

Lyons Partnership v. Giannoulas

179 F.3d 384 (5th Cir. 1999)

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The Lyons Partnership ("Lyons"), the owners of the intellectual property rights to the children's caricature Barney, sued Ted Giannoulas, creator of the sports mascot The Famous Chicken ("the Chicken"), because the Chicken had incorporated a Barney look-alike into its act. The United States District Court for the Northern District of Texas granted summary judgment for Giannoulas and awarded attorneys' fees. Lyons raised six issues on appeal to the United States Court of Appeals for the Fifth Circuit, the most important of which related to the relevance that parodic conduct has on determining the likelihood of confusion in a trademark infringement case, and specifically, whether the district court erred when it determined that there was insufficient evidence that Giannoulas's use of the Barney trademark caused consumer confusion under the Lanham Act. The Fifth Circuit, reviewing the district court's decision de novo, agreed with the approach taken by the district court and affirmed the decision.

To establish a trademark violation, a trademark holder must establish that another has used in commerce a mark confusingly similar to the holder's trademark. However, a reference to a copyrighted work or trademark is generally permissible if the use is purely for parodic purposes. To the extent the original work must be referenced in order to accomplish the parody, that reference is acceptable.

At professional sporting events, most notably baseball games, the Chicken incorporated a Barney look-alike into his acts. The Barney look-alike would appear next to the Chicken in a performance during which the Chicken would flip, slap, tackle, trample, and generally assault the Barney look-alike. The Fifth Circuit agreed with the district court's reasoning that Giannoulas's use was a parody because the Chicken's actions toward Barney were antagonistic, and because no credible evidence was presented that a significant portion of the audience could not have understood the performance to be a parody.

The court stated that although conduct constituting a parody is not an affirmative defense to a trademark infringement, a parody should be treated differently from other uses that infringe on a trademark. This must be considered in conjunction with other factors, (known as 'digits of confusion'), such as the type of trademark allegedly infringed, the similarity between the two marks, the similarity of the products or services, the identity of the retail outlets and purchasers, the identity of the advertising media used, the defendants intent, and any evidence of actual confusion. The court held that, when a parody makes a specific trademark the brunt of its joke, the use of the trademark for satirical purpose affects the analysis of the factors to consider when determining whether the use is likely to result in consumer confusion.

In affirming the district court's ruling, the Fifth Circuit concluded that having made the finding that the conduct was a parody, the district court did not err in concluding that the nature of Giannoulas's use is relevant when analyzing the other digits of confusion to determine the likelihood of confusion.