

## **The Naked Cowboy and his IP**

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The Naked Cowboy (a/k/a Robert Burck) has become a New York icon, having become well-known for his antics as a street entertainer who performs in New York City's Times Square wearing only a white cowboy hat, cowboy boots and underpants, and carrying a strategically placed guitar to give the illusion of nudity. Burck owns registered U.S. trademarks in both the Naked Cowboy name and likeness.

Burck recently made trademark law in a battle with Mars, Inc. over a blue M&M. In *Burck v. Mars, Inc.*, 2008 WL 2485524 (S.D.N.Y. June 23, 2008), the court recognized Burck's trademark rights in the name and likeness of "The Naked Cowboy", while also allowing Mars to raise a defense of parody even though the parody was being used in part for advertising purposes.

Burck's lawsuit was prompted when Mars began running an animated cartoon advertisement starting in April 2007 on two oversized video billboards in Times Square, featuring a blue M&M candy dressed "exactly like The Naked Cowboy, wearing only a white cowboy hat, cowboy boots, and underpants, and carrying a guitar" (the "Blue M&M"). In its decision, the court illustrated these facts by depicting side-by-side pictures of The Naked Cowboy and The Blue M&M, dubbing it "the case of The Naked Cowboy versus The Blue M&M". Mars also had displayed a mural in its M&M World store located in Times Square, which was an animated snapshot of the heart of Times Square, depicting familiar landmarks altered to incorporate the M&M logo or candy themes and populated by M&M characters, including a yellow M&M wearing The Naked Cowboy's signature costume.

On February 11, 2008, Burck sued Mars and Chute Gerdeman, Inc., the advertising and design agency retained by Mars to create the blue M&M video, for compensatory and punitive damages, asserting violations of New York's right to publicity laws and trademark infringement under federal law by defendants' use of his likeness, persona and image for commercial purposes without Burck's written permission and by falsely suggesting that he endorsed M&M candy. Mars answered, asserting twelve affirmative defenses which included fair use, the First Amendment and parody.

Chute moved to dismiss the complaint pursuant to Rule 12(b)(6) of the Federal Rules of Civil Procedure; Mars moved for judgment on the pleadings pursuant to Rule 12(c) of the Federal Rules of Civil Procedure; and Burck moved to strike certain of Mars' affirmative defenses. In ruling on the motions, the court dismissed Burck's right to privacy claim (which had been denominated as a right of publicity claim), holding that the New York statute protects the

name, portrait, or picture of a "living person", not a character created or a role performed by a living person. (*See N.Y. Civil Rights Law §§ 50 and 51*).

In order to maintain a valid right to privacy claim, Burck had to show that defendants (1) used his name, portrait, or voice, (2) for advertising or trade purposes, (3) without his written consent. *Burck, 2008 WL 2485524 at \*3*. It was undisputed that defendants had not invoked Burck's name or that of his character "The Naked Cowboy". While Mars and Chute conceded that the video and mural were used, at least in part, for commercial purposes without Burck's permission, written or otherwise, the court's ruling turned on whether defendants had used Burck's "portrait" or "picture". The court recognized that there has been much litigation over what constitutes a person's "portrait" or "picture" for purposes of Civil Rights Law §§ 50 and 51 and that it is settled that "any recognizable likeness, not just an actual photograph, may qualify as a 'portrait or picture'". *Burck, 2008 WL 2485524 at \*4, citing Allen v. Nat'l Video, Inc., 610 F. Supp. 612, 622 (S.D.N.Y. 1985)*. The court concluded that the M&M Cowboy characters were not portraits or pictures of Burck and no viewer would have thought that the M&M Cowboy characters were actually Burck or intended to be him, even though defendants had invoked certain aspects of the character created by Burck and copied The Naked Cowboy's costume. Merely invoking certain aspects of another's character or role does not violate Sections 50 and 51. *Burck, 2008 WL 2485524 at \*5 (citations omitted)*. Regardless, in dismissing Burck's claim, the court stated that the plain language of the Civil Rights Law makes it clear that the statutory right to privacy does not extend to fictitious characters adopted or created by celebrities but, rather, Section 51 expressly protects "any person" and Section 50 limits the statutory protection to "any living person". *Id.* The Naked Cowboy is not a living person, but a character Burck takes on when performing, and the privacy statutes were not intended to protect a trademarked, costumed character publicly performed by a person, thus warranting dismissal of Burck's right to privacy claim.

Although Burck's right to privacy claim was dismissed, Burck was successful in overcoming Mars' and Chute's attempt to dismiss his false endorsement claim under the Lanham Act, as the court determined that Burck had plausibly alleged that consumers seeing defendants' advertisements would conclude -- incorrectly -- that Burck endorsed M&M candy.

Section 43(a) of the Lanham Act creates liability for "[a]ny person who, on or in connection with any goods or services, . . . uses in commerce . . . false or misleading representation of fact, which is likely to cause confusion . . . as to the origin, sponsorship, or approval of his or her goods, services, or commercial activities by another person." 15 U.S.C. § 1125(a)(1). The court recognized that this provision of the Lanham Act "is an appropriate vehicle for the assertion of claims of falsely implying the endorsement of a product or service by a real person." *Burck, 2008 WL 2485524 at \*7, citing Albert v. Apex Fitness, Inc., No. 97 Civ. 1151 (LAK), 1997 WL 323899, at \*1 (S.D.N.Y. June 13, 1997)(quoting J. Thomas McCarthy, McCarthy on Trademarks and Unfair Competition § 28:15 (4th ed. 1996))*.

The elements of a false endorsement claim under the Lanham Act are that the defendant, (1) in commerce, (2) made a false or misleading representation of fact, (3) in connection with goods or services (4) that is likely to cause consumer confusion as to the origin, sponsorship or approval of the goods or services. *Id. (citations omitted)*.

Mars and Chute did not dispute that Burck had alleged the first three elements of a false endorsement claim. Instead, they argued that the allegations in the complaint failed to establish the fourth prong because the video and mural were merely parodies of The Naked Cowboy and no one would confuse these parodies for an endorsement. They further argued that even if there was a likelihood of confusion despite the creative and humorous nature of the video and mural, parodies are protected as fair use under the First Amendment.

The court noted that parody has been defined by the Supreme Court as "the use of some elements of a prior author's composition to create a new one that, at least in part, comments on that author's works." *Burck, 2008 WL 2485524 at \*7*. "That a trademark is being parodied may be 'clear enough to result in no confusion under the statutory likelihood of confusion analysis.'" *Id. (citation omitted)*. However, even if a parody is not so obvious to negate any likelihood of confusion, it may still be raised as an affirmative defense of fair use. The court recognized that the First Amendment protects parodies because they are valid forms of artistic expression and criticism. "Whether the parody defense is used in the likelihood of confusion analysis or as an affirmative defense, the end result is the same if the defendant successfully asserts it: the plaintiff may not recover for the defendant's use of his trademark." *Burck, 2008 WL 2485524 at \*8*.

The court determined that whether or not the M&M Cowboy characters were parodies of The Naked Cowboy raised factual questions that were not for the court to decide at this stage of the litigation. On a motion to dismiss, the court must accept the factual allegations in the complaint and may only consider whether the pleading plausibly states a claim for relief. Based thereon, the court concluded that Burck's complaint plausibly argued that consumers would believe that the M&M Cowboy characters were promoting a product rather than merely parodying The Naked Cowboy, and that viewers would believe that The Naked Cowboy had endorsed M&Ms. For this reason, the court ruled that Burck's complaint had alleged sufficient facts to support a false endorsement claim and denied defendants' motion to dismiss Burck's trademark infringement claim.

The court did, however, deny Burck's motion to strike Mars' affirmative defense of parody, holding that "because a parody may be of a hybrid nature, combining artistic expression and commercial promotion, it is valid to plead a parody defense even where the parody is used in part for advertising purposes." *Burck, 2008 WL 2485524 at \*10*.

The case of The Naked Cowboy versus the Blue M&M thus continues.