

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

CATHERINE ANN CONRAD,

Plaintiff,

OPINION AND ORDER

v.

09-cv-566-bbc

ISTHMUS PUBLISHING, INC. and
VINCENT P. O’HEARN,

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. Plaintiff Catherine Conrad alleges that defendants Isthmus Publishing, Inc. and Vincent P. O’Hearn violated her right of publicity and infringed her trade dress through false advertising and false endorsement. Plaintiff is acting pro se and has asked for leave to proceed without prepayment of fees and costs. She 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 a week from unemployment. It is difficult to determine what range plaintiff falls in because she has not provided any additional information regarding her two different sources of income. If I consider the smallest amount of income, plaintiff qualifies to proceed without prepayment of fees and costs. If, however, I consider the larger amount, plaintiff would be required to prepay half the fees and costs. Although my calculations do not yield a clear result, I must take into consideration plaintiff’s statement that she is behind on her mortgage and has been for nine months. Because it appears that she 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). Reading the

allegations of plaintiff's pro se complaint generously, as I must, Haines v. Kerner, 404 U.S. 519, 521 (1972), I find that plaintiff has alleged facts sufficient to state false endorsement and false advertising claims under the Lanham Act against defendants, as well as a state law claim of right of publicity against them. She will be granted leave to proceed on those claims.

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. She performs as the "Banana Lady" for Banana Productions, LLC and produces educational events for children related to health and wellness. Defendant Isthmus Publishing, Inc. is a business located in Madison, Wisconsin, that publishes a paper and runs the "Green Day" event. Defendant Vincent O'Hearn is the publisher of the paper.

Plaintiff appeared as the Banana Lady at the Green Day 2008 event on April 26, 2008, in exchange for a vendor booth at which Banana Productions, LLC could sell products. While she was there, Rachel Tatge of Isthmus Publishing asked plaintiff and her business partner, Rodney Rigsby, whether Tatge she could take a picture of them to post on the

event's website. Rigsby agreed to allow the photograph to appear on the Green Day website for a period of one year.

On April 13, 2009, plaintiff and Rigsby became aware that WKOW-TV was running a commercial for Green Day 2009, using the photograph taken of Rigsby and plaintiff in 2008. Neither plaintiff, Rigsby nor Banana Productions ever agreed to endorse the 2009 Green Day event or to allow defendants to use the photograph in advertising for the event.

On April 16, 2009, plaintiff and Rigsby contacted Tatge, who admitted that Isthmus Publishing had used the 2008 photograph in the 2009 commercial. The next day, Tatge confirmed in an email to plaintiff that Isthmus Publishing was using the 2008 photograph in its paid advertising of the 2009 event. Tatge reasoned that Isthmus Publishing retained the right to use the photograph because it had sought permission to use it on the website in 2008 in exchange for a booth worth \$650. However, she offered to pull the photograph from the commercial.

At the time the commercial aired on WKOW-TV, plaintiff had an exclusive agreement with Morgan Murphy Media and WISC-TV that prevented her from appearing as the Banana Lady on any other television station for commercial purposes. The Green Day commercial was aired in many counties in Wisconsin and negatively affected plaintiff's television contract and business.

DISCUSSION

Plaintiff describes her claims against defendants for using her image as the Banana Lady without permission in terms of false advertising and false endorsement, which relate to federal trademark law, and her right of publicity, which is a state law claim.

A. Federal Trademark Claims

A service or product may be identified by a trademark, that is, a distinctive word, symbol or device used to distinguish a service or product from others, or it may come to be identified by its shape, color or decor. This second 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 that the use of a similar trade dress is likely to 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 § 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 the 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 bases for 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).

1. False endorsement

A false endorsement claim can be used by a person or entity (typically a celebrity or well-known organization) to prevent 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 plaintiff's 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 2009 Green Day event. 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, plaintiff should know that, in order to recover damages, she 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." 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.

Plaintiff produces educational events for children related to health and wellness. The purpose of the Green Day event is not clear from the complaint. However, a brief review of the event’s website indicates that it is an “eco-celebration” with a variety of informative exhibits and activities, including some related to children, health and wellness. Therefore, it is possible that plaintiff could show that she has the status of a competitor in respect to defendants’ Green Day event. Although plaintiff’s allegations of false advertising are tenuous, it is unnecessary to identify her specific means of recovery under the Lanham Act at this early stage. She 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. 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); see also 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, at *10 (Table) (Ct. App. Aug. 26, 1999) (summarizing Hirsch and comparing it to later enacted statute). Plaintiff's allegation that defendants "cashed in" on her image as the Banana Lady in their advertising is sufficient to state a right of publicity claim 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's request for leave to proceed in forma pauperis on false endorsement and false advertising claims pursuant to the Lanham Act and a state law right of publicity claim against defendants Isthmus Publishing, Inc. and Vincent O'Hearn is GRANTED.

2. For the remainder of the lawsuit, plaintiff must send defendants a copy of every paper or document that she files with the court. Once plaintiff has learned what lawyer(s) will be representing defendants, she should serve the lawyer(s) 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(s).

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.

Entered this 5th day of October, 2009.

BY THE COURT:

/s/

BARBARA B. CRABB
District Judge