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Trademark Dilution and Free Speech: Unpacking the Anti-Dilution Fault Line in U.S. Trademark Law

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Abstract. The U.S. Supreme Court's recent trademark decisions—Matal v. Tam (2017) and Jack Daniel's Properties, Inc. v. VIP Products LLC (2023)—place trademark doctrine squarely on a constitutional fault line. Tam treats trademarks as private speech, requiring government neutrality while Jack Daniel's insists that mark used as a source identifier does not receive special First-Amendment protection. This article analyzes this doctrinal pivot, focusing on the open-textured anti-dilution provision (§ 43(c)) and its impact on parodic or critical uses of famous marks. By analyzing cases—including Louis Vuitton v. Haute Diggity Dog (4th Cir. 2007), Nike v. MSCHF, and Starbucks v. Wolfe's Borough Coffee (2d Cir. 2009)—the paper shows that dilution's vagueness can tilt outcomes toward well-funded brand owners and squeeze the breathing space that Tam recognized for offensive or transformative expression, stressing a need for an addendum regarding the anti-dilution provision. The passage also suggests potential mitigations for Congress and the courts to articulate clearer thresholds for "association" and "harm" without abandoning consumer protection or subordinating free speech, and identifies challenges associated with those actions.

Keywords: Trademark Law, First Amendment, anti-dilution provision, Matal v. Tam, Jack Daniel's v. VIP Product

1. Introduction

On 19 June 2017 the Supreme Court reversed the Patent and Trademark Office (PTO) decision to reject the registration of the mark "The Slants" under the disparaging clause of the Lanham Act , ruling that the clause is unconstitutional under the First Amendment's free speech clause [1]. The Court held that the government's disapproval of a message it finds offensive and therefore violates the First Amendment's prohibition on viewpoint. The case concluded that the trademarks are a private speech, not government speech, and thus enjoy full constitutional rights. Six years later, on 8 June 2023, the U.S. Supreme Court ruled in Jack Daniel's Properties, Inc. v. VIP Products LLC that the First Amendment does not shield a mark from its trademark liabilities when used as a trademark as a source of identification for the infringer's own goods [2]. This decision emphasized that marks used as source identifiers fall under the "heartland" of the trademark law and does not receive special First Amendment protection [2]. These two landmark cases— Matal v. Tam and Jack Daniel's v. VIP Products—place trademark law on a constitutional fault line. While Tam treats a

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mark as protected private speech, Jack Daniel's emphasizes the source-identifying function, maintaining its obligation to ordinary infringement and dilution rules. This shift raises a key question: to what extent can trademark law protect the brand values? When does a trademark function as protected expression and when does it operate as regulable commercial property?

By examining the courts' decisions and reasoning around various cases in different contexts, this paper discusses the consequences of an blurred anti-dilution provision standard in the legal system, contributing to the theorical and practical impact of such ambiguity on the First Amendment.

2. Theoretical framework

2.1. Dilution doctrine: open-textured language and litigation leverage

The Lanham Act's anti-dilution section (§ 43(c)) uses open-textured language, forbidding any use "likely to cause dilution by blurring or tarnishment," without specifying the required level of "association" or reputational "harm" [3]. Courts therefore decide on a case-by-case hunch, often guided by costly consumer surveys and anecdotal evidence [4]. In Jack Daniel's, for example, a survey showing 29% association was decisive, despite the methodological flaws and expense of challenging such survey. In contrast, Louis Vuitton v. Haute Diggity Dog dismissed Vuitton's dilution claim, praising the "Chewy Vuiton" parody as fair use, while Starbucks v. Wolfe's Borough Coffee saw a tiny roaster endure twelve years of litigation over the "Charbucks" roast [5-7]. The lack of a bright-line test in § 43(c) means outcomes often depend on which side has deeper pockets to fund surveys, experts, and appeals, rather than on legal principle, leaving parody and anti-dilution cases vulnerable to campaign spending regardless of the underlying legal merit [8].

That asymmetry chills smaller, expressive ventures that spoof or critique famous brands, as they cannot afford the risk of costly litigation. Critics warn that this vagueness converts trademark law into a tool of private censorship, letting corporations invoke "tarnishment" to quash edgy art, political protest merchandise, or viral memes. Until Congress or the courts articulate a concrete threshold—say, a statistically significant likelihood-of-association or an objective reputational-harm metric—the dilution cause of action will remain a discretionary cudgel, threatening to erode the breathing space for parody and cultural commentary that Tam promised to safeguard. According to Sandra L. Rierson, in her paper The Myth and Reality of Dilution, argues that dilution protection extends beyond confusion-based grounds without sufficient justification, creating vague standards for what constitutes dilution [9]. Similarly, S. Dogan and M. Lemlay also contend that the Trademark Dilution Revision Act's reliance on a "trademark use" requirement creates confusion about what counts as dilution-worthy use, increasing litigation costs and ambiguity [10-11].

2.2. Anti-dilution confusion implications on first amendment

Scholarship critiques anti-dilution laws not only for their commercial impact, but also for imposing serious non-economic burdens by infringing on free expression—often without adequate justification. A. Kennedy warns that by branding certain commercial expressions as "tarnishing," dilution law risks suppressing legitimate speech that the First Amendment would generally uphold—shielding it only because of trademark concerns [8]. As evident in Jack Daniels' and Starbucks cases, courts have struggled to draw a consistent line between protecting a brand's reputation and upholding free expression. In practice, tarnishment claims have been used by trademark holders to silence critics and parodists—even in noncommercial or expressive content [12]. For instance, courts have enjoined uses of marks in movies or parodies, despite no intent to confuse consumers or

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sell a competing product [8]. This inconsistency poses a serious constitutional concern, as it allows powerful corporations to weaponize trademark law against commentary they dislike. According to Kennedy, without clear safeguards, dilution doctrine risks becoming a tool to shut down creative or critical speech, particularly where parody or satire is involved. The problem, she argues, isn't just theoretical—courts have at times prioritized brand dilution claims over First Amendment protections, sending a troubling signal that reputational interests might outweigh expressive freedom [13]. A well-balanced statute, in this case, must be more protective of speech—especially when it comes to commentary on commercial actors.

3. Two supreme court signals in conflict

3.1. A hierarchy of norms – or a constitutional mis-step

The juxtaposition of Jack Daniel's and Tam, reveals the diverging stances of the two rulings towards the expressive nature of the trademarks, creating some apparent doctrinal tension regarding the expressive elements in trademarks. In Jack Daniel's, the ruling suggests an implicit hierarchy, where trademark protection eclipses free-speech interests when the two collide. Justice Kagan responded to the local court's appeal to the Rogers test—an approach from Rogers v. Grimaldi (2d Cir. 1989) that immunizes an expressive use of a trademark unless the mark is artistically irrelevant or explicitly misleads consumers—by maintaining that the primary function of the trademark law is to "indicate the source" of goods [14]. Therefore, the likelihood of confusion to the goods' source of origin is considered the "cardinal sin" of trademark law, necessitating the application of the ordinary likelihood-of-confusion analysis instead of the Rogers test [2].

However, Tam asserts that a mark remains private speech even when it identifies a good's source of origin, which indicates that the First Amendment should still protect the mark in all contexts, including as a trademark [1]. Additionally, the Wex Definition team from the Legal Institute of Cornell University defines private speech as any expressions from individuals as well as businesses, which clearly covers the parodic mark of the VIP Products [15]. Yet Jack Daniel's treats the source identification as a threshold at which trademark law may override expressive interests without extra applying extra Rogers test. This implies that when trademark protection and free-speech values collide, courts may prioritize avoiding consumer confusion over the broader First Amendment' free speech interest recognized in Tam. Thus, this implication directly contradicts with the Supremacy Clause in the U.S. courts, which holds that the Constitution outranks every statute [16]. In this case, contrary to the Jack Daniel's ruling, the First Amendment should sit above the Lanham Act.

3.2. Jack Daniel's respond to challenge

Jack Daniel's has responded to this First Amendment concern by narrowly drawing its decision to only focus on the occasions where a mark is used as a source of identification, avoiding a direct clash with the constitution. As mentioned in Tam, the restriction of speech needs to be narrowly drawn, or a broadly drawn restriction would lead to censorship. Jack Daniel's has addressed this concern by narrowing the case decision to that only when a mark has been used as a source of identification, can it be carved out from expressive screening. In other words, the decision from Jack Daniel's does not indicate the validity of the Rogers test or the legitimacy of any broader free speech interests. The Court also emphasized that, by narrowing the scope of this decision to only focus on the identifier of goods in public, the law protects the rights of both the consumers and trademark owners in the public space, which is consistent with the free expression values.

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4. Extended legal fight against resourceful corporates

4.1. Congress attempted solution and implementations

Before the conflicts around anti-dilution provision surfaced in Jack Daniel's, Congress had proposed a revision act to resolve the ambiguity around the policy. This act amended the Lanham Act to clarify and narrowed the standard for dilution claims, requiring trademark owners to show that a junior mark is likely to cause dilution of a famous mark through blurring or tarnishment, rather than actual dilution [17]. However, the practicality of this standard has then been challenged. A year later, the Fourth Circuit in Louis Vuitton v. Haute Diggity Dog, LLC, held that the "Chewy Vuiton" dog-toy parody neither confused consumers nor diluted Louis Vuitton's famous trade dress, as it qualified as permissible fair use under the Lanham Act's anti-dilution provision [18]. Professor C. Colman contended that the court explicitly framed the toy as a form of social commentary—a key part of its determination that the parody did not dilute or confuse, which diverges sharply from the Supreme Court's approach in Jack Daniel's [19]. In Jack Daniel's, the court relied on consumer survey evidence showing that roughly 29 percent of respondents believed the "Bad Spaniels" toy was made or approved by the whiskey brand, which is essential to the decision of the case. Yet consumer anecdotes and surveys involve a large degree of unpredictable factors such as expert interpretation, human sophistications, and, inevitably, the litigation resources each side can obtain. Professor B. Beebe and his co-authors caution that trademark anecdotal and survey evidence is fraught with uncertainty—including expert bias, varied levels of consumer sophistication, and the subtle influence of litigation resources [20]. They point out that conventional survey formats often downplay or ignore how firmly consumers hold their beliefs, which only amplifies the role that well-funded experts and legal teams play in shaping outcomes. This allows well-founded large corporations like Jack Daniel's to leverage the law's open-ended nature to their advantage, potentially constraining the expressive freedom recognized in Tam. In essence, the open-textured anti-dilution provision enables subjective interpretation of this law by the courts, allowing large corporations with substantial financial support and legal resources to potentially swing the preferences of the courts, exploit the boundaries of the law.

4.2. Social and economic implications of the ambiguity

In Nike v. MSCHF Product Studio, for example, in only ten days, Nike has successfully reached a settlement with the defendant to pause the production of the shoes that allegedly infringed Nike's trademark [21]. On the other hand, however, in Starbucks Corp. v. Wolfe's Borough Coffee, it took the defendant—a tiny local coffee shop called Black Bear—twelve years and two trips to the district court to persuade the court that there is minimal similarity and low likelihood of confusion between its coffee blend "Charbuck" and Starbucks trademark, dismissing Starbucks' appeal to cease Black Bear from continuing using the mark [6]. Although Wolfe's Borough has won the case, the protracted fight has cost this local merchant excessive time and resources, far more than the sales it ever made from the Charbuck roast [22]. It again underscores how anti-dilution provision's flexible language, specifically "likely to cause" "harm" through "association," invites outcomes that involve economic and cultural implications, instead of pure legal merits. L. Ramsey, in her paper Free Speech Challenges to Trademark Law After Matal v. Tam, argues that trademark dilution—and related provisions like the disparagement clause—are sufficiently vague to invite haphazard and discretionary enforcement by officials and courts [23]. Because these statutes lack clear boundaries, they allow arbitrary gatekeeping by government agencies, which can override expressive freedoms

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whenever commercial interests dominate. This ambiguity on legal statute could not only impair fair market competition, but more importantly, allows for authoritative interpretation on laws. This sort of discretionary gatekeeping by the government agencies is precisely the danger the First Amendment is meant to avoid, yet it persists whenever the statute's vagueness allows commercial power to overshadow expressive freedom.

5. Toward clearer lines: proposal for change

To mitigate the chilling effects of the current anti-dilution provision and bring greater consistency to trademark jurisprudence, reform must begin with a restructuring of § 43(c) of the Lanham Act. As this paper has argued, the current statute's vague and open-ended language—particularly surrounding terms like "blurring," "tarnishment," and even "association"—enables expansive interpretation and unpredictable outcomes. More concerningly, it gives disproportionate leverage to powerful markholders who can use litigation as a tool to stifle expression under the guise of brand protection. Anne Kennedy proposes a critical first step toward reform by recommending that tarnishment be separated from the general dilution cause of action and recast as a distinct, standalone claim within the Lanham framework [8]. This distinction would not only enhance doctrinal clarity but also help courts more effectively determine when a challenged use targets brand reputation (as in tarnishment) versus uniqueness (as in blurring). As Kennedy argues, such separation forces courts to engage directly with the reputational nature of tarnishment without subsuming expressive speech under overly broad interpretations of harm [8]. Building upon Kennedy's insights, Wee Loon Ng-Loy proposes that clearer doctrinal "checkpoints" should be adopted to guide judicial inquiry into dilution claims [24]. Specifically, Ng-Loy recommends that tarnishment require not just reputational harm, but also a showing of "unfairness"—a criterion that introduces an objective threshold and protects speech that may be unflattering but still fair or socially valuable. This additional element would help courts distinguish between malicious brand disparagement and constitutionally protected criticism or commentary. Her framework also calls for independent definitional clarity of "blurring" by establishing the type and degree of mental association that qualifies as harmful, which could reduce overreliance on costly consumer surveys or subjective judicial impressions.

Together, these proposals not only offer doctrinal clarity but also reflect a necessary recalibration of trademark dilution law toward proportionality, fairness, and constitutional integrity. As Ramsey and Beebe have shown, courts often struggle to apply the dilution standard consistently, and vague doctrines are too easily molded by litigation power and not principle [20, 23]. Clarifying and narrowing the statutory text would give courts a more reliable framework and ensure that trademark law remains grounded in its original consumer-protection rationale, not in vague notions of brand sanctity that risk suppressing lawful speech.

6. Conclusion

This paper examines the constitutional and practical tensions arising from the Lanham Act's anti-dilution provision, particularly in light of the Supreme Court's rulings in Matal v. Tam and Jack Daniel's v. VIP Products. It has traced how § 43(c)'s open-textured language—especially vague terms like "blurring," "tarnishment," and "association"—has created a landscape where legal outcomes often depend more on financial leverage and subjective interpretation than on clearly articulated principles. The analysis reveals how this vagueness not only undermines consistent judicial outcomes but also threatens to erode First Amendment protections by enabling well-

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resourced trademark holders to suppress expressive uses under the guise of protecting brand value. Building on this analysis, the paper proposes several reform pathways inspired by scholars like Anne Kennedy and Wee Loon Ng-Loy, who call for statutory restructuring that would isolate tarnishment from general dilution and implement clearer doctrinal checkpoints to protect expressive speech. These proposals enhance legal clarity and offer a pathway for courts and lawmakers to recalibrate the balance between trademark protection and constitutional integrity.

Future research might further explore how emerging technologies like AI-generated branding or digital parodies test the current limits of dilution doctrine. Empirical studies could also investigate how different courts weigh surveys or expert evidence in dilution cases and whether such trends correlate with outcomes. A cross-jurisdictional comparison—looking at how EU or Canadian trademark law treats similar speech-brand conflicts—might also yield instructive contrasts. As digital culture continues to blur the line between commerce and commentary, the need for a robust and principled trademark framework that respects expressive freedoms will only grow more urgent.

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