

IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF WISCONSIN

CATHERINE ANN CONRAD,

Plaintiff,

v.

OPINION AND ORDER

09-cv-499-bbc

MADISON FESTIVALS, INC.,
PURPLE DOOR PRODUCTIONS and
WEST BEND MUTUAL INSURANCE COMPANY,

Defendants.

This is a proposed civil action for monetary relief brought pursuant to the Lanham Act, 15 U.S.C. § 1125(a)(1) and state law. Petitioner Catherine Conrad alleges that defendants Madison Festivals, Inc., Purple Door Productions and West Bend Mutual Insurance Company violated her right of publicity and infringed her trade dress through false advertising and false endorsement. Before this court screened her initial complaint, plaintiff filed an amended complaint, adding the insurance company as a defendant. Dkt. #3. The proposed amended complaint will become the operative pleading in this case. Plaintiff, who is acting pro se, has asked for leave to proceed without prepayment of fees and costs and has supported her request with an affidavit of indigency.

The standard for determining whether plaintiff qualifies for indigent status is the following:

- From plaintiff's annual gross income, the court subtracts \$3700 for each dependent excluding the plaintiff.
- If the balance is less than \$16,000, the plaintiff may proceed without any prepayment of fees and costs.
- If the balance is greater than \$16,000 but less than \$32,000, the plaintiff must prepay half the fees and costs.
- If the balance is greater than \$32,000, the plaintiff must prepay all fees and costs.
- Substantial assets or debts require individual consideration.

In her affidavit of indigency, plaintiff says that the monthly income she receives from her "seasonal business" is between \$500 and \$2,000. In addition, she receives \$314 per week from unemployment. It is difficult to determine in which range plaintiff belongs because she does not provide any additional information regarding her two different sources of income. Using the smallest amount of income, plaintiff qualifies to proceed without prepayment of fees and costs. However, using the larger amount of income, plaintiff would be required to prepay half the fees and costs. Although my calculations do not yield discernible results, I must consider plaintiff's statement that she is behind on her mortgage and has been for nine months. Because it appears that plaintiff is deeply in debt, I conclude that she qualifies financially to proceed without prepaying the fees and costs of filing this action.

The next step is determining whether plaintiff's proposed action is frivolous or malicious, fails to state a claim on which relief may be granted or seeks money damages from a defendant who is immune from such relief. 28 U.S.C. § 1915(e)(2). In addressing any pro se litigant's complaint, the court must read the allegations of the complaint generously. Haines v. Kerner, 404 U.S. 519, 521 (1972). Plaintiff has alleged facts sufficient to state claims of false endorsement and false advertising under the Lanham Act and a state law claim of right of publicity against defendants Madison Festivals, Inc. and Purple Door Productions. She will be granted leave to proceed on those claims. However because plaintiff failed to make any allegations concerning defendant West Bend Mutual Insurance Company, that defendant will be dismissed.

I draw the following allegations of fact from plaintiff's amended complaint and the documents attached to it.

ALLEGATIONS OF FACT

Plaintiff is a resident of Madison, Wisconsin and performs as the "Banana Lady." Banana Productions, LLC has a federal service mark registration for the words "Banana Lady" and produces family events relating to children's health and wellness. Defendant Purple Door Productions is a for-profit business that produces all of the events, including the Kids Expo, for defendant Madison Festivals, Inc., a non-profit organization. Both entities

share an office in Madison, Wisconsin. Defendant West Bend Mutual Insurance Company is a for-profit business located in West Bend, Wisconsin.

Plaintiff performed as the Banana Lady at the 2008 Kids Expo in exchange for a vendor booth to sell products. Defendants Madison Festivals and Purple Door Productions purchased Kids Expo from the Wisconsin State Journal after the conclusion of Kids Expo 2008. On January 6, 2009, Jody Stolldorf, the event coordinator for Madison Festivals and Purple Door Productions, e-mailed plaintiff about her interest in participating in Kids Expo 2009. Plaintiff answered Stolldorf's e-mail, stating "We'd be interested in having the Banana Lady perform her health and wellness show 'Strong as I can Be' on stage this year." Stolldorf wrote back later that day and asked whether plaintiff planned on purchasing a booth because they were trying to give performance priority to vendors. Plaintiff later decided not to participate in the expo.

During the week of July 13, 2009, plaintiff received a postcard mailer from Madison Festivals, promoting Kids Expo 2009, which was to take place on November 14-15, 2009. The mailer included a photograph of plaintiff performing as the Banana Lady at the 2008 expo. Plaintiff did not know that the picture was taken and never gave defendants Madison Festivals or Purple Door Productions consent to use her image. Plaintiff later learned that the postcard also had been mailed sometime in January or February 2009 to advertise the original date for the expo in March 2009.

Plaintiff called Stolldorf during the week of July 13, 2009 and left a message for her to call back. Because plaintiff still had not heard from Stolldorf a week later, she and her partner, Rodney Rigsby, visited the offices of Madison Festivals and Purple Door Productions. Plaintiff saw a stack of the postcard mailers in the lobby. She told Stolldorf that she had not given them permission to use the image and expected a fee for its use. Stolldorf stated that she would consult with her co-workers, Scott Smith and Keith Peterson, and get back to her. No one called plaintiff. Although plaintiff and Rigsby visited the offices of Madison Festivals and Purple Door Productions on July 28 and 30 and August 6, 2009, Smith and Peterson were not able to meet with them.

Stolldorf called plaintiff on July 30 to tell her that she would have to speak to the Kids Expo attorney at the Axley Brynson law firm. On August 6, plaintiff and Rigsby met with Rita Kelliher, the president of Madison Festivals, and discussed possible trademark and privacy right infringement. Kelliher admitted using plaintiff's image, apologized and stated that as a non-profit organization, they had no money available for settlement. On August 7, 2009, plaintiff wrote to Kelliher and Rebecca Orvick at Axley Brynson, offering to settle.

DISCUSSION

Plaintiff asserts that defendants Madison Festivals and Purple Door Productions used her image as the Banana Lady without permission in their advertising for the Kids Expo.

Plaintiff describes her claims in terms of right of publicity, false advertising and false endorsement, which relate to federal trademark law. Plaintiff does not make any allegations against defendant West Bend Mutual Insurance Company or explain its involvement in this case. Therefore, defendant West Bend will be dismissed without prejudice.

A. Federal Trademark Claims

A trademark is a distinctive word, symbol or device used to distinguish a service or product from others. In addition to a word or graphic symbol, a service or product may come to be identified by its shape, color or decor. This type of trademark is called “trade dress” and consists of all the various elements used to promote or identify the service or product. Publications International, LTD. v. Landoll, Inc., 164 F.3d 337, 338 (7th Cir. 1998). Trade dress serves the same function as a trademark and the law treats it the same way. Id. However, in order to protect a trade dress, the owner must be able to show that her trade dress is distinctive and likely would lead to consumer confusion. Id.; CAE, Inc. v. Clean Air Engineering, Inc., 267 F.3d 660, 673 (7th Cir. 2001).

Generally, the owner of a trademark is the first business to use it in a commercial context. 2 J. Thomas McCarthy, McCarthy on Trademarks and Unfair Competition, at § 16:4 (4th ed. 2008). The owner has the exclusive right to use a trademark as long as she continues to use it in connection with her goods and services. Id. To better prove ownership

of a trademark, the owner can register it with the United States Patent and Trademark Office. Id. at § 16:19; CAE, Inc., 267 F.3d at 673.

Plaintiff does not allege that her image as Banana Lady is a federally registered trademark. However, federal registration is not a prerequisite to a suit to prevent someone else from using the mark or a confusingly similar one. Two Pesos, Inc. v. Taco Cabana, Inc., 505 U.S. 763, 776 (1992) (Stevens, J., concurring). The Lanham Act, 15 U.S.C. § 1125(a), establishes two civil causes of action for owners of unregistered trademarks: 1) false representations concerning the origin, association or endorsement of goods or services through the wrongful use of another's distinctive mark or trade dress (also known as "false association" or "false endorsement"); and 2) false representations in advertising concerning the qualities of goods or services (also known as "false advertising"). L.S. Heath & Son, Inc. v. AT&T Information Systems, Inc., 9 F.3d 561, 575 (7th Cir. 1993).

I. False endorsement

A false endorsement claim can assist a person or entity (typically a celebrity or well-known organization) in preventing others from misusing a trademark in a way that confuses consumers as to the origin, approval or endorsement of the product. Waits v. Frito-Lay, Inc., 978 F.2d 1093, 1106-08 (9th Cir. 1992); see also Heath, 9 F.3d at 575 (citing Waits with approval). The facts alleged in the complaint imply that defendants' alleged misuse of

plaintiff's trade dress in their advertising led to consumer confusion over plaintiff's endorsement of or association with the Kids Expo 2009. At this early stage, these allegations are sufficient to state a claim. Web Printing Controls Co. v. Oxy-Dry Corp., 906 F.2d 1202, 1204-05 (7th Cir. 1990) (at liability stage, plaintiff must show only likelihood of consumer confusion). I will grant plaintiff leave to proceed on a false endorsement claim under 15 U.S.C. § 1125(a)(1)(A). However, I note that in order to recover damages, plaintiff will have to show that her business was damaged by "actual consumer reliance on the misleading statements." Heath, 9 F.3d at 575 (quoting Web Printing, 906 F.2d at 1205). Plaintiff will have to show that she suffered actual injury, such as "a loss of sales, profits, or present value (goodwill)," or that defendants were unjustly enriched as a result of the confusion. Web Printing, 906 F.2d at 1205.

2. False advertising

Under 15 U.S.C. § 1125(a)(1)(B), a person is liable for false advertising when he uses a "word, term, name, symbol, or device . . . , which . . . in commercial advertising or promotion, misrepresents the nature, characteristics, qualities, or geographic origin of his or her or another person's goods, services, or commercial activities." In order to have standing to allege a false advertising claim under the Lanham Act, "the plaintiff must assert a discernible competitive injury." Heath, 9 F.3d at 575. In other words, plaintiff must be a

competitor of defendant. Id. Both the Kids Expo and plaintiff produce educational events for children, so in that sense they could be seen as competitors. Although plaintiff's allegations of false advertising are weak, it is unnecessary to identify her specific means of recovery under the Lanham Act at this early stage. Therefore, plaintiff will be allowed leave to proceed on a false advertising claim.

B. State Law Right of Publicity Claim

Generally, the right of publicity “is the inherent right of every human being to control the commercial use of his or her identity.” 5 J. Thomas McCarthy, *McCarthy on Trademarks and Unfair Competition*, at § 28:1 (4th ed. 2008). Infringement of this right is a commercial tort and a form of unfair competition that is regulated by state law. Id. Although trademarks and the right of publicity are similar, they involve distinct legal claims. Id. at § 28.10. Therefore, a given plaintiff may have a claim for infringement of both a trademark and the right of publicity. Id.

Wisconsin recognizes a right of publicity under both statutory and common law. Hirsch v. S.C. Johnson & Son, Inc., 90 Wis. 2d 379, 397-98, 280 N.W.2d 129, 138 (1979); Heinz v. Frank Lloyd Wright Foundation, 1986 WL 5996, *7 (W.D. Wis. Feb. 24, 1986). Wisconsin's privacy statute, § 995.50(2)(b), prohibits the “use, for advertising purposes or for purposes of trade, of the name, portrait or picture of any living person, without having

first obtained the written consent of the person.” An individual whose privacy is “unreasonably invaded” is entitled to equitable relief, compensatory damages and attorney fees. § 995.50(1). Similarly, the common law tort of misappropriation protects the “property interest in the publicity value” of one’s identity (name, portrait or picture) from commercial exploitation by others. Hirsch, 90 Wis. 2d at 387; see also Hannigan v. Liberty Mutual Insurance Company, 230 Wis. 2d 746, 604 N.W.2d 33 (Table), at *10 (Wis. Ct. App. Aug. 26, 1999) (summarizing Hirsch and comparing to later enacted statute). Plaintiff’s allegation that defendants Madison Festivals and Purple Door Productions “cashed in” on her image as the Banana Lady in its advertising is sufficient to state a claim of right of publicity under Wisconsin law. Hirsch, 90 Wis. 2d at 397 (“All that is required is that the name clearly identify the wronged person.”); 5 McCarthy at § 28:7.

ORDER

IT IS ORDERED that:

1. Plaintiff Catherine Conrad is GRANTED leave to proceed in forma pauperis on her false advertising and endorsement claims pursuant to the Lanham Act and her state law right of publicity claim against defendants Madison Festivals, Inc. and Purple Door Productions.

2. Defendant West Bend Mutual Insurance Company is DISMISSED without prejudice.

3. For the remainder of the lawsuit, plaintiff must send defendants Madison Festivals and Purple Door Productions a copy of every paper or document that she files with the court. Once plaintiff has learned what lawyer will be representing defendants, she should serve the lawyer directly rather than defendants. The court will disregard any documents submitted by plaintiff unless she shows on the court's copy that she has sent a copy to defendants or to defendants' attorney.

4. Plaintiff should keep a copy of all documents for her own files. If she does not have access to a photocopy machine, she may send out identical handwritten or typed copies of her documents.

5. A copy of plaintiff's complaint, this order, summons for the defendants and United States Marshals service forms will be forwarded to the United States Marshal for

service on defendants Madison Festivals and Purple Door Productions.

Entered this 15th day of September, 2009.

BY THE COURT:

/s/

BARBARA B. CRABB
District Judge