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Cheryl Johnson

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ROCK PERFORMERS AND THE "JOHN DOE" TEMPORARY RESTRAINING ORDER: DRESSING DOWN THE T-SHIRT PIRATES

There is a rock concert tonight. The show is a sell-out, and the promoters are happy. Not only were the ticket sales profitable, but a large crowd means high volume sales of souvenirs, particularly T-shirts emblazoned with the performers' names or logos. In a few hours, the fans will start arriving, filling the parking lots with their cars and the coffers with their money. With the fans will come the bootleggers.

Rock music is big business. Fans spend millions of dollars every year for records and tickets to live performances.¹ With great popularity comes great opportunity for the entertainers to cash in on souvenirs bearing the name or logo of the group or the likenesses of the performers.² With the merchandising opportunity come increasing problems with infringement of the performers' property rights in their names, likenesses, logos, and other designs closely associated with them.³ Ordinarily, performers license a promoter to produce and market such merchandise in return for royalties.⁴ The arrangement is profitable for both sides, and it also allows the performers to retain control over the quality, design, and type of merchandise without the burdens of day-to-day supervision. The smell of money, however, also attracts those who wish to share in the profits without paying royalties. Enter the bootleggers.⁵

The quality of bootleg merchandise is generally inferior to that of licensed goods, but often the counterfeit goods are priced the same as, or only slightly less than, the real things.⁶ Bootleg-

1. PEOPLE, December 28, 1981, at 74. During a three-month, 46-concert tour of the United States in the fall of 1981, the Rolling Stones attracted over two million concert-goers and grossed \$35,000,000 in gate receipts. In New York, fans paid scalpers up to \$250 for \$15 seats.

2. *Id.* The licensee sold over \$5,000,000 worth of T-shirts in the first two weeks.

3. 68 A.B.A.J. 30 (1982).

4. *See, e.g.*, Springsteen v. Creative Screen Design, Ltd., No. 80 C 5389, slip op. at 9 (N.D. Ill. Oct. 23, 1981) (licensee had exclusive right to use logo on upper-body garments).

5. The term "bootlegger" arose during Prohibition, when illegal liquor was concealed in the boot of the possessor. The courts and the plaintiffs use the term here to denote those who market trademarked merchandise without a license to do so.

6. Winterland Concessions Co. v. Sileo, 528 F. Supp. 1201, 1208 (N.D. Ill. 1981) (licensee sold T-shirts for eight to nine dollars, jerseys for twelve to thirteen; bootlegger prices were not stated). *See also* Winterland Conces-

gers may also use trademarks in ways to which the owner would object.⁷ Capitalizing on both the popularity of a performer and the T-shirt craze, many bootleggers concentrate on selling counterfeit T-shirts. The trademark logos of rock performers are silk-screened on thin, untreated cotton shirts which are sold outside performance halls on concert nights.⁸ The losses to the performers, the licensees, and the concert hall (all of whom share in the profits) are staggering.⁹

While some forms of infringement are fairly easy to halt, the sale of parking-lot T-shirts is peculiarly difficult to control. Nationally-known performers frequently have a pack of itinerant vendors which follows them from city to city.¹⁰ These vendors are unlikely to remain in a city to appear at a formal hearing and, like the local bootleggers who show up at every concert in a given town, they give a false name when they are served or arrested.¹¹ Trademark owners have no way to serve summons for further litigation. They may obtain either a preliminary or per-

sions Co. v. Creative Screen Design, Ltd., No. 80 C 5389 (N.D. Ill. Nov. 16, 1981) (available on LEXIS, Genfed library, Dist file) (licensee sold T-shirts for eight dollars, jerseys for eleven; bootleggers sold T-shirts for five dollars, jerseys for seven).

7. See, e.g., Dallas Cowboys Cheerleaders, Inc. v. Pussycat Cinema, Ltd., 604 F.2d 200 (2d Cir. 1979) (injunction sought against showing of the pornographic film "Debbie Does Dallas"); Dallas Cowboys Cheerleaders, Inc. v. Scoreboard Posters, Inc., 600 F.2d 1184 (5th Cir. 1979) (defendant marketed poster of semi-nude women wearing costumes markedly similar to plaintiff's uniforms); Coca-Cola Co. v. Gemini Rising, Inc., 346 F. Supp. 1183, 175 U.S.P.Q. 56 (E.D.N.Y. 1972) (defendant used plaintiff's distinctive lettering on a poster urging "Enjoy Cocaine"); Girl Scouts v. Personality Posters Mfg. Co., 304 F. Supp. 1228 (S.D.N.Y. 1969) (defendant published poster depicting a pregnant Girl Scout with the slogan "Be Prepared").

8. Winterland Concessions Co. v. Sileo, 528 F. Supp. 1201, 1208 (N.D. Ill. 1981) (defendants printed counterfeit T-shirts at own plant and sold them at concerts around the country).

9. Gross sales over a three-day engagement may exceed \$200,000. *Id.* at 1207-08; 68 A.B.A.J. 30 (1982). In *Sileo*, the plaintiff's sales for the previous twelve months were about \$15,000,000, ninety percent of which were from concert sales. Sixty-five percent of the proceeds from concert sales were from T-shirts. Plaintiff licensee paid about \$3,000,000 in royalties to co-plaintiff performers and another \$3,000,000 to the concert halls. An attorney for Winterland Concessions estimated that his client lost a sale to the outside vendors for every sale made inside. 68 A.B.A.J. 30 (1982). One judge was more conservative, calculating damages at a sales ratio of two sales inside to one outside. Winterland Concessions Co. v. Creative Screen Design, Ltd., No. 80 C 5389 (N.D. Ill. Nov. 16, 1981) (available on LEXIS, Genfed library, Dist file).

10. Winterland Concessions Co. v. Sileo, 528 F. Supp. 1201, 1208 (N.D. Ill. 1981). Itinerant vendors are frequently hired by a printer-supplier to follow the groups. Winterland Concessions Co. v. Creative Screen Design, Ltd., No. 80 C 5389 (N.D. Ill. Nov. 16, 1981) (available on LEXIS, Genfed library, Dist file).

11. Interview with Peter Wilkes, U.S. Marshall for the Northern District of Illinois, in Chicago (Jan. 29, 1982).

manent injunction¹² without a named defendant, but enforcement of such an injunction is a problem. When the identity of an offender is finally discovered, he can plead lack of notice and hearing. Even if the trademark owner is able to determine a bootlegger's real name, the offender is likely either to disregard a court order or to act in direct opposition to it.¹³ Plaintiffs are caught in a dilemma. They have protectable property rights¹⁴ which are being injured by the actions of the bootleg merchants, but the ordinary means of protecting those rights, a lawsuit, is not available.

STATE PROTECTION OF TRADEMARKS

Because trademark protection is not expressly assigned to Congress, as are patent and copyright protection,¹⁵ all fifty states allow registration of trademarks at the state level.¹⁶ Performers could register their marks in each state and acquire a state cause of action for infringement, but that would require numerous filings and is therefore somewhat impractical. In some jurisdictions, common-law trademarks are also recognized

12. A permanent injunction is particularly effective because it allows the plaintiff to obtain search warrants, but the plaintiff still has to know who and where to search. *Winterland Concessions Co. v. Various John Does*, No. 80 Civ. 5165 ADS (S.D.N.Y. Sept. 10, 1980) (order to show cause and affidavits in support of plaintiff's application for temporary restraining order, order of seizure and preliminary injunction); *Winterland Concessions Co. v. Various John Does*, No. 975 (Phila. C.P. Aug. 13, 1980) (permanent injunction and order of disposition); *Winterland Concessions Co. v. Various John Does*, No. C-331181 (Cal. Super. Ct. Aug. 4, 1980) (preliminary injunction, order of disposition of seized merchandise). At least three federal courts have issued permanent injunctions which cover not a single event, but any musical events at a given arena, with some restrictions. *Variety*, Aug. 18, 1982, at 69, col. 2.

13. *Musidor, B.V. v. Great American Screen*, 658 F.2d 60 (2d Cir. 1981) (while under a preliminary injunction, defendant hid silk-screens in the basement by day and silk-screened T-shirts by night); *Winterland Concessions Co. v. Creative Screen Designs, Ltd.*, 210 U.S.P.Q. 6 (N.D. Ill. 1980) (defendant was required to produce all means of production and records of sale; some were produced, others were recovered by a private investigator who picked through defendant's trash).

14. Most actions are brought under trademark law and the right of publicity. Copyrighted items such as album covers are sometimes copied, but the copyright owner is usually the record company, not the performer. Bringing the copyright owner into the suit takes time, and time is at a premium. Letter from Harold E. Wurst, Nilsson, Robbins, Dalgarn, Berliner, Carson & Wurst to Cheryl Johnson (March 17, 1982).

15. *Trade-mark Cases*, 100 U.S. 82 (1879) (trade-mark arises implicitly from the commerce clause; copyright and patent are explicitly created in U.S. CONST. art. I, § 8, cl. 8).

16. 2 J. GILSON, *TRADEMARK PROTECTION AND PRACTICE* § 10.12 (5th ed. 1979). Most statutes make registration a prerequisite to enforcement of property rights.

and protected, and performers can use that protection in challenging infringers.¹⁷

Aside from any property interest the performers may have in registered or common-law trademarks, they also have legally protected rights in good will¹⁸ and the right of publicity.¹⁹ Good will is the perception by the public of the trademark as an identifier of satisfactory goods.²⁰ Once a reputation as a source of quality goods is established, the owner may suffer irreparable harm from the sale of unauthorized, inferior goods which bear a mark which, in the public's mind, identifies the trademark owner as the source.²¹ To protect this right, plaintiffs may invoke any available state laws concerning unfair competition, deceptive trade practices, and fraud.²²

The right of publicity began as "appropriation," one of the four divisions of the right of privacy as defined by Dean Prosser.²³ In recent years, it has been recognized as a concept separate from the right of privacy and opposite in effect.²⁴ The right of privacy involves control of one's private life; the right of publicity involves control of one's public life. First articulated by

17. *E.g.*, "Nothing herein shall adversely affect the rights or the enforcement of rights in trademarks acquired in good faith at any time at common law." OKLA. STAT. ANN. tit. 78 § 33 (West 1981). Other states have laws which state the Oklahoma statute *verbatim* or have only minor wording differences, e.g., "marks" instead of "trademarks." 1981 CAL. STAT. § 14210; COLO. REV. STAT. § 7-70-113 (1973); FLA. STAT. § 495.161 (1981); ILL. REV. STAT. ch. 140, § 14 (1981); MD. ANN. CODE art. 41, § 102 (1978); MO. ANN. STAT. § 417.066 (Vernon 1981).

18. *Franklin Mint, Inc. v. Franklin Mint, Ltd.*, 331 F. Supp. 827 (E.D. Pa. 1971) (English firm used name confusingly similar to that of plaintiff in order to take advantage of plaintiff's reputation); *Chips 'N Twigs, Inc. v. Blue Jeans Corp.*, 146 F. Supp. 246 (E.D. Pa. 1956) (manufacturer of inferior boys' clothing used name deceptively similar to plaintiff's trade name).

19. *Zacchini v. Scripps-Howard Broadcasting Co.*, 433 U.S. 562 (1977) (defendant broadcast plaintiff's "human cannonball" act in its entirety without permission or compensation); *Factors Etc., Inc. v. Pro Arts, Inc.*, 579 F.2d 215 (1978) (defendant printed an Elvis Presley poster after Presley's death, without permission of estate or licensee).

20. "Good will is that which makes tomorrow's business more than an accident. It is the reasonable expectation of future patronage based on past satisfactory dealings." E. ROGERS, *GOOD WILL, TRADEMARKS, AND UNFAIR TRADING* 19 (1914).

21. *Chips 'N Twigs, Inc. v. Blue Jeans Corp.*, 146 F. Supp. 246, 248 (E.D. Pa. 1956) ("if . . . the newcomer can take advantage of good will built up by the plaintiff . . . and so confuse the public . . . irreparable harm must result to the plaintiff . . . and to the good will built up at great expense").

22. *See, e.g.*, ILL. REV. STAT. ch. 121-1/2, §§ 311—317 (1981) (deceptive trade practices); ILL. REV. STAT. ch. 121-1/2, §§ 261—272 (1981) (deceptive business practices). Plaintiffs may also plead common-law torts of unfair competition, misappropriation, and violation of right of publicity. Complaint at 11-13, *Moon Records v. Various Does*, No. 81 C 907 (N.D. Ill. Feb. 20, 1981).

23. W. PROSSER, *TORTS* 804-07 (4th ed. 1971).

24. *Zacchini v. Scripps-Howard Broadcasting Co.*, 433 U.S. 562, 573 (1977).

the Second Circuit in *Haelan Laboratories, Inc. v. Topps Chewing Gum, Inc.*,²⁵ the Ohio Supreme Court later described the right of publicity as "personal control over commercial display and exploitation of [the performer's] personality and the exercise of his talents."²⁶ A minority of courts still includes the right of publicity within the right of privacy.²⁷ Both positions, however, recognize that a violation of the right of publicity is actionable in tort.²⁸

Difficulty arises for those whose marks are registered with neither the state nor the United States Patent and Trademark Office. State courts tend to be unfriendly toward unregistered marks,²⁹ and performers seldom register their marks, often because their marks are unregistrable.³⁰ Performers prefer the concurrent jurisdiction of federal courts for trademark claims, and any state claims can be litigated in the federal courts under pendent jurisdiction.³¹

PROTECTION OF TRADEMARKS UNDER THE LANHAM ACT

In trademark infringement suits, plaintiffs depend heavily on federal legislation for both a cause of action³² and a remedy.³³

25. 202 F.2d 866 (2d Cir. 1953).

26. *Zacchini v. Scripps-Howard Broadcasting Co.*, 47 Ohio St. 2d 224, 351 N.E.2d 454 (TV station broadcast entire act of plaintiff human cannonball without permission or compensation), *rev'd*, 433 U.S. 562 (1977).

27. *Winterland Concessions Co. v. Sileo*, 528 F. Supp. 1201, 1213 (N.D. Ill. 1981) ("One of the species of the right of privacy . . . is the right of publicity.").

28. *Haelan Labs., Inc. v. Topps Chewing Gum, Inc.*, 202 F.2d 866 (2d Cir. 1953) ("[C]ourts enforce a claim which has pecuniary worth. This right might be called a 'right of publicity.'"; majority); *Winterland Concessions Co. v. Sileo*, 528 F. Supp. 1201, 1213 (N.D. Ill. 1981) ("unauthorized and unprivileged printing . . . constitutes a violation of the right of publicity. . ."; minority).

29. Interview with Jane Shay Lynch, Gottlieb, Rackman & Reisman, New York, in Chicago (Jan. 20, 1982).

30. Many performers use their own names, and such marks are unregistrable under 15 U.S.C. § 1052(e)(3) (1976) (primarily a surname). Others use geographical names (Chicago, Styx), which are excluded under 15 U.S.C. § 1052(e)(2) (1976) (primarily geographically descriptive or misdescriptive), or common words (Rush, Journey, Heart). Those marks must have acquired a secondary meaning before they can be registered.

31. "Pendent jurisdiction . . . exists whenever there is a [substantial federal claim] and the relationship between that claim and the state claim permits the conclusion that the entire action . . . comprises but one constitutional 'case.'" *United Mine Workers v. Gibbs*, 383 U.S. 715, 725 (1966). Jurisdiction is specifically granted in 28 U.S.C. § 1338(b) (1976) ("The district courts shall have original jurisdiction of any civil action asserting a claim of unfair competition when joined with a substantial and related claim under the . . . trade-mark laws.").

32. 15 U.S.C. § 1125 (1976). This section, commonly known as § 43(a) of the Lanham Act, forbids false designation of origin and false descriptions.

33. 15 U.S.C. § 1114 (1976) (Remedies; infringement; innocent infringement by printers and publishers).

Congress' power to recognize and protect trademarks arises under the commerce clause³⁴ of the United States Constitution³⁵ and is codified in the Lanham Act.³⁶ The purposes of trademarks, and the reasons for protecting them, are: 1) to enable consumers to accurately identify the source of the product and to base purchasing decisions on past experience with that supplier;³⁷ and 2) to prevent deception of consumers by use of misleading identification.³⁸ Unlike patents and copyrights,³⁹ a trademark does not grant exclusive rights in a product, but only gives the exclusive use of a word or symbol which identifies the trademark owner as the source of the goods.⁴⁰ Because of the very personal stake of the trademark owner in controlling his own reputation, and because of the public interest in enabling the consumer to accurately identify the source of the goods, trademarks, unlike patents and copyrights, are not limited in time, but remain in effect as long as the symbol is used in commerce.⁴¹ In general, any word, symbol, or design can be used as a trademark,⁴² unless the mark is merely descriptive, or primarily a surname.⁴³ Under the Lanham Act, made-up words and fanciful names which give no indication of the kind of goods they mark acquire immediate protection.⁴⁴ Common words or symbols which are descriptive of the product may become valid trademarks if they "become distinctive of the applicant's goods

34. *The Trade-mark Cases*, 100 U.S. 82 (1879).

35. U.S. CONST. art. I, § 8, cl. 8.

36. 15 U.S.C. §§ 1051—1127 (1976).

37. "Trademark infringement is a tort because it interferes with the marketing process in which the consumer chooses goods by their trademarks." Diamond, *The Public Interest and the Trademark System*, 62 J. PAT. OFF. SOC'Y 528, 529 (1980).

38. "[T]o prevent fraud and deception in such commerce. . . ." 15 U.S.C. § 1127 (1976).

39. 35 U.S.C. § 154 (1976) (right to exclude others from making, using or selling); 17 U.S.C. § 106 (1976) (reproduce, distribute, perform publicly, prepare derivative works).

40. 15 U.S.C. § 1057(b) (1976) ("registrant's exclusive right to use the mark in commerce. . .").

41. 15 U.S.C. §§ 1058-59 (1976). Trademarks may be registered for twenty years and renewed for additional periods of twenty years each as long as the mark is still in use in commerce or nonuse is excused by special circumstances. The mark must be used in commerce that is subject to regulation by Congress.

42. Exceptions are immoral or slanderous matter, flags or coats-of-arms of any city, state, or nation, the name, signature, or portrait of individuals or former presidents who are survived by a widow, and marks confusingly similar to marks already in use. 15 U.S.C. § 1052(a)-(d) (1976).

43. 15 U.S.C. § 1052(e) (1976).

44. *E.g.*, Kodak, Polaroid.

in commerce."⁴⁵ While the language of the Lanham Act deals specifically with registered marks, courts have repeatedly held that the causes of action which arise under section 43(a) of the Lanham Act are also available to the owners of unregistered marks.⁴⁶

Infringement of trademark has two negative effects: 1) the consumer may be deceived into buying unacceptable goods; and 2) the reputation of the trademark owner may be damaged or, even if undamaged, is no longer under the owner's control.⁴⁷ The standard for trademark infringement is not actual confusion, but the likelihood of confusion in the minds of consumers as to the source of the goods.⁴⁸ Likelihood of confusion may be found under either of two tests: physical similarity or secondary meaning. If the infringing mark is so similar in shape,⁴⁹ meaning,⁵⁰ design,⁵¹ or sound⁵² to the valid mark as to be confusing to

45. 15 U.S.C. § 1052(f) (1976). *See, e.g.,* Levi Strauss & Co. v. Blue Bell, Inc., 632 F.2d 817 (9th Cir. 1980) (cloth tab sewn into seam of right rear pocket had acquired a secondary meaning).

46. *See, e.g.,* L'Aiglon Apparel, Inc. v. Lana Lobell, Inc., 214 F.2d 649 (3d Cir. 1954) (defendant used picture of plaintiff's dress in advertising for similar dress of inferior quality); Winterland Concessions Co. v. Creative Screen Design, Ltd., 210 U.S.P.Q. 6 (N.D. Ill. 1980) (unregistered trademarks of rock musicians used on bootleg T-shirts); General Pool Corp. v. Hallmark Pool Corp., 259 F. Supp. 383 (N.D. Ill. 1966) (defendant used picture of plaintiff's custom swimming pool in its advertising circulars). Section 43(a) refers to false designations only; it does not expressly limit its application to registered trademarks.

47. Franklin Mint, Inc. v. Franklin Mint, Ltd., 331 F. Supp. 827, 830 (E.D. Pa. 1971) ("Even if the defendant matches the high quality of plaintiff's products . . . plaintiff is still entitled to have his reputation within his control.").

48. *See, e.g.,* Anne Klein Studio v. Hong Kong Quality Knitters, Ltd., 192 U.S.P.Q. 514 (D.N.J. 1976) (counterfeit T-shirts bearing plaintiff's trademark); Tefal, S.A. v. Products Int'l Co., 186 U.S.P.Q. 545 (D.N.J. 1975) (non-stick frying pans labeled TEPAL-WARE confusingly similar to pans labeled T-FAL). Proof of intent to copy raises a rebuttable presumption of confusion. Fleishman Distilling Corp. v. Maier Brewing Co., 314 F.2d 149, 158, 136 U.S.P.Q. 508, 516 (9th Cir.) ("very act of the adopter has indicated that he expects confusion and resultant profit"), *cert. denied*, 374 U.S. 830 (1963).

49. *See, e.g.,* National Ass'n of Blue Shield Plans v. United Bankers Life Ins. Co., 362 F.2d 374 (5th Cir. 1966) (defendant used a red shield to designate its line of hospital insurance; plaintiff used a blue shield).

50. *See, e.g.,* Hancock v. American Steel & Wire Co., 203 F.2d 737, 97 U.S.P.Q. 330 (C.C.P.A. 1953) (competing brands of fencing called Tornado and Cyclone).

51. *See, e.g.,* Coca-Cola Co. v. Gemini Rising, Inc., 346 F. Supp. 1183, 175 U.S.P.Q. 56 (E.D.N.Y. 1972) (plaintiff's distinctive lettering used on a poster urging "Enjoy Cocaine").

52. *See, e.g.,* Chemical Corp. v. Anheuser-Busch, Inc., 306 F.2d 433 (5th Cir. 1962) (plaintiff used "where there's life . . . there's Bud"; defendant's pesticide used slogan "where there's life . . . there's bugs"), *cert. denied*, 372 U.S. 965 (1963); Pure Foods, Inc. v. Minute Maid Corp., 214 F.2d 792 (5th Cir. 1954) (Minute-Made v. Minute-Maid).

the casual observer, the mark infringes. It is no defense that the defendant's mark appears on a kind of goods different from that of the plaintiff if sponsorship can reasonably be inferred,⁵³ or that the defendant's product is sold to a different segment of the consumer market.⁵⁴ In some cases, a word, symbol, or design, which ordinarily would not be a valid trademark, has developed, through extensive and continuous use, such a close association with the owner in the mind of the public that the mark has "become distinctive of the [trademark owner's] goods."⁵⁵ The mark is said to have acquired a secondary meaning and becomes a protectable trademark.

The Lanham Act also provides remedies to owners of trademarks. Federal courts have original jurisdiction in all infringement actions⁵⁶ and may grant injunctions in all appropriate cases.⁵⁷ Where the plaintiff can prove that the defendant intended to deceive or confuse, the court may award lost profits, damages, and costs.⁵⁸ The court may also order the seizure and disposal of all articles which bear the infringing mark and all means of reproducing the infringing mark.⁵⁹ These remedies, coupled with the powers of nationwide service and enforcement,⁶⁰ are usually sufficient to adequately protect the trademark.

Parking-lot vendors of bootleg merchandise present a peculiar problem, however. Having tried the usual remedies of preliminary and permanent injunction and having found that they were ineffective or unavailable, licensees and entertainers have turned to unusual remedies. In an effort to make bootlegging less attractive by drying up sales opportunities and decreasing the profitability of infringement, the performers now seek *ex parte* temporary restraining orders.

53. *See, e.g.*, *The Villager, Inc. v. Dial Shoe Co.*, 256 F. Supp. 694, 702, 150 U.S.P.Q. 528, 534 (E.D. Pa. 1966) ("Infringement is present when the products are sufficiently related so that prospective purchasers would be likely to believe that they emanate from a single source or that they are in some way sponsored by a single source."); *Carling Brewing Co. v. Philip Morris, Inc.*, 277 F. Supp. 326, 156 U.S.P.Q. 330 (C.C.P.A. 1953) (brewer of Black Label beer sued to enjoin use of name on cigarettes).

54. *See, e.g.*, *Anne Klein Studio v. Hong Kong Quality Knitters, Ltd.*, 192 U.S.P.Q. 514 (D.N.J. 1976) (lower price may warn consumer that it is not authentic Anne Klein goods, but it is just as likely that the consumer will think that the article is a real bargain).

55. 15 U.S.C. § 1052(f) (1976). *See, e.g.*, *Levi Strauss & Co. v. Blue Bell, Inc.*, 632 F.2d 817 (9th Cir. 1980).

56. 15 U.S.C. § 1121 (1976).

57. 15 U.S.C. § 1116 (1976).

58. 15 U.S.C. §§ 1114, 1117 (1976).

59. 15 U.S.C. § 1118 (1976).

60. 15 U.S.C. § 1116 (1976).

THE *EX PARTE* TEMPORARY RESTRAINING ORDER

Under ordinary circumstances, plaintiffs know the names of the offenders, and they may petition the court for a temporary restraining order and notify the defendants of the action. Upon a showing of irreparable harm and probable success on the merits,⁶¹ the court issues the order. In special circumstances, Federal Rule of Civil Procedure 65(b) allows a court to issue an *ex parte* temporary restraining order without notice to the adverse party;⁶² notice may be waived if immediate and irreparable harm to the plaintiff will occur before the adverse party can be heard, and the court is convinced that notice cannot, or should not, be given.⁶³

Even *ex parte* restraining orders are ineffective against bootleggers because, generally, the names of the infringers are unknown to the plaintiffs. Consequently, performers have resorted to a special form of the *ex parte* order, the "John Doe" temporary restraining order. In an *ex parte* proceeding, the plaintiff licensee alleges that, "on information and belief,"⁶⁴ unknown defendants will counterfeit plaintiff's marks and attempt to market the merchandise bearing the counterfeit marks at the concert site on a specified date.⁶⁵ The court may then issue a temporary restraining order.

Rule 65(b) places stringent restrictions on the scope of an *ex parte* order, limiting the order to a maximum duration of ten days from the time of issue and requiring: 1) a hearing at the earliest possible date; 2) the immediate filing of the order and

61. Tefal, S.A. v. Products Int'l Co., 186 U.S.P.Q. 545, 547-48 (D.N.J. 1975) ("In accordance with the general rule, a preliminary injunction will issue in a trademark infringement action only upon a showing of irreparable injury during the pendency of the action, and the likelihood of ultimate success on the part of the applicant.").

62. See, e.g., Granny Goose Foods, Inc. v. Teamsters, 415 U.S. 423, 439 (1974) ("*Ex parte* temporary restraining orders are no doubt necessary in certain circumstances, [but] they should be restricted to serving their underlying purpose of preserving the status quo and preventing irreparable harm just so long as is necessary to hold a hearing, and no longer.").

63. See, e.g., *In re Vuitton et Fils S.A.*, 606 F.2d 1, 4-5 (2d Cir. 1979) ("Vuitton has demonstrated sufficiently why notice should not be required in a case such as this one."); *NEA Enterprises, Inc. v. Zack's*, 209 U.S.P.Q. 566, 568 (S.D. Fla. 1980) ("plaintiff . . . [has] demonstrated sufficiently to the court why notice should not be required in a case such as this"). In *Vuitton*, the circuit court took the appeal because of inconsistency among the judges in the lower courts on the appropriateness of *ex parte* orders. *Vuitton*, 606 F.2d 1, 3 n.5.

64. Complaint at 2, *Moon Records v. Various Does*, No. 81 C 907 (N.D. Ill. 1981).

65. *Moon Records v. Various John Does*, No. 81 C 907 (N.D. Ill. 1981) (*ex parte* temporary restraining order granted for Chicago concert by the group Rush).

the reasons for its issue; and 3) the posting of bond by the plaintiff.⁶⁶ In practice, the order is issued one to four days before the concert, and a hearing is set for the opening hour of the court on the first day court is in session after the concert.⁶⁷ A copy of the order must be served on all offenders at the time of seizure⁶⁸ or before seizure is effected,⁶⁹ and the name of the offender entered on the order as a defendant.⁷⁰ All offenders are given notice of the time of the hearing.⁷¹ Other common provisions include limitations on the area which the order covers,⁷² who may actually enforce the order⁷³ and how it may be enforced,⁷⁴ a

66. FED. R. CIV. P. 65(b) (1980).

67. *See, e.g.*, *Springsteen v. Creative Screen Design, Ltd.*, No. 80 C 5389, slip op. at 16 (N.D. Ill. Oct. 23, 1981) (order issued 2 days before first of two concerts); *Winterland Concessions Co. v. Various John Does*, No. C-1-80-618 (S.D. Ohio Nov. 18, 1980) (order issued Tuesday for Tuesday night concert, court appearance at 10:00 a.m. Wednesday).

68. *See, e.g.*, *Nilon Bros., Inc. v. Various John Does*, No. 65 (Phila. C.P. July —, 1981).

69. *See, e.g.*, *Winterland Concessions Co. v. Various John Does*, No. C-80-1064(W) (Dist. Ct. Okla. Sept. 6, 1980).

70. *See, e.g.*, *Seger v. Grand Illusion Design, Inc.*, No. 804-00213 (Cir. Ct. Mo. May 23, 1980).

71. *See, e.g.*, *Winterland Concessions Co. v. Various John Does*, No. C-1-80-618 (S.D. Ohio Nov. 18, 1980).

72. *See, e.g.* *Winterland Concessions Co. v. Various John Does*, No. C-1-80-618 (S.D. Ohio Nov. 18, 1980) (within a radius of one mile, in Ohio, of the Coliseum); *Winterland Concessions Co. v. Hensley*, No. CA3-80-0414-G (N.D. Tex. June 17, 1980) (on the Texas State Fair Grounds or within the vicinity of the Fair Grounds, and on parking lots and traffic arteries serving the Fair Grounds); *Winterland Concessions Co. v. Various John Does*, No. 13-7212 (Dist. Ct. Iowa May 23, 1980) (upon the Iowa State Fairgrounds or campgrounds or within a one-half mile radius from said fairgrounds and campgrounds); *Winterland Concessions Co. v. Various John Does*, No. — (N.Y. Sup. Ct. Sept. 18, 1981) (vicinity of Rich Stadium); *Nilon Bros., Inc. v. Various John Does*, No. 65 (Phila. C.P. July —, 1981) (outside, inside, in the environs of The Mann Music Center or anywhere within the City of Philadelphia).

73. *See, e.g.*, *Winterland Concessions Co. v. Various John Does*, No. C-1-80-618 (S.D. Ohio Nov. 18, 1980) (U.S. Marshall, sheriff, local police, specifically named police officer); *Winterland Concessions Co. v. Various John Does*, No. 80 Civ. 5165 ADS (S.D.N.Y. Sept. 10, 1980) (U.S. Marshall, local police, licensed private investigator); *Winterland Concessions Co. v. Hensley*, No. CA3-80-0414-G (N.D. Tex. June 17, 1980) (U.S. Marshall, local police, licensed private investigator); *Winterland Concessions Co. v. Various John Does*, No. 13-7212 (Dist. Ct. Iowa May 23, 1980) (local law enforcement personnel, other persons over eighteen years of age selected by the plaintiff); *Winterland Concessions Co. v. Various John Does*, No. 5216 (Phila. C.P. Oct. 2, 1980) (sheriff, local police, city licensing agency, private guard service).

74. *See, e.g.*, *Winterland Concessions Co. v. Various John Does*, No. — at 4 (N.Y. Sup. Ct. Sept. 18, 1981) (private enforcers shall not carry weapons, shall act in peaceful manner so that no injuries are sustained and shall not pursue sellers in the event those sellers flee; any resistance by sellers will be met solely by local and state police authorities).

written receipt for seized merchandise,⁷⁵ the disposition of any merchandise which is seized,⁷⁶ and expedited discovery.⁷⁷

Even with these restrictions, an *ex parte* order can be a potent weapon against bootleggers. *Ex parte* seizure orders are particularly effective. Seizures can lead the plaintiff to other bootleggers and silk-screen operations, especially if the seizure order is drafted broadly enough to allow enforcement officers to trace the crews back to their suppliers.⁷⁸ Some orders also allow enforcement officers to seize any vehicles which were used to transport infringing goods;⁷⁹ seizure of a car or van is a much more serious loss to a bootlegger than even a large quantity of T-shirts. While some bootleggers silk-screen their own T-shirts, many others, especially those in smaller cities, buy T-shirts from silk-screen operations in other parts of the country.⁸⁰ If the goods can be and are seized while still in the shipping wrappers, labels and bills of lading may contain information which will lead back to the shipper and enable the plaintiff to halt the infringement at its source.⁸¹

The proof necessary to make a restraining order appropriate is not difficult to produce in T-shirt cases. The plaintiffs are well-known, and there is no question that they have established the right to exclusive use.⁸² The harm is clearly irreparable,⁸³

75. See, e.g., *Winterland Concessions Co. v. Various John Does*, No. C-80-1064(W) (Dist. Ct. Okla. Sept. 6, 1980) (written receipt given to person from whom goods were seized, goods to be kept in bags identified with numbers tied to the receipts).

76. See, e.g., *Winterland Concessions Co. v. Various John Does*, No. H81-166 (D. Conn. March 31, 1981) (distributed to Red Cross disaster relief, ten held for evidence); *Cincinnati Riverfront Coliseum v. Various John Does*, No. C-1-81-261 (S.D. Ohio March 13, 1981) (given to U.S. Marshall to distribute to welfare agencies in the district at his discretion); *Winterland Concessions Co. v. Various John Does*, No. C-331181 (Cal. Super. Ct. Aug. 4, 1980) (delivered up to plaintiffs for destruction or other disposition); *Winterland Concessions Co. v. Various John Does*, No. 2274 (Phila. C.P. Sept. 15, 1980) (given to plaintiffs for destruction or gift to charitable agency; if to be destroyed, defendant to be given notice and opportunity to attend; if given to charity, proof of delivery and acceptance to be filed with the court).

77. See, e.g., *Winterland Concessions Co. v. Creative Screen Design, Ltd.*, No. 80 C 5389 (N.D. Ill. Nov. 16, 1981) (available on LEXIS, Genfed library, Dist file).

78. See, e.g., *Winterland Concessions Co. v. Various John Does*, No. 80 Civ. 5165 ADS (S.D.N.Y. Sept. 10, 1980).

79. See, e.g., *Winterland Concessions Co. v. Various John Does*, No. 5216 (Phila. C.P. Oct. 2, 1980).

80. *Winterland Concessions Co. v. Sileo*, 528 F. Supp. 1201, 1208 (N.D. Ill. 1981).

81. *Id.* at 1211.

82. *Id.* at 1214.

83. "By depriving plaintiff of the ability to control the nature and quality of defendant's goods, defendant inflicts serious harm upon plaintiff. This deprivation, without more, constitutes irreparable injury." *Franklin Mint*,

since a T-shirt, once sold, cannot be unsold. Also, damages are not reasonably ascertainable.⁸⁴ No one can accurately predict how many shirts would have been sold by the licensee if the bootleggers had not been present. Even if damages can be estimated by statistics from other concerts, bootleggers are very careful not to keep records,⁸⁵ and apportionment and recovery of damages are impractical. Also, bootleggers almost never challenge seizures, either at the site or by appearing in court.⁸⁶ The profit margin is so great that they can afford to lose large numbers of shirts and still feel adequately compensated.⁸⁷ Since fans are purchasing the counterfeit T-shirts, clearly there is not only the likelihood of confusion, but actual confusion in the minds of the public. The only possible defense is that the infringement was innocent and unintentional,⁸⁸ but the evasive

Inc. v. Franklin Mint, Ltd., 331 F. Supp. 827, 830 (E.D. Pa. 1971). See also NEA Enterprises, Inc. v. Zack's, 209 U.S.P.Q. 566, 568 (S.D. Fla. 1980).

84. "Even more serious is the probable damage to plaintiff's goodwill, an intangible value which can never accurately be ascertained." Franklin Mint, Inc. v. Franklin Mint, Ltd., 331 F. Supp. 827, 830 (E.D. Pa. 1971).

85. Winterland Concessions Co. v. Sileo, 528 F. Supp. 1201, 1209 (N.D. Ill. 1981). The defendant's records were coded to conceal which mark was sold. Disbursements were made with checks payable to "cash." Lack of defendant records can sometimes be overcome partially by using records from defendant's suppliers. *Id.* See also Springsteen v. Creative Screen Design, Ltd., No. 80 C 5389, slip op. at 14-15 (N.D. Ill. Oct. 23, 1981).

86. See, e.g., Cincinnati Riverfront Coliseum v. Various John Does, No. C-1-81-261 (S.D. Ohio March 13, 1981); Winterland Concessions Co. v. Various John Does, No. 975 (Phila. C.P. Aug. 13, 1980).

87. Bootleg T-shirts are usually imported from Pakistan. They are untreated, lightweight, pure cotton and cost about \$1.20 each in quantity. When the cost of silk-screening is added, the total cost to the bootlegger is less than two dollars. T-shirts are sold for five to seven dollars, leaving a profit of three to five dollars per shirt. Winterland Concessions Co. v. Sileo, 528 F. Supp. 1201, 1208, 1210 (N.D. Ill. 1981); interview with Peter Wilkes, U.S. Marshall for the Northern District of Illinois, in Chicago (Jan. 29, 1982). In a New York case, there was testimony that the defendant had gross revenues of between \$60,000 and \$75,000 from the sale of counterfeit Rolling Stones T-shirts at a single performance in Philadelphia. Musidor, B.V. v. Great American Screen, 658 F.2d 60, 66 (2d Cir. 1981), *cert. denied*, — U.S. —, 102 S. Ct. 1440 (1982).

88. One bootlegger made a brave attempt at a novel defense. The T-shirts that he sold displayed the logo of Blue Oyster Cult on the front and the logo of Foghat on the back. Also displayed on the shirts were a calendar of upcoming events, a telephone number for a drug crisis center, a "space available" sign, an advertisement for a local radio station, some self-promotion, and a copyright notice. He claimed that his T-shirts were really newspapers and were protected from seizure by the first amendment. The judge ruled that his "newspapers" were bootleg T-shirts, and quoting Dallas Cowboys Cheerleaders, Inc. v. Scoreboard Posters, Inc., 600 F.2d 1184 (5th Cir. 1979), noted that the first amendment "is not a license to trammel on legally recognized rights in intellectual property." Winterland Concessions Co. v. Sileo, 528 F. Supp. 1201, 1214 (N.D. Ill. 1981).

tactics of vendors belie this argument.⁸⁹ Further, many of the names used by performers as trademarks are nonsense words⁹⁰ or common words used in nonsense or unconventional combinations.⁹¹ It is irrational to believe that an infringer would independently create the same name and design, and then, by coincidence, try to sell T-shirts bearing that design at a concert given by the user of an identical and widely-known mark.

In some respects, *ex parte* orders are a necessity for the plaintiff in infringement suits. Some infringement is done innocently, and the offender ceases voluntarily when asked to do so. Most infringement, however, is intentional,⁹² and the infringer will not surrender his easy profits without a fight. The notice which accompanies non-*ex parte* orders works to the advantage of the bootlegger; goods may be hidden, moved to a site not covered by the order, or transferred into the possession of a non-party.⁹³ Notice is particularly advantageous to the parking-lot vendor, who, forewarned that seizure is likely at a given concert, stays away.⁹⁴ The vendor will not sell any T-shirts at that concert, but neither will he lose any to seizure by enforcement officers. The licensee has recovered any sales he might have lost to the bootleggers, but also has made no progress toward abating the problem.

The larger problem in dealing with parking-lot T-shirts is that the defendants are "unknown, and not capable of being known."⁹⁵ Even though some vendors are known to the plaintiffs or enforcement officers by face, if not by name,⁹⁶ the plain-

89. One printer kept the location of his printing facilities secret even from his customers. He testified that his purpose was to frustrate enforcement efforts by the trademark owners. *Winterland Concessions Co. v. Sileo*, 528 F. Supp. 1201, 1210 (N.D. Ill. 1981).

90. *E.g.*, Foghat, REO Speedwagon, Pink Floyd.

91. *E.g.*, Grateful Dead, Blue Oyster Cult, Electric Light Orchestra, Led Zeppelin, Moody Blues.

92. *Springsteen v. Creative Screen Design, Ltd.*, No. 80 C 5389, slip op. at 13-14 (N.D. Ill. Oct. 23, 1981).

93. *Musidor, B.V. v. Great American Screen*, 658 F.2d 60 (2d Cir. 1981) (silk-screening equipment hidden in basement), *cert. denied*, — U.S. —, 102 S. Ct. 1440 (1982); *In re Vuitton et Fils. S.A.*, 606 F.2d 1 (2d Cir. 1979) (luggage transferred to other counterfeiters); *NEA Enterprises, Inc. v. Zack's*, 209 U.S.P.Q. 566 (S.D. Fla. 1980) (solvent transferred to third parties).

94. Bootleg silk-screen artists frequently appear at the office of the U.S. Marshall on the afternoon of a concert, still wearing stained clothing and with paint still on their hands, to inquire if "you guys are going to be out there tonight." Interview with Peter Wilkes, U.S. Marshall for the Northern District of Illinois, in Chicago (Jan. 29, 1982).

95. *Winterland Concessions Co. v. Hensley*, No. CA3-80-0414-G (N.D. Tex. June 17, 1980); *Winterland Concessions Co. v. Various John Does*, No. — (N.Y. Sup. Ct. Sept. 14, 1981).

96. Enforcement officers and vendors are familiar to each other at least by face. Vendors have been known to sight a deputy marshal and then

tiff cannot predict which of the known vendors will attempt to sell T-shirts at a given concert. If the concert is by a nationally-known group, the problem is complicated by the presence of itinerant out-of-town vendors who follow the group from town to town and may be completely unknown to the plaintiffs.⁹⁷ If the plaintiff requests the order and names all known vendors as defendants, but many of them do not appear on the night of the concert, courts may feel that the plaintiff is "fishing" and abusing the authority of the court.⁹⁸ The court may be less willing to grant an injunction in the future.

Another aspect of the problem is that local vendors, feeling that the marshalls are too familiar with their faces, frequently "run a crew," hiring others, usually teenagers, to do the actual selling.⁹⁹ Each crew member carries only a few shirts; the bootlegger remains in his vehicle with hundreds of shirts, safe from seizure because most orders require that shirts must literally be "held out for sale" before they can be seized.¹⁰⁰ If a crew member is stopped, only the few shirts that he has with him are forfeited; the main supply is safe. Finally, whether local or itinerant, vendors are consistent in giving false names and addresses when confronted.¹⁰¹ Further efforts to obtain a preliminary or permanent injunction are fruitless. Even if the injunction issues, it is unenforceable unless the plaintiff can prove that the offender and the person named in the order are the same. If the injunction was granted against "various John Does," the plaintiff must prove that that particular offender had been given notice and the opportunity for a hearing. Since infringement is a civil offense,¹⁰² identities given by vendors when the temporary restraining order is served cannot be verified through means which would be available in a criminal action,

quietly depart without attempting to sell any merchandise. Interview with Peter Wilkes, U.S. Marshall for the Northern District of Illinois, in Chicago (Jan. 29, 1982).

97. *Winterland Concessions Co. v. Sileo*, 528 F. Supp. 1201, 1209 (N.D. Ill. 1981); *Rock Tours, Ltd. v. Various John Does*, 507 F. Supp. 63, 66 (N.D. Ala. 1981).

98. Interview with Michael Roche, Hubachek & Kelly, Chicago, Illinois (March 4, 1982).

99. *Winterland Concessions Co. v. Sileo*, 528 F. Supp. 1201, 1211 (N.D. Ill. 1981); interview with Peter Wilkes, U.S. Marshall for the Northern District of Illinois, in Chicago (Jan. 29, 1982).

100. *Moon Records, Inc. v. Various John Does*, No. 81 C 907 (N.D. Ill. Feb. 26, 1981).

101. Two vendors are known to Chicago area enforcement officers only as "Red" and "Moose"; their real names or even their full names have never been discovered. Interviews with Peter Wilkes, U.S. Marshall for the Northern District of Illinois, in Chicago (Jan. 29, 1982), and with Michael Roche, Hubachek & Kelly, Chicago, Illinois (March 4, 1982).

102. 15 U.S.C. § 1114 (1976).

e.g., fingerprinting and mug shots.¹⁰³ Proof that the offender and the named party are the same becomes a case of "your word against mine." Once again, the plaintiff faces a situation of either obtaining an *ex parte* temporary restraining order or having no legal remedy at all.

JUDICIAL RESPONSE

Judges are justifiably reluctant to issue *ex parte* orders. Even if Rule 65(b) is followed exactly, there is still some interference with the defendant's right to due process. While there is no right to a hearing before a temporary restraining order issues, judges are still concerned with lack of notice. The timing of notice and hearing are flexible standards, however, and in emergencies either or both can be delayed.¹⁰⁴ In T-shirt cases, both notice and hearing are given at the earliest possible time. Notice is given when the defendants finally become known, and a hearing is held at the earliest scheduled court session. Such slight delay is unlikely to prejudice the defendant, and significantly lessens the harm to the plaintiff.

Another concern of judges is the possibility of abuse of the *ex parte* order by the plaintiff. Posting of bond partially alleviates this fear,¹⁰⁵ and the history of the validity of complaints by plaintiffs further eases this concern.¹⁰⁶ An additional factor which disposes judges to rule in favor of the plaintiff is that bootleggers almost never make an appearance at court;¹⁰⁷ they simply take their losses and think up a new phony name. Be-

103. The copyright statute already provides for criminal suits. 17 U.S.C. § 506 (1976).

104. See, e.g., *Ewing v. Mytinger & Casselberry, Inc.*, 339 U.S. 594 (1950) (seizure of misbranded articles under the Federal Food, Drug, and Cosmetic Act without prior notice to defendant); *Fahey v. Mallonee*, 332 U.S. 245 (1947) (assets of savings and loan association seized without notice to owners); *Bowles v. Willingham*, 321 U.S. 503 (1944) (*ex parte* temporary restraining order to enjoin implementation of rent controls).

105. Bonds vary widely and may or may not include fees for services of enforcement officers. *Winterland Concessions Co. v. Various John Does*, No. C-1-80-618 (S.D. Ohio Nov. 18, 1980) (\$500 and marshal's fees); *Winterland Concessions Co. v. Hensley*, No. CA3-80-0414-G (N.D. Tex. June 17, 1980) (\$30,000 and marshal's fees); *Winterland Concessions Co. v. An Unknown Manufacturing Company*, No. 80-760-CIV-EPS (S.D. Fla. March 28, 1980) (\$10,000); *Nilon Bros., Inc. v. Various John Does*, No. 65 (Phila. C.P. July —, 1981) (\$3500).

106. One frequent plaintiff, *Winterland Concessions*, has seized merchandise on every occasion for which it received an *ex parte* temporary restraining order from the Northern District of Illinois. Interview with Michael Roche, Hubachek & Kelly, Chicago, Illinois (March 4, 1982).

107. See, e.g., *Cincinnati Riverfront Coliseum, Inc. v. Various John Does*, No. C-1-81-261 (S.D. Ohio March 13, 1981); *Winterland Concessions Co. v. Various John Does*, No. C-331181 (Cal. Super. Ct. Aug. 4, 1980); *Winterland Concessions Co. v. Various John Does*, No. 2274 (Phila. C.P. Sept. 15, 1980).

sides indicating a lack of concern for their own due process rights, the defendants' failure to appear makes further action by the plaintiff difficult. The plaintiff gets an *ex parte* order or nothing. When judges rule on the propriety of an injunction,¹⁰⁸ they consider the interests of both the plaintiff and the defendants, the relative injury to each, and the possibility of error. Most judges find great harm to the plaintiff and minimal harm to the defendants and issue the restraining order. In the past two years, courts in at least eighteen jurisdictions,¹⁰⁹ comprising both state and federal courts, have issued *ex parte* restraining orders. Recognizing that the property rights of the performers are being violated and that ordinary remedies do not give relief, one court noted:

[w]ere the injunction to be denied, plaintiffs would be without any legal means to prevent what is clearly a blatant infringement of their valid property rights. While the proposed remedy is novel, that in itself should not weigh against its adoption by this court. A court of equity is free to fashion whatever remedies will adequately protect the rights of the parties before it.¹¹⁰

Very few courts have denied injunctive relief, but those few have had some unusual rationalizations.¹¹¹ The rock group Styx was denied an injunction when the judge ruled that he had no *in personam* jurisdiction over the alleged offenders; the itinerant vendors did not have sufficient connections with the locality.¹¹² This is a blatant distortion of the doctrines of *International Shoe*¹¹³ and *World-Wide Volkswagen*.¹¹⁴ Even the shortest of

108. The standard is irreparable harm to plaintiff before there is time for defendant to be heard and probable success by the plaintiff on the merits. *Winterland Concessions Co. v. Hensley*, No. CA3-80-0414-G (N.D. Tex. June 17, 1980); *Winterland Concessions Co. v. Various John Does*, No. — (N.Y. Sup. Ct. Sept. 18, 1981); *Winterland Concessions Co. v. Various John Does*, No. 5216 (Phila. C.P. Oct. 2, 1980).

109. California, Connecticut, Florida, Georgia, Illinois, Iowa, Kentucky, Maryland, Massachusetts, Missouri, New York, Ohio, Oklahoma, Oregon, Pennsylvania, Tennessee, Texas, Wisconsin.

110. *Joel v. Various John Does*, 499 F. Supp. 791, 792 (E.D. Wis. 1980).

111. A judge in the Southern District of New York informed plaintiff *Vuitton et Fils S.A.* that he would consider any further requests for *ex parte* temporary restraining orders "vexatious." As a result, the United States Court of Appeals for the Second Circuit stepped in and issued a writ of mandamus directing him to grant the request and noted the recalcitrant judge by name in the opinion. *In re Vuitton et Fils S.A.*, 606 F.2d 1, 3 n.5 (1979).

112. *Rock Tours, Ltd. v. Various John Does*, 507 F. Supp. 63, 66 (N.D. Ala. 1981).

113. *International Shoe Co. v. Washington*, 326 U.S. 310 (1945). *International Shoe* resisted Washington's attempts to collect employment taxes. Salesmen in Washington forwarded orders to the defendant, but the defendant did not maintain any retail outlets in the state. The Supreme Court held that a long-standing mail-order business was sufficient to subject *International Shoe* to the jurisdiction of Washington courts.

114. *World-Wide Volkswagen Corp. v. Woodson*, 444 U.S. 286 (1980). A

long-arm statutes allows jurisdiction when the nonresident commits a tort while within the jurisdiction. In any event, the Lanham Act specifically allows for nationwide service and enforcement.¹¹⁵

A second argument against the order was that since the proceeding had been completely *ex parte*, the request was not justiciable.¹¹⁶ Citing *Flast v. Cohen*,¹¹⁷ the judge contended that federal courts may take jurisdiction only when there is a "case or controversy." Since there were "no adversaries in this Court"¹¹⁸ (i.e., no named defendants), there was no controversy and therefore no jurisdiction. This argument is clearly specious. If lack of an in-court defendant were fatal, all *ex parte* proceedings would be either illegal or a legal myth; the procedure would be a meaningless addition to the federal rules. It is unlikely that *ex parte* proceedings would be included in the federal rules if it was never intended that they should be used.

Finally, the judge turned the unlikelihood of further litigation against the plaintiff. One of the requirements for a temporary restraining order is probable success on the merits. Since there would probably be no litigation on the merits, there could be no probable success on the merits, and therefore no injunction would issue.¹¹⁹

Such blatant hostility toward intellectual property¹²⁰ is fortunately rare, but more subtle hostility and ignorance is not. Intellectual property is protected by both state and federal statutes, but many orders and opinions make one wonder whether the court read the current version of the applicable law

New York resident who purchased a car from a New York dealer had an accident in Oklahoma and sued the New York dealer there. The Supreme Court held that jurisdiction did not exist unless the defendant's activities produced a reasonable expectation of being sued in that forum.

115. 15 U.S.C. § 1116 (1976).

116. *Rock Tours, Ltd. v. Various John Does*, 507 F. Supp. 63, 65 (N.D. Ala. 1981). A judge in Illinois used the same reasoning in conditioning a temporary restraining order. *Winterland Concessions Co. v. Geisel*, 511 F. Supp. 310, 311 (N.D. Ill. 1981).

117. 392 U.S. 83 (1968).

118. *Rock Tours Ltd. v. Various John Does*, 507 F. Supp. 63, 66 (N.D. Ala. 1981). The judge may have been confused by decisions such as *Fifty Assoc. v. Prudential Life Ins. Co.*, 446 F.2d 1187 (9th Cir. 1970), which said that the practice of using "John Doe" defendants had no place in federal courts. The problem there, however, was not that there were defendants whose names were unknown, but that the "John Doe" defendants were fictitious. *Id.* at 1191.

119. *Rock Tours, Ltd. v. Various John Does*, 507 F. Supp. 63, 66 (N.D. Ala. 1981).

120. Intellectual property encompasses patent, copyright, and trademark.

or even an outdated version.¹²¹ It is well-known among patent attorneys that plaintiffs in an infringement suit should avoid some federal jurisdictions at all costs,¹²² because some judges harbor animosity toward the "monopoly"¹²³ granted to intellectual property and rule accordingly.¹²⁴ The Supreme Court has for many years refused to hear trademark cases,¹²⁵ and so has given the lower courts no precedents to follow and no mandate to enforce the present laws.¹²⁶

121. *Rock Tours v. Various John Does*, 507 F. Supp. 63, 66 n.6 (N.D. Ala. 1981). In a side issue, the judge noted that there was some doubt as to the validity of the plaintiff's copyright claim, and citing a case from 1896, declared that the plaintiff had no copyright. The current version of the Copyright Act (1976) abolishes common-law copyright and grants protection to all writings of an author, published and unpublished, registered and unregistered. 17 U.S.C. § 301 (1976).

122. In one instance, a sitting judge recognized a tendency by his colleagues to invalidate patents.

It would not be difficult to cite many instances of patents that have been granted, improperly I think, and without adequate tests of invention by the Patent Office. But I doubt that the remedy for such Patent Office passion for granting patents is an equally strong passion in this Court for striking them down so that the only patent that is valid is one which this Court has not been able to get its hands on.

Jungersen v. Ostby & Barton Co., 335 U.S. 560, 572 (1949) (Jackson, J., dissenting).

A survey of federal trademark infringement suits reported in the United States Patent Quarterly between January, 1953, and June, 1979, revealed that the jurisdiction in which the motion is brought may affect whether the request is granted.

With such lack of uniformity in the circuits, the movant should never be faulted when he avoids district courts in those circuits, such as the First (38% granted) and the Sixth (44% granted), where the total percent of preliminary injunctions granted remains relatively low. On the other hand, the movant who seeks relief in the Fifth Circuit or the Ninth Circuit will find overall allowance rates of 89% and 59% respectively. Additionally, in the Fifth Circuit, only 6% of the district court cases were appealed, of which 100% were affirmed.

Dorr & Duft, *Trademark Preliminary Injunctive Relief*, 62 J. PAT. OFF. SOC'Y 3, 10-11 (1980).

123. "The trademark is seen by some as monopolistic only because of the great value of some marks, great value created by the hard work of the owner of the mark and his investment of time and money. There is no monopoly in the product." Lunsford & Cohrs, *Trademark Protection: Judicial Inconsistency in the Fifth Circuit*, 32 MERCER L. REV. 1167, 1195 (1981).

124. "The right granted to the owner of a registered trademark is a monopoly and should not be extended unless the owner is clearly entitled thereto." *S.C. Johnson & Son, Inc. v. Johnson*, 266 F.2d 129, 136 (6th Cir. 1959). See also *Amstar Corp. v. Domino's Pizza, Inc.*, 615 F.2d 252 (5th Cir.), cert. denied, 449 U.S. 899 (1980).

125. The Court recently decided *Darby Drug Co. v. Ives Labs.*, — U.S. —, 102 S. Ct. 2182 (1982). The next most recent time the Supreme Court considered substantive trademark issues was in *Mishawaka Mfg. Co. v. Kresge Co.*, 316 U.S. 203 (1942).

126. *Mushroom Makers, Inc. v. R.G. Barry Corp.*, 580 F.2d 44 (2d Cir. 1978) (although the junior user was clearly infringing on the senior user's mark,

ALTERNATIVES TO *EX PARTE* ORDERS

The most effective weapon that trademark owners may presently use against infringers is discovery. The defendant can be required to produce all goods which infringe upon the plaintiff's marks and all means of reproducing the marks.¹²⁷ While seizing the means of production does not stop the infringement, it at least inhibits it. The problem is still identity. Discovery is aimed at a particular individual and search warrants at a particular address. If names and addresses are unknown, discovery is not available.

A less effective alternative is municipal anti-peddling ordinances. A number of cities have such laws,¹²⁸ but often they are enforced inconsistently.¹²⁹ Even if the laws are enforced, the offense is usually a misdemeanor. Such ordinances do not deter bootleggers to any significant degree and are not an adequate alternative, since the performers often work in cities which do not have such laws. Even if city ordinances exist and are rigorously enforced, they should not be construed to negate the plaintiff's right and need to bring suit for trademark infringement.¹³⁰

In desperation, the performers could attempt to convince their fans not to buy souvenirs except inside the concert hall from official vendors. Warnings could be printed on all advertising materials and tickets and included in all broadcast advertising. Realistically, most people neither read tickets beyond date and seat number, nor do they assimilate advertising beyond date and where to buy tickets. Printed warnings are unlikely to succeed to any great extent.

The solution lies in both educating the judiciary and public on the purpose of trademarks and the harm done by counterfeiting, and amending existing laws, allowing for more rigorous enforcement and stiffer penalties. The motive for infringement is money; when infringement becomes unprofitable, it will cease.

the court "balanced the equities," including the greater financial success of the junior user, and denied relief), *cert. denied*, 439 U.S. 1116 (1979).

127. *Winterland Concessions Co. v. Creative Screen Design, Ltd.*, 210 U.S.P.Q. 6, 7 (N.D. Ill. 1980) (defendant required to produce business records, infringing goods, and means of producing them).

128. *See, e.g.*, § 12-14-4 Birmingham City Code (Ord. No. 77-109); Municipal Code of Chicago ch. 141 (1980).

129. Interview with Peter Wilkes, U.S. Marshall for the Northern District of Illinois, in Chicago (Jan. 29, 1982).

130. *Rock Tours, Ltd. v. Various John Does*, 507 F. Supp. 63, 65 (N.D. Ala. 1981) (judge used existence of such an ordinance as a rationalization for denying the order).

Both judges and the public need a greater awareness of how trademarks enable them to live as they do. While there are those who will buy anything if it is cheap enough, most consumers search for goods which offer them acceptable quality at a reasonable price. Low-priced generic products are repurchased only if the price is accompanied by acceptable quality. Unacceptable quality sends consumers back to goods which have been satisfactory in the past. Consciously or unconsciously, consumers depend on trademarks to identify those goods.¹³¹

Ironically, trademark infringement itself may help halt infringement. As counterfeiting becomes more widespread, more and more people are likely to be directly affected. It is no longer a case of buying under conditions which should make the buyer suspicious of the goods. The trademarks for designer jeans, Cartier watches, Vera scarves, and TDK recording tapes have all been copied recently, and the falsely labeled goods have been sold in the most respectable stores.¹³² Such incidents demonstrate that infringement is detrimental not only to the trademark owner, but to the public as well,¹³³ and the public and courts will become more receptive to strict enforcement of trademark rights.

The best hope for trademark owners is new or amended legislation. Major clothes manufacturers have already had some success in this area.¹³⁴ Most useful would be an amendment to the Lanham Act which would require offenders to prove their identities at the time of service of process and would provide civil or criminal penalties for giving false information. False names are the chief stumbling block to effective abatement of infringement. Once the plaintiff obtains a defendant's true name, the usual methods of enforcement become available and effective.

Another beneficial change would be a clear specification that a plaintiff may both trace the crew members back to the

131. Diamond, *The Public Interest and the Trademark System*, 62 J. PAT. OFF. SOC'Y 528, 544-45 (1980).

132. The most exclusive store in Tokyo was embarrassed to discover that it had sold a counterfeit designer tie to the Emperor. Conlon, *Commercial Counterfeiting: An Overview*, 1 PRAC. APPR. PAT. TRADEMARKS & COPYRIGHT 273, 276 (1980).

133. "Such a [purchaser] would be indeed irreparably injured and could never be recompensed at all. Indeed, it is the misfortune of those kinds of cases that we would never be able to ascertain who they were." *Anne Klein Studio v. Hong Kong Quality Knitters, Ltd.*, 192 U.S.P.Q. 514, 517 (D.N.J. 1976).

134. Most of the counterfeit goods in that area are imported, so the manufacturers lobbied for mandatory seizure by customs of infringing goods. Congress passed such a law in 1978. Customs Procedural Reform and Simplification Act of 1978, Public Law 95-410, 92 Stat. 888.

main supply and seize any goods discovered, along with the vehicles used to transport them.¹³⁵ Such legislation would also help if the vendors receive their T-shirts from printers who operate in other areas of the country. Shutting down a bootlegger who ships T-shirts all over the country goes a long way toward abating the infringement.

CONCLUSION

There are always those who choose to usurp the work of others for their own benefit, preferably the most benefit for the least effort. Trademarks and service marks¹³⁶ are most valuable when they are widely recognized; the better known the mark, the more likely it becomes that the mark will be infringed.¹³⁷ Trademarks and service marks of celebrities are prime targets.

Some would argue that such infringement is harmless; performers already have more money than they can possibly use and are greedy to want more. Why not let others share the pie? This attitude conveniently ignores that infringers are motivated completely by greed and completely unmotivated by any mitigating desire to protect reputation,¹³⁸ and that the licensees also suffer losses because of the infringement. It also misses the purpose of protecting trademarks. Preservation of the owner's income is secondary to the public's interest in preserving competition in the marketplace.¹³⁹ Trademarks allow consumers to separate goods which have satisfied their needs in the past from those which have been found to be inferior. If everything came in plain brown wrappers, consumers would have no way to identify and repurchase satisfactory goods or to avoid unsatisfactory articles. Inability to profit from producing high-quality trademarked goods reduces the manufacturer's incentive to maintain quality, and consumers might be faced with industry-wide mediocrity and loss of choice.¹⁴⁰

Trademarks are essential to the marketplace as it exists today. No matter what the product and its quality or utility, pro-

135. The copyright law already includes such a provision. 17 U.S.C. § 509 (1976).

136. "The term 'service mark' means a mark used in the sale or advertising of services to identify the services of one person and distinguish them from the services of others." 15 U.S.C. § 1127 (1976).

137. Conlon, *Commercial Product Counterfeiting: An Overview*, 1 PRAC. APPR. PAT. TRADEMARKS & COPYRIGHT 273, 273 (1980).

138. Diamond, *The Public Interest and the Trademark System*, 62 J. PAT. OFF. SOC'Y 528, 534-35 (1980).

139. "The consuming public is an unnamed third party in every action for trademark infringement The law defines the infringement of a trademark in terms of its impact on the public." *Id.* at 529.

140. *Id.* at 544.

tection of its trademark is necessary; one cannot choose to protect some trademarks and not others without endangering all trademarks. Performers have valid trademarks which deserve protection. As the Supreme Court noted, "[n]o social purpose is served by having the defendant get free some aspects of the plaintiff that would have market value and for which he would normally pay."¹⁴¹ The comment was made in connection with the right of publicity, but it applies equally well to trademarks. While *ex parte* temporary restraining orders are a novel remedy, they are within the authority and discretion of the courts and are, at present, the best protection performers have against infringement. With them, performers have at least a stop-gap method of defending their property rights. Without them, the performers are defenseless.

Cheryl Johnson

Author's Note

After completing this comment, I had the opportunity to interview a former vendor of parking-lot T-shirts. In the summer of 1979, when he was 18 years old, Johnny was asked by a friend, Jim, if he wanted to sell T-shirts at concerts around the country and "make lots of money." Jim's father-in-law had a friend, George, who was looking for vendors. Johnny and Jim met with George at the Palatine home of George's mother, and agreed to meet the rest of the crew in Dallas for the Texas Jam, featuring several nationally-known rock groups. George provided airplane tickets to Dallas, where Johnny and Jim were to meet George's partner, Cherokee. Once on the road, vendors paid their own expenses from profits on T-shirts. Vendors were given T-shirts on consignment; anything over three dollars per shirt was profit. Before leaving for Dallas, George took Johnny and Jim to his supplier, a factory in Elk Grove, Illinois, and showed them how the T-shirts were printed. Johnny said that this factory is now out of business.

George flew with them to Dallas as crew boss; Cherokee drove the van and trailer from another concert in New Orleans. The Dallas concert was at a large outdoor arena. Selling in the

141. *Zacchini v. Scripps-Howard Broadcasting Co.*, 433 U.S. 562, 576 (1976) (quoting Kalven, *Privacy in Tort Law—Were Warren and Brandeis Wrong?*, 31 *LAW & CONTEMP. PROB.* 326, 331 (1966)).

parking lot was legal with a permit, but George did not get a permit, so the vendors had to dodge the police. George guaranteed bail, but the vendors had no way to contact him, so the "guarantee" was, in effect, worthless. Knowing this, the vendors were very careful to avoid arrest. Vendors were told to sell shirts "any way you can": start your pitch while they're still in their cars, cut prices, tell men "buy your girlfriend a shirt," if you don't have the right size, rip off the tag and sell it.

After the Dallas concert, the crew of ten men packed into the van for the trip to Phoenix for the Ted Nugent concert. One huge box of T-shirts was flown to Phoenix from Chicago. They picked up the shirts in Phoenix, but arrived too late for the concert. The box went into the U-haul trailer with the rest of the shirts, and the crew headed toward Los Angeles for the Who concert. George called Chicago and ordered shirts to be mailed ahead.

Ten men in an air-conditioned van with uncovered asbestos insulation attempted to cross the Arizona desert. A tire went flat; the spare didn't fit. Nine men waited 10 hours in the sun while Cherokee went for help. The tire was fixed; the transmission failed. Ten men were stranded for 3 days.

The crew arrived in Los Angeles the night before the concert. They found a hotel in Hermosa Beach, and all ten stayed in 2 rooms. The next night at the Forum, there were so many vendors, both with and without permits, that it was impossible to make any money. There were police all over, so Johnny and another vendor hid their T-shirts in the bushes. The police found the shirts and warned Johnny about selling without a permit, but did not arrest him. Johnny told the police the location of the van, but George had moved it.

Johnny and Jim gave up trying to sell T-shirts and sneaked into the concert, just as they had done in Dallas. Johnny described hearing the concert as the best part of the whole experience. After the concert, a mugger assaulted Jim and took his T-shirts. When Johnny got back to the van, he had a fight with George; they rolled about in the van, punching and kicking each other. George dumped Johnny at Los Angeles Airport that night with exactly enough money for a cut-rate one-way fare to Chicago. Johnny waited 8 hours for the next flight to Chicago and slept in the airport.

Johnny remembers the experience as a bad dream. He never made any money and had to cope with customers who hassled him about price. The van was cramped and hot; eating and sleeping were irregular. George, who was rich from dealing in drugs, was a cocaine addict. Most of the crew were broke, but

they soon discovered that if they approached George when he was high, which was almost all the time, they could borrow twenty or thirty dollars from him and not have to pay it back; he never remembered "lending" the money.

Like the police, Johnny does not know the last names of George or Cherokee, or where they live. He only knows that George and another friend, Butch, hung out at a bar called Disconvision, and that George's mother lived in Palatine.

Johnny knew that the T-shirts were of inferior quality; he made the mistake of washing one. The paint chipped off and the shirt became very wide and very short. He did not seem to realize that selling the shirts was illegal for any reason other than not having a vending permit. He substantiated Winterland's assertion that at least as many T-shirts are sold outside the arena as inside; in fact, he felt that many more shirts were sold outside than inside.

Finally, he believed that the only effective deterrent is police enforcement. The arena in Dallas had a large parking lot, but police patrolled only the perimeter. Once inside the circle of policemen, one had to avoid only a few rather obvious plainclothes officers. Selling was easy. In Los Angeles, however, police were everywhere in the parking lot and on the surrounding streets. Big badges identified licensed vendors and allowed police to distinguish illegal vendors quickly.

Everything Johnny told me supports the view of the plaintiffs that "John Doe" temporary restraining orders are the most effective weapon against trademark pirates. Only the fear of losing large amounts of merchandise is an effective deterrent and the only way for plaintiffs to engender that fear is a "John Doe" order.