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## Cease, Desist, and Laugh

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#### Cease, Desist, and Laugh

## Prof. James Gibson, University of Richmond School of Law *April 1, 2014*

Anyone who teaches intellectual property law knows how exciting the subject matter can be for students. They inundate professors not only with questions about the classroom material but also with news about emerging technologies, cutting-edge litigation, and legislative initiatives. And the attentive professor will seek to turn these exchanges into teaching moments.

One favorite of students involves a classic intellectual-property mechanism, the cease-and-desist letter. It's a favorite, I think, because such correspondence can be over the top, and the responses can be quite funny – making this a perfect topic for this April Fool's edition of IP Viewpoints.

A recent example that has been making the rounds involves the Starbucks FRAPPUCCINO mark. The Exit 6 Pub and Brewery, a small brewpub in Cottleville, Missouri, had apparently begun serving a beer it called FRAPPICINO. Starbucks caught wind of this through a website that reviews beers, and it responded in tried-and-true fashion: It sent a cease-and-desist letter.

The Starbucks letter is pretty typical of the breed. It establishes the bona fides of the FRAPPUCCINO mark, compares that mark to the brewpub's FRAPPICINO mark, and asserts that the similarity of the marks will lead consumers to mistakenly believe that the beer is affiliated with or licensed by Starbucks. It concludes with a demand that Exit 6 stop using the mark and notify the beer website to remove the review.

What was atypical was the response Starbucks got (click <a href="here">here</a> and scroll down). The brewpub agreed to stop using the FRAPPICINO mark – but not without poking fun at Starbucks. Its admission of guilt was tongue-in-cheek. ("We are bad people. We feel shame.") It referred to FRAPPUCCINO as "the F Word," so as to avoid the "risk of further lawsuits." It noted that the only reason the marks were not identical was that "we're poor spelers." And it enclosed a check for \$6, which it claimed represented the amount of revenue it had received from the offending brew. (Indeed, the brewpub now sells a "legal fees" t-shirt, featuring an image of the check.)

So how to convert this entertaining tidbit into a teaching moment? With my students, I began by considering the approach that Starbucks took. On the one hand, its letter made its allegations in a moderate tone – particularly when compared to the spittle-laced missives that lawyers sometimes send – and backed them up with reasoned argument. Moreover, a good letter will do more than alert the recipient that the jig is up; it will also seek to establish in the recipient's mind all the elements necessary to show that continued infringement will be considered willful, which in most intellectual property cases will result in enhanced damages. The Starbucks letter does this well.

On the other hand, this kind of controversy can teach a young lawyer that not every legal claim needs to be pursued, that public relations can be more important than legal outcomes, and that they should not put too much stock in the idea that every unauthorized use of a mark must be addressed lest the mark suffer dilution or genericide. In addition, it's an opportunity to discuss how a poorly drafted cease-and-desist letter can actually give the recipient an opportunity to force the sender into court in an unfriendly jurisdiction, through what's known as a declaratory judgment suit.

Switching to the brewpub's handling of the matter, the most obvious issue for discussion is the response's many jokes. It's hard not to chuckle at the brewpub's letter, and everyone likes a good laugh, so one is tempted to forgive it for approaching snark. But two topics merit attention. The first involves the relevant trademark law. The humorous reply belies the seriousness of the trademark claims; coffee and beer are both beverages, and the two marks are almost identical, so consumer confusion is certainly possible – not to mention that FRAPPUCCINO may be a famous mark and thus subject to dilution even in the absence of any confusion.

The second thing that students can learn from the Exit 6 response is that many communications in legal disputes actually have multiple audiences. The named recipient of the letter is one audience, of course. But another audience is the court that may later hear the case and demand proof of what the alleged infringer knew, and when. Snarky correspondence might be good for a laugh, but it will rarely play well with a judge.

That said, if you are a world-famous humorist, maybe you can get away with being snarky. Case in point: Groucho Marx penned the best response to a cease-and-desist letter ever, in reply to a complaint from Warner Bros. that the Marx Brothers movie *A Night in Casablanca* might be confused with the classic Bogart-Bergman film *Casablanca*. Among other arguments, Groucho notes that Warner Bros. "probably have the right to use the name Warner, but what about the name Brothers? Professionally, we were brothers long before you were." (The only other contender for best cease-and-desist response comes to us not from intellectual property, but from tort law, and its claim to the crown is that it's short and sweet. See for yourself. You're welcome.)

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