IV Discovery Ruling

25 Goetz unpersuasively claims that the district court abused
26 its discretion by limiting discovery to ascertain whether

1 American Express independently conceived of MY LIFE. MY CARD.
2 Specifically, Goetz appealed the district court's October 27,
3 2005 order denying him full access to computer hard drives of
4 employees of American Express and Ogilvy who worked American
5 Express's campaign.

6 The district court granted Goetz's motion to compel
7 production in part and afforded him access to electronic records
8 pertaining to documents the dates of creation of which were in
9 question. Although Goetz's motion called for broader discovery
10 than was granted him, Goetz has not identified any error in the
11 district court's determination that "such wholesale rummaging"
12 through American Express's electronic records was not appropriate
13 here.

14 CONCLUSION

15 For these reasons, the judgment of the district court
16 granting American Express's motion for summary judgment and
17 dismissing Goetz's counterclaims is affirmed.