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UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

FLEISCHER STUDIOS, INC.,

Plaintiff(s),

vs.

A.V.E.L.A. INC.; ART-
NOSTALGIA.COM, INC.; X ONE X
MOVIE ARCHIVE, INC.; BEVERLY
HILLS TEDDY BEAR CO.; LEO
VALENCIA,

Defendant(s).

Case No. 2:06-cv-06229-FMC-MANx

**ORDER DENYING PLAINTIFF'S
MOTION FOR SUMMARY
JUDGMENT ON TRADEMARK AND
UNFAIR COMPETITION CLAIMS
AND
ORDER GRANTING DEFENDANTS'
MOTION FOR SUMMARY
JUDGMENT ON TRADEMARK AND
UNFAIR COMPETITION CLAIMS**

The matter is before the Court on Plaintiff's Motion for Summary Judgment (docket no. 48) and Defendants' Motion for Summary Judgment (docket no. 53), a portion of which the Court decided with its December 16, 2008 Order Re Plaintiff's Motion for Summary Judgment and a Permanent Injunction and Defendant's Motion for Summary Judgment ("Dec. 16, 2008 Order"). The Court has read and considered the parties' moving, opposing, and reply documents, as well as the supplemental briefing ordered by the Court regarding Plaintiff's trademark and unfair competition claims. The Court deems the matter appropriate for decision without further oral argument. See Fed. R. Civ. P. 78; Local Rule 7-15. For the reasons and in the manner set forth below, Plaintiff's Motion with respect to Plaintiff's trademark and unfair competition claims is DENIED; and Defendant's Motion is GRANTED on

1 those claims.

2 **I. FACTUAL AND PROCEDURAL BACKGROUND**

3 This action arises out of a dispute over the ownership of intellectual property
4 rights in Betty Boop, a cartoon character that has appeared in cartoon films and other
5 media since the early 1930s. The parties do not dispute that Betty Boop represents
6 a “highly profitable merchandising property[,]” or that “[t]here [have] been about
7 200 authorized U.S. Betty Boop licensees over the past five years, and merchandise
8 sold under [Plaintiff’s] Betty Boop trademarks has generated millions of dollars in
9 gross sales” over many years. Pl’s Stmt. of Uncontroverted Facts (“Pl’s SUF”) ¶ 8.
10 Similarly, the parties do not dispute that the merchandise Plaintiff has sold since
11 1972 “has been sold with labels depicting the name and image of Betty Boop, and
12 with text that identifies Fleischer Studios as the copyright and trademark owner of
13 the character.” *Id.* at ¶ 11.

14 The Court laid out the factual background of this action in considerable detail
15 in its December 16, 2008 Order. Therefore, the Court summarizes here only the
16 history relevant to the determination of the parties’ cross motions for summary
17 adjudication of Plaintiff’s trademark and unfair competition claims.

18 **A. PARTIES TO THIS ACTION**

19 ***1. Plaintiff: Fleischer Studios, Inc.***

20 The Plaintiff in this action, Fleischer Studios, Inc. (“Plaintiff” or “Fleischer”),
21 a California corporation, identifies no legal relationship or connection to earlier
22 corporations of the same name. However, because the rights Plaintiff seeks to assert
23 in this action originated in those now-defunct corporations, the Court reviews their
24 history here.

25 **a. The Original FSI**

26 It is undisputed that the original Fleischer Studios, a New York corporation,
27 was incorporated in 1929. The original Fleischer Studios, Inc. (“FSI NY1”) was
28

1 formed by Max Fleischer and others.¹ In or about 1938, a new Fleischer Studios,
2 Inc., was formed by Max Fleischer and his brother, David “Dave” Fleischer, and was
3 incorporated in Florida (“FSI FL”). In 1938, all the assets of FSI NY1 were
4 distributed to FSI FL. On May 24, 1941, Paramount Pictures, Inc. (“Paramount”)
5 purchased all of the assets of the original FSI.² FSI FL was dissolved in 1946, and
6 FSI or “Fleischer Studios, Inc.” ceased to exist for more than 25 years. Betty Boop
7 and many of the other characters of the original FSI continued to exist.

8 With an agreement signed on May 24, 1941, between the original FSI and
9 Paramount, the original FSI assigned to Paramount all of its assets, including all the
10 rights in all cartoon films and all of the characters contained therein. Pl’s Ex. 4;
11 Defs’ Ex. F. The provisions of the 1941 Cartoon Film Agreement³ included that the
12 original FSI transferred to Paramount “its successors and assigns . . . each and every
13 motion picture cartoon . . . heretofore and hereafter produced by or for the Producer
14 or any of its predecessors in interest and which have been or shall be released in the
15 United States of America . . . on or before August 31, 1941, including but not
16 limited to all parts thereof, all cut-outs not actually included therein, all characters
17 contained therein or created or used therefor, all copyrights, copyright renewal and
18 extension rights and renewed and extended copyrights therein and thereto . . .” Pl’s

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20
21 ¹“During the period from 1929 to 1942, Dave and Max Fleischer and the
22 Fleischer corporations produced hundreds of animated motion picture cartoons. The
23 best known of such creations included ‘Popeye,’ ‘Betty Boop,’ ‘Superman,’
24 ‘Screensongs’ and several full-length animated motion picture cartoons. All of these
25 cartoons were distributed by Paramount Pictures Corporation.” *Fleischer v. A. A. P.,*
26 *Inc.*, 163 F.Supp. 548, 554 (S.D.N.Y. 1958).

27 ²For purposes of this Order, the Court refers to FSI NY1 and FSI FL,
28 collectively, as “the original FSI.”

³For purposes of this Order, the Court refers to the May 24, 1941 Agreement
as the “1941 Cartoon Film Agreement.”

1 Ex. 4 at FS00942 (emphasis added).⁴

2 On July 11, 1941, the original FSI assigned to Paramount all of its copyright
3 and renewal interest in and to several drawings and books, including the two
4 booklets of Betty Boop drawings: *Betty, Cartoon Character* and *Betty Boop and Her*
5 *Gang*. The July 11, 1941 Booklet Agreement,⁵ provides, in pertinent part, that the
6 original FSI assigned to Paramount “all of [its] right, title and interest in and to the
7 copyrights heretofore taken out by [original FSI] listed below, of which we are the
8 proprietors.” Winter Decl. in Opp’n to Pl’s Mot., Ex. H at FS00064.

9 Beginning in the mid-1950s, Paramount entered into various agreements
10 whereby it assigned rights in the Betty Boop works to various other entities,
11

12 ⁴The 1941 Cartoon Film Agreement also states that the personal property
13 transferred from FSI NY to “Paramount, its successors and assigns, absolutely and
14 forever” under the Agreement included personal property that the parties agreed:

15 . . . shall not be limited to all tangible and intangible personal
16 property and accounts receivable . . . , *all* patents, copyrights and
17 *trademarks*, all patent, copyright and *trademark renewal and extension*
18 *rights*, all *renewed and extended* patents, copyrights and *trademarks* (and
19 Paramount shall also have the right to obtain and acquire such renewals
20 and extensions and such renewed and extended patents, copyrights and
21 trademarks in the name of the Producer [original FSI] and otherwise and
22 the Producer shall also assign to Paramount, its successors and assigns,
23 all such renewed and extended patents, copyrights and trademarks when
24 the same shall come into existence) and all rights, licenses, privileges
25 and property therein, thereunder and with respect thereto, . . . all
26 characters created for use in any and all motion picture cartoons, all
27 stories, treatments, adaptations, continuities, scripts literary dramatic and
28 other material whatsoever,

Handman Decl, Ex. 4 at FS00942. Neither party mentions the effect or import of this
language in the 1941 Cartoon Film Agreement.

⁵For purposes of this Order, the Court refers to the July 11, 1941 Agreement as
the “1941 Booklet Agreement.”

1 including a 1955 assignment of numerous cartoon films to UM&M TV Corp.
2 (“UM&M”), Pl’s Stmt. of Genuine Issues ¶19; a 1958 assignment to Harvey Films,
3 Inc. (“Harvey”) of 220 cartoon films and other short subjects, including the booklet
4 *Betty Boop and Her Gang*; an a 1980 quitclaim to CBS, Inc. (“CBS”) whatever
5 Betty Boop character rights Paramount still possessed.⁶

6 **b. Plaintiff**

7 More than 25 years after the original FSI ceased to exist, at some point prior
8 to Max Fleischer’s death in September 1972, Max Fleischer and his heirs formed a
9 new Fleischer Studios, Inc. as a New York corporation (“FSI NY2”). In August
10 1972, the new Fleischer Studios, FSI NY2, authorized the King Features Syndicate
11 Division of the Hearst Corporation (“King Features”) to act as its exclusive licensing
12 agent for Betty Boop merchandise. Fleischer Decl. ¶ 21. However, Plaintiff does
13 not indicate and offers no evidence to establish the origin of the merchandising rights

14
15 ⁶Paragraphs 27 and 28 of the Handman Declaration filed in support of
16 Plaintiff’s Motion reference attached exhibits as supporting assertions regarding rights
17 transferred to and from CBS. For example, paragraph 27 of the Handman Declaration
18 references Exhibit 25 as a copy of a short-form option agreement summarizing the
19 terms of the long-form option agreement that “CBS Entertainment, a division of CBS
20 Inc. (“CBS”) entered into . . . with Fleischer Studios” in or about 1980.
21 Handman Decl. ¶ 27. However, the document attached as Exhibit 25 states that it is
22 an October 8, 1980 option agreement between Harvey Films/Harvey Famous Cartoons
23 and CBS Theatrical Films. Handman Decl., Ex. 25. FSI NY2 is not mentioned
24 anywhere in the agreement. Similarly, the Handman Declaration indicates that the
25 document attached at Exhibit 27 is a copy of a 1986 agreement between CBS and
26 Fleischer Studios by which “all Betty Boop rights [CBS] had acquired would return
27 to Flescher Studios if CBS did not produce a play by October 7, 1987.” Handman
28 Decl. ¶ 29. However, although Exhibit 27 is a copy of *part* of an agreement between
CBS and FSI NY2, it is impossible to determine the meaning or import of the
agreement without the August 21, 1980 agreement referenced therein as attached as
Exhibit A. The referenced “Exhibit A” is not attached to the copy of the agreement
submitted as Exhibit 27. Handman Decl, Ex. 27.

1 involved in its relationship with King Features.

2 Plaintiff in this action, Fleischer Studios, Inc., is a California corporation
3 (“FSICA” or “Plaintiff”) that was incorporated in 1992, at which point FSI NY2 was
4 “merged into” FSI CA.⁷ Handman Decl. in Support of Pl’s Reply (“Handman Reply
5 Decl.”) ¶4, Ex. 46.

6 **2. Defendants**

7 Defendants A.V.E.L.A. Inc. (“AVELA”); Art-Nostalgia.Com., Inc. (“Art
8 Nostalgia”); X one X Movie Archive, Inc. (“X one X”); and Leo Valencia
9 (“Valencia”), the President, CEO, sole officer, sole shareholder, and sole employee
10 of the defendant corporations (collectively “Defendants”)⁸ license rights in images
11 of Betty Boop and other fictional characters to third parties. Licensees of the Betty
12 Boop images manufacture merchandise that includes or incorporates restored
13 “vintage” Betty Boop publicity movie posters from the 1930s. Defendants contend
14 that the movie posters at issue in this litigation were not deposited or registered with
15 the copyright office. Valencia Decl. ¶9 (referencing copies of Betty Boop posters
16 attached as Exhibit A, one of which Valencia states was published without a
17 copyright notice and four that Valencia maintains had copyright notices but were not
18 deposited or registered).

19 On December 2, 2002, Defendants obtained federal copyright registrations for
20 two restored Betty Boop movie posters. Valencia Decl., Ex. C (registration nos. VA
21

22
23 ⁷For purposes of this Order, the Court refers to the Court also refers to FSI NY2
24 and FSI CA, collectively, as “Plaintiff.”

25 ⁸On February 28, 2008, pursuant to the relevant parties’ stipulation, the Court
26 entered a permanent injunction against, and ordered the dismissal of, Defendant
27 Beverly Hills Teddy Bear Co. All other claims remained against the parties herein
28 referred to as “Defendants.”

1 1-309-437 and VA 1-309-347). Around or after that time, Defendants began selling
2 copies of and licensing rights in the restored Betty Boop movie poster artwork.
3 Defendants' licenses to third parties permit the production and distribution of
4 merchandise utilizing all or part of the movie poster images. The merchandise
5 includes figurines, dolls, and T-shirts. Defendants do not dispute that their licensees'
6 Betty Boop merchandise is the same type of Betty Boop merchandise that Plaintiff
7 licenses to others. However, Defendants assert that their licensing agreements do not
8 permit their licensees "to use the restored movie poster artwork as a trademark, to
9 identify the source of the merchandise." Valencia Decl. in Opp'n to Pl's Mot. ¶ 10
10 (stating same, but not attaching licensing agreements to substantiate the assertion).
11 The images of licensed products submitted by Defendants illustrate that imagines on
12 the packaging of their licensees' products include: (a) the entirety of the movie
13 poster artwork, e.g., poster advertising "Paramount Talkartoon" and showing Betty
14 Boop holding an umbrella and standing with three other cartoon characters; (b) only
15 one or more discrete elements effectively "lifted" from within the poster artwork,
16 e.g., Betty Boop holding an umbrella; or (c) both of the foregoing. *See* Valencia
17 Decl., Exs. D and E.

18 **B. RELEVANT PROCEDURAL HISTORY**

19 On September 29, 2006, Plaintiff initiated this action, asserting the following
20 claims against Defendants: (1) copyright infringement, (2) trademark infringement,
21 (3) false designation of origin under the Lanham Act, (4) state law trademark
22 infringement and unfair competition, and (5) deceptive trade practices.

23 On March 19, 2008, Plaintiff filed its Motion for Summary Judgment as to
24 Liability and a Permanent Injunction (docket no. 48). On the same date, Defendants
25 filed their Motion for Summary Judgment.

26 *1. Plaintiff's Motion*

1 Plaintiff's argument regarding its trademark and unfair competition claims in
2 its Motion for Summary Judgment is premised on its assertion of ownership of
3 federally registered and common law trademarks in the "name and image" of Betty
4 Boop. *See, e.g.*, Pl's Mot. at 1; *see also id.* at 10:13-15 ("Fleischer Studios must
5 prove *only* that there has been a misleading description or representation concerning
6 goods or service that affects interstate commerce to prevail on its trademark and
7 unfair competition claims" (emphasis added)). Plaintiff maintains that Defendants'
8 "use of [Plaintiffs'] Betty Boop copyrights and trademarks lessens the value of its
9 'Betty Boop' brand and those intellectual property rights" and "threatens to harm the
10 goodwill associated with authorized merchandise, and weaken [Plaintiff's] Betty
11 Boop marks." *Id.* at 9:25-10:3.

12 Related to this primary line of argument, Plaintiff asserts that "[t]he former
13 Fleischer Studios began authorizing Betty Boop merchandise in the 1930s."⁹ Pl's
14 SUF ¶ 5. Making no mention of merchandising or trademark rights in the decades
15 after the original FSI sold its assets to Paramount in 1941,¹⁰ Plaintiff resumes its
16 discussion of the sale of Betty Boop merchandise with evidence that, "[i]n August
17 1972, a reformed Fleischer Studios authorized the King Features Syndicate Division
18 of the Hearst Corporation to act as its exclusive licensing agent for Betty Boop
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20 ⁹The Court acknowledges this as argument not necessarily supported by
21 admissible evidence.

22 ¹⁰The Fleischer Declaration states, without citation to any supporting evidence:
23 The original Fleischer Studios sold its assets to Paramount in
24 1941. However, just before my grandfather passed away in 1972, he
25 reformed Fleischer Studios and entered into a new licensing agreement
26 with the King Features Division of the Hearst Corporation for new Betty
27 Boop merchandise. Fleischer Studios-authorized Betty Boop
28 merchandise has been continuously offered to the public since that time.
Fleischer Decl. ¶ 21.

1 merchandise,” and Plaintiff points to evidence that its authorized Betty Boop
2 merchandise has been continuously offered to the public since the early 1970s. Pl’s
3 SUF ¶¶ 6 & 7; Fleischer Decl. ¶ 22, Ex. 35; Pl’s Reply at 12:13-16 (citing authority
4 for the argument that Betty Boop qualifies for trademark registration as the title to
5 a series of works, pointing out that “Betty Boop was used to identify a series of
6 cartoons in which she appeared[,]” then skipping to the assertion that “Betty Boop
7 has been continuously used as a source identifier or ‘title’ for thousands of Betty
8 Boop items of merchandise manufactured by hundreds of Fleischer Studios licensees
9 for over 30 years”).

10 Plaintiff asserts that it “possesses common law trademark rights in the images
11 of Betty Boop used on merchandise or labels that accompany authorized
12 merchandise.” Pl’s SUF ¶ 15. However, at most, the evidence Plaintiff references
13 in support of this assertion substantiates that Plaintiff’s *labels* indicate copyright and
14 trademark rights in images of Betty Boop. *Id.* (citing Fleischer Decl., Ex. 39,¹¹
15 which consists of copies of what appear to be labels or packaging for products made
16 or licensed by Plaintiff). Additionally, in a footnote, Plaintiff argues that its
17 “trademark rights may be created and strengthened through use by licensees.” Pl’s
18 Mot. at 13 n. 2 (citing authority for this proposition, but identifying no evidence of
19 use by a licensee that can be viewed as creating Plaintiff’s trademark rights).

20 As evidence of its federal trademark registrations, Plaintiff submits records
21 indicating four separate registrations of the “word mark” “Betty Boop” on a variety
22 of merchandise. Fleischer Decl. ¶ 14, Ex. 40 (printout from the USPTO’s website
23

24
25 ¹¹Plaintiff’s Statement of Uncontroverted Facts references Exhibit 38, but that
26 appears to be a typographical error, as Exhibit 38 is of a website offering Betty Boop
27 merchandise, and paragraph 28 of the Fleischer Declaration, in fact, references Exhibit
28 39 in support of this line of argument.

1 providing basic information about registration nos. 2430642, 2378474, 2374258, and
2 2392715 for “word mark” “Betty Boop”).¹² The earliest “use date” indicated on the
3 registrations – all of which were filed in 1998 and issued in 2000 and 2001 – is 1981.
4 Plaintiff also argues that those four federal trademark registrations “are now
5 incontestable.” Pl’s Mot. at 13:19-20 (citing Pl’s SUF ¶14, the printout from the
6 USPTO website, which does not expressly identify the marks as incontestable).

7 **2. Defendants’ Motion**

8 Moving for summary judgment in its favor on Plaintiff’s trademark and unfair
9 competition claims, Defendant’s primary argument is that Plaintiff could not prevail
10 because the Betty Boop posters it uses and licenses are copyrightable works that
11 “were entirely in the public domain[,]” and, as a result, using trademark claims “to
12 reclaim that which was previously protected by copyright” would run afoul of the
13 Supreme Court’s decision in *Dastar Corporation v. Twentieth Century Fox Film*
14 *Corporation*, 539 U.S. 23 (2003). Defs’ Mot. at 22:13-15, 23:12-14. Defendant also
15 argued that Plaintiff could not prevail because it could not prove secondary meaning:
16 “Plaintiff’s mark ‘Betty Boop’ serves one purpose – to describe the image of Betty
17 Boop that also appears on the products licensed by Plaintiff. The mark “Betty Boop”
18 on the product does not evoke an association between the mark and a single source
19 of the product.” *Id.* at 24:24-27; *see also id.* at 25:2-16 (citing *Nancy Ann Storybook*
20 *Dolls v. Dollcraft, Co.*, 197 F.2d 293, 296 (9th Cir. 1952), a trademark cancellation
21 action in which the Ninth Circuit held that doll names that had fallen into the public
22

23 ¹²Plaintiff maintains that, as a result of its sale of Betty Boop merchandise, “the
24 name and likeness of Betty Boop possesses a valuable goodwill, and are well-known
25 to the public as identifying products and services that are authorized by Fleischer
26 studios and its exclusive licensing agent.” Pl’s SUF ¶ 13. However, Plaintiff
27 identifies no admissible evidence in support of the legal conclusions contained in this
28 assertion.

1 domain were invalid as trademarks and reasoning in part that “[t]here is nothing in
2 this case to justify a conclusion that little Red Riding Hood, for instance, has a
3 secondary meaning indicating that she is a Nancy Ann doll. The secondary meaning
4 rule has no application to the facts here.”).

5 **3. *The Court’s December 16, 2008 Order***

6 On August 25, 2008, the Court heard oral argument on the motions and,
7 thereafter, took the motions under submission.

8 On December 16, 2008, the Court issued its Order Re: Plaintiff’s Motion for
9 Summary Judgment and a Permanent Injunction and Defendants’ Motion for
10 Summary Judgment, denying Plaintiff’s motion and granting Defendants’ motion in
11 connection with Plaintiff’s copyright infringement claim. After tracing the relevant
12 portions of the long history of transfers of copyright interests in various aspects of
13 works in which Betty Boop appears and in the character herself, the Court concluded
14 that “Plaintiff ha[d] not demonstrated a chain of title in the relevant cartoon films or
15 the component parts thereof that leads to and terminates with Plaintiff. Stated
16 otherwise, Plaintiff has not established its ownership of the Betty Boop cartoon
17 character.” Dec. 16, 2008 Order at 30:26-31:3.

18 With its December 16, 2008 Order, the Court reserved ruling and ordered
19 supplemental briefing regarding Plaintiff’s trademark and unfair competition claims.
20 The Court did so because the parties’ existing briefing failed to address issues central
21 to the determination of those claims. For example, Defendants’ arguments for
22 summary judgment were premised on a finding that the copyright for the Betty Boop
23 character had fallen into the public domain, but the Court did not so find. *Id.* at 32:6-
24 9 (“[A]s the foregoing discussion of Plaintiff’s copyright infringement claim
25 demonstrates, the Court has not found that the Betty Boop character has fallen into
26 the public domain.”) At the same time, the Court pointed out that Plaintiff’s briefing
27

1 did not address “how its registered trademarks encompass the use of the *image* of
2 Betty Boop” or “the nature or source of its common law trademark rights, if any, in
3 Betty Boop *images*.” *Id.* at 33:24-34:2 (emphasis added).¹³ The Court further
4 explained:

5 Among the other questions before the Court with these
6 cross-motions for summary judgment are: (a) whether the products
7 Defendants sell and the rights Defendants license to others constitute
8 a use of one or more of the marks Plaintiff owns, and (b) whether
9 Defendants’ use is likely to create confusion as to the origin of the
10 products. Plaintiff’s evidence of its trademark registrations indicate
11 protection for a “word mark” for “Betty Boop.”

12 Accordingly, the Court reserves ruling on the parties[’]
13 cross-motions for summary judgment in connection with Plaintiff’s
14 trademark and unfair competition claims. In light of the Court’s ruling
15 on Plaintiff’s copyright claim, the parties are ordered to file
16 supplemental briefing, setting forth their arguments and analysis of
17 Plaintiff’s trademark and unfair competition claims, addressing, *inter*
18 *alia*, whether genuine issues of material fact exist in connection with

19
20 ¹³The sentence that immediately precedes the quoted passage noting the lack of
21 briefing on the origins of Plaintiff’s purported rights in the *image* of Betty Boop
22 contains an error: “However, neither the argument nor the evidence before the Court
23 makes clear whether Defendants’ use and licensing of all, or portions of, the poster
24 artwork for which it has valid copyright registrations infringe or otherwise impair
25 Defendant’s [sic] registered marks for the *name* “Betty Boop.” Dec. 16, 2008 Order
26 at 33:19-23 (emphasis in original). As the Court noted in the first sentence of the
27 same paragraph, the evidence submitted in support of Plaintiff’s Motion related to
28 registrations for word marks: “Here, Plaintiff has established by uncontroverted
evidence ownership of four registered marks for the *name* ‘Betty Boop.’ ” *Id.* at 33:5-
6 (emphasis in original).

1 whether Defendants['] use and licensing of the movie poster artwork
2 (or its component parts) constitute a use of one or more of Plaintiff's
3 marks and whether that use and licensing is likely to create confusion
4 as to the origin of the resulting products.

5 *Id.* at 34:2-18.

6 On January 30, 2009, the parties filed their opening supplemental briefs. On
7 February 23, 2009, the parties filed their responsive supplemental briefs. Plaintiff
8 filed declarations and exhibits in support of both of its supplemental briefs.¹⁴ With
9 their responsive supplemental brief, Defendants filed a declaration responding to a
10 portion of the evidence Plaintiff had filed in support of its opening supplemental
11 brief.¹⁵

12 **4. Supplemental Briefing on Trademark and Unfair Competition Claims**

13 Plaintiff's supplemental briefing carries forward with the premise that Plaintiff
14

15 ¹⁴Defendants also filed a declaration and exhibits with its supplemental brief.
16 However, part of the declaration and all of the pages attached as an exhibit thereto
17 were responsive to new evidence Defendants had received from Plaintiff since the
18 issuance of the Court's December 16, 2008 Order. As Defendants explained, "On
19 January 26, 2009, just four days ago [four days prior to the date the parties' opening
20 supplemental briefs were due], Plaintiff provided Defendants' counsel a copy of a
21 federal trademark registration for one of the images [of Betty Boop in which Plaintiff
22 claims rights], which appears to be the same as the Betty Boop image on the second
23 page of Plaintiff's Exhibit 39 [to Plaintiff's Motion, which consisted of copies of
24 product labels]." Defs' Supplemental Brief ("Defs' Supp. Br.") at 5:8-10.

25 ¹⁵The Court ordered supplemental *briefing*; the Court did not order or authorize
26 the submission of additional evidence. The parties neither sought nor obtained leave
27 to submit additional evidence in support of their claims or arguments. Defendants'
28 Objections to Evidence Submitted by Plaintiff Fleischer Studios, Inc. in Support of
Supplemental Memorandum on Trademark Infringement and Unfair Competition
Claims are SUSTAINED. In its analysis of the merits, the Court did not consider or
rely on any of the evidence submitted in support of the parties' supplemental briefs.

1 “owns incontestable federal trademark registrations and common-law rights in *both*
2 *the name and image* of Betty Boop.” Pl’s Supp. Br. at 1:18-20 (emphasis added);
3 *see also id.* at 3:18-21 (arguing regarding ownership that Plaintiff “owns
4 incontestable federally registered marks in both the name and image of Betty Boop,
5 as well as common law rights in an image and the physical appearance of Betty
6 Boop”); *id.* at 4:3-5 (“[Plaintiff] possesses valuable trademark rights in the name and
7 image of Betty Boop that arise from its commercial use of those marks over many
8 decades.”) Plaintiff goes on to present argument about how Defendants’
9 merchandise infringes Plaintiff’s name and image marks.

10 Regarding the *name* Betty Boop, Plaintiff inaccurately characterizes the
11 Court’s December 16, 2008 Order as finding that Plaintiff’s word marks are
12 incontestable.¹⁶ The Court’s Order did not so find, and the Court takes up the
13

14 ¹⁶Plaintiff’s supplemental briefing contains a number of statements that
15 mischaracterize the findings and conclusions in the Court’s December 16, 2008 Order.
16 Counsel are advised that, whether intentional or the product of inartful drafting, such
17 mischaracterizations are inappropriate and border on being unethical.

18 For example, Plaintiff states that the Court rules that Defendants’ argument that
19 the Betty Boop character is in the public domain for copyright purposes “does not
20 apply because the character remains protected by copyright.” Pl’s Opening
21 Supplemental Br. (“Pl’s Supp. Br.”) at 1:6-10 (citing the December 16, 2008 Order
22 at 20:8-11, 31:8-10, 32:6-9). However, the referenced portions of the Order state: (1)
23 “Accordingly, Betty Boop, the cartoon character, was a protectable component part
24 of the cartoon films that were copyrighted prior to July 1931”; (2) “Defendants oppose
25 Plaintiff’s Motion for Summary Judgment by contending that Plaintiff cannot prevail
26 on its trademark claims because, once a copyright has expired, the right to copy the
27 work passes to the public”; and (3) “However, as the foregoing discussion of
28 Plaintiff’s copyright infringement claim demonstrates, the Court has not found that the
Betty Boop character has fallen into the public domain.” The Court’s finding that the
Betty Boop cartoon character was a protectable element of copyrighted cartoon films
and the Court’s statement that it had *not* found that the character had fallen into the
public domain are not tantamount to a finding that the character remains protected by

1 question of the status of those registrations in the discussion below.

2 Regarding its assertion of trademark rights in *an image and the physical*
3 *appearance* of Betty Boop, Plaintiff introduces two potential points of origin. First,
4 Plaintiff submits additional evidence in support of its supplemental briefing to
5 establish its ownership of three federal trademark registrations for an image of Betty
6 Boop. Plaintiff explained the production of the new evidence in a footnote: “

7 Fleischer Studios submitted [the] image with its motion and
8 claimed trademark rights in it, but mistakenly claimed only common
9 law rights, as opposed to additional incontestable registrations in the
10 image. In fact, Fleischer Studios has three incontestable registrations
11 in that image.

12 Pls’ Supp. Br. at 4 n.1 (citations to declarations and exhibits omitted).¹⁷ Second,
13

14 _____
15 copyright.

16 Similarly, in the very next sentence, Plaintiff states that “[t]he Court also
17 acknowledged that Fleischer Studios presented uncontroverted evidence that it has
18 incontestable trademark registrations in the name Betty Boop.” Pl’s Supp. Br. at 1:10-
19 12 (citing page 33 of the December 16, 2009 Order). The Court acknowledged no
20 such thing. Rather, the Court acknowledged that Plaintiff had established ownership
21 of “four *registered* marks” for the name Betty Boop. Dec. 16, 2008 Order at 33:5-6
(emphasis added). Regarding incontestability, the Court acknowledged only that
22 “Plaintiff *contends* that its trademark registration are more than five years old,
23 qualifying them for ‘incontestable’ status under the Lanham Act.” *Id.* at 33:7-9
(emphasis added).

24 ¹⁷Plaintiff’s footnote carries little weight in light of the opportunity both sides
25 had to fully brief and submit relevant documentation in connection with their cross-
26 motions for summary judgment. As noted *supra*, in footnote 14, the Court did not
27 consider or rely on any of the evidence submitted in support of the parties’
28 supplemental briefs. Plaintiff’s supplemental briefing fails to argue that its registered
“word marks” for the name Betty Boop can or do encompass the use of the *image* of
Betty Boop.

1 Plaintiff argues that its common law trademark rights in Betty’s Boop’s image and
2 general appearance arise out of Plaintiff’s use of Betty Boop images “for the past 35
3 years in a way that gives it common law trademark rights in Betty Boop’s image”
4 and its use of “another specific image of Betty Boop that has been used on
5 merchandise labels for about 12 years.” *Id.* at 5:3-9. As a result of its common law
6 trademark rights in Betty Boop’s image, Plaintiff argues that it also has common law
7 rights in a generalized “physical appearance” of Betty Boop. *Id.* at 5:20-6:13.¹⁸

8 Defendants’ supplemental briefing focuses on Defendants’ view that their use
9 and licensing of their copyrighted Betty Boop poster artwork “neither constitutes a
10 use of Plaintiff’s marks nor is it likely to create or cause confusion as to the origin
11 of the merchandise.” Defs’ Supplement Brief (“Defs’ Supp. Br.”) at 2:15-17. In the
12 context of their argument regarding the factors considered in determining whether
13

14 ¹⁸Although it accurately reflects the subject matter of the opinion, the “quoted”
15 sentence in the parenthetical for Plaintiff’s citation to *Universal City Studios, Inc. v.*
16 *J.A.R. Sales, Inc.*, 216 U.S.P.Q. 679, 682 (C.D.Cal. 1982), does not appear on the cited
17 page or elsewhere in the opinion. Additionally, Plaintiff’s citation to *DC Comics, Inc.*
18 *v. Filmation Associates*. 486 F.Supp. 1273, 1277 (S.D.N.Y. 1980), for the proposition
19 that “use of characters in comic books and licensed animated series gave plaintiff
20 trademark rights in general ‘physical appearance’ of characters as they appeared in
21 those works” overstates the scope of the Southern District of New York’s analysis and
22 ruling. The court noted that courts within the Second Circuit had recognized the
23 physical appearance of entertainment characters as protectable “ingredients” of
24 entertainment products. With respect to the parties and issues before it, the court
25 concluded only that the defendant was not entitled to judgment as a matter of law on
26 the plaintiff’s false designation of origin claim on a theory that the Lanham Act was
27 directed at uses of an entire series of characters that the defendant did not intend to
28 pass off as originating from the plaintiff: “In short, we think that, as construed in this
circuit, the Lanham Act, though not as broad as plaintiff would have it, is not as
narrow as defendant contends. Thus, defendant is not entitled to judgment as a matter
of law on claims 1 and 2.” *Id.*

1 a likelihood of confusion exists, Defendants assert that Plaintiff's marks are not
2 strong: "The fact that Betty Boop is a recognizable character does not mean that she
3 indicates a source of merchandise." *Id.* at 10:19-20. Building on that notion in their
4 responsive supplemental brief, Defendants somewhat inartfully argue:

5 Plaintiff concedes, as it must, that third parties own intellectual
6 property rights in Betty Boop. As an example, Plaintiff acknowledges
7 that Republic owns the copyrights in the Betty Boop cartoons, and there
8 are others who may claim character ownership.. The fact that third
9 parties may have rights to use an item in certain ways might affect the
10 item's ability to identify the party claiming trademark protection.
11 *Tristar Pictures, Inc. v. Del Taco, Inc.*, 59 U.S. P.Q.2d 1091, 1093
12 (C.D. Cal. 1999). In *Universal City Studios, Inc. v. Nintendo Co., Ltd.*,
13 578 F.Supp. 911, 925 [S.D.N.Y. 1983] [,] the court noted that because
14 Universal did not own all possible rights to the King Kong character
15 and that other parties had ownership rights therein, as a matter of law[,]
16 Universal could not show that customers identify Universal as the
17 source of origin. Here, Plaintiff cannot establish that consumers
18 identify Plaintiff as a single source of origin of Betty Boop. This, of
19 course, is a fundamental requirement for proving trademark
20 infringement, and Plaintiff cannot establish here a single source of
21 origin.

22 Defs' Responsive Br. ("Defs' Resp. Br.") at 5:12-23.

23 In the alternative, Defendants argue that genuine issues of material fact related
24 to their fair use defense preclude summary judgment in favor of Plaintiff.

25 With this Order, the Court considers the parties' cross-motions for summary
26 judgment on Plaintiff's remaining claims.

1 **II. DISCUSSION**

2 Plaintiff's remaining claims are for (a) trademark infringement pursuant to 15
3 U.S.C. § 1114,¹⁹ (b) false designation of origin pursuant to 15 U.S.C. § 1125(a),²⁰
4 (c) state law trademark infringement and unfair competition, and (d) deceptive trade
5 practices.

6 As the party asserting trademark and unfair competition claims, Plaintiff has
7

8

¹⁹The statute governing trademark infringement references infringement of
9 registered marks and provides in pertinent part:

10 (1) Any person who shall, without the consent of the registrant--

11 (a) use in commerce any reproduction, counterfeit, copy, or
12 colorable imitation of a registered mark in connection with the
13 sale, offering for sale, distribution, or advertising of any goods or
14 services on or in connection with which such use is likely to cause
15 confusion, or to cause mistake, or to deceive; or

16 (b) reproduce, counterfeit, copy, or colorably imitate a registered
17 mark and apply such reproduction, counterfeit, copy, or colorable
18 imitation to labels, signs, prints, packages, wrappers, receptacles
19 or advertisements intended to be used in commerce upon or in
20 connection with the sale, offering for sale, distribution, or
21 advertising of goods or services on or in connection with which
22 such use is likely to cause confusion, or to cause mistake, or to
23 deceive,

24 shall be liable in a civil action by the registrant for the remedies
25 hereinafter provided.

26 15 U.S.C. § 1114(1)(a)-(b).

27 ²⁰“The Lanham Act confers standing on ‘any person who believes that he is or
28 is likely to be damaged’ by another’s use of a ‘false designation of origin’ on
merchandise entering into commerce. 15 U.S.C. § 1125(a). . . . The crucial question
is whether the prospective plaintiff has a reasonable interest that requires protection
from the defendant’s false representations.” *Eden Toys, Inc. v. Florelee
Undergarment Co., Inc.*, 526 F.Supp. 1187, 1193 (S.D.N.Y., 1981), *rev’d on other
grounds*, 697 F.2d 27 (2d Cir.1982), *superseded by rule and statute on other grounds*.

1 the burden of proof at trial and the initial burden of production at summary
2 judgment. Defendants may satisfy their initial burden with respect to Plaintiff’s
3 claims by “by pointing out that there is an absence of evidence to support the
4 nonmoving party’s case.” *Celotex Corp. v. Catrett*, 477 U.S. 317, 323 (1986);
5 *Nissan Fire & Marine Ins. Co. v. Fritz Cos.*, 210 F.3d 1099, 1106 (9th Cir. 2000).
6 If the moving party meets its initial burden, the nonmoving party must then set forth,
7 by affidavit or as otherwise provided in Rule 56, “specific facts showing that there
8 is a genuine issue for trial.” Fed. R. Civ. P. 56(e)(2); *Anderson v. Liberty Lobby,*
9 *Inc.*, 477 U.S. 242, 250 (1986).

10 Trademarks function as a designation of source or origin. See 15 U.S.C. §
11 1127 (defining “trademark” to include “any word, name, symbol, or device, or any
12 combination thereof – (1) used by a person . . . to identify and distinguish his or her
13 goods . . . from those manufactured or sold by others and to indicate the source of
14 the goods, even if that source is unknown”). As the Trademark Trial and Appellate
15 Board has explained:

16 The salient question is whether the designation in question, as
17 used, will be recognized in and of itself as an *indication of origin* for
18 this particular product. That is, does this component or designation
19 create a commercial impression separate and apart from the other
20 material appearing on the label?

21 *The Procter & Gamble Company v. Keystone Automotive Warehouse, Inc.*, 191
22 U.S.P.Q. 468, 474 (TT&A Bd. 1976) (emphasis added); *see also United Drug Co.*
23 *v. Theodore Rectanus Co.*, 248 U.S. 90, 97 (1918) (“There is no such thing as
24 property in a trademark except as a right appurtenant to an established business or
25 trade in connection with which the mark is employed. . . . [T]he right to a particular
26 mark grows out of its use, not its mere adoption, its function is simply to designate
27

1 the goods as the product of a particular trader and to protect his good will against the
2 sale of another's product as his; and it is not the subject of property except in
3 connection with an existing business.”).

4 “To succeed on the merits, plaintiff must establish three elements: (1) that he
5 owns the mark; (2) that the mark indicates the source of the [merchandise]
6 (“secondary meaning”); and (3) that defendant’s use of the mark is likely to create
7 confusion as to the source of the recordings.” *Culliford v. CBS, Inc.*, 222 U.S.P.Q.
8 497, 499 (D.D.C.1984) (referencing the test for trademark claims involving
9 unregistered marks, to which the common law and the Lanham Act’s Section 1125(a)
10 apply); *see also Toho Co., Ltd. v. William Morrow and Co., Inc.*, 33 F.Supp.2d 1206,
11 1210 (C.D. Cal. 1998) (“When trademark and unfair competition claims are based
12 on the same infringing conduct, courts apply the same analysis to both claims. To
13 succeed on a claim for trademark infringement or unfair competition, the moving
14 party must establish: (1) ownership of the trademark at issue; (2) use by defendant,
15 without authorization, of a copy, reproduction, counterfeit or colorable imitation of
16 the moving party’s mark in connection with the sale, distribution or advertising of
17 goods or services; and (3) that defendant’s use of the mark is likely to cause
18 confusion, or to cause mistake or to deceive.” (internal quotations and citations
19 omitted)).

20 The Court begins its analysis with the question of ownership. “To establish
21 standing to sue for trademark infringement under the Lanham Act, a plaintiff must
22 show that he or she is either (1) the owner of a federal mark registration, (2) the
23 owner of an unregistered mark, or (3) a nonowner with a cognizable interest in the
24 allegedly infringed trademark.” *Halicki Films, LLC v. Sanderson Sales and*
25 *Marketing*, 547 F.3d 1213, 1225 (9th Cir. 2008).

26 ***1. Common Law Trademark Rights***

1 Plaintiff asserts ownership of common law trademark rights in Betty Boop’s
2 image and general appearance that arise from Plaintiff’s use of Betty Boop images
3 on merchandise since FSI NY2 entered into a merchandising agreement with King
4 Features in 1972.²¹

5 Priority of use is sufficient to establish ownership of an unregistered
6 trademark. *Halicki Films, LLC v. Sanderson Sales & Marketing*, 547 F.3d 1213,
7 1226 (9th Cir. 2008); *see also Sengoku Works Ltd. v. RMC Int’l, Ltd.*, 96 F.3d 1217,
8 1219 (9th Cir. 1996) (“It is axiomatic in trademark law that the standard test of
9 ownership is priority of use. . . . [I]t is not enough to have invented the mark first or
10 even to have registered it first; the party claiming ownership must have been the first
11 to actually use the mark in the sale of goods or services.”). As the Ninth Circuit
12 reiterated fairly recently:

13 Trademark rights are acquired by the party that *first* uses a mark
14 in connection with the sale of goods. A mark is used in the sale of
15 goods when “it is placed in any manner on the goods ... or the displays
16 associated therewith or on the tags or labels affixed thereto. . . .”
17 *Quiksilver, Inc. v. Kymsta Corp.*, 466 F.3d 749, 756 (9th Cir. 2006) (emphasis
18 added) (internal citations omitted). “Under the principle of first in time equals first
19 in right, priority ordinarily comes with earlier use of a mark in commerce. It is not
20 enough to have invented the mark first or even to have registered it first.” *Grupo*
21 *Gigante SA De CV v. Dallo & Co., Inc.*, 391 F.3d 1088, 1093 (9th Cir. 2004) (going
22 on to explain that the “territoriality principle” provides that only priority of use in the
23

24 ²¹Plaintiff does not argue, and the Court does not find, that Plaintiff’s evidence
25 of registration of the word mark for the name “Betty Boop” confers a constructive use
26 date of first use for anything more than the word mark or for any date earlier than
27 1981. *See* U.S.C. § 1057(c).

1 United States is relevant).

2 Here, Plaintiff’s claim to common law rights in Betty Boop’s image and
3 appearance is based only on its use of the image(s) since 1972. Although this
4 represents decades of use, it does nothing to address the first use of Betty Boop as
5 a mark. In fact, Plaintiff references the original FSI’s authorization of Betty Boop
6 merchandise in the 1930s. After acknowledging the original FSI’s first use,²²
7 Plaintiff fails to address (a) the status or situs of any trademark rights in the
8 intervening decades, particularly in light of the 1941 sale of the original FSI’s assets
9 to Paramount, or (b) what Betty Boop merchandise was offered to the public, and by
10 whom, after the 1941 sale to Paramount. Accordingly, Plaintiff has not established,
11 or submitted evidence sufficient to create a triable issue of fact regarding, its
12 ownership of common law trademark rights in one or more image(s) – or, by
13 extension, the physical appearance – of Betty Boop.²³

14
15 ²²Although Plaintiff fails to establish that Handman has personal knowledge or
16 is otherwise competent to testify on the issue, his declaration statements are made in
17 support of Plaintiff’s assertion that the original FSI had and used trademark rights in
18 the Betty Boop Character. *See, e.g.*, Handman Delc. ¶ 10 (“By 1932, Betty Boop was
19 very popular. In apparent response to consumer demand, Fleischer Studios began
20 licensing others to create Betty Boop merchandise based on its copyright and
21 trademark rights in the character. Fleischer Studios formed another company,
22 Fleischer Art Service, Inc., to handle this ‘Betty Boop’ merchandise, and a number of
23 licenses were granted.”).

24 ²³The Court recognizes that courts that have upheld trademark rights in the
25 physical appearance of characters have generally found secondary meaning associated
26 with the characters. *Compare Universal City Studios, Inc. v. J.A.R. Sales, Inc.*, 216
27 U.S.P.Q. 679, 682 (C.D. Cal. 1982) (“The physical appearance of the character ‘E.T.’
28 has acquired ‘secondary meaning’ and is understood by the public as meaning and
referring to Universal and the motion picture ‘E.T. The Extra-Terrestrial’”), *Walt
Disney Co. v. Powell*, 698 F. Supp. 10, 12 (D.C.C. 1988) (Mickey Mouse and Minnie
Mouse as protected characters that have secondary meaning “of great value, favorable

1 To the extent that Plaintiff intended to argue that its trademark rights derive
2 in some part from Harvey’s assignment of its Betty Boop-related rights to FSI in
3 1980, or Republic’s recognition of Plaintiff’s rights in the Betty Boop character in
4 its 1997 settlement agreement with Plaintiff, Plaintiff has not met its burden. As the
5 Court previously discussed in connection with Plaintiff’s arguments regarding the
6 chain of title in the copyright interests Plaintiff asserted in this litigation, Plaintiff has
7 not established how those agreements might be sufficient to transfer trademark rights
8 in the Betty Boop character to Plaintiff.²⁴ *Cf. Mister Donut of America, Inc. v. Mr.*

9 _____
10 in all respects, and well-entrenched worldwide.”), and *D.C. Comics, Inc. v. Filmation*
11 *Associates*, 468 F. Supp. 1273, 1277 (S.D.N.Y. 1980) (“[T]he names and nicknames
12 of entertainment characters, as well as their physical appearances and costumes” are
13 “protectable under § 43(a) because the ingredient can come to symbolize the plaintiff
14 or its product in the public mind.”), with *Sony Pictures Entm’t, Inc. v. Fireworks*
15 *Entm’t Group, Inc.*, 137 F. Supp. 2d 1177, 1197 (C.D. Cal. 2001) (“It is . . . unclear
16 how the purported ‘trade dress’ Plaintiffs described applies to the character Zorro or
17 how it could identify Plaintiffs as Zorro’s source.”).

18 ²⁴A relevant portion of the Court’s December 16, 2008 Order discussed some
19 of the numerous transfers of rights effected by Paramount:

20 All of Plaintiff’s remaining chain-of-title arguments rely on
21 “acknowledgments” of rights by third parties who came into rights by
22 virtue of an initial purported transfer of rights from Paramount, *e.g.*,
23 UM&M in 1955, Harvey in 1958, CBS in 1980. All but the Paramount-
24 UM&M chain fail because they involve transfers of rights in works other
25 than the pre-July-1931 cartoon films.

26 Dec. 16, 2008 Order at 24:4-8. The Court then discussed the purported chain of title
27 in the copyright in the Betty Boop character (a) from UM&M to National Telefilms
28 Associates (“NTA”), which Plaintiff asserted became Republic Pictures (“Republic”),
and (b) back to Plaintiff by virtue of a 1979 letter from NTA to the parent of FSI
NY2’s licensing agent and a 1997 settlement agreement entered into by Plaintiff and
Republic. *Id.* at 27:3-31:6. The Court concluded, in relevant part, that “[n]either
NTA’s 1972 acknowledgment in a letter nor the 1997 settlement agreement between
Republic and Plaintiff effected a transfer of rights that are good as against the world.

1 *Donut, Inc.*, 418 F.2d 838, 842 (9th Cir. 1969) (“The law is well settled that there are
2 no rights in trademark alone and that no rights can be transferred apart from the
3 business with which the mark has been associated.”).

4 **2. Federal Trademark Registrations**

5 Plaintiff asserts that it has incontestable trademarks in the name and and image
6 of Betty Boop.

7 The rights that flow from federal registration on the Principal Register include
8 that the registration is “prima facie evidence of the validity of the registered mark
9 and of the registration of the mark, of the registrant's ownership of the mark, and of
10 the registrant's exclusive right to use the registered mark in commerce on or in
11 connection with the goods or services specified in the certificate.” 15 U.S.C.A. §
12 1057. However, as noted above, under the priority-of-use principle, it is not enough
13 to be the first to have registered a mark. *Grupo Gigante*, 391 F.3d at 1093.
14 “Registration does not create a mark or confer ownership; only use in the
15 marketplace can establish a mark.” *Miller v. Glenn Miller Productions, Inc.*, 454
16 F.3d 975, 979 (9th Cir. 2006).²⁵

17 A registered mark becomes incontestable if the registrant files an affidavit
18 with the United States Patent and Trademark Office (“PTO”) stating that the mark

19 _____
20 At most, these documents evidence the parties’ recognition of rights effective only
21 between the parties.” *Id.* at 30-19-22.

22 ²⁵Defendants have not brought a claim challenging the validity of Plaintiff’s
23 word mark registrations. Additionally, Plaintiff has not made a separate claim to the
24 “first use” of, or common law rights in, the word mark in the name “Betty Boop.”
25 Accordingly, to the extent that the foregoing analysis of Plaintiff’s arguments for a
26 common law trademark *image* of Betty Boop does not also effectively eliminate any
27 claim to a word mark on the basis of federal registration conferring a constructive
28 first-use date not earlier than 1981, the Court considers Plaintiff’s claims on the basis
of its registered word marks.

1 has been in continuous use for five consecutive years subsequent to the dates of
2 registration and is still in use in commerce. 15 U.S.C. § 1065. An incontestable
3 registration is “conclusive evidence” of (1) the validity of the registered mark; (2)
4 the registrant’s ownership of the mark; and (3) the registrant’s exclusive right to use
5 the mark in commerce.²⁶ 15 U.S.C. § 1115(b).

6 Here, Plaintiff submitted evidence of the registration of four “word marks”
7 for the name “Betty Boop,” but it did not file evidence of federal registrations for any
8 Betty Boop images in support of its Motion for Summary Judgment or in opposition
9 to Defendant’s Motion for Summary Judgment. Additionally, Plaintiff filed no
10 evidence that it filed the required affidavit with the PTO or otherwise obtained a
11 determination from the PTO that the word mark is incontestable. Accordingly, the
12 Court considers only the effect of Plaintiff’s federal registrations for the word mark.

13 Plaintiff’s evidence does demonstrate that Plaintiff has registered and used the
14 name “Betty Boop” on merchandise sold under license from Plaintiff since 1972. Its
15 federal registration is prima facie evidence of the validity and ownership of the word
16 mark, and Defendants have not introduced any evidence to rebut the validity of that
17 mark. However, nothing before the Court demonstrates: (a) that Plaintiff’s word
18 mark indicates a single source, (b) that any of Defendants’ uses of its poster artwork
19 represent a use of Plaintiff’s word mark in commerce, or (c) that any of defendants’
20 uses of the word mark are likely to cause consumer confusion. Accordingly, the
21

22 ²⁶ “[T]he incontestable status of [a] mark does *not* require a finding that the mark
23 is strong” for purposes of the likelihood of confusion analysis. *Entrepreneur Media,*
24 *Inc. v. Smith*, 279 F.3d 1135, 1142 n.3 (9th Cir. 2002); *see also Miss World (UK), Ltd.*
25 *v. Mrs. America Pageants, Inc.*, 856 F.2d 1445, 1449 (9th Cir. 1988), *abrogated in*
26 *part on other grounds by Eclipse Assocs. Ltd. v. Data Gen. Corp.*, 894 F.2d 1114,
27 1116 n.1 (9th Cir. 1990) (“[A]n incontestable status alone does not establish a strong
28 mark”).

1 Court concludes that Plaintiff’s word mark registrations do not satisfy Plaintiff’s
2 burden with respect of any of its claims.

3 In light of the “fractured” history of intellectual property rights in works
4 featuring Betty Boop, the Court finds the Southern District of New York’s analysis
5 in *Universal City Studios, Inc. v. Nintendo Co. Ltd.*, 578 F.Supp. 911 (S.D.N.Y.
6 1983), particularly instructive. The plaintiff in *Universal*, sought to enforce rights
7 related to the character King Kong, which Universal alleged were infringed by
8 Defendant Nintendo’s use of a gorilla in its “Donkey Kong” video game. Nintendo
9 moved for summary judgment on Universal’s trademark and unfair competition
10 claims. *Id.* at 913. Regarding the right Universal sought to assert in King Kong, the
11 court explained:

12 Universal claims that its gorilla is King Kong. Exactly who King
13 Kong is, in the trademark sense, and what he looks like, is a key to this
14 lawsuit. There is, of course, a King Kong, for those expatriates and
15 hermits who don’t know, who is the central character in a famous 1933
16 motion picture (“the 1933 movie”) produced by RKO Radio Pictures,
17 Inc. (“RKO”) and in a remake of that motion picture (the “1976
18 remake”) done by the Dino DiLaurentiis Corporation (“DDL”) in 1976.
19 Universal does not claim to own a trademark in these images of King
20 Kong, but instead claims to be the owner of a trademark in the King
21 Kong name and another King Kong character by virtue of certain recent
22 assignments.

23 *Id.* at 914.²⁷ Addressing at least in part Nintendo’s argument that Universal could not
24

25 ²⁷The factual background of the case revealed another source of rights in King
26 Kong:

27 The King Kong story first appeared in public with its publication
28

1 “claim a trademark in King Kong because the multiple origins and present uses of
2 King Kong have made it impossible for King Kong to denote a single source of
3 origin, which is the necessary function of a trademark,” *id.*, the Court explained that
4 “[b]ecause of the competing property interests in King Kong, and considering
5 third-parties' unauthorized use of King Kong trademarks for various products, King
6 Kong no longer signifies a single source of origin to consumers and thus is not a
7 valid trademark.” *Id.* at 923 (concluding that “[i]t is this requirement-that a
8 trademark indicate to consumers a single source of origin-that is fatal to Universal's
9 claim.”). The court further explained:

10 The fatal vagueness of Universal’s King Kong character is a
11 result of a separate and equally fatal flaw in Universal’s trademark
12 claim: the conflicting ownership rights in the King Kong name and
13 character. At this moment, RKO owns one photographic image of King
14 Kong, DDL owns another and Universal owns some undetermined third
15 image. Universal argues that RKO and DDL own only copyrights in
16 their King Kong images – not trademarks– and that for this reason
17 those rights do not present a barrier to Universal’s establishment of
18 secondary meaning in its King Kong character. However, Universal
19 concedes-indeed, emphasizes-RKO’s and DDL’s extensive use and
20

21 in 1932 as a book and a magazine serial. Merian C. Cooper was the
22 originator of the story that was the basis for the book and magazine
23 serial. His son and heir, Richard Cooper (“Cooper”) now holds the
24 exclusive book publishing rights with respect to King Kong, including
the right to make, distribute or license novels, comic books or magazine
articles using the King Kong name, character and story.

25 *Universal City Studios, Inc. v. Nintendo Co., Ltd.*, 578 F.Supp. 911, 914 (S.D.N.Y.
26 1983). The court went on to detail the ensuing long and complicated history of King
27 Kong rights.

1 licensing of their King Kong images. Universal's position is thus that
2 the consuming public, though confronted with extensive merchandising
3 use of two King Kong images that represent other product sources, is
4 still able to perceive that there is a distinct third image of King Kong
5 that designates a third product source-Universal.

6 As has been frequently stated in this and other opinions, the
7 purpose of a trademark-and a requirement for the statutory protection
8 granted to trademarks-is that the mark indicate to consumers a single
9 source of origin. The presence in the market of other, unrelated
10 producers with legally protected images that are very similar to
11 plaintiff's-indeed, whose nature defines plaintiff's mark-is
12 fundamentally inconsistent with this requirement.

13 *Id.* at 925.

14 Here, as in *Universal*, merchandising intellectual property rights in a famous
15 fictional character were divided and parceled out to various entities over many
16 decades. In the context of these cross-motions for summary judgment, Plaintiff has
17 not established trademark rights that are not in considerable conflict with other
18 existing ownership rights in Betty Boop and the works in which she appears.
19 Although there is no evidence of other current, authorized uses of Betty Boop
20 trademarks, Plaintiff acknowledges that other entities retain copyrights in various
21 Betty Boop works. Additionally, as discussed above, Plaintiff points to no evidence
22 that its use since 1972 constitutes a first use, *e.g.*, that owners of rights in works in
23 which Betty Boop is featured were not producing or selling Betty Boop merchandise
24 at or near the time Plaintiff commenced its use in 1972.

25 Accordingly, for the reasons and in the manner set forth above, summary
26 judgment is granted in favor of Defendants on Plaintiff's trademark and unfair
27

1 competition claims because Plaintiff failed to produce evidence sufficient to
2 establish, or to raise a triable issue of fact regarding (a) its ownership of rights in the
3 image or physical appearance of Betty Boop or (b) how Defendants' use of the Betty
4 Boop posters infringes Plaintiff's federally-registered word-mark in the name "Betty
5 Boop."

6 **III. CONCLUSION**

7 Those portions of Plaintiff's Motion for Summary Judgment (docket no. 48)
8 that relate to Plaintiff's trademark and unfair competition claims are DENIED, and
9 the corresponding portions of Defendants' Motion for Summary Judgment (docket
10 no. 53) are GRANTED. Counsel for Defendant is directed to prepare and file a
11 Judgment for the Court's signature within 20 days of the date of this order.

12 **IT IS SO ORDERED.**

13
14 Dated: June 26, 2009.



FLORENCE-MARIE COOPER, JUDGE
UNITED STATES DISTRICT COURT