Contracting Trademark Fame?

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ABSTRACT

Contracts abound in today's highly digitized society. Did you snap a pic and upload it to Instagram? You entered into a contract. Did you check your friends' statuses on Facebook? Yep, you also entered into a contract. Did you know you entered into a contract or even if you were aware of this fact, did you know the terms to which you agreed? Probably not. But despite this, we are all obligated by these contracts, so long as we are somehow made aware that we *could* read the terms at some point if we had the inclination to do so. Online companies are rationally taking advantage of this, and are inserting clauses into the online agreements we enter into with them that places them in better legal positions. These clauses range from waiver of legal rights, choice of law and forum selection for disputes, and restrictions on intellectual property rights. Even though we are likely not aware of these clauses until well after we have agreed to them, courts typically uphold their binding nature based on an objective theory of contract law. Although scholars and commentators have raised numerous concerns related to the application of this theory to online contracting, I am concerned with an avenue that has not yet been explored: the possible extension of this theory to trademark law.

The reason this concern exists lies in the doctrine of trademark fame. Fame is the gold standard in trademark law, which enables a trademark holder to control almost anything that anyone else does with the famous mark. However, fame is extremely hard to prove and requires strong evidence of consumer recognition and commercial strength. Due to this, some trademark holders and courts are turning to newer forms of evidence, such as website agreements, user numbers and application downloads to potentially bolster claims of fame. Given the large number of users or app downloads of some of these websites (for example, Facebook has over 1 billion worldwide users), if the objective theory were adopted (even subconsciously) in the trademark realm, it would seem to be an easy argument that "Face," and "Book" are separately famous trademarks. As such, some trademark holders would be given virtually limitless control over all terms incorporating these generic or merely descriptive words. I question whether the incorporation of this contract law theory into trademark law would be a normatively positive development and conclude that it should not be. However, given that the utilization of user and download numbers are a tempting shortcut for difficult decisions regarding trademark fame, I offer some suggestions to resolve the problems of using the objective theory in trademark law, including adopting an interactive theory of consumer recognition.

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