

# Chicago Daily Law Bulletin®

Volume 163, No. 177

Serving Chicago's legal community for 162 years

## Misused sports logo raises legal question over marks

The Detroit Red Wings organization found itself in the political spotlight recently—in a very unwelcome way — when a slightly altered version of its winged motorcycle wheel logo was used on shields carried by marchers during the white supremacist rally in Charlottesville, Va., in August.

The marchers appeared to be members of a small white nationalist group calling themselves the “Detroit Right Wings.” Both the team and the NHL quickly released statements disavowing any connection to the event and condemning the misuse of their logo.

The Red Wings and the league also said they were exploring legal options to protect their intellectual property.

The Michigan-based so-called Detroit Right Wings was one of the organizations that participated in the Unite the Right rally in Charlottesville on Aug. 12. The event was marked by violence, including one death and multiple injuries when a rally participant drove his car into a group of counterprotesters.

News coverage of the event showed members who claimed to be part of the Detroit Right Wings carrying signs with a logo that looked similar to the hockey team's logo, but tweaked to change the spokes of the wheel to look like lightning bolts that were reminiscent of symbols used by the Nazis.

The group reportedly also had been using the logo as its avatar on its Twitter and Facebook accounts, and on a YouTube video, all of which have apparently been taken down.

Images of the logo were captured on social media as well as on sports and other news sites. Both the team and the league moved quickly. The hockey team immediately tweeted the following statement: “The Detroit Red Wings vehemently disagree with and are not associated in any way with the event taking place today in Charlottesville, Va. The Red Wings believe that hockey is for everyone and we celebrate

the great diversity of our fan base and our nation. We are exploring every possible legal action as it pertains to the misuse of our logo in this disturbing demonstration.”

The NHL also released its own statement: “We are obviously outraged by the irresponsible and improper use of our intellectual property as seen this weekend in Charlottesville, Va.

“This specific use is directly contrary to the value of inclusiveness that our league prioritizes and champions. We will take immediate and all necessary steps to insure the use is discontinued as promptly as possible and will vigorously pursue other remedies, as appropriate.”

While the unauthorized use of a sports team's logo is hardly unusual, this situation presents somewhat novel issues for the NHL and the Red Wings.

The sports world is far more familiar pursuing their rights when it comes to sellers of unlicensed merchandise. Last year, the Chicago Cubs and Major League Baseball sued vendors for selling unlicensed Cubs gear around Wrigley Field in the run-up to the World Series.

Similarly, the federal government has been working with the National Football League to crack down on the importation of knock-off sports apparel and merchandise that use team and league logos; in 2016, the government seized nearly 450,000 counterfeit sports-related items worth an estimated \$39 million.

Sports teams and leagues have also been far more likely in recent years to be on the defensive when it comes to protecting their brands. In particular, protesters have called out teams with names based on slang terms for Native Americans, like the NFL's Washington Redskins, accusing them of ethnic insensitivity and urging them to change.

However, the Redskins got the law on their side in June when the U.S. Supreme Court concluded that barring the federal registration of disparaging trademarks is unconstitutional

### SPORTS MARKETING PLAYBOOK



**DOUGLAS N. MASTERS  
AND SETH A. ROSE**

*Douglas N. Masters is a partner at Loeb & Loeb LLP, where he litigates and counsels clients primarily in intellectual property, advertising and unfair competition. He is co-chair of the firm's intellectual property protection group and he can be reached at [dmasters@loeb.com](mailto:dmasters@loeb.com). Seth A. Rose is a partner at the firm, where he counsels clients on programs and initiatives in advertising, marketing, promotions, media, sponsorships, entertainment, branded and integrated marketing, and social media. He can be reached at [rose@loeb.com](mailto:rose@loeb.com).*

because it violates the First Amendment's free speech clause.

The case before the high court had nothing to do with the names of sports team — the dispute arose when Simon Shiao Tam, the frontman for an Asian-American rock band called The Slants, applied to trademark the band's name in 2011. Tam maintained he named his band The Slants in order to “reclaim” and “take ownership” of Asian stereotypes, but the U.S. Patent and Trademark Office refused to register Tam's mark because it could be seen as a racial slur against Asians.

The Supreme Court disagreed with the trademark office, saying: “Speech may not be banned on the ground that it expresses ideas that offend.”

In contrast, the controversy over the Detroit Right Wings use of an almost identical logo has nothing to do with protecting merchandise or licensing rights (for the moment, the group has yet to try to make and sell anything with the logo on it) or about looking the other way on a fan's infringing activities. Nor is it about registering a potentially offensive trademark; reportedly, the group has not sought to register the Detroit Right Wings name or logo.

Instead, at issue is the alleged dilution of the Red Wings existing trademark and, by extension, the team's reputation. Trade-

mark dilution by tarnishment requires the holder of the mark to prove the trademark at issue has been damaged or is likely to be damaged in some way.

Dilution occurs when a “famous” mark is used in a way that “blurs” or “tarnishes” it. It differs from trademark infringement in that there is no need to prove the alleged misuse causes confusion in the marketplace.

The Federal Trademark Dilution Act, enacted in 1995, expanded the scope of rights provided to famous and distinctive trademarks by the Lanham Act, the federal statute governing U.S. trademark law.

The Trademark Dilution Act provides eight factors to help courts decide if a mark is considered famous enough to merit protection: 1) duration and extent of the use of the mark; 2) duration and extent of advertising for the mark; 3) geographic area in which the mark has been used; 4) distinctiveness of the mark; 5) degree of recognition of the mark; 6) method by which the product was distributed and marketed; 7) use of the mark by third parties; and 8) whether the mark was federally registered.

The use of a nearly identical version of the hockey team's logo and name by the Michigan-based white nationalist group seems like a deliberate attempt to capitalize on the sports organization's popularity. In the event

that the Red Wings or the NHL file a lawsuit against the Detroit Right Wings, a court could conclude that many of the factors weigh in favor of the sports organizations.

While the Right Wings could counter by arguing that their use of the logo is noncommercial and fair use — which uses would not constitute dilution under the act — these would seem to be weak defenses at best.

Fair use under the Lanham Act would require the group to

prove: 1) use of the mark not a trademark or service mark, but in a descriptive manner; 2) fairly and in good faith; and 3) only to describe its own goods or services. While it's difficult to predict how a court would rule, fair use is not likely to be a winning defense in this case, especially given that the group's bastardized version of the logo, used along with a nearly identical name, probably wouldn't pass the "fairly and in good faith" test.

Likewise, the group's use of

the team's logo probably wouldn't be considered a parody — another protected use — because the group's use is not a commentary on the sports team. The Detroit Right Wings could also argue that their use of the nearly identical logo is noncommercial because they used it to express a political viewpoint, not to make money — an argument that might be undercut by their use of the logo in the YouTube video linked to a GoFundMe fundraiser seeking \$2,500 for

members' Aug. 12 trip to Charlottesville.

Whether the NHL and the Red Wings will take up a legal challenge against the small, relatively unknown fringe organization remains to be seen, especially given that the group has apparently removed the logo and all but disappeared from view.

But the unique issues such a case would present all but guarantees both the sports and legal world will be watching closely to see what happens.