

**REFASHIONING THE RIGHT OF PUBLICITY:
PROTECTING THE RIGHT TO USE YOUR NAME
AFTER SELLING A PERSONAL NAME
TRADEMARK[♦]**

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INTRODUCTION

Kari Sigerson and Miranda Morrison met in 1987 as young design students in the Fashion Institute of Technology's accessory-design program.¹ Having connected instantly, the two shared a studio and ambition to design shoes for women.² During their studies, they recognized "the void of shoes designed by women for women."³ Post-graduation, they designed for private clients while developing their own line on the side.⁴ In 1991, the designers launched their namesake fashion brand, "Sigerson Morrison;" the line gained instant success, attracting Bergdorf Goodman as one of the brand's first buyers.⁵

Rich in talent but poor in funds, the fledgling duo collected money from family and friends to open a 300-square-foot shop in New York City.⁶ The store became well visited by celebrities like Naomi Campbell and Julia Roberts.⁷ Sigerson Morrison expanded, opening additional stores in New York, Los Angeles, and Tokyo.⁸ By 2005, the brand Sigerson Morrison was valued at thirty million dollars and was predicted to continue growing.⁹ The designers realized they needed more funding to continue building their brand. Morrison was quoted saying, "With smart money behind us, we could actually really see the story to the happiest ending."¹⁰

The designers were soon approached by investor Marc Fisher, who at the time was working on building a mass-market shoe company.¹¹ Fisher offered to pay the duo \$2.6 million to acquire the Sigerson Morrison brand and its intellectual property rights.¹² The designers

¹ Jessica Lustig, *A Hard Spill in Designer Shoes*, N.Y. TIMES (Aug. 1, 2012), <http://www.nytimes.com/2012/08/02/fashion/taking-a-hard-spill-in-designer-shoes.html>.

² *Id.*

³ *Id.*

⁴ *Id.*

⁵ *Id.*

⁶ They originally sold their shares in Sigerson Morrison for five thousand dollars each. *Id.*

⁷ Tiffany Yannetta, *Sigerson Morrison's Original Designers Aren't Done with New York*, RACKED, (Aug. 2, 2012), http://ny.racked.com/archives/2012/08/02/sigerson_morrison_original_designers_arent_done_with_new_york.php.

⁸ Lustig, *supra* note 1.

⁹ *Id.*

¹⁰ *Id.*

¹¹ *Id.*

¹² Under the agreement with Fisher, the brand name was legally changed to Fisher Sigerson Morrison. The designers were given positions as co-heads of design with salaries of \$350,000 annually. They also received a ten-percent stake in the company. See Kristie Lau, *'I Don't Recognise My Brand Anymore': Shoe Designers Sigerson and Morrison's Heartache After Being Fired and Sued for \$2m by Their Own Label*, MAILONLINE (Aug. 2, 2012), <http://www.dailymail.co.uk/femail/article-2182723/Sigerson-Morrison-heartache-fired-sued-2m-label.html>; Kenzie Bryant, *So This Is Why Sigerson Morrison Was "On Hiatus" Last Season*, RACKED (Aug. 2, 2012), <http://racked.com/archives/2012/08/02/a-sigerson-morrison-by-any->

accepted the deal, ecstatic to begin their relationship with their new financial investor. Although Fisher had appeared to them as a knight in shining armor, their relationship would not end so happily ever after.¹³ Tensions between Fisher and the designers rose.¹⁴ Sigerson and Morrison accused Fisher of knocking off their designs for his other brands, and expressed concern over the inferior manufacturing quality of Sigerson Morrison shoes, which could tarnish their beloved high-end brand and reputations as designers.¹⁵

In March 2011, the designers were called into what they had believed would be a routine meeting, only to be met with termination letters.¹⁶ After two decades of developing their high-end namesake brand, Sigerson and Morrison found themselves separated from the company and without the right to use the personal name trademark. Should Sigerson and Morrison wish to continue using their names in the fashion industry as shoe designers post-termination, it must first be established what rights they retained after their sale to Fisher. Did the designers transfer only trademark rights to their names, or were any non-trademark rights to use their names in commerce also conveyed?

When the “name-source,” the individual named in the mark, is also the trademark rights holder, the trademark’s goodwill¹⁷ and the name-source’s personal reputation are inherently intertwined.¹⁸ But once the name-source becomes disaffiliated with his namesake trademark, the distinction between the trademark’s goodwill and the name source’s personal reputation becomes significant.¹⁹ A clear separation of the person’s identity and the trademark’s goodwill occurs when the name-source permanently assigns his namesake trademark and wholly

other-name-is-probably-more-authentic.php.

¹³ Fisher was accused of infringement before. In May 2012, Gucci prevailed in a suit against Marc Fisher’s company based on the infringement of Gucci’s marks and other designs found in items within the Guess label. See *Gucci Am., Inc. v. Guess?, Inc.*, 868 F. Supp.2d 207 (S.D.N.Y. June 18, 2012).

¹⁴ Lau, *supra* note 12 (“The pair had not only suspected that Mr. Fisher was copying their designs and creating them as part of his own budget line, but they were also allegedly infuriated over his decision to uproot their line’s manufacturing out of Italy and into China.”).

¹⁵ Lustig, *supra* note 1.

¹⁶ Just weeks after firing the designers, Fisher sued them, claiming the designers did not deliver a shoe collection on time. *Id.*

¹⁷ “Goodwill, which has been defined as ‘The probability that the old customers will resort to the old place,’ is a protected property interest, and includes not only those probabilities of customer frequency which attach to any particular location, but also those which attach to an established business wherever it is situated.” 6 RICHARD A. LORD, WILLISTON ON CONTRACTS § 13:8 (4th ed. 2012).

¹⁸ There are times where a consumer may associate the trademark’s goodwill with a reputation acquired on behalf of the person’s reputation and skills. For example, in fashion, the consumer attributes the goodwill not just on behalf of the product’s quality, but also on behalf of the designer’s own styles and association with the products.

¹⁹ After a sale, a person can become involuntary disaffiliated with the brand, as was the case in the Sigerson Morrison controversy (where designers Sigerson and Morrison were fired from the company to which they assigned their personal-name trademark).

disaffiliates himself with the trademark holder.²⁰ If the name-source thereafter wishes to use his name in commerce, it must first be determined what rights the name-source retained during the sale.²¹ While a person may transfer only trademark rights to a personal name, additionally, he may also transfer related publicity rights, such as commercial use of his name.²²

If a seller only transfers trademark rights to his personal name, he may still continue to use his name for certain non-trademark commercial purposes.²³ However, such use must be limited so as to avoid confusion with the trademark holder's business and not to impinge upon the goodwill he sold for good consideration.²⁴ But if the contract terms manifested a "clear" and express intent to transfer the exclusive right to commercial use of the name, the name-source is prohibited from using his name to advertise for a new business.²⁵

Today, there is no clearly defined limit to the assignability of a name for non-trademark use. Some legal scholars view the use of a personal name as a fully alienable right that can be freely and perpetually assigned as a related publicity right.²⁶ Others believe this right should be inalienable, falling on the opposite side of the spectrum.²⁷ The closer we get to full alienation of particular rights to use a person's name, the deeper we delve into public policy issues, and free speech concerns.²⁸

²⁰ A person can license or exclusively assign a personal name trademark. When a fashion designer exclusively assigns his name-sake trademark to an unrelated party, he will lose control over the personal name as it is used for trademark purposes. Even after an assignment, if the designer wishes to stay involved in the fashion label post-sale, the parties can negotiate an arrangement to keep the designer involved in the designing process, as creative director or other role.

²¹ See *JA Apparel Corp. v. Abboud*, 591 F. Supp.2d 306, 311 (S.D.N.Y. 2008), *vacated and remanded*, 568 F.3d 390 (2d Cir. 2009).

²² *Id.*

²³ See *id.* (where the United States District Court for the Southern District of New York on remand found that men's fashion designer, Joseph Abboud, had not intended to include the commercial use of his name during the sale of his personal name trademark and could therefore still use his name for descriptive, non-trademark purposes in good faith).

²⁴ See *JA Apparel Corp. v. Abboud*, 682 F. Supp.2d 294, 315 (S.D.N.Y. 2010); 1 J. THOMAS MCCARTHY, MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 18:33 (4th ed. 2013) [hereinafter MCCARTHY ON TRADEMARKS].

²⁵ See MCCARTHY ON TRADEMARKS, *supra* note 24, § 18:33 ("However, while a person may sell the right to commercial use of his personal name, a court will not bar the seller from all commercial use of the name unless the intention to convey an exclusive right is clear in the contract of sale. Unless the contract provides otherwise, a person is not precluded after the sale from taking advantage of his individual personal reputation (*vis-à-vis* the reputation of the business that bore his name) in advertising a competing product.").

²⁶ See *infra*, Part I.B.2.

²⁷ *Id.* See also Jennifer E. Rothman, *The Inalienable Right of Publicity*, 101 GEO. L.J. 185, 192 (2012).

²⁸ For a proposal against the complete alienation of all aspects of one name when selling a personal name trademark, see Yvette Joy Liebesman, *When Selling Your Personal Name Mark Extends to Selling Your Soul*, 83 TEMP. L. REV. 1 (2010).

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This Note proposes that the commercial use of a name be partially alienable: that is, alienable but with certain limitations on the duration and exclusivity of the assignment, and to whom the rights may be assigned. Part I of this Note examines the relationship between personal names as trademark rights and as publicity rights. Part II explores the public policy implications of perpetual voluntary and involuntary assignments of publicity rights to both trusted and unrelated parties. Part III proposes a “partial alienability” theory of publicity rights, under which the permanent and exclusive assignment of a person’s name for anything more than trademark use would be prohibited in arm’s-length transactions.

I. THE USE OF PERSONAL NAMES AS TRADEMARKS AND AS PUBLICITY RIGHTS

What do the names Michael Kors, Kate Spade, and Prada signify to a consumer: a particular manufacturer, an image of the particular individual, or both? When deciding on a trade name, using one’s own personal name as the trademark can serve two purposes: one, to distinguish one’s goods from other producers; and another, to attribute one’s own reputation and skills to one’s goods and thereby signify that they are of an equal level of quality.²⁹ Under common law, personal names, including both surnames and personal names, can receive trademark protection once the name has acquired secondary meaning.³⁰ Under the Lanham Act, federal registration is barred without secondary meaning for marks that are “primarily merely a surname.”³¹ But even after a term acquires secondary meaning, its primary meaning may nevertheless continue to describe the goods in the public’s eye;³² in other words, the name “continues to serve the important function to its bearer of acting as a symbol of that individual’s personality, reputation and accomplishments as distinguished from that of the business, corporation or otherwise, with which he has been associated.”³³ Therefore, it is important to differentiate between the uses of personal names as trademarks and publicity rights.

²⁹ See MCCARTHY ON TRADEMARKS, *supra* note 24, § 3:2.

³⁰ *Id.* § 13:2.

³¹ 15 U.S.C. § 1052(e)(4) (2006).

³² An example is the name Michael Kors, which represents a famous living person and also a fashion company. In the primary sense, the name Michael Kors serves as a description of the goods in that it designates who is affiliated or designs the particular fashion goods. But the name Michael Kors is also a registered trademark, and has acquired a secondary meaning which points to the producer, as opposed to the individual designer.

³³ *Madrigal Audio Labs., Inc. v. Cello, Ltd.*, 799 F.2d 814, 822 (2d Cir. 1986).

A. Personal Names as Trademarks

Under both federal and common law, “a trademark is a designation used to ‘identify and distinguish’ the goods of a person.”³⁴ United States trademark law recognizes two main policy rationales: (1) to protect trademark holders’ property and (2) to protect consumers from confusion and deception.³⁵ A person can elect to use her own personal name as her business’s trademark. Older trademark cases have recognized a so-called “sacred,”³⁶ absolute right for use of a personal name in business, notwithstanding that someone with the same name used it first as a trademark.³⁷ Indeed, in 1891, the Supreme Court acknowledged a sacred right to use a personal name as a property right: “a man’s name is his own property [sic], and he has the same right to its use and enjoyment as he has to that of any other species of property.”³⁸ But even in these older cases, courts recognized an exception to this right—a court could enjoin a same-name junior user³⁹ who intended to mislead the public by use of the name.⁴⁰ As trademark law developed over the twentieth century, this exception expanded to include the factor of likelihood of confusion, which eventually swallowed the sacred right doctrine.⁴¹

Today, modern trademark law rejects any sacred right doctrine in favor of a qualified right to use a personal name in business.⁴² The law has shifted to favor the public’s right to not be confused over a person’s right to use his or her own name as a trademark.⁴³ The argument for a “right” to use one’s own name as a trademark does, however, still serve a purpose today: it helps courts accommodate a junior user by narrowly tailoring an injunction which balances both senior and junior users’ rights in a manner that would avoid significant consumer confusion.⁴⁴

³⁴ MCCARTHY ON TRADEMARKS, *supra* note 24, § 3:1; *see also* 15 U.S.C. § 1127 (2006).

³⁵ MCCARTHY ON TRADEMARKS, *supra* note 24, § 2:2.

³⁶ *Ida May Co. v. Ensign*, 20 Cal. App. 2d 339, 344 (Cal. Dist. Ct. App. 1937) (“The right to do business under one’s own name is one of the sacred rights known to the law; and a family name is incapable of exclusive appropriation, and cannot be thus monopolized.”).

³⁷ MCCARTHY ON TRADEMARKS, *supra* note 24, § 13:7.

³⁸ *Brown Chemical Co. v. Meyer*, 139 U.S. 540, 544 (1891).

³⁹ The term “senior user” represents the first personal trademark name holder, whereas a “junior user” is subsequent user. *See* MCCARTHY ON TRADEMARKS, *supra* note 24, § 13:7.

⁴⁰ *Id.* (citing *Garrett v. T.H. Garrett & Co.*, 78 F. 472, 478 (6th Cir. 1896) (“While it is true that every man has a right to use his own name in his own business, it is also true that he has no right to use it for the purpose of stealing the good will of his neighbor’s business . . .”).

⁴¹ If use of a personal name as a trademark would cause substantial consumer confusion, then the person would not be able use his name, therefore denying his “sacred right” to use his name. MCCARTHY ON TRADEMARKS, *supra* note 24, § 13:7.

⁴² *John R. Thompson Co. v. Holloway*, 366 F.2d 108, 113 (5th Cir. 1966) (“[A] man has no absolute right to use his own name, even honestly, as the name of his merchandise or his business. As such it becomes a trade name or service mark subject to the rule of priority in order to prevent deception of the public.”).

⁴³ MCCARTHY ON TRADEMARKS, *supra* note 24, § 13:8.

⁴⁴ *Id.* § 13:6.

1. Personal Name Marks Must Acquire Secondary Meaning to Establish Trademark Rights

Personal names receive trademark protection so long as the rights holder demonstrates that the use is not merely descriptive, but rather has acquired secondary meaning.⁴⁵ Judge Richard Posner expressed three rationales in support of the rule requiring secondary meaning for legal protection of personal name marks.⁴⁶ The third rationale is the valid concern that “preventing a person from using his name as a mark could deprive consumers of useful descriptive information.”⁴⁷ This rationale illustrates the importance of a personal name’s descriptive function of providing the consumer with information about the company’s goods or services.

Posner’s third rationale also supports the argument that people should be able to use their own names in efforts to maximize consumer information about the product. A person can use his name as a trademark, yet his name may continue to describe his goods, thus linking his personal individual reputation to the trademark’s goodwill.⁴⁸ Therefore, even if secondary meaning is acquired, the mark’s primary meaning may still serve an important function as a descriptor of the goods.⁴⁹

Another potential “rationale for the requirement of secondary meaning in personal name marks, is that such marks are analogous to descriptive terms.”⁵⁰ McCarthy’s treatise on trademarks asserts that “no one seller should have the right to prevent others from using a descriptive term to honestly describe their goods or services by telling the name of a person involved.”⁵¹ Courts are reluctant to grant stronger trademark protection for personal names because to do so, on the one hand, could prevent a another person from using his own name in trade, or, on the other, enable a monopoly on the name, thereby “depriv[ing] the consuming public of valuable information” when others cannot use

⁴⁵ If in the mind of the consumer, the name is descriptive and identifies the individual, the name fails to acquire secondary meaning. A personal name can establish secondary meaning if “the public has come to recognize the personal name as a symbol that identifies and distinguishes the goods or services of only one seller.” *Id.* § 13:2.

⁴⁶ Posner’s first rationale is the disinclination to prevent a person from using his own name in relation to his business. His second is that some names are so popular that consumers will not be confused because they will not presume that different products with the name derive from the same source. *See id.*, § 13:3 (citing *Peaceable Planet, Inc. v. Ty, Inc.*, 362 F.3d. 986, 989 (7th Cir. 2004)).

⁴⁷ *Id.*

⁴⁸ MCCARTHY ON TRADEMARKS, *supra* note 24, § 3:2.

⁴⁹ *Id.* § 28:10.

⁵⁰ *Id.* § 13:3.

⁵¹ *Id.*

the name.⁵² This concern illustrates the importance of the descriptive, non-trademark function of personal names to provide consumer with useful information.⁵³

2. Descriptive Fair Use

Even if use of a personal name may cause some consumer confusion, trademark law recognizes a “fair use” defense, which permits use of a name in spite of such confusion.⁵⁴ A fair use defense may be asserted when a person assigns a personal name trademark, and subsequently wishes to utilize his trade reputation to promote a new company in the same industry.⁵⁵ If he assigned exclusive trademark rights to his name, he may no longer use it as a trademark for a new company with similar goods and services.⁵⁶ Yet even after an assignment of a personal name trademark, a person can still use his name in commerce, under a descriptive fair use defense, so long as it is used descriptively, not as a trademark, and in good faith.⁵⁷ “Descriptive” use is when the name is used not to point to the producer, but rather to describe the goods or services;⁵⁸ such use is commonly seen in promotional goods and advertisements.

Descriptive fair use is an exception to trademark infringement based on the principle that it is the folly of the trademark holder for electing to use a descriptive term—such as a personal name—as his trademark, and therefore the holder must accept that others may use the mark in its original descriptive and primary sense.⁵⁹ To establish a descriptive fair use defense, a party must show that the use is in good

⁵² *Bobak Sausage Co. v. A & J Seven Bridges, Inc.*, 805 F. Supp. 2d 503, 518 (N.D. Ill. 2011) (citing *Peaceable Planet*, 362 F.3d at 988–89 (7th Cir. 2004)).

⁵³ See *Peaceable Planet*, 362 F.3d 986 (“[P]reventing a person from using his name to denote his business may deprive consumers of useful information. Maybe ‘Steve’ is a well-known neighborhood figure. If he can’t call his bar ‘Steve’s’ because there is an existing bar of that name, he is prevented from communicating useful information to the consuming public.”).

⁵⁴ The Lanham Act recognizes a descriptive fair use defense with the use of personal name in commerce. See 15 U.S.C. § 1127 (2006). There are two types of fair use defenses: “nominative” fair use and “descriptive” fair use. This Note focuses on the “descriptive fair use” defense. For more on nominative fair use, see MCCARTHY ON TRADEMARKS, *supra* note 24, § 11:45.

⁵⁵ See, e.g., *Abboud*, 682 F. Supp.2d 294 (where fashion designer Joseph Abboud sold his personal name trademark and his menswear company to a competitor and began a new menswear company under the name “jaz.”).

⁵⁶ *Id.* (where the district court on remand granted a permanent injunction against a designer from using his personal name as a trademark after he had exclusively assigned trademark use of his name).

⁵⁷ MCCARTHY ON TRADEMARKS, *supra* note 24, § 11:45.

⁵⁸ “Descriptive use is evident in such situations ‘[w]here a mark incorporates a term that is the only reasonably available means of describing a characteristic of another’s goods.’” *Abboud*, 682 F. Supp.2d at 310 (citation omitted).

⁵⁹ “The only right of exclusion that trademark law creates in a descriptive word is in the secondary, new, ‘trademark’ meaning of the word that plaintiff has created. The original, descriptive primary meaning is always available for use by others to describe their goods, in the interest of free competition.” MCCARTHY ON TRADEMARKS, *supra* note 24, § 11:45.

faith, descriptive, and not used as a mark.⁶⁰ Therefore, even after selling a personal name trademark, the name-source may still use his name in commerce descriptively, not as a trademark, and in good faith.⁶¹ An example of descriptive fair use of a name, post-assignment of a name-sake trademark, is when a designer uses his name, in an advertisement, in a sentence with sufficiently smaller font in relation to a clearly designated non-personal name trademark, with a note disclaiming affiliation to an unrelated owner of his personal name trademark.⁶²

The fair use defense promotes a “competitive balance”⁶³ between the trademark holder and other users of the trademark’s terms in the descriptive sense.⁶⁴ Free speech and free competition are two fundamental policies in support of allowing third parties to use a personal name mark in its descriptive sense.⁶⁵ The fair use defense for descriptive marks derives from similar principles such as the right to use one’s own personal name.⁶⁶ Although the trademark holder has no right to control the descriptive use of the mark, he may have a legal claim if use of the term would sufficiently confuse consumers.⁶⁷ But, as the Supreme Court recognized, “[i]f any confusion results, that is a risk the plaintiff accepted when it decided to identify its product with a mark that uses a well known descriptive phrase.”⁶⁸ While the descriptive fair use defense permits a person to still use their name descriptively post-assignment of a personal name trademark, the defense may be unavailable if the person had also assigned non-trademark commercial rights to his name.⁶⁹

⁶⁰ *Id.*

⁶¹ Bad-faith use is often demonstrated by an “intent to confuse.” *Abboud*, 682 F. Supp. 2d. at 311.

⁶² The court in *Abboud* claimed that the proposed mock-up advertisement displayed in Exhibit 43 constituted descriptive fair use. *Id.* at 316 (“In fact, the placement, size, and usage of Abboud’s name in Plaintiff’s Exhibit 43, together with the disclaimer, arguably removes the likelihood of any confusion, and abrogates the need to even discuss the affirmative defense of fair use”).

⁶³ MCCARTHY ON TRADEMARKS, *supra* note 24, § 11:45.

⁶⁴ “The common law’s tolerance of a certain degree of confusion on the part of consumers followed from the very fact that in cases like this one an originally descriptive term was selected to be used as a mark, not to mention the undesirability of allowing anyone to obtain a complete monopoly on use of a descriptive term simply by grabbing it first The Lanham Act adopts a similar leniency, there being no indication that the statute was meant to deprive commercial speakers of the ordinary utility of descriptive words.” *Id.* (citing *KP Permanent Make-Up, Inc. v. Lasting Impression I, Inc.*, 125 S. Ct. 542, 550 (2004)).

⁶⁵ “The policies of free competition and free use of language dictate that trademark law cannot forbid the commercial use of terms in their descriptive sense.” MCCARTHY ON TRADEMARKS, *supra* note 24, § 11:45.

⁶⁶ *Id.*

⁶⁷ *Id.*

⁶⁸ *KP Permanent*, 125 S. Ct. at 550.

⁶⁹ *See Abboud*, 591 F. Supp.2d at 327.

3. The Right to Use a Name Post-Sale of a Personal Name Trademark

Modern trademark law also grants a limited right for a junior user to use his personal name as a trademark if the name is already used as a mark by a senior user.⁷⁰ But the law imposes a greater duty to avoid confusion⁷¹ upon someone who sells his or her personal name trademark to another.⁷² “That is, the normal qualified defense of a right to use one’s own name in business is not fully available to one who has sold the commercial rights to his name to another.”⁷³ But, even after a person sells his personal name trademark, courts generally will not enjoin the seller from commercial use of his name.⁷⁴ Indeed, the seller may still take advantage of his individual reputation “vis-à-vis the reputation of the business that bore his name,” to advertise his competing business.⁷⁵ However, a seller may only continue non-trademark use of his name in commerce if the sale contract did not also transfer exclusive non-trademark rights to use the personal name.⁷⁶ The law is well established that when an agreement clearly transfers only trademark rights to a personal name, the transferor cannot use his name as a trademark, but he still retains the right to use his name for descriptive, non-trademark purposes in good faith.⁷⁷ However, legal issues may arise when an agreement is unclear as to what rights to a name were transferred, and the scope of those rights.⁷⁸

4. The Transfer of Publicity Rights Along with Trademark Rights: The Joseph Abboud Controversy

Along with trademark rights to a personal name, a person may also transfer his related publicity right to use his name commercially.⁷⁹ The *Joseph Abboud* controversy is a prime illustration of the issue in determining what rights a name-source retains to utilize his personal

⁷⁰ Courts are more apt to tailor an injunction to balance the junior’s right to use the trademark and the senior user’s property right in a way that would prevent consumer confusion or deception. MCCARTHY ON TRADEMARKS, *supra* note 24, § 13:9; *see also* Scarves by Vera, Inc. v. Todo Imports Ltd., 544 F.2d 1167, 1173 (2d Cir. 1976).

⁷¹ “Such a seller owes a higher duty of care to avoid confusion with one to whom he has sold trademark rights in his name.” MCCARTHY ON TRADEMARKS, *supra* note 24, § 18:33.

⁷² “[The seller] is under a greater duty to avoid confusing usage of his name than a mere junior user has to the senior user of a given personal name.” *Id.*

⁷³ *Id.*

⁷⁴ *Id.*

⁷⁵ *Id.*

⁷⁶ *Id.*

⁷⁷ *See Abboud*, 568 F.3d 390.

⁷⁸ *See the Joseph Abboud* controversy, which consisted of *Abboud*, 591 F. Supp.2d 306 (S.D.N.Y. 2008), which was remanded on appeal in *Abboud*, 568 F.3d 390 (2d Cir. 2009), and *redecided in Abboud*, 682 F. Supp.2d 294 (S.D.N.Y. 2010).

⁷⁹ *See id.*; *ETW Corp. v. Jireh Publ’g., Inc.*, 332 F.3d 915 (6th Cir. 2003) (“The right of publicity is an intellectual property right of recent origin which has been defined as the inherent right of every human being to control the commercial use of his or her identity.”).

name in commerce after assigning a personal name trademark.⁸⁰ In 1987, world-famous fashion designer, Joseph Abboud, launched a menswear company and registered his personal name, “Joseph Abboud,” as a trademark with the United States Patent and Trademark Office.⁸¹ His brand grew in size and recognition, and in 2000, he sold certain company assets and all of its trademarks to JA Apparel Corporation (“JA Apparel”) for \$65.5 million.⁸² The Sale Agreement expressly stated that the sale included “the *names*, trademarks, trade names, service marks, logos, insignias . . . and the goodwill related thereto.”⁸³ Contemporaneously, Abboud also entered into a seven-year Personal Services Agreement with JA Apparel, in which Abboud agreed that for the first five years, he would provide JA Apparel with “personal services” and design ideas as “Chairman Emeritus” and would help market “Joseph Abboud” products.⁸⁴ During the remaining two years, Abboud agreed not to compete with JA Apparel.⁸⁵ After the non-compete period expired on July 13, 2007, Abboud prepared to launch another high-end men’s fashion line under the label “jaz” for the fall of 2008.⁸⁶ Abboud and his attorneys believed he had retained the right to use his personal name—Joseph Abboud—in marketing and advertising the “jaz” line after the 2000 sale.⁸⁷

In September 2007, JA Apparel filed suit in the United States District Court for the Southern District of New York to enjoin Abboud’s use of his personal name to endorse his new “jaz” line, alleging breach of contract and trademark infringement.⁸⁸ Abboud raised a descriptive fair use defense, claiming that he was using his name descriptively and not as a trademark to promote his new line.⁸⁹ Abboud also counterclaimed, asserting that JA Apparel had violated his right of publicity by wrongly using Abboud’s name in connection with JA Apparel products and engaging in “false endorsement, false advertising, and unfair competition, and [violating] New York civil rights law.”⁹⁰

The district court initially found that Abboud had transferred not only trademark rights to his name, but also the commercial right to use his name.⁹¹ In rejecting Abboud’s fair use defense, the court noted that “what may have constituted a permissible use of Abboud’s name under

⁸⁰ *Id.*

⁸¹ *Abboud*, 568 F.3d at 393.

⁸² *Id.*

⁸³ *Id.* (emphasis added).

⁸⁴ *Id.* at 394.

⁸⁵ *Id.*

⁸⁶ *Id.*

⁸⁷ *Abboud*, 568 F.3d at 394 (citation omitted).

⁸⁸ *Id.*

⁸⁹ *Id.*

⁹⁰ *Id.* at 395.

⁹¹ *Abboud*, 591 F. Supp.2d 306.

the Lanham Act is largely foreclosed by the express terms of the Agreement.”⁹² In other words, while Abboud might have had a viable fair use defense to trademark infringement, he essentially contracted this defense away by what the court interpreted as selling all commercial use of his name. Therefore, *any* use of his name, even to describe his association with the new “jaz” fashion label, would constitute a breach of the agreement. Under the lower court’s initial ruling, Abboud may have been forever detached from the use of his name in commerce, and a part of his identity would be at the mercy of his competitor, JA Apparel.

On appeal, the Second Circuit disagreed with the district court’s finding that the Sale Agreement had unambiguously conveyed more than trademark use of his name to JA Apparel, and therefore vacated the district court’s judgment and remanded to consider any extrinsic evidence of the parties’ intent.⁹³ After reviewing the parties’ extrinsic evidence, the district court on remand concluded that the designer did not intend to transfer non-trademark rights to his name in the Sale Agreement.⁹⁴ However, the court issued a permanent injunction prohibiting Abboud from using his name as a trademark or from using his name on any “jaz” packages, labels, tags, or the clothes themselves.⁹⁵ But because the court determined that Abboud still retained non-trademark right to use his name, he was permitted to assert a fair use defense to use his name for descriptive, non-trademark purposes in advertisements in good faith.⁹⁶

Under a fair use analysis, the appellate court determined that while certain uses of Abboud’s name met the non-trademark and descriptive use requirements of the fair use defense test, those uses failed to meet the good faith requirement because Abboud’s admissions and the ads themselves “evince[d] an intent to confuse and d[id] not constitute fair use.”⁹⁷ However, those uses of his name could qualify under the fair use defense so long as they included a disclaimer of Abboud’s affiliation with JA Apparel.⁹⁸ Even under the injunction, Abboud could still use his name in promotions and advertising, so long as his name would be “used descriptively, in the context of a complete sentence or descriptive phrase, and . . . no larger or more distinct than the

⁹² *Id.* at 327. The Sale Agreement explicitly stated that Abboud would transfer to JA Apparel “all of his rights” of “[t]he *names*, trademarks, trade names, service marks, logos, insignias and designations . . . and the goodwill related thereto.” *Id.* at 312 (emphasis added).

⁹³ *Abboud*, 568 F.3d at 399.

⁹⁴ *Abboud* 682 F. Supp.2d at 305 (“Abboud did not assign any rights to his name, other than for use as a trademark.”).

⁹⁵ *Id.* at 318.

⁹⁶ *Id.* at 308–16.

⁹⁷ *Id.* at 314–16.

⁹⁸ *Id.* at 318.

surrounding words in that sentence or phrase.”⁹⁹

The *Joseph Abboud* controversy highlights the importance of drafting clear and specific language in agreements that transfer personal names as trademarks and as publicity rights.¹⁰⁰ After *Abboud*, agreements to transfer the use of a name “must be especially clear on whether the designer [or transferor] may use his or her name in any manner whatsoever . . . after the designer [or transferor] leaves the company Unless this is crystal clear in an agreement, years of litigation may ensue.”¹⁰¹ As an effective means of protecting the transferor of a personal name, these agreements must include specific “carve-out” provisions listing what the designer can still do with his name post-transfer.¹⁰² To protect a client, the transactional attorney must foresee any and all uses that his client would likely have for his name in the future and expressly include them in the carve-out provision.¹⁰³ If a person fails to plan for his retained uses when entering into such an agreement, he may be unable to use his name in the future for those desired purposes.

B. *Personal Names as Publicity Rights*

In the commercial context, a personal name can be used as a trademark to designate source, but it may also be used to refer to an individual’s personal affiliation with or endorsement of the goods or services sold.¹⁰⁴ The latter usage is recognized as the right of publicity, which is a creature of state law.¹⁰⁵ The right of publicity protects the commercial value of a person’s identity and grants a person the right to control the use of his name, likeness and image in commerce.¹⁰⁶ The

⁹⁹ *Id.*

¹⁰⁰ GUILLERMO C. JIMENEZ & BARBARA KOLSUN, *FASHION LAW: A GUIDE FOR DESIGNERS, FASHION EXECUTIVES, AND ATTORNEYS* 44 (Olga T. Kontzias et al. eds. 2010) (“[The *Joseph Abboud* controversy and similar cases] demonstrate the great care with which contracts to buy, sell, and restrict the use of names as trademarks must be prepared.”).

¹⁰¹ *Id.*

¹⁰² A typical carve-out provision would resemble the following: “Licensee shall not prohibit Licensor from using his/her name as an author for books, memoirs, biographies, or for other works of visual art, from making speeches or public appearances including on radio, television, or over the Internet, or for any purpose other than anything that competes with Licensor.” Barbara Kolsun, *Fashion Law Drafting Lecture* (Jan. 31, 2013) (notes on file with author).

¹⁰³ From the transactional attorney’s perspective, you must sit down with the designer and say, “What do you want to do after you sell this company? What do you want to do if you can’t do that?” The attorney must understand who their client is and how he would like to still use his name and likeness. They must also think about what other fields or channels their client is likely to expand into and use his name in.

Id.

¹⁰⁴ MCCARTHY ON TRADEMARKS, *supra* note 24, § 28:10.

¹⁰⁵ 4 LOUIS ALTMAN & MALLA POLLACK, *CALLMANN ON UNFAIR COMPETITION, TRADEMARKS AND MONOPOLIES* § 22:32 (4th ed. 2012).

¹⁰⁶ *See ETW Corp.*, 332 F.3d 915.

right is designated by state statute¹⁰⁷ or common law,¹⁰⁸ and the right of publicity is currently recognized in thirty-one states.¹⁰⁹

The right of publicity originated from the right of privacy—its “historical antecedent.”¹¹⁰ The term “right of publicity” was first coined in 1953 under New York common law in the seminal case, *Haelan Laboratories, Inc. v. Topps Chewing Gum, Inc.*¹¹¹ The right of privacy became viewed as four complex torts: “embracing unreasonable intrusions upon another’s seclusion, public disclosure of private facts, publicity placing another in a false light, and the appropriation for the defendant’s advantage of the plaintiff’s name or likeness.”¹¹² A person may waive his right of publicity by consenting to use of her likeness or image.¹¹³ The test for infringement of the right of publicity is whether the plaintiff is identified by the defendant’s use.¹¹⁴

1. The Overlap of Trademark Law and the Right of Publicity

The right of publicity shares parallels with trademark law.¹¹⁵ Both “intellectual property” legal arenas fall under the umbrella of “unfair

¹⁰⁷ Currently, eighteen states have enacted statutes appropriating privacy and the right of publicity: California, Florida, Illinois, Indiana, Kentucky, Massachusetts, Nebraska, Nevada, New York, Ohio, Oklahoma, Pennsylvania, Rhode Island, Tennessee, Texas, Virginia, Washington, and Wisconsin (Utah is not included in the list because the 1981 revision to the statute “arguable turned the statute into an anti-false-endorsement prohibition”). 1 J. THOMAS MCCARTHY, RIGHTS OF PUBLICITY AND PRIVACY § 6:8 (2d ed. 2012) (identifying the applicable statutes and their express post-mortem statutory rights, their durations, and aspects of identity covered) [hereinafter, MCCARTHY, RIGHTS OF PUBLICITY AND PRIVACY].

¹⁰⁸ Currently, twenty-one states have recognized a common law right of publicity. *See id.* § 6:3 (listing the following states: Alabama, Arizona, California, Connecticut, Florida, Georgia, Hawaii, Illinois, Kentucky, Michigan, Minnesota, Missouri, New Hampshire, New Jersey, Ohio, Pennsylvania, South Carolina, Texas, Utah, West Virginia, and Wisconsin).

¹⁰⁹ *Id.*

¹¹⁰ RESTATEMENT (THIRD) OF UNFAIR COMPETITION § 46 (1995). “The right of privacy is the right of the individual to be let alone, and it protects dignitary interests.” David Tan, *Beyond Trademark Law: What the Right of Publicity Can Learn from Cultural Studies*, 25 CARDOZO ARTS & ENT. L.J. 913, 918–19 (2008) (citing Samuel D. Warren & Louis D. Brandeis, *The Right to Privacy*, 4 HARV. L. REV. 193 (1890)). Faced with the “reality of an economic value ascribed to the celebrity personality,” courts began “extend[ing] the traditional right of privacy to prevent the unauthorized commercial uses of their identities.” *Id.* at 919.

¹¹¹ *Haelan Labs., Inc. v. Topps Chewing Gum, Inc.*, 202 F.2d 866, 868 (2d Cir. 1953) (“We think that, in addition to and independent of that right of privacy (which in New York derives from statute), a man has a right in the publicity value of his photograph, i.e., the right to grant the exclusive privilege of publishing his picture, and that such a grant may validly be made ‘in gross,’ i.e., without an accompanying transfer of a business or of anything else This right might be called a ‘right of publicity.’”).

¹¹² RESTATEMENT (THIRD) OF UNFAIR COMPETITION § 46 (1995).

¹¹³ “Conduct that would otherwise infringe the personal or commercial interests protected by the rights of privacy and publicity is not actionable if the conduct is within the scope of consent given by the holder of the right.” *Id.*

¹¹⁴ For example, “[t]he [New York] statute is designed to protect a person’s identity, not merely a property interest in his or her ‘name,’ ‘portrait’ or ‘picture,’ and thus it implicitly requires that plaintiff be capable of identification from the objectionable material itself.” *Cohen v. Herbal Concepts, Inc.*, 63 N.Y.2d 379, 384 (N.Y. 1984)).

¹¹⁵ *See* MCCARTHY ON TRADEMARKS, *supra* note 24, § 28:8.

competition law.”¹¹⁶ However, trademark law derived from the tort of fraud, while the right of publicity originated from privacy law.¹¹⁷ Each has its own identification function: “a trademark identifies and distinguishes a commercial source of goods and services, [whereas] the ‘persona’ protected by right of publicity law identifies one human being.”¹¹⁸ The assignment of a personal name trademark also includes the business and goodwill associated with the mark.¹¹⁹ By contrast, the right of publicity does not depend on any association of a person’s identity with certain goods.¹²⁰ Therefore, publicity rights can be assigned without the transfer of the associated business or goodwill.¹²¹

Trademark law and the right of publicity overlap where an individual’s name or likeness is used in close connection with a commercial activity.¹²² “The tie-up of one’s name, face and/or likeness with a business, product or service creates a tangible and saleable product in much the same way as property may be created by one who organizes under his name a business to build and/or sell houses.”¹²³ In both legal areas, rights holders are given a certain amount of control over the use of their symbols.¹²⁴ Under the Lanham Act, a name cannot be used as a trademark if it is likely to confuse consumers as to the source of the goods, or the trademark owner’s affiliation, sponsorship, or endorsement of those goods.¹²⁵ The right of publicity functions to protect individuals from unwanted use of their names or likenesses in advertising or promotion that would falsely suggest endorsement.¹²⁶ Also, the Lanham Act provides certain legal limits to use a person’s name as a trademark without his permission; it bars registration of a mark which “[c]onsists of or comprises a name, portrait, or signature identifying a particular living individual except by his written consent, or the name, signature, or portrait of a deceased President of the United States during the life of his widow, if any, except by the written consent

¹¹⁶ *See id.*

¹¹⁷ MCCARTHY, RIGHTS OF PUBLICITY AND PRIVACY, *supra* note 107, § 5:6.

¹¹⁸ *Id.*

¹¹⁹ RESTATEMENT (THIRD) OF UNFAIR COMPETITION § 46 (1995).

¹²⁰ *Id.*

¹²¹ *Id.*

¹²² Jeffrey C. Parry, *Protect Your Identity with the Right of Publicity*, 54 *ADVOC.* 26 (2011).

¹²³ *Lugosi v. Universal Pictures*, 25 Cal. 3d 813, 818 (Cal. 1979).

¹²⁴ *See* Stacey L. Dogan & Mark A. Lemley, *What the Right of Publicity Can Learn from Trademark Law*, 58 *STAN. L. REV.* 1161, 1164 (2006).

¹²⁵ *See* 15 U.S.C. §§ 1114(1), 1125(a) (2006).

¹²⁶ Dogan & Lemley, *supra* note 124 (“The Lanham Act . . . prevent[s] commercial uses of trademarks that are likely to confuse consumers regarding either the source of goods or the affiliation, endorsement, or sponsorship of those goods by the trademark owner. The right of publicity aims to do the same thing for celebrities by preventing the use of a celebrity’s name or likeness in advertising or promotion to falsely suggest that she has endorsed the advertised product.”).

of the widow.”¹²⁷ Furthermore, both trademark law and the right of publicity serve two protective functions: (1) to protect the interest of the rights holder; and (2) to protect the consumer by ensuring the products truthfully indicate those who create, endorse, or promote the goods.¹²⁸ Yet unlike trademark law, an infringement action under the right of publicity does not require a showing of deception or confusion.¹²⁹

While courts and legal commentators often compare the two legal areas, some courts have failed to differentiate them clearly and have used some inapplicable trademark law concepts to analyze right of publicity cases.¹³⁰ In *Grant v. Esquire*, the United States District Court for the Southern District of New York described the right of publicity in terms of trademark: “[t]he ‘right of publicity’ is somewhat akin to the exclusive right of a commercial enterprise to the benefits to be derived from the goodwill and secondary meaning that it has managed to build up in its name.”¹³¹ The language in *Grant* appears in subsequent cases.¹³² In *Lugosi v. Universal Pictures*, the California Supreme Court “opin[ed] that a right of publicity can pass after death only if impressed during life with a ‘secondary meaning’: a requirement of trademark protection designed for an entirely different purpose.”¹³³ As McCarthy’s treatise on trademarks and unfair competition put it, “this is an unfortunate mish-mash of terminology.”¹³⁴ Courts should be careful to distinguish a person’s publicity right from the goodwill associated with a personal name trademark.¹³⁵

2. The Right of Publicity: An Alienable Property Right or an Inalienable Personal Right?

While some courts and legal scholars characterize the right of publicity as a personal right,¹³⁶ others have described it as a property

¹²⁷ 15 U.S.C. § 1052(c) (2006).

¹²⁸ Dogan & Lemley, *supra* note 124.

¹²⁹ RESTATEMENT (THIRD) OF UNFAIR COMPETITION § 46 (1995).

¹³⁰ MCCARTHY, RIGHTS OF PUBLICITY AND PRIVACY, *supra* note 107, § 5:6; MCCARTHY ON TRADEMARKS, *supra* note 24, § 28:8 (“Such courts miss the point: the right of publicity is only *analogous*, not *identical* to, the law of trademarks.”).

¹³¹ *Grant v. Esquire, Inc.*, 367 F. Supp 876, 879 (S.D.N.Y. 1973) (internal quotations omitted).

¹³² *See, e.g., Ali v. Playgirl, Inc.*, 447 F. Supp. 723, 728, (S.D.N.Y. 1978) (“This common law publicity right is analogous to a commercial entity’s right to profit from the ‘goodwill’ it has built up in its name.”).

¹³³ MCCARTHY ON TRADEMARKS, *supra* note 24, § 28:8, n.5 (citing *Lugosi*, 25 Cal. 3d at 823).

¹³⁴ *Id.*

¹³⁵ *See id.*; *see also* MCCARTHY, RIGHTS OF PUBLICITY AND PRIVACY, *supra* note 107, § 5:6.

¹³⁶ Parry, *supra* note 122, at 26; *see also* *Lugosi*, 25 Cal. 3d at 824 (“If rights to the exploitation of artistic or intellectual property never exercised during the lifetime of their creators were to survive their death, neither society’s interest in the free dissemination of ideas nor the artist’s rights to the fruits of his own labor would be served. Authority, as noted, supports the strong policy considerations which underlie the conclusion that the right is personal. We hold that the right to exploit name and likeness is personal to the artist and must be exercised, if at all, by him during his lifetime.”).

right.¹³⁷ Legislation in several states expressly categorizes publicity rights as property rights.¹³⁸ As a personal right, the right of publicity is inherent to the individual as an emotional extension of his personality; it can be licensed or waived, but some characteristics would be inalienable and indivisible.¹³⁹ However, if the right of publicity is viewed as a full-blown property right, it can be transferred, assigned, survivable, and even taxed or divided.¹⁴⁰

In the past, courts were more reluctant to transfer commercial rights in a person's identity because of its connection with the right of privacy, which was generally viewed as inalienable.¹⁴¹ Many courts now view the right of publicity as a doctrine wholly independent of the right of privacy.¹⁴² As recognition of the right of publicity increased, courts and legislatures have allowed it to be assignable,¹⁴³ but the only right conveyed is the "right to exploit the commercial value of [the] assignor's identity."¹⁴⁴ So long as the use is within the assignment's terms, the assignment is sufficient to constitute consent to the assignee's usage.¹⁴⁵ Instead of an assignment, a person may also license his or her publicity rights.¹⁴⁶

The two main transferability issues associated with publicity rights are transferability during life and transferability during death, or

¹³⁷ See ALTMAN & POLLACK, *supra* note 105, § 1:12 ("The 'right of publicity' is only a new phrase for an old concept, namely, the property right in a business."); Barbara Singer, *The Right of Property: Star Vehicle or Shooting Star?*, 10 CARDOZO ARTS & ENT. L.J. 1, 5 (1991) ("In their attempt to mold the right of publicity into a commercially viable, freely transferable right, courts and legislatures alike have increasingly cast publicity as a property rather than as a personal right."); State *ex rel.* Elvis Presley Int'l Memorial Found. v. Crowell, 733 S.W.2d 89 (Tenn. Ct. App. 1987).

¹³⁸ Section 15 of the Illinois Act expressly states that the statutory publicity right is a property right and can be freely transferred "in whole or in part by written transfer or by will, trust or intestate succession." MCCARTHY, RIGHTS OF PUBLICITY AND PRIVACY, *supra* note 107, § 6:56 (citing 765 ILL. COMP. STAT. ANN. 1075/15 (West 2012)); see also NEV. REV. STAT. ANN. § 597.800 (West 2011) ("The right of publicity established by N.R.S. 597.790 is freely transferable, in whole or in part, by contract, license, gift, conveyance, assignment, devise or testamentary trust by a person or his or her successor in interest.").

¹³⁹ Sheldon W. Halpern, *The Right of Publicity: Commercial Exploitation of the Associative Value of Personality*, 39 VAND. L. REV. 1199, 1238 (1986).

¹⁴⁰ *Id.*

¹⁴¹ RESTATEMENT (THIRD) OF UNFAIR COMPETITION § 46 (1995) ("The right of publicity was recognized as a right distinct from privacy in part to overcome the rule prohibiting assignment.").

¹⁴² See, e.g., Martin Luther King, Jr., Ctr. for Social Change, Inc. v. Am. Heritage Prods., Inc., 250 Ga. 135 (1982); *ex rel.* Elvis Presley, 733 S.W.2d 89.

¹⁴³ The seminal case on publicity rights, *Haelan Labs.*, demonstrates the alienability feature of publicity rights. *Haelan Labs.*, at 868. But in another case, a New York court found that the "right of publicity" is a component of the New York statute governing the right of privacy, and therefore the publicity right is statutorily based, precluding an independent common law right of publicity. *Stephano v. News Grp. Publ'ns, Inc.*, 64 N.Y.2d 174, 182 (N.Y. 1984).

¹⁴⁴ RESTATEMENT (THIRD) OF UNFAIR COMPETITION § 46 (1995).

¹⁴⁵ *Id.*

¹⁴⁶ A license is a form of consent that sets out the terms for another person (licensee) to use a person's identity (licensor), while the licensor retains ownership of the identity's commercial value. *Id.*

“descendibility.”¹⁴⁷ While the descendibility of a publicity right varies within different jurisdictions,¹⁴⁸ a large majority of statutory and common law publicity rights either expressly or implicitly approve of assigning a publicity right in gross during life.¹⁴⁹ According to one of the leading treatises on the subject, “[t]he rule of free assignability in gross of the right of publicity has never been seriously questioned.”¹⁵⁰ The Restatement (Third) of Unfair Competition also recognizes that the commercial value of a person’s identity is a freely assignable and transferable property right.¹⁵¹

Several states have enacted statutes that expressly declare the right of publicity to be freely transferable during life.¹⁵² According to the Restatement, “although publicity rights can be assigned, courts continue to hold that privacy rights are personal and non-assignable.”¹⁵³ However, the assignability of publicity rights may not be as clearly settled as the Restatement and prominent legal treatises proclaim.¹⁵⁴ In some privacy statutes, from which publicity rights often derive, the issue of assignment is expressly rejected, completely unaddressed, or ambiguous.¹⁵⁵

The lack of express clarity can be illustrated by the laws of California and New York—two important jurisdictions where transfers of publicity rights are most frequently made.¹⁵⁶ In California, the publicity statute does not address the issue of assignment or transferability of rights of living persons.¹⁵⁷ In New York, the privacy

¹⁴⁷ For the purposes of this Note, the legal analysis is limited to transferability of publicity rights only during life, and does not explore the issue of descendibility (post-death transfers).

¹⁴⁸ ALTMAN & POLLACK, *supra* note 105, § 22:32 (“States have disparate positions on the descendibility of the right of publicity.”). However, the Restatement (Third) of Unfair Competition expresses that the majority of states hold the right to publicity to be descendible, but notes that many jurisdictions have not considered the issue. RESTATEMENT (THIRD) OF UNFAIR COMPETITION § 46 cmt. h (1995).

¹⁴⁹ For a list of cases that support the claim that courts have accepted the rule of assignability either implicitly or explicitly, see MCCARTHY, RIGHTS OF PUBLICITY AND PRIVACY, *supra* note 107, § 10:13 nn. 3–4.

¹⁵⁰ *Id.*

¹⁵¹ RESTATEMENT (THIRD) OF UNFAIR COMPETITION § 46 (1995).

¹⁵² See 765 ILL. COMP. STAT. ANN. 1075/15 (West 2012); see also NEV. REV. STAT. ANN. § 597.800 (West 2011).

¹⁵³ RESTATEMENT (THIRD) OF UNFAIR COMPETITION § 46 (1995).

¹⁵⁴ Rothman, *supra* note 27, at 192 (“[The] conventional wisdom [that publicity rights are freely assignable], however, is not universally true. The assignability of publicity rights is far from settled, even in the two jurisdictions (California and New York) in which assignments of those rights are most frequently made.”).

¹⁵⁵ See, e.g., NEB. REV. STAT. § 20-207 (2012) (assignability expressly rejected); N.Y. CIV. RIGHTS LAW §§ 50–51 (McKinney 2013) (transferability not addressed); see also CAL. CIV. CODE § 3344 (West 2012) (transferability not addressed).

¹⁵⁶ Rothman, *supra* note 154, at 192.

¹⁵⁷ See CIV. § 3344; MCCARTHY, RIGHTS OF PUBLICITY AND PRIVACY, *supra* note 107, § 6:36 (“For living persons’ statutory rights under § 3344, the [California] statute says nothing about assignment or transferability, and on its face implies that consent to use must always be obtained directly from the person identified. However, the statute would not seem to preclude a person

statute neither expressly permits nor prohibits the transfer of the statutory right.¹⁵⁸ The New York statute was originally intended to protect privacy rights from commercial misappropriation.¹⁵⁹ But New York courts have carved out a limited publicity right under the statute, where personal traits are protected as a property right in particular circumstances covered by the statute, but which property interests terminate upon the person's death.¹⁶⁰ New York courts have held that a person can assign his publicity rights, but not his traditional privacy rights under the statute.¹⁶¹ Yet, McCarthy's treatise on publicity rights emphasizes that there is an issue whether or not New York's non-transferability rule of privacy rights applies, or should apply, to the state's carved-out publicity right.¹⁶² In response to the lack of express clarity on the issue of assignment in a variety of publicity rights statutes, jurisdictions that recognize publicity rights should take action to expressly clarify the issue of assignability.

II. PUBLIC POLICY CONCERNS REGARDING THE FREE ASSIGNMENT OF PUBLICITY RIGHTS

As discussed in Part I.B.2., the majority view is that state statutes or common law explicitly or implicitly permit the alienability of publicity rights.¹⁶³ But whether the right should be treated as fully alienable is the subject of much legal debate.¹⁶⁴ The permanent

from authorizing another to act as his or her 'agent,' with the right to grant consents and licenses. The provisions of § 3344(g) preserve the common law right of publicity for living persons, and that common law right clearly seems transferable.”)

¹⁵⁸ See CIV. RIGHTS §§ 50–51.

¹⁵⁹ Melissa B. Jacoby & Diane Leenheer Zimmerman, *Foreclosing on Fame: Exploring the Uncharted Boundaries of the Right of Publicity*, 77 N.Y.U. L. REV. 1322, 1335 (2002).

¹⁶⁰ *Id.* at 1335.

¹⁶¹ *Bi-Rite Enters., Inc. v. Button Master*, 555 F. Supp. 1188, 1199 (S.D.N.Y. 1983), *supplemented sub nom.* *Bi-Rite v. Button Master*, 578 F. Supp. 59 (S.D.N.Y. 1983) (“Unlike privacy rights, which protect personality and feelings and are therefore not assignable, the right of publicity gives rise to a ‘proprietary’ interest in the commercial value of one’s persona which is assignable and may be freely licensed.”).

¹⁶² The New York statute neither provides for nor prohibits transferability of the statutory right. But the courts have held that the statutory right is personal and another person cannot be a plaintiff despite assignment or inheritance. The 1984 incorporation of the right of publicity into the New York statute presents a difficulty if the rule against transfer is applied to the right of publicity Perhaps one solution to this dilemma is for the person identified to appoint another his or her agent with authority to grant licenses, rather than to completely “transfer” the right of publicity. The “agent” would then bring suits against infringers in the name of the “principal.” Such a roundabout route would have to be carefully drafted but seems unavoidable if the New York courts apply the statutory no-transfer rule to the right of publicity.

MCCARTHY, RIGHTS OF PUBLICITY AND PRIVACY, *supra* note 107, § 6:94 (footnote omitted).

¹⁶³ The common view held by the restatement and legal treatises is that publicity rights are assignable; but there still remains a lack of clarity, as the California and New York statutes illustrate. See Rothman, *supra* note 27, at 191–92.

¹⁶⁴ See generally *id.*

assignment of publicity rights has been criticized in a variety of contexts, particularly with involuntary transfers.¹⁶⁵ Yet, modern contract law has done little to limit the permanent voluntary assignment of publicity rights.¹⁶⁶ The leading treatise on this subject concludes that even where transfers of publicity rights are exclusive and perpetual, contract law will rarely void such transfers if they were voluntary.¹⁶⁷

There are practical reasons why publicity rights should be considered fully alienable. The Supreme Court of Georgia discussed the benefits of such a policy: “The right of publicity is assignable during the life of the celebrity, for without this characteristic, full commercial exploitation of one’s name and likeness is practically impossible That is, without assignability the right of publicity could hardly be called a ‘right.’”¹⁶⁸ McCarthy’s treatise on the subject further asserts that there are strong interests and compelling reasons to allow full assignment of publicity rights:

A celebrity may wish to transfer all publicity rights to a corporation or trust for income tax or estate planning reasons. Or an aging celebrity may wish to grant all such rights to a spouse or offspring to ensure that the rights immediately pass and are not entangled in probate of the estate.¹⁶⁹

Although there are obvious benefits to full alienation, policy concerns about both involuntary and voluntary transfers when viewing publicity rights as wholly assignable property rights still exist.

The infamous O.J. Simpson murder scandal raised the issue of whether a person’s publicity rights can be involuntarily transferred to creditors to satisfy a judgment.¹⁷⁰ During Simpson’s criminal trial for the murders of Ron Goldman and Nicole Brown, the victims’ families also filed wrongful death and survival civil suits.¹⁷¹ The jury ordered Simpson to pay damages of over \$33.5 million.¹⁷² Nearly a decade later, Simpson’s civil judgment remained virtually unpaid, and Fred Goldman, Ron Goldman’s father, sought a judgment to recover the

¹⁶⁵ “Although alienability is largely embraced in the context of *voluntary* assignments, it has sometimes been rejected when publicity rights are at issue in less volitional contexts—for example, after an identity-holder’s death, in the disbursement of marital property in a divorce, and in bankruptcy proceedings or other actions involving creditors.” *Id.* at 191.

¹⁶⁶ *Id.*

¹⁶⁷ *Id.* at 199 n.57. McCarthy “suggest[s] that contract law should only limit assignments if they were made under duress, in the context of fraud, or under other circumstances that call into question consent.” MCCARTHY, RIGHTS OF PUBLICITY AND PRIVACY, *supra* note 107, § 10:14.

¹⁶⁸ *Am. Heritage Prods., Inc.*, 250 Ga. at 143.

¹⁶⁹ MCCARTHY, RIGHTS OF PUBLICITY AND PRIVACY, *supra* note 107, § 10:14 (footnote omitted).

¹⁷⁰ Laura Hock, *What’s in a Name? Fred Goldman’s Quest to Acquire O.J. Simpson’s Right of Publicity and the Suit’s Implications for Celebrities*, 35 PEPP. L. REV. 347 (2008).

¹⁷¹ “On February 4, 1997, a civil jury found Simpson liable for the wrongful death of Ron Goldman, as well as battery against Nicole Brown.” *Id.* at 352–53.

¹⁷² *Id.* at 353.

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award.¹⁷³ Goldman petitioned a Los Angeles court asking for assignment of Simpson's publicity right as satisfaction of part of the judgment¹⁷⁴—a novel legal theory conceived of by Goldman's attorney.¹⁷⁵ He argued that if publicity rights were a person's property, then Simpson's publicity right could be transferred to Goldman's family to satisfy the judgment.¹⁷⁶ Ultimately, however, the judge rejected Goldman's argument and the case was dismissed.¹⁷⁷ Simpson's attorney praised the dismissal, noting that "[t]here has never been a case in the U.S. where a judge has involuntarily taken somebody's identity rights If she did, the Goldmans would be able to speak on behalf of O.J. Simpson. They'd be able to use his image without his approval."¹⁷⁸ As the Simpson court understood, when balancing the benefits of characterizing publicity as fully assignable property against the protections of publicity as a personal inalienable right, courts should be wary of extending the property analogy to allow involuntary assignment of one's right of publicity.

Even voluntary transfers of publicity rights can pose a heavy burden upon the assignor. Once a party voluntarily assigns its publicity right, the assignor can lose significant control over a part of his identity and reputation. However, McCarthy's treatise claims that "the fear that a person is losing control over his own identity is not realistic."¹⁷⁹ It also asserts that a person who fully assigns his publicity rights to a spouse or "trusted associate" is protected because "the assignor in effect creates a trust relationship which should be honored by the courts."¹⁸⁰ But what about the protections for arm's length transactions, where no trust relationships exist? In these transactions, especially in competitive industries, full assignments can pose significant harms to the assignor.

The public controversy between the artist formerly known as "Prince" and Warner Brothers illustrates such harm. Prince signed a deal with Warner Brothers which transferred certain legal rights to his birth name, "Prince," to Warner Brothers;¹⁸¹ but over time, Prince

¹⁷³ *Id.*

¹⁷⁴ *Id.*

¹⁷⁵ *Id.*

¹⁷⁶ *Id.*

¹⁷⁷ Los Angeles County Superior Court Judge Linda Lefkowitz rejected Goldman's position: "Mr. Simpson has, in fact, exploited his fame by such ghoulish activities as appearing at a 'slasher' convention which exhibited videos and other forms of communication glorifying acts of violence not dissimilar from those which caused the death of plaintiff's son But to base transfer of the right of publicity . . . raises substantial procedural—if not constitutional issues—involving due process rights." *O.J. Simpson Retains Rights to His Image*, FOXNEWS.COM (Nov. 2, 2006), <http://www.foxnews.com/story/0,2933,227197,00.html>.

¹⁷⁸ *Id.*

¹⁷⁹ MCCARTHY, RIGHTS OF PUBLICITY AND PRIVACY, *supra* note 107, § 10:14.

¹⁸⁰ *Id.*

¹⁸¹ Prince's birth name is Prince Rogers Nelson. *Biography for Prince*, IMDB.COM, <http://www.imdb.com/name/nm0002239/bio> (last visited May 29, 2013).

became dissatisfied with the way the company controlled his name and image.¹⁸² The dispute turned public when Prince started performing at concerts with the word “slave” written on his face. In order to take back control of his music and public identity, Prince chose to produce music under a symbol, and not the name “Prince” that he had originally used when signing with Warner.¹⁸³ One Warner Brothers executive said, “[T]hey did not want anymore Prince albums,” and “if he was going by [the symbol], they wanted [the symbol’s] new work.”¹⁸⁴ But Prince merely replied, “You didn’t sign him.”¹⁸⁵ Prince’s decision to reject his publically recognized and birth name for an unpronounceable symbol led to poor record sales, public mockery, and ridicule by the media.¹⁸⁶ It was a time that Prince later called “the worst period of [his] life” that made him “physically ill.”¹⁸⁷ The Prince controversy illustrates the potential for an assignor to suffer a detrimental loss of control over his own identity when voluntarily transferring publicity rights to an unrelated party.

Permanent assignment of a personal name as both a publicity right and a trademark right poses several key public policy concerns that harm both the name-source and consumers: first, it harms the name-source’s ability to develop his own identity and reputation; second, it withholds essential descriptive information about particular products or services from the public;¹⁸⁸ and third, it may lead to false advertising issues.

A. *Protecting the Name-Source*

Free alienability of publicity rights unquestionably benefits the assignee, but it is not as clear whether it adequately serves the best non-economic interests of the assignor.¹⁸⁹ A permanent and broad, arm’s length assignment of publicity rights may pose a significant loss to the

¹⁸² “Unhappy with his last contract with Warner Brothers (primarily because the label wanted to restrict his productivity), he branded himself a ‘slave’ and released relatively weak music just to get out of the contract. He proudly called his first album after leaving the label—a three-CD set—‘Emancipation.’” Neil Strauss, *A Prolific Recording Artist Tries to Remake the Music Business Through the Internet*, N.Y. TIMES (Aug. 4, 1997), <http://www.nytimes.com/1997/08/04/business/prolific-recording-artist-tries-remake-music-business-through-internet.html>.

¹⁸³ Ronin Ro, *A Prince by Any Other Name*, VANITYFAIR.COM (Oct. 19, 2011), <http://www.vanityfair.com/hollywood/features/2011/10/prince-bio-201110>.

¹⁸⁴ *Id.*

¹⁸⁵ *Id.*

¹⁸⁶ *Id.*

¹⁸⁷ *Id.*

¹⁸⁸ If a person contracts away the commercial use of his name, he may no longer use his name descriptively in advertisements or marketing to inform the public that he is related or somehow affiliated with the goods or services carrying his name. See *Abboud*, 591 F. Supp.2d at 327 (where the court prohibited a designer from asserting a descriptive fair use defense to use his name in advertisements after it (erroneously) determined that the designer exclusively assigned non-trademark commercial use of his name).

¹⁸⁹ See Rothman, *supra* note 27, at 187.

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assignor.¹⁹⁰ There is a pending high-profile class action suit brought by former collegiate athletes against the National Collegiate Athletic Association (“NCAA”) that illustrate the problems associated with broad assignments of publicity rights.¹⁹¹ The NCAA licensed the use of players’ names, images, and likenesses in the context of the NCAA to several other organizations.¹⁹² The NCAA alleges it has the right to enter into these license agreements because the student athletes had signed initial waivers before permitted to play for the NCAA, which included broad releases of their publicity rights.¹⁹³ Frustrated student athletes challenged these initial waivers after the NCAA licensed their identities for profit without compensating the athletes.¹⁹⁴

In 2009, former college basketball player, Edward O’Bannon, filed suit against the NCAA and the Collegiate Licensing Company (“CLC”), alleging they conspired to exclude him and other student athletes from participating in the collegiate license market—the licensing in video games, t-shirts, and other goods.¹⁹⁵ He claimed that “because NCAA has rights to images of him from his collegiate career, it, along with its co-conspirators, fix the price for the use of his image at ‘zero.’”¹⁹⁶ The United States District Court for the Northern District of California found that O’bannon had sufficiently asserted an unreasonable restraints of trade claim against the NCAA—as the agreements between the NCAA and other organizations regarding the use of the student athlete’s images demonstrated anti-competitive effects—and dismissed the NCAA’s and CLC’s motion to dismiss.¹⁹⁷ According to one commenter, such broad waivers, as the ones challenged in the pending NCAA cases, “could significantly limit the future professional opportunities of the athletes and constrain their ability to develop and

¹⁹⁰ See generally *id.*

¹⁹¹ In re Student–Athlete Name & Likeness Litig., 763 F. Supp. 2d 1379, 1379 (J.P.M.L. 2011); O’Bannon v. Nat’l Coll. Athletic Ass’n, C 09-1967 CW, 2010 WL 445190 (N.D. Cal. Feb. 8, 2010).

¹⁹² O’Bannon, 2010 WL 445190.

¹⁹³ NCAA Form 08–3a requires student athletes each year to sign this waiver, a process which O’Bannon describes as the following: “You authorize the NCAA [or a third party acting on behalf of the NCAA (e.g., host institution, conference, local organizing committee)] to use your name or picture to generally promote NCAA championships or other NCAA events, activities or programs.” *Id.* (citation omitted). Furthermore, O’Bannon alleged that the form forced students to “relinquish all rights in perpetuity to the commercial use of their images, including after they graduate and are no longer subject to NCAA regulations.” *Id.* (citation omitted).

¹⁹⁴ See *id.* at *3.

¹⁹⁵ “[Plaintiffs] plead that Defendants violated section 1 of the Sherman Act by agreeing to fix prices [at zero] and to engage in a group boycott, both of which constitute unreasonable restraints of trade.” *Id.* at *2.

¹⁹⁶ *Id.*

¹⁹⁷ O’Bannon, 2010 WL 445190 at *5 (The court found that the plaintiffs sufficiently demonstrated significant anti-competitive effects, as he and other student athletes were excluded from the collegiate licensing market, and that the NCAA’s conduct “decrease[d] the number of licenses available on the market.”).

direct their own identities.”¹⁹⁸ If it is determined that the NCAA has a valid assignment in gross of the student athlete’s publicity rights, they could in theory assert their right to prevent the players from using their identities in their professional careers.¹⁹⁹

Similar concerns are raised in the context of the fashion industry, where investors may entice start-up designers to sign broad contracts to transfer trademark and publicity rights of their name.²⁰⁰ Well-established designers may have equal bargaining power with such investors. But as for unsophisticated start-up designers, they may be limited in their legal recourse after entering into an agreement; the contract could possibly be void under the doctrine of unconscionability, or it could constitute an invalid restraint on competition.²⁰¹ McCarthy recognizes that there already exist “traditional legal and equitable doctrines [such] as fraud, mistake, undue influence, duress or changed circumstances,” that are in place “to guard against an unfair or inequitable transfer.”²⁰² Furthermore, “[t]he courts have long experience in preventing, unwinding, or modifying pressured transfers of property.”²⁰³ But because these equitable doctrines may apply only in limited circumstances, they are not particularly foolproof safeguards for unsophisticated designers or other entrepreneurs.²⁰⁴

¹⁹⁸ *Id.*

¹⁹⁹ *Id.* at 188 n.14 (“If the NCAA were to own the players’ publicity rights, then it could prevent those players from joining the National Football League (NFL)—which requires players to license, waive, or sometimes assign their publicity rights, at least for purposes of promotion and telecasts. The NCAA could also block the players from making endorsements or appearing in commercials, posters, or other merchandizing. The NCAA could do this as a publicity-holder because it would have the right to prevent anyone—even the identity-holder—from using the athlete’s identity without its permission.”).

²⁰⁰ See Lustig, *supra* note 1 (the Sigerson Morrison controversy). The Sigerson Morrison controversy illustrates the vulnerability of start-up fashion designers, and also the understanding that fashion is a business and therefore designers should use legal counsel or be held to the standard of sophisticated parties.

“It is definitely a cautionary tale,” said Valerie Steele, the fashion historian and director of the Museum at the Fashion Institute of Technology in New York. “You kind of think: ‘Gosh, didn’t you have a better lawyer? How did you sign that?’ Not just in this specific case, but in general. The problem is that most designers are creative types. They don’t have any training in finance But fashion is not only a creative field,” she added, “it’s also a business.”

Id.

²⁰¹ There are limitations to the freedom of contract doctrine. “[C]ourts of equity have often refused to enforce some agreements when, in their sound discretion, the agreements have been deemed unconscionable.” LORD, *supra* note 17, § 18:1. See Michelle L. Evans, *Enforceability of Covenant Not to Compete*, 104 AMERICAN JURISPRUDENCE PROOF OF FACTS 393 (3d ed. 2008).

²⁰² MCCARTHY, RIGHTS OF PUBLICITY AND PRIVACY, *supra* note 107, § 10:14.

²⁰³ *Id.*

²⁰⁴ For the contract to be void as unconscionable, the designer typically must show there was an “absence of meaningful choice on the part of one of the parties together with contract terms which are unreasonably favorable to the other party.” *Williams v. Walker-Thomas Furniture Co.*, 350 F.2d 445, 449 (D.C. Cir. 1965). Also, to void an agreement for being an invalid restraint on competition, courts could find that the designer can still design or manufacture in the fashion industry under a pseudonym, and is thus not prohibited from competing.

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Under a conservative view of the freedom of contract doctrine, protecting the name-source is of minimal concern, if any.²⁰⁵ As the argument goes, parties are free to enter into voluntary contracts, and the start-up fashion designer willfully chose to fully assign her name for valuable consideration. Therefore, if she regrets the terms of the agreement she signed, her loss is merely a bargained-for exchange, pursuant to which she was compensated for the loss of her name with money (or other valuable consideration).²⁰⁶ Freedom of contract advocates would say that it was her own folly that she signed a broad contract without considering any potentially negative future consequences. If the agreement prevented the designer from competing in the fashion industry for an unreasonable time, the contract could be voided as a non-compete agreement in certain jurisdictions.²⁰⁷ And as a counterargument to the designer's claim that the transfer of a personal name is an invalid restraint on competition, under such an agreement the designer still has the ability to carry on her trade under a pseudonym and therefore, can still technically compete in the industry.

If a designer assigns her publicity right to an unrelated party, part of the designer's identity would be in the unfettered control of the unrelated assignee, who may use her name in ways she would have never consented to.²⁰⁸ In effect, her identity may be split in two: one side representing the product of her actual identity and creative personality; the other, the public persona created and controlled by the assignee using her identity. One legal critic refers to this effect as "the celebrity personality as a duality of selves."²⁰⁹ The "celebrity duality of selves" refers to the dichotomous "public identity that the audience perceives and a private veridical self that is the physical human individual."²¹⁰ A celebrity does not have to alienate his publicity rights to have both a private veridical self and a public persona. But full

²⁰⁵ Under the freedom of contract doctrine, parties may contract to transfer rights for valuable consideration "absent an invalidating cause such as mistake, fraud, or duress, parties who make a contract are bound to it even though the contract may be unwise and even foolish." LORD, *supra* note 17, § 18:1.

²⁰⁶ *Id.*

²⁰⁷ Many states have enacted statutes that entirely void non-compete agreements or limit their scope. Evans, *supra* note 201. However, in jurisdictions that permit them, the general rule is that the restraint must be reasonable, and certain jurisdictions assess reasonableness in terms of time and geographical limitation. See LORD, *supra* note 17, §13:4 ("It is now uniformly agreed that in order to be valid, a promise imposing a restraint in trade or occupation must be reasonable [I]f, at the time of the sale of a business, a covenant not to compete is no broader than is necessary for the protection of the buyer and does not tend to create a monopoly, it will generally be held to be valid.").

²⁰⁸ If the *Abboud* district court's initial finding that the designer unambiguously transferred more than trademark use of his personal name to JA Apparel had been affirmed, the designer's name would consequentially have been in the complete and unfettered control of his competitor when used in commerce. *Abboud*, 591 F. Supp.2d 306.

²⁰⁹ Tan, *supra* note 110, at 950.

²¹⁰ *Id.*

assignment of certain publicity rights exacerbates the issue by allowing another entity to control certain aspects of the celebrity's identity. No matter how much money may be offered, it is impossible for a person to wholly transfer his actual private veridical identity because one's ideas and reputation are products of one's inalienable self. While in theory there may be a commercial value to the transfer of a name,²¹¹ the value is inherently connected to a person and therefore should not be completely and permanently alienated to unrelated parties.

B. *Protecting the Consuming Public*

When considering the merit of permanently assigned publicity and personal name trademark rights, the costs to the parties of the transaction and the harm to the consuming public are weighty concerns.²¹² The public has an interest "both in being free from confusion and deception and in having accurate information about the products they may purchase."²¹³ Consumers have an interest in cases like *Abboud*, where they rely on the designer's name in advertisements to inform them about who designed the goods.

In certain industries, as in fashion, the identity of a designer may be just as important to the consumer's purchasing decision as the company that produces a given good; therefore, the use of a name as a descriptor (communicating the identity of the individual), rather than as a trademark, is very useful for consumers. For example, use of a designer's name in advertisements and promotions may help place a particular value on her product.²¹⁴ If a consumer buys a good because of a perceived association with a designer, he may pay a higher price than without the association. Similarly, consumers are also at a loss if the designer's name cannot be used in advertisements and promotions. A descriptive name could affect consumers' purchasing decisions and how much they are willing to pay for goods. They are also prevented from critical information about the quality and value of the goods.²¹⁵

²¹¹ Halpern, *supra* note 139, at 1242 ("The phenomenon of celebrity generates commercial value. A celebrity's persona confers an associative value, or economic impact, upon the marketability of a product. Whether we like commercialization of personality or not, the economic reality persists.")

²¹² Anne Gilson LaLonde, *LaLonde on Use of Personal Name After Selling Related Trademark Rights*, 2009 Emerging Issues 4333 (LEXIS, 2009).

²¹³ *Id.*

²¹⁴ As a general principle, a designer's name on stationary paper may increase consumers' desire for and consumption of stationary. *Trend Watch: Name Designers Increase Consumers [sic] Love of Stationery*, PRWEB (Sep. 23, 2009), <http://www.prweb.com/releases/2009/09/prweb2914554.htm> ("The trend of household name designers (Vera Bradley, Lilly Pulitzer, Kate Spade, Martha Stewart, Vera Wang) joining the stationery world has increased consumer love of paper. The overall appeal of browsing and shopping a paper store is enhanced when consumers instantly recognize certain paper styles as being from favorite name designers.")

²¹⁵ See Judith Lynne Zaichkowsky & Padma Vipat, *Inferences From Brand Names*, in 1 EUROPEAN ADVANCES IN CONSUMER RESEARCH 534 (W. Fred Van Raaij and Gary J. Bamossy,

III. LIMITING THE ALIENABILITY OF PUBLICITY RIGHTS: A “PARTIAL ALIENABILITY” THEORY

In light of the above policy considerations, the right of publicity should not be considered a freely and fully alienable property right.²¹⁶ Rather, contract law should prohibit the full assignment of publicity rights in arm’s length transactions. As a solution, this Note proposes a “partial alienability” theory of publicity rights. Under this theory, the name-source can fully alienate publicity rights to trusted entities or entities controlled by the name-source, an idea supported by McCarthy’s treatise on the subject.²¹⁷ The author’s note of McCarthy’s treatise on publicity rights discusses how in cases where persons assign publicity rights to wholly or partly-owned companies, “[t]he assignor has an obvious personal and commercial self-interest in some degree of continuing scrutiny over the activities of the assignee.”²¹⁸ Or if the assignee is a trusted entity or a spouse, “the assignor in effect creates a trust relationship which should be honored by the courts.”²¹⁹ In these scenarios, “the assignor will retain some legal or equitable interest in the activities of the assignee.”²²⁰ These points support the idea that the partial-alienability theory should only apply to purely arm’s length transactions and not where the assignee is a trusted entity.

In arm’s length transactions, a person should only be permitted to partially alienate his publicity right for a limited time and under particular conditions, expressly laid out before the transfer. A person could grant a non-exclusive license to use a name as a publicity right, and still retain rights to use his name as carved out in the agreement. Under this theory, the name-source can still also exclusively assign the commercial use of his name, so long as the assignment is limited to a commercially reasonable duration, after which the right would revert

eds., 1993) available at <http://www.acrwebsite.org/search/view-conference-proceedings.aspx?Id=11631> (explaining the results of a study showing that “[b]rands with descriptive names were consistently rated as higher quality, more effective, more positive and more likely to purchase than brands with non-descriptive names for low involvement products”). Zaichkowsky’s and Vipat’s study illustrates how descriptive marks shape consumers’ decisions about the quality and their willingness to pay a higher price for the goods. “[C]onsumers may use brand names to infer many aspects about the brand regardless of whether or not they have ever used the brand of product.” *Id.* Although the study relates to trademarks (brand names), it focuses on the descriptive use of the trademarks, which is different than its trademark function, and therefore can be helpful when assessing the importance of descriptive non-trademark words in advertisements such as personal names. Consumers may rely on descriptive words other than marks in advertisements to help them make decisions about advertised products. Therefore, if a person is unable to use his name as a description, consumers are at a loss of critical information that could affect their purchasing decisions. *See id.*

²¹⁶ For support of the argument against the alienability of publicity rights, see Rothman, *supra* note 27.

²¹⁷ *See* MCCARTHY, RIGHTS OF PUBLICITY AND PRIVACY, *supra* note 107, § 10:14.

²¹⁸ *Id.*

²¹⁹ *Id.*

²²⁰ *Id.*

back to the name-source. The reasons for the partial alienability of publicity rights are threefold: first, to protect the name-source's right to develop his identity; second, to protect the consumer from deception; and third, to maximize the consumer's access to information.

A. How the Partial Alienability Theory Protects the Name-Source

The partial alienability theory better serves the interests of both the name-source and the publicity rights purchaser. The purchaser benefits because he can maintain the exclusive rights of the name-source, for a specific time duration and under predetermined conditions as set out in the agreement. Simultaneously, the name-source would be protected because the purchaser would have to comply with the use conditions set out by the name-source. If the name-source carefully drafts the agreement, he can provide measures to ensure that the purchaser will use his name in a manner consistent with the name-source's current and future preferences. If the parties wish to renew the agreement, they are free to negotiate a renewal. Also, the name-source can regain the commercial use of his name at some point in time as agreed upon because it cannot be perpetually assigned under this theory. Furthermore, a "partial alienability" theory will force parties to think critically about the length of time for which they assign or use the name, because under it, a permanent assignment would be void.

B. How the Partial Alienability Theory Protects the Consumer

If the descriptive use of a name serves an important function to consumers, contract law should not permanently constrain their access to that information. Suppose the Second Circuit on appeal had affirmed the district court's initial finding in *Abboud*, that the designer had assigned complete interest in the commercial use of his name to his competitor, JA Apparel.²²¹ *Abboud* would have been contractually prevented from asserting a fair use defense to use his name descriptively in advertisements.²²² If his publicity right had been fully assigned, the consumer would have been prevented from learning about a key aspect of his goods—that the award-winning fashion designer designed the goods for the new "jaz" line. Even though *Abboud* could have still used a different name in his advertisements and continued to describe himself as an "award-winning designer," it would be nearly impossible and extremely inefficient for *Abboud* to describe himself without using the name by which consumers recognize him.²²³ The district court on remand agreed that *Abboud*'s use of his name in certain advertisements

²²¹ *Abboud*, 591 F. Supp.2d at 326.

²²² *Id.* at 327.

²²³ *Abboud*, 682 F. Supp. 2d. at 313.

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constituted “the only ‘reasonably available means’ by which he can inform his potential customers that he is the designer of the ‘jaz’ line.”²²⁴ Trademark law seeks to promote economic efficiency and convenient access to information for consumers.²²⁵ These principles should be extended to non-trademark, descriptive use of a name, as a name would help inform consumers about an important aspect of the goods.²²⁶

Under a partially alienable right of publicity, the name-source could license his alienable rights to the licensee while still retaining certain rights to use his name in commerce. A person can also still exclusively assign his name under a partial alienability theory, so long as it is for a limited time. One might analogize to non-compete agreements in support of this time limitation for the assignment of publicity rights: the permanent restriction on use of a name (i.e., permanent and exclusive assignment of a personal name) nearly precludes a person from competing in a given industry. A person’s name serves important trademark and non-trademark functions in certain industries, as it most efficiently communicates a personal reputation.²²⁷ If Michael Kors permanently assigned exclusive trademark and publicity rights to his name, and thereafter wished to start a new company, he would be prevented from using his name in advertisements and promotions and would have to promote his new company anonymously or under a pseudonym. This constraint may have a stifling impact on his ability to compete in the fashion industry if consumers failed to recognize his association with the post-assignment pseudonym. Therefore, just as it is acceptable to prevent a person from competing in the market for a reasonable time in non-compete agreements, the same rationales may also apply under assignments of certain publicity rights.

A partial alienability theory would also protect consumers from deceptive advertising.²²⁸ Under a full alienability rights theory, the

²²⁴ *Id.* (citation omitted).

²²⁵ William M. Landes & Richard A. Posner, *Trademark Law: An Economic Perspective*, 30 J.L. & ECON. 265, 266 (1987) (“[T]rademark law . . . can best be explained on the hypothesis that the law is trying to promote economic efficiency.”).

²²⁶ See MCCARTHY ON TRADEMARKS, *supra* note 24, § 13:3 (“A personal name is like a descriptive term in that it is not inherently distinctive because it merely describes some attribute of the product (the name of a person who is involved in the business) and does not pinpoint one source of all the goods or services that are equally described by the mark. In addition, no one seller should have the right to prevent others from using a descriptive term to honestly describe their goods or services by telling the name of a person involved.”).

²²⁷ See *supra*, note 216.

²²⁸ MCCARTHY, RIGHTS OF PUBLICITY AND PRIVACY, *supra* note 107, § 5:31 (“For many years, products have been advertised through the use of celebrity endorsements. Empirical studies have shown that consumers identify with certain celebrities and change their perceptions of the endorsed product. Thus, a message of false endorsement can result in real confusion and deception and cause actual damage.”).

assignor may object to the assignee's non-trademark use of his name; but if it has been permanently assigned, the name-source virtually gave up all control of his given name in the context of the use.²²⁹ The assignee could use the person's publicity rights in a way that would make the consuming public believe that the name-source is somehow still affiliated with the goods.²³⁰ Relating back to the "duality of selves" phenomenon as a consequence of full alienability, consumers may be deceived if the assignee uses the assignor's name in a way that consumers would believe the assignor is affiliated the goods, when in reality, the assignor would have never endorsed such use.²³¹ To prevent this situation, the partial alienability theory would only allow for an assignee to use the assignor's name only with his consent or according to the conditions previously laid out, for a specific duration of time, thereby ensuring the consumers there is some relation or real endorsement by the named person. So even if the assignor changes his mind about how his name is used, but such use is still permitted in the agreement, the assignor is not at a complete loss because he will regain control of his name at a certain point since it cannot be perpetually assigned under this theory.

C. Why Personal Names Should Be Fully Assignable as Trademarks but Not as Publicity Rights

The full alienability theory seems appropriate for certain trademark rights where the personal name relates to a business, but it seems less persuasive and less appropriate where it is in relation to and its value originates from an individual's identity.²³² When only a personal name trademark is permanently and exclusively assigned, the harms to the name-source and consumers that were discussed above are virtually

²²⁹ See the false advertisement claims in the *Joseph Abboud* controversy *infra*, note 230 and the Prince and Warner Brothers dispute, discussed *supra* Part II. See also Strauss, *supra* note 182.

²³⁰ See Abboud's counterclaims in the *Joseph Abboud* controversy. *Abboud*, 591 F. Supp.2d at 345 ("Defendants assert counterclaims against JA Apparel and Staff for false endorsement, false advertising, violation of New York civil rights and general business laws, and common law unfair competition, stemming from activities in which JA Apparel and Staff engaged subsequent to the execution of both the Purchase and Sale Agreement and Side Agreement. Essentially, Defendants contend that Plaintiff exploited the name and reputation of Joseph Abboud the individual by using, in connection with its products under the 'Joseph Abboud' and 'JOE' labels, promotional and advertising campaigns with slogans such as 'Hey Joseph, What Should I Wear?' 'Do You Know Joe?' and 'Ask Joseph Abboud.' Under all five Counterclaims, Defendants seek the same damages—\$37.5 million—which they contend equates to a 10% royalty on Plaintiff's wholesale sales from July, 2005 until the present.").

²³¹ Tan, *supra* note 110, at 953 ("The public personality of the celebrity connotes certain encoded values/traits—e.g. glamour (for movie stars) and excellence (for sport icons)—and the consumption of products associated with the celebrities reflect a desire to possess these values/traits.").

²³² "In a way, celebrity endorsements can function in much the same manner as trademarks do to communicate information about products, but it does not mean that the celebrity identity should be considered a trademark for the purposes of its protection." *Id.* at 953–54.

nonexistent, because when a personal name trademark acquires secondary meaning, the consumer associates the name with the faceless source of the goods.²³³ Therefore, any negative ideas associated with the trademark likely will be reflected upon the producer, not specifically upon the name-source. However, when dealing with the right of publicity, the personal name serves to identify and associate with the actual individual person and his character.²³⁴ Therefore, it is more likely that consumers would associate negative ideas with the individual when dealing with publicity rights as opposed to dealing with trademark rights to a name.

Even if the public does attribute negative qualities of the trademarked goods or services to the name-source as an individual, if the name-source only conveyed to a person or entity trademark rights to his name, but retained his publicity rights, he can take action under his publicity right to counteract any negative associations and attempt to publicly portray himself in a positive light. The consumer's right to information is also protected if a trademark is permanently assigned, because trademark law would permit the transferor to use a name descriptively if it conforms to the requirements established under a descriptive fair use defense.²³⁵ Therefore, when dealing with the sale of a personal name trademark, both the consumer and the name-source are protected.

However, these protective mechanisms inherent in trademark law do not exist under contract law.²³⁶ Once non-trademark use of a name is permanently assigned, a person may be contractually prevented from using his name in advertisements, even descriptively.²³⁷ After assigning the commercial use of a personal name, the name-source is at a loss because he is prevented from using his name descriptively to develop his reputation with the consumer through promotions and

²³³ When a mark has acquired secondary meaning, "the public has come to recognize the personal name as a symbol that identifies and distinguishes the goods or services of only one seller." MCCARTHY ON TRADEMARKS, *supra* note 24, § 13:2.

²³⁴ MCCARTHY ON TRADEMARKS, *supra* note 24, § 28:8 ("[T]he 'persona' protected by right of publicity law identifies one human being.").

²³⁵ MCCARTHY ON TRADEMARKS, *supra* note 24, § 13:10 ("If a seller of a personal name trademark did not contractually agree not to use his name in any commercial manner at all, then he may be permitted to use his name in a non-trademark, non-confusing way as a 'classic fair use' permitted under the Lanham Act.").

²³⁶ There has been no statutory incorporation of a fair use defense into the right of publicity. Tina J. Ham, *The Right of Publicity: Finding a Balance in the Fair Use Doctrine*—Hoffman v. Capital Cities/ABC, Inc., 36 U.C. DAVIS L. REV. 543, 565 (2003). However, some courts have attempted to create a fair use doctrine, importing from copyright law judicially-created limits on the enforcement of the right. See *Comedy III Prods., Inc. v. Gary Saderup, Inc.*, 25 Cal. 4th 387, 404 (Cal. 2001) ("[T]he first [copyright] fair use factor—the purpose and character of the use' (17 U.S.C. § 107(1))—does seem particularly pertinent to the task of reconciling the rights of free expression and publicity.").

²³⁷ See *Abboud*, 591 F. Supp.2d at 327.

advertisements.²³⁸ And the consumer is worse off because the sale prevents the consumer from discovering the name-source's affiliation with the goods bearing the trademark name.²³⁹

CONCLUSION

In light of the aforementioned policy concerns, the assignment of publicity rights should be limited. As a solution, a partial alienability theory of publicity rights would allow an assignor to retain a level of control over his identity, and also protect consumers' right to information. While there remains no sacred right to use one's name in commerce, the law should impose limits on the extent to which one can alienate their name. Publicity rights are inherently connected to an individual, and therefore certain legal rights to one's identity should remain with that individual. While a rose by any other name may still smell as sweet, would—in today's logo-obsessed fashion culture—a nameless bag without a mark or description affiliating it with its well-known designer be just as sweet?

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²³⁸ *See id.*

²³⁹ MCCARTHY ON TRADEMARKS, *supra* note 24, § 11:45 (“The policies of free competition and free use of language dictate that trademark law cannot forbid the commercial use of terms in their descriptive sense: The principle is of great importance because it protects the right of society at large to use words or images in their primary descriptive sense, as against the claims of a trademark owner to exclusivity.”).

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