
TO PLEAD OR NOT TO PLEAD:
WHETHER TO BRING A REVERSE
PASSING OFF CLAIM IN THE POST-
DASTAR ERA OF LANHAM ACT § 43(A)
LITIGATION

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INTRODUCTION

Your client, CreativeSoft, produces CreativeDesign, a computer program that creates cards and brochures. In the 1990s, CreativeSoft sold the program on CD-ROMs. To keep up with the market, CreativeSoft now sells CreativeDesign2.0 only as a downloadable file from its website.¹ CreativeSoft has come to your firm because MockSoft is selling CreativeDesign2.0 as its own product.

This reminds you of the Lanham Act § 43(a)(1)(A) “reverse passing off” (“RPO”) claim² you brought against MockSoft when it sold

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1. Adobe sells Photoshop in downloadable format through a subscription service. *Adobe Photoshop CC*, ADOBE, <http://www.adobe.com/products/photoshop.html> (last visited July 19, 2015).

2. Lanham Act § 43(a)(1)(A) is codified as 15 U.S.C. § 1125(a)(1)(A) (2012). Hereinafter, all references to Lanham Act § 43(a)(1)(A) “reverse passing off” claim will be referred to as a “RPO claim.”

CreativeDesign CD-ROMs packaged in MockDesign boxes. Now, MockSoft copies CreativeDesign2.0, removes copyright notices from the splash screens, and resells the program from its website. Further, MockSoft confuses customers by creating the impression that MockSoft is the origin of the program.

Should you file a RPO claim? You prevailed on this claim when MockSoft repackaged CreativeDesign CD-ROMs. However, a RPO claim may not survive the pleading stage of litigation if CreativeDesign alleges that MockSoft has repackaged CreativeDesign2.0. There is a risk of copyright preemption, and many district courts interpret a Supreme Court case, *Dastar Corp. v. Twentieth Century Fox Film Corp.*,³ as precluding producers of digital products from bringing claims under § 43(a) of the Lanham Act. Why?

In the last twenty-five years, many products bought and sold in the marketplace have shifted from existing only as physical units to being accessible in intangible, digital formats. Consumers no longer need to acquire DVDs to watch movies; they can stream media content from companies like Netflix. This shift from tangible to digital products has impacted the print, music, and software industries: products are now available, and sometimes only available, by downloading or streaming. Whether a producer can seek protection under the Lanham Act against infringing activity to digital products may depend on a court's interpretation of the 2003 Supreme Court opinion written by Justice Scalia: *Dastar Corp. v. Twentieth Century Fox Film Corp.*

Twentieth Century Fox Film Corporation ("Fox") once held the television rights to the original *Crusade in Europe* series, which was based on the book by Dwight D. Eisenhower.⁴ In 1977, Fox failed to renew those rights and the series fell into the public domain. In 1988, Fox reacquired the television rights to Eisenhower's book and also acquired an exclusive right to distribute the series on video; New Line Video, Inc. in turn acquired those rights from Fox. In 1995, Dastar Corporation ("Dastar") purchased "beta cam tapes of the *original* version of the *Crusade* television series," copied and edited the series, and "manufactured and sold" a *World War II Campaigns in Europe* video set "as its own product."⁵ Fox brought a RPO claim alleging that Dastar was passing off Fox's product, the

3. *Dastar Corp. v. Twentieth Century Fox Film Corp.*, 539 U.S. 23 (2003).

4. *Id.* at 25–26.

5. *Id.* at 26–27.

Crusade series, as its own.⁶ However, the Court held that Fox could not prevail on its claim because “the phrase ‘origin of goods’ in [§ 43(a) of] the Lanham Act . . . refers to the producer of . . . tangible goods that are offered for sale, and not to the author of any idea, concept, or communication embodied in those goods.”⁷

Dastar foreclosed § 43(a) from creators or owners of “any idea, concept, or communication embodied” in products in order to reinforce the boundaries between the intellectual property regimes: trademark, copyright, and patent. Since *Crusade* had fallen into the public domain, Fox’s right to that content had expired. Thus, “allowing a cause of action under § 43(a) for that representation would create a species of mutant copyright law that limits the public’s ‘federal right to “copy and to use” expired copyrights.’”⁸ The Court wished to prevent plaintiffs without claims under the copyright or patent statutes (due to invalidity or expiration of rights) from trying to assert copyright or patent rights under the trademark statutes.

After *Dastar*, producers wishing to bring a RPO claim must demonstrate that they are the “origin” of a “tangible” good; yet even in 2003, a market existed for intangible, digital products⁹ sold and consumed entirely through computers and mobile technology.¹⁰ By the early 2000s, the decrease in the price of computing hardware, the accelerating changes in information technology, and the increasing use of the Internet by

6. Fox also alleged “that Dastar’s sale of its Campaigns video set infringe[d] Doubleday’s copyright in General Eisenhower’s book and, thus, their exclusive television rights in the book.” *Id.* at 27.

7. *Id.* at 37.

8. *Id.* at 34 (quoting *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*, 489 U.S. 141, 165 (1989)).

9. The term “digital products” indicates products such as computer programs, software systems, databases, and digital media downloaded from a source, such as a website, and transferred to the consumer as a digital file.

10. On January 7, 2003, *Business Wire* announced that the “hottest consumer technology in the world” was to be showcased at a convention. On display would be wireless phones, PDAs, high-definition televisions, home local area networking technology, and voice over Internet protocol technology. *The Hottest Consumer Technology in the World to be Showcased at 2003 International CES*, BUS. WIRE, Jan 7, 2003, available at <http://www.thefreelibrary.com/The+Hottest+Consumer+Technology+in+the+World+to+Be+Showcased+at+2003...-a096219427>.

The United States Patent and Trademark Office (“USPTO”) has adopted the system of classifying goods set out under the World Intellectual Property Organization’s “International Classification of Goods and Services for the Purpose of Registering Marks.” *Nice Agreement Tenth Edition*, USPTO.GOV, <http://www.uspto.gov/trademark/trademark-updates-and-announcements/nice-agreement-tenth-edition-general-remarks-class> (last visited July 19, 2015). The following are included as goods for which trademarks may be granted: “apparatus for recording, transmission or reproduction of sound or images; magnetic data carriers, recording discs; compact discs, DVDs and other digital recording media . . . data processing equipment, computers; computer software.” 37 C.F.R. § 6.1(9).

consumers and producers alike shifted the dynamics of the marketplace¹¹ and the internal operations of businesses.¹² Consumers downloaded music and games from the Internet,¹³ and businesses used proprietary software programs or Internet-based systems that integrated and streamlined various components of manufacturing and delivery.¹⁴ Yet *Dastar* can be interpreted as excluding digital commerce from § 43(a) protection because digital products are not tangible.

Dastar created a dichotomy: tangible goods may be protected by both copyright and trademark statutes, but courts tend to find RPO claims for intangible products preempted by copyright. If you wish to sell a digital product, you must make a copy of the product from a file or source code and sell the copy.¹⁵ Unauthorized reproduction and sale of a copyrighted product, such as a computer program, is a violation of copyright.¹⁶ Thus, a RPO claim alleging that a defendant is passing off the plaintiff's digital product as his or her own "good" may trigger copyright preemption.¹⁷

Due to the pleading standards set out in the Federal Rules of Civil Procedure and the risk of claim preclusion, plaintiffs should bring all claims arising from the defendant's infringing activity to a digital product in the same suit. Yet bringing alternative copyright and RPO claims may result in copyright preemption. Plaintiff-producers seeking RPO claims and related state unfair competition claims may not necessarily have the right to bring a copyright claim, or there may be issues with registration that

11. Robert J. Gordon, *Does the "New Economy" Measure up to the Great Inventions of the Past?*, 14 J. ECON. PERSP. 49, 71–72 (2000) (defining the "New Economy" as the economic landscape resulting from "the post-1995 acceleration in the rate of technical change in information technology together with the development of the Internet"). See also Gillian K. Hadfield, *Legal Infrastructure and the New Economy*, 8 ISJLP 1, 6 (2012) (describing the "new economy" as "one of a web-enabled and globally-networked economy that is knowledge-based . . . highly differentiated, emergent—and increasingly hard to predict.").

12. Gordon, *supra* note 11, at 49–50.

13. *Id.* at 68–69.

14. Erik Brynjolfsson & Lorin M. Hitt, *Beyond Computation: Information Technology, Organizational Transformation and Business Performance*, 14 J. ECON. PERSP. 23, 27–30 (2000).

15. Tracy V. Wilson, *How Streaming Video and Audio Work*, HOWSTUFFWORKS, <http://computer.howstuffworks.com/internet/basics/streaming-video-and-audio.htm/printable> (last visited July 19, 2015). For example, Microsoft's Office Suite product, once available only on CD-ROM, is now sold as a downloadable program. After purchasing Microsoft Office 365 (available by subscription to Microsoft's Cloud), users download a copy of the program, which is then permanently stored on a computer's hard drive. *Microsoft Software License Terms for Office Consumer Subscriptions*, MICROSOFT OFFICE, <http://products.office.com/en-us/microsoft-software-license-terms-for-office> (last visited July 19, 2015).

16. 17 U.S.C. § 106(1), (3) (2012).

17. *Id.* § 301.

foreclose bringing a copyright claim. A finding of copyright preemption of the RPO claim and then copyright invalidity means that the producer has lost a chance to seek relief under copyright law, Lanham Act § 43(a), and related state unfair competition laws. Yet producers may wish to bring copyright claims, even if validity is in doubt, in case the RPO claim is preempted. When bringing both copyright and Lanham Act claims, plaintiffs must differentiate the type of harm caused by the infringing activity; otherwise, the courts may find that the plaintiff is seeking relief under both Acts for the same harm and dismiss the RPO claim.

This Note examines RPO claims after *Dastar* and the challenges that opinion brings to complying with Rule 8 pleading standards and surviving Rule 12(b)(6) motions to dismiss for failure to state a claim. This Note analyzes cases in which the product at issue is a digital product because such cases demonstrate the variance of judicial interpretations of *Dastar*. In the aggregate, the cases suggest that a RPO claim is not a strong claim for producers of digital products, mainly due to copyright preemption. Part I provides an overview of *Dastar* and its legal background, and it discusses the opinion's general effect on intellectual property law. Part II examines the pleading requirements for RPO claims, the risk of copyright preemption, and special considerations for producers of computer programs. Part III demonstrates how the district courts' varied interpretations of *Dastar* and its requirements for RPO claims have resulted in inconsistent determinations on whether producers of digital products can seek relief under § 43(a) of the Lanham Act. Part IV provides possible alternatives to RPO claims: "passing off" and trade secret claims. This Note concludes by considering whether *Dastar* may not entirely be in accord with the underlying purpose of the Lanham Act.

I. THE *DASTAR* EFFECT: REINFORCING THE BOUNDARIES OF INTELLECTUAL PROPERTY REGIMES AND ADDING COMPLEXITY TO § 43(A) LITIGATION

Intellectual property is regulated and protected under three federal statutory regimes: copyright, patent, and trademark. Congress has the authority to make copyright and patent law under Article 1, Section 8, Clause 8 of the Constitution, while its authority to regulate trademarks derives from the Commerce Clause (Article 1, Section 8, Clause 3).¹⁸ This constitutional distribution of authority determines the scope and boundaries

18. See SHELDON W. HALPERN, SEAN B. SEYMORE & KENNETH L. PORT, FUNDAMENTALS OF UNITED STATES INTELLECTUAL PROPERTY LAW 239–40 (4th ed. 2012).

of each regime; trademark law cannot be invoked to protect subject matter controlled by copyright or patent law.¹⁹

Copyrights and patents bestow property rights to authors and inventors for a limited time. Under copyright law, “original works of authorship” include literary works, musical works, source code, and motion pictures.²⁰ New and useful processes, machines, composition of matters, or “any new and useful improvement thereof” are eligible for patent protection.²¹ Both regimes exclude from protection items that are intellectual in essence, but are not considered “property”²²: ideas, concepts, and obvious processes and methods are part of the public domain, a pool of information “free as the air to common use.”²³ Works of authorship and inventions fall into the public domain once the statutorily set time limit for copyright or patent protection has expired.²⁴ This Note will focus on copyright and trademark law.

Federal trademark rights are granted to producers of goods or services sold in interstate commerce and can be of unlimited duration if certain requirements are met.²⁵ The Lanham Act regulates the registration of trademarks and provides relief for trademark infringement. Section 43(a) holds liable anyone who falsely designates the origin of a product if that false designation will likely result in consumer confusion.²⁶ For example, Apple can sue another company for “passing off”²⁷ its product as an Apple product by putting Apple’s trademark on a computer not manufactured by Apple. *Dastar* recognizes “reverse passing off” as a cause of action that can

19. DAVID R. GERK & JOHN M. FLEMING, *NEW PRACTITIONER’S GUIDE TO INTELLECTUAL PROPERTY* 177–78 (2012).

20. 17 U.S.C. § 102(a) (2012); GERK & FLEMING, *supra* note 19, at 297.

21. 35 U.S.C. § 101 (2012).

22. Ideas, procedures, processes, systems, methods of operations, concepts, principles, or discoveries are not protected under copyright. 17 U.S.C. § 102(b) (2012).

23. *Int’l News Serv. v. AP*, 248 U.S. 215, 250 (Brandeis, J., dissenting).

24. Works of authorship created on or after January 1, 1978 are protected from the date of creation through the author’s life plus seventy years. 17 U.S.C. § 302(a) (2012). For a work of joint-authorship, the term endures through the life of the last surviving author plus seventy years. *Id.* § 302(b). For a work made for hire, the duration is ninety-five years from the date of publication, or 120 years from the date of creation if unpublished. *Id.* § 302(c). Duration is calculated based on various factors, such as when the work was created, whether it was published, or whether it was renewed. *See id.* § 304. Patent rights expire twenty years after the patent application was filed with the USPTO. 35 U.S.C. § 154 (2012).

25. GERK & FLEMING, *supra* note 19, at 177–78. Trademarks must be distinctive, HALPERN, SEYMORE & PORT, *supra* note 18, at 270, and the goodwill associated with the trademark and the quality of the product must be maintained. *Id.* at 285–86. While trademarks may be licensed, the licensor must maintain the quality of the products, or the trademark will be considered abandoned. *Id.* at 286.

26. 15 U.S.C. § 1125(a) (2012); GERK & FLEMING, *supra* note 19, at 274.

27. GERK & FLEMING, *supra* note 19, at 279–80.

be brought under § 43(a).²⁸ For example, CreativeSoft could sue MockSoft for selling CreativeDesign CD-ROMs labeled with MockSoft's logo. CreativeSoft must show that MockSoft claims it is the producer of the CD-ROM and that consumers will be confused by MockSoft's placement of its logo on CreativeSoft's product.²⁹

Trademark law does not protect any copyrightable or patentable components embodied within a product.³⁰ For example, J.K. Rowling holds the copyright to the *Harry Potter* stories, but Warner Bros. has trademark rights in the *Harry Potter* logo.³¹ If someone reprinted *Harry Potter and the Sorcerer's Stone* and placed the trademarked logo on the cover, Warner Bros. could bring a claim under the Lanham Act only for the unauthorized use of the logo.

Further, trademark law cannot be used to protect subject matter excluded from copyright and patent protection, such as ideas, concepts, and material that has fallen into the public domain. Thus, CreativeSoft could not sue MockSoft under trademark law to prevent MockSoft from creating a graphic design program, since a graphic design program is a general idea. But CreativeSoft could sue if MockSoft sells the CD-ROMs produced by CreativeSoft containing CreativeSoft's graphic design program.

Dastar is part of a chain of Supreme Court decisions curtailing plaintiffs from using the Lanham Act to assert intellectual property rights over creativity or innovation. The Court was concerned that a company could stifle competition by threatening to sue another producer for copying the ideas or concepts embodied within the company's goods. In 2000, in *Wal-Mart Stores, Inc. v. Samara Brothers, Inc.*, the Court restricted the scope of trade dress protection under § 43(a)(3) of the Lanham Act—it only protects designs on a product when they identify the plaintiff as the producer of the product; otherwise, other producers are free to copy the

28. *Dastar Corp. v. Twentieth Century Fox Film Corp.*, 539 U.S. 23, 29 (2003). The Court, finding that “every Circuit to consider the issue found § 43(a) broad enough to encompass reverse passing off,” held that the section is “amply inclusive . . . of reverse passing off.” *Id.* at 30.

29. This is “reverse express passing off.” If MockSoft sold CreativeSoft's product without any logos, MockSoft would be liable for “reverse implied passing off.” See GERK & FLEMING, *supra* note 19, at 280. A RPO claim under § 43(a) allows the plaintiff to plead that the defendant “misrepresents [the plaintiff's] goods or services as his own” regardless of whether the plaintiff's product displays a trademark or if the defendant reproduces the trademark. *Dastar*, 539 U.S. at 27 n.1.

30. *Dastar*, 539 U.S. at 32–33.

31. Elizabeth March, *Harry Potter and the IP Bonanza*, WIPO MAG., http://www.wipo.int/wipo_magazine/en/2007/05/article_0005.html (last visited July 19, 2015). Of course, this is a much-simplified example of the intellectual property rights generated by the *Harry Potter* books and films. See *id.* for a more in-depth explanation.

designs if not protected by copyright.³² In *TraFFix Devices, Inc. v. Marketing Displays, Inc.*, decided in 2001, the Court held that once a patent expires, a plaintiff seeking trade dress protection for product features (such as a mechanism) once protected by a patent must prove that the features are not essential for the functioning of the product; otherwise, anyone is free to use that feature to make competing products.³³ *Dastar* landed in the Supreme Court's docket during this period of whittling down the scope of § 43(a) protection.

Section 43(a)(1) required reassessment. Prior to *Dastar*, plaintiffs in the publishing and entertainment fields brought claims under that provision for misattribution or "false designation of origin" of creative works.³⁴ Yet these claims resulted in muddling the distinction between the rights provided by copyright and trademark. In *Waldman Publishing Corp. v. Landoll, Inc.* (1994), the Second Circuit held that an author is an "origin" under § 43(a)³⁵ and attempted to distinguish copyright and trademark claims by stating that "[t]hrough a copyright infringement action, a copyright owner may control who publishes, sells or otherwise uses a work," while "[t]hrough a Lanham Act action, an author may ensure that his or her name is associated with a work when the work is used."³⁶ In other words, if a company other than Scholastic had republished *Harry Potter and the Sorcerer's Stone* under another name, Rowling could bring a RPO claim stating that she is the "origin" of the book produced by Scholastic.

The Court wished to stop plaintiffs, like Fox, from bringing RPO claims under the theory that the defendant falsely designated the origin of a product by failing to credit the plaintiff for content or ideas conveyed by the product. The Court stated that had *Dastar* "bought some of New Line's

32. *Wal-Mart Stores, Inc. v. Samara Bros.*, 529 U.S. 205, 213–15 (2000); *Dastar*, 539 U.S. at 36–37.

33. *TraFFix Devices, Inc. v. Mktg. Displays, Inc.*, 532 U.S. 23, 29–30, 34 (2001); *Dastar*, 539 U.S. at 37.

34. 1A ALEXANDER LINDEY & MICHAEL LANDAU, *LINDEY ON ENTERTAINMENT, PUBLISHING AND THE ARTS*, § 2.48 (3d ed. 2014). *Monty Python* (*Gilliam v. Am. Broad. Cos.*, 538 F.2d 14 (2d Cir. 1976)) and *Stephen King* (*King v. Innovation Books*, 976 F.2d 824 (2d Cir. 1992)) brought false designation of origin claims because they did not wish their work to be associated with the defendant's products. *Id.*

35. *Waldman Publ'g Corp. v. Landoll, Inc.*, 43 F.3d 775, 783 (2d Cir. 1994). In 2008, the Southern District of New York held that after *Dastar*, *Waldman* is no longer good law with regards to its interpretation of the Lanham Act as enabling the creator of a creative work to seek protection for infringement of content under trademark law. *Atrium Grp. de Ediciones y Publicaciones, S.L. v. Harry N. Abrams, Inc.*, 565 F. Supp. 2d 505, 513 (S.D.N.Y. 2008).

36. *Id.* at 781.

Crusade videotapes and merely repackaged them as its own” the claim would “undoubtedly be sustained.”³⁷ However, Dastar’s videos contained the version of *Crusade* that had fallen into the public domain. Thus, Fox was attempting to assert expired rights to media content through a RPO claim. Concern of a “boundless application” of § 43(a) in litigation drove the Court to conclude that Dastar was “the ‘origin’ of the products [the *World War II Campaigns in Europe* videotapes] it sold as its own.”³⁸

The Court acknowledged that the purchaser of a product conveying creative content probably cares more about the creator of the content than the producer of the tangible product. A reader most likely purchases *Harry Potter and the Sorcerer’s Stone* because it was written by Rowling, not because it was published by Scholastic. A video or a book is “a communicative product—one that is valued not primarily for its physical qualities, such as a hammer, but for the intellectual content that it conveys.”³⁹ The Court could not accord any “special treatment to communicative products” by allowing the originators of content conveyed by such products to bring § 43(a) claims because it would cause the “Lanham Act to conflict with the law of copyright.”⁴⁰

Limiting the scope of who qualifies as an “origin” under the Lanham Act is an example of what Michael Grynberg identifies as the judiciary’s role in “maintaining coherence” among the trademark, copyright, and patent acts.⁴¹ When proposing revisions to the Lanham Act in 1988, the United States Senate Committee on the Judiciary expected “the courts to continue to interpret” § 43(a).⁴² To prevent the intellectual property regimes from blurring, the judiciary maintains the boundaries between patent, copyright, and trademark through case law.⁴³ According to Grynberg, *Dastar* “jibes with trademark’s system and administration goals. A defendant who ascertains that copyright protection does not apply to expressive material should be able to use it expressively without fear of parallel trademark claims.”⁴⁴

With the restriction of the scope of “origin” to the source of tangible

37. *Dastar*, 539 U.S. at 31.

38. *Id.* at 29, 38.

39. *Id.* at 33.

40. *Id.*

41. Michael Grynberg, *The Judicial Role in Trademark Law*, 52 B.C. L. REV. 1283, 1296 (2011).

42. S. REP. NO. 100-515, at 40 (1988), reprinted in 1988 U.S.C.C.A.N. 5577, 5603.

43. Grynberg, *supra* note 41, at 1296.

44. *Id.* at 1311.

“goods” (wares, merchandise),⁴⁵ the Court hoped to foreclose § 43(a) from claims regarding creative content and thus “maintain coherence” among the intellectual property regimes. Ideas and communications are intangible intellectual content. By restricting “origin of goods” to producers of tangible goods, the Court attempted to ensure that plaintiffs do not use the Lanham Act to assert rights over public domain material, works of authorship, inventions, and ideas.

Yet by using a comparison of hammers and books to facilitate drawing limits to § 43(a) protection, Justice Scalia did not address the complexities that the digital economy brings to intellectual property litigation. This may have been due to the Court’s desire to set firm boundaries between the intellectual property regimes. Grynberg believes that by “ensuring that an expansion of one doctrine at its peripheries (like the reverse passing off action at issue in *Dastar*) does not endanger core principles of another doctrine” the Court “promotes predictability.”⁴⁶ Yet as this Note demonstrates, a survey of § 43(a) litigation after *Dastar* suggests that the decision has not been entirely successful in promoting predictability.⁴⁷

While *Dastar* does not preclude bringing copyright and Lanham Act claims in the same suit, courts may find the Lanham Act claim preempted by copyright when the good in question is intangible because the defendant must copy the product in order to pass it off as his or her own. Digital videos, photographs, and programs can be protected under the exclusive reproduction and distribution rights granted by copyright.⁴⁸ When a computer program is sold on a CD-ROM, it is easy to distinguish the

45. *Dastar Corp. v. Twentieth Century Fox Film Corp.*, 539 U.S. 23, 31 (2003) (“‘[O]rigin’ is ‘the fact or process of coming into being from a source,’ and ‘that from which anything primarily proceeds; source’ [while] ‘goods’ (as relevant here) is ‘[w]ares and merchandise.’ . . . [Thus w]e think the most natural understanding of the ‘origin’ of ‘goods’—the source of wares—is the producer of the tangible product sold in the marketplace. . . .”) (quoting WEBSTER’S NEW INTERNATIONAL DICTIONARY 1079, 1720–21 (2d ed. 1949)).

46. Grynberg, *supra* note 41, at 1311.

47. To cite an example, in the Eastern District of Michigan, a judge did not dismiss a photographer’s RPO claim against defendants who reproduced his (non-digital) photograph of a football player on tangible products, because he was not “ready to conclude that Plaintiff’s photo is an intangible item.” *Masck v. Sports Illustrated*, 2013 U.S. Dist. LEXIS 81677, at *9 (E.D. Mich. June 11, 2013). The photographer could not bring the claim against the football player who posted the photograph on his website, because “the Lanham Act only applies to tangible items, and his website is not a tangible good.” *Masck v. Sports Illustrated*, 2013 U.S. Dist. LEXIS 102906, at *3 (E.D. Mich. July 23, 2013). At a summary judgment proceeding, the same judge found that since the photographer was not the origin of the tangible products displaying the photograph, he was seeking relief for misattribution of a communicative product; thus, the RPO claim was barred under *Dastar* and preempted by copyright. *Masck v. Sports Illustrated*, 5 F. Supp. 3d 881, 885–86 (E.D. Mich. 2014).

48. 17 U.S.C. § 106 (1), (3) (2012).

“good,” the CD-ROM, from the “communication,” the program. When content is sold as a downloadable file, the “good” is indistinguishable from the communicative content it conveys. If someone wished to “repackage” digital media content, that person would have to copy the file or source code and create the capability for consumers to obtain copies via download or other distribution methods.⁴⁹ However, a court in the District of Maryland considered this type of infringing activity as constituting copying of content and found the plaintiff’s RPO claim preempted by copyright.⁵⁰ Thus, a court may find “repackaging” of digital content to be “copying” and dismiss the RPO claim.

Dastar further complicates intellectual property litigation due to the interaction of copyright preemption and claim preclusion. Plaintiffs must seek recovery for all rights to relief for the defendant’s infringing activity in the same suit. If the plaintiff seeks recovery in a second suit against the defendant for the same activity, the suit will be dismissed under the doctrine of *res judicata*.⁵¹ Products that can be protected under trademark law can also convey copyrighted material. Thus, selling a product as the defendant’s own often encompasses both an infringement under § 43(a) and an infringement of distribution or reproduction rights under copyright. Since both trademark and copyright laws have been violated by the same activity, plaintiff-producers of digital products may wish to bring Lanham Act and copyright claims to avoid claim preclusion. Yet bringing both claims may trigger copyright preemption and the dismissal of the Lanham Act claim. The next Part will explore how *Dastar* and the Federal Rules of Civil Procedure interact as well as the implications for plaintiffs wishing to bring RPO claims.

II. PLEADING A § 43(A) REVERSE PASSING OFF CLAIM AFTER *DASTAR*

A plaintiff bringing a RPO claim in federal court must follow Rule 8 pleading standards and may append state law claims through supplemental jurisdiction. A defendant can bring a Rule 12(b)(6) motion to dismiss for failure to state a claim by arguing that the plaintiff’s claim does not establish entitlement to relief under the Lanham Act. When the product conveys information, defendants may argue that the RPO claim is preempted by copyright.

49. See Wilson, *supra* note 15.

50. LTVN Holdings, LLC v. Odeh, 2010 U.S. Dist. LEXIS 63164 (D. Md. June 25, 2010) at *18.

51. RICHARD D. FREER, CIVIL PROCEDURE § 11.2, at 574 (3d ed. 2012).

A. COMPLYING WITH THE FEDERAL RULES OF CIVIL PROCEDURE AND
AVOIDING COPYRIGHT PREEMPTION

If the product at issue comes within the subject matter protected by copyright, a Lanham Act claim will be preempted by copyright⁵² unless the plaintiff pleads “extra elements” that take the claim out of the scope of copyright.⁵³ Courts may find preemption when the product conveys or is a “work of authorship,” even if the work was not registered with the Copyright Office.⁵⁴ Thus, the plaintiff must show that the defendant’s infringing activity constitutes more than a copyright violation when bringing a RPO claim. However, what this “extra element” may be is debated among district courts.⁵⁵ Works of authorship once protected by copyright and now in the public domain also trigger preemption and consequentially dismissal of a claim for invalidity—trademark law cannot be invoked to seek rights over content that at one time were protected by copyright.⁵⁶

Plaintiffs may seek injunctions, actual damages, profits, and attorneys’ fees under the Copyright Act and the Lanham Act;⁵⁷ however, who may seek remedies under each act differs substantially. Only the owners of a registered copyright may file a suit for copyright infringement.⁵⁸ Producers of products conveying copyrighted material may have a license to reproduce that material; however, a license may not grant the producer ownership of the copyright such that the producer could bring a copyright infringement suit.⁵⁹ If the copyright was transferred to the producer, there

52. 17 U.S.C. § 301(a) (2012).

53. *Id.* § 301(b)(1). *See also* Computer Assocs. Int’l v. Altai, Inc., 982 F.2d 693, 716–17 (2d Cir. 1992) (discussing how an “extra element” could alter a claim such that it would not be preempted).

54. *Id.* § 301(a). Under copyright law, a tangible medium includes a hard drive. A program or a streamed video is copyrighted as soon as it is created and saved onto a drive. *See* HALPERN, SEYMORE & PORT, *supra* note 18, at 33. The medium needs only to be “sufficiently permanent or stable to permit [the work] to be perceived, reproduced, or otherwise communicated for a period of more than transitory duration.” 17 U.S.C. § 101 (2012). Although a digital file is fixed in a tangible medium, it potentially may not be a “tangible” good under the Lanham Act.

55. *See infra* Part III.

56. *Dastar Corp. v. Twentieth Century Fox Film Corp.*, 539 U.S. 23, 34 (2003).

57. For remedies under the Lanham Act, see 15 U.S.C. §§ 1114, 1116–17. For remedies under the Copyright Act, see 17 U.S.C. §§ 501–02, 504–05.

58. The elements of a copyright claim are: the claimant owns the copyright, the work is a sufficiently original expression, and the work is fixed in a tangible medium. 17 U.S.C. § 411 (2012); *Feist Publ’ns, Inc. v. Rural Tel. Serv. Co.*, 499 U.S. 340, 361 (1991).

59. HALPERN, SEYMORE & PORT, *supra* note 18, at 50. *See also* Sybersound Records, Inc. v. UAV Corp., 517 F.3d 1137, 1144 (9th Cir. 2008) (“[N]onexclusive licensees cannot bring suit to enforce a copyright, even if an infringer is operating without a license to the detriment of the nonexclusive licensee who has paid full value for his license.”).

may be issues with the contract memorializing the transfer or with the registration of the copyright, thus rendering the producer's copyright claim invalid.⁶⁰ On the other hand, to bring a RPO claim, a producer only needs to be the "origin" of the good, which the defendant has passed off as his or her own product.⁶¹

When there is a question as to whether the producer owns the copyright or simply has a license to use the copyright, copyright preemption poses a challenge. Consider a scenario in which CreativeDesign2.0 was created by a freelance software designer, and there is some uncertainty as to whether the program was a "work made for hire."⁶² Should CreativeSoft bring both copyright and RPO claims against MockSoft? The court may find that it is seeking relief for the same act of infringement (reproduction of the program) under both claims and dismiss the RPO claim. If the court also finds that CreativeSoft does not have proper copyright ownership, CreativeSoft's copyright claim will also be dismissed.

When the copyright owner and the producer of the product are the same person or entity, claim preclusion may be a risk. A defendant's reproduction of a product may violate copyright and trademark laws. As owner of the copyright, the producer can bring a claim under copyright law. As producer of the product, the producer can bring a claim under trademark law. If the RPO claim is preempted, the producer can still seek relief under copyright; thus, the producer should bring both claims to avoid preclusion of the copyright claim.

For example, in *Agence France Presse v. Morel*, a photographer whose digital photographs were reproduced and distributed by Agence France Presse ("AFP") and by Getty Images without permission pled both

60. HALPERN, SEYMORE & PORT, *supra* note 18, at 50–51. For an example, see *Corbis Corp. v. Amazon.com, Inc.*, 351 F. Supp. 2d 1090, 1111–18 (W.D. Wash. 2004). Corbis sought relief for infringement of 232 photographs, but its application for the registration of 230 photographs was incomplete when it brought the suit. As a result, the court dismissed claims relating to those photographs, and Corbis could only seek relief for the two photographs that had been registered properly. The Lanham Act, however, would have allowed Corbis to seek relief for all the photographs had the court not found the "reverse passing off" claim preempted by copyright.

61. 15 U.S.C. § 1125(a) (2012); GERK & FLEMING, *supra* note 19, at 274. For example, the district court from which *Dastar* originated found Dastar liable and awarded Fox double profits and attorneys' fees. The Ninth Circuit affirmed the awarding of double profits, but it vacated and remanded the attorneys' fees to be recalculated after the copyright claim against Dastar was resolved. *Twentieth Century Fox Film Corp. v. Entm't Distrib.*, 34 F. App'x. 312, 315–16 (9th Cir. 2002).

62. 17 U.S.C. § 201(b) (2012). See *Avtec Sys. v. Peiffer*, 21 F.3d 568, 571–74 (4th Cir. 1994) (discussing the complications of determining whether a computer program was a "work made for hire" given that the employee designed the program at his home).

copyright and § 43(a) claims.⁶³ The Lanham Act claims were dismissed under *Dastar*.⁶⁴ The copyright claims were brought to trial, and a jury found AFP and Getty Images liable for willful infringement and violation of the Digital Millennium Copyright Act.⁶⁵

Copyright preemption also impacts supplemental jurisdiction of state unfair competition claims. For efficiency and convenience, a § 43(a) claim and its equivalent under state law may be brought in the same suit in federal court as long as both claims originate from the same infringing activity and form a part of the same case or controversy.⁶⁶ The plaintiff may prevail on both counts and receive federal and state remedies. However, if the § 43(a) claim is dismissed due to copyright preemption, the state law claim is also dismissed if it is based on the § 43(a) claim or if it lacks “extra elements” that take it out of the scope of copyright.⁶⁷ If the copyright claim and other federal law claims are dismissed, then the court loses jurisdiction to hear the state law claims not preempted by copyright, and those claims are remanded to state court.⁶⁸

Plaintiffs seeking relief under § 43(a) must file a claim that complies with Rule 8 pleading standards. Plaintiffs meet the “grounds for the court’s jurisdiction”⁶⁹ because Lanham Act claims must be brought in federal court.⁷⁰ Plaintiffs may also bring inconsistent or alternative claims.⁷¹ However, plaintiffs bringing both copyright and Lanham Act claims must be sure, when pleading the Lanham Act claim, to give a “short and plain statement” that both demonstrates “that the plaintiff is entitled to relief” under the Lanham Act,⁷² and distinguishes the claim from the copyright

63. *Agence Fr. Presse v. Morel*, 769 F. Supp. 2d 295, 298 (S.D.N.Y. 2011). Morel sought relief under the Digital Millennium Copyright Act, 17 U.S.C. § 1202, for the removal and alteration of copyright management information integrated on his digital photographs.

64. *Id.* at 307.

65. *Agence Fr. Presse v. Morel*, 2014 U.S. Dist. LEXIS 112436, at *2 (S.D.N.Y. Aug. 13, 2014). Upon AFP and Getty’s motion for judgment as a matter of law, the court found that there was sufficient evidence to find both liable for willful infringement, there was sufficient evidence to find AFP liable for providing or distributing false copyright management information (“CMI”) and altering the CMI without Morel’s authority, and there was insufficient evidence to find that Getty continued to distribute Morel’s photographs once it learned that the CMI was false. *Id.* at *10–26. The court affirmed the jury’s statutory damage award holding Getty and AFP jointly liable for \$1,210,000 for willful infringement and violation of 17 U.S.C. § 1202(a). *Id.* at *47.

66. 28 U.S.C. § 1367 (2012); FREER, *supra* note 51, § 4.7.2 at 224–28.

67. 17 U.S.C. § 301 (2012).

68. 28 U.S.C. § 1367(c).

69. FED. R. CIV. P. 8(a)(1).

70. 28 U.S.C. § 1338 (2012).

71. FED. R. CIV. P. 8(d)(2)–(3).

72. *Id.* 8(a)(2).

claim. In post-*Dastar* litigation, this “statement of entitlement to relief” is challenged by Rule 12(b)(6) motions to dismiss for failure to state a claim.⁷³

While *Bell Atlantic Corp. v. Twombly* and *Ashcroft v. Iqbal* do not impact *Dastar*’s holding, they do play an important role in determining whether a plaintiff can survive Rule 12(b)(6) motions to dismiss for failure to state a claim under § 43(a). A court considers whether the plaintiff alleges sufficient factual matter to nudge the claim “across the line from conceivable to plausible”⁷⁴ and whether such allegations “plausibly give rise to an entitlement to relief.”⁷⁵ In making these determinations, the court may “draw on its judicial experience and common sense.”⁷⁶ Grynberg suggests that *Twombly* and *Iqbal* “may lead courts to be more demanding in showing entitlement for relief when plaintiffs plead peripheral trademark claims” such as RPO claims.⁷⁷ Courts wishing to reinforce the boundaries of the intellectual property regime use the pleading stage to accomplish this objective. If the plaintiff does not plead enough facts to bring the § 43(a) claim out of the scope of copyright, the court, to prevent the creation of a “species of perpetual . . . copyright,”⁷⁸ can dismiss the claim as not “plausibly [giving] rise to an entitlement to relief.” Thus, at the pleading stage, plaintiffs must establish the elements required for a post-*Dastar* RPO claim to survive Rule 12(b)(6) motions to dismiss.

B. ELEMENTS OF A § 43(A) REVERSE PASSING OFF CLAIM AFTER *DASTAR*

The elements for a RPO claim have been set down in a four-prong test by the Federal Circuit decision, *Syngenta Seeds, Inc. v. Delta Cotton Co-Operative, Inc.* A plaintiff must show: “(1) that the work at issue originated with the plaintiff; (2) that origin of work was falsely designated by the defendant; (3) that the false designation of origin was likely to cause consumer confusion; and (4) that the plaintiff was harmed by the defendant’s false designation of origin.”⁷⁹

73. See *infra* Part III; FREER, *supra* note 51, § 7.3.2, at 313 (stating that the pleading requirement set out by Rule 8 (a)(2) “is the part most frequently open to challenge as insufficient.”).

74. *Bell Atl. Corp. v. Twombly*, 550 U.S. 544, 570 (2007).

75. *Ashcroft v. Iqbal*, 556 U.S. 662, 679 (2009). See also 1 CHARLES E. MCKENNEY & GEORGE F. LONG, III, FEDERAL UNFAIR COMPETITION: LANHAM ACT § 43(A) § 9:24 (2014) (discussing the impact of *Twombly* and *Iqbal* on bringing Rule 12(b)(6) motions to dismiss against § 43(a) claims).

76. *Iqbal*, 556 U.S. at 679.

77. Grynberg, *supra* note 41, at 1309.

78. *Dastar Corp. v. Twentieth Century Fox Film Corp.*, 539 U.S. 23, 37 (2003).

79. *Syngenta Seeds, Inc. v. Delta Cotton Coop., Inc.*, 457 F.3d 1269, 1277 (Fed. Cir. 2006) (quoting *Lipton v. Nature Co.*, 71 F.3d 464, 473 (2d Cir. 1995)).

Potential plaintiffs should assess whether they will be able to meet each prong of this test as courts have dismissed RPO claims for failing to allege consumer confusion or harm caused by the defendant's false designation of origin.⁸⁰

Plaintiffs must demonstrate that they are the "origin" of the product at issue and that the product is a "good" as defined by *Dastar*. This requires alleging sufficient facts to show that (1) the plaintiff is the producer of the good and not the author or creator of any idea, concept, or communication embodied in the good, and (2) the good in question is not an idea, concept, or communication, but is tangible. While courts are in agreement regarding the first prong, courts differ in how literally they interpret "tangible." Plaintiffs with digital products will most likely not succeed in districts that interpret "tangible" as only "physical" goods.

Plaintiffs must show "an extra element" that brings the RPO claim out of the purview of copyright. General allegations of consumer confusion and deception due to removal of copyright notices are not enough to satisfy the "extra element" test.⁸¹ Courts differ on whether "repackaging" may be considered an "extra element." Some courts find that digital products fall under the purview of copyright protection, even if the plaintiff alleges the product was "repackaged."⁸² Courts that do consider it possible to repack digital products require plaintiffs bringing RPO claims to show that the digital good was copied and redistributed either with minor alterations to the content or with specific modifications to source identifying information.⁸³

80. See, e.g., *Pegasus Imaging Corp. v. Northrop Grumman Corp.*, 2010 U.S. Dist. LEXIS 118586, at *15-16 (M.D. Fla. Nov. 4, 2010) (dismissing a RPO claim at summary judgment for failing to sufficiently allege harm); *Fractional Villas, Inc. v. Tahoe Clubhouse*, 2009 U.S. Dist. LEXIS 4191, at *10-11 (S.D. Cal. Jan. 22, 2009) (stating that even if the plaintiff had a valid RPO claim under *Dastar*, the court would have dismissed the claim for failure to show sufficient facts demonstrating confusion).

81. *Lipton*, 71 F.3d at 473; *Cyber Websmith, Inc. v. Am. Dental Ass'n*, 2010 U.S. Dist. LEXIS 80206, at *6-7 (N.D. Ill. Aug. 4, 2010).

82. See *infra* Part III.A.2-3.

83. See *infra* Part III.C.1.

TABLE 1. Requirements for Bringing a Copyright Claim and a Reverse Passing Off Claim

<i>IP Regime</i>	<i>Who Can Bring a Claim</i>	<i>Problems for Producers</i>	<i>Basic Requirements</i>	<i>Remedies</i>
Copyright	Owner of the copyright	<p>(1) Possession of a nonexclusive license to reproduce content does not grant the producer the authority to bring a copyright claim.</p> <p>(2) If content was produced as a work made for hire,</p> <p>(a) there may be issues with the employee's or independent contractor's contract thus rendering the producer's copyright ownership invalid, or</p> <p>(b) the content may not have been made within the scope of employment, and thus ownership belongs to the creator.</p>	<p>(1) Work must be registered with the Copyright Office before a claim is brought.</p> <p>(2) Work must be an original work of authorship.</p> <p>(3) Work must be fixed in tangible medium.</p> <p>(4) Defendant violated one of the Plaintiff's exclusive rights under 17 U.S.C. § 106.</p>	<p>Injunctive relief</p> <p>Statutory damages (if registration requirements under 17 U.S.C. § 412 met),</p> <p>Actual damages</p> <p>Attorneys' fees</p>

<i>IP Regime</i>	<i>Who Can Bring a Claim</i>	<i>Problems for Producers</i>	<i>Basic Requirements</i>	<i>Remedies</i>
Lanham Act	Producer of the product	(1) The producer must be the entity that manufactures or “stands behind” the “tangible” good sold in the marketplace. (2) Producers of communicative products may be considered “creators” of the content, and thus not eligible to seek relief under § 43(a)(1)(A). (3) Producers of technology incorporated within another’s product are not eligible to seek relief under § 43(a)(1)(A).	(1) Product must be a good sold in commerce. (2) Defendant’s misappropriation and use of good in commerce must result in a likelihood of consumer confusion as to the source of the good. (3) Plaintiff must be harmed by defendant’s activity.	Injunctive relief Actual damages Profits Attorneys’ fees

C. SPECIAL CONSIDERATIONS FOR PRODUCERS OF COMPUTER PROGRAMS AND SOFTWARE: *GENERAL UNIVERSAL SYSTEMS, INC.*

Decided a year after *Dastar*, *General Universal Systems, Inc. v. Lee*⁸⁴ set a foundation for courts questioning whether RPO claims for computer programs are precluded by *Dastar*. In *General Universal Systems*, a software developer, General Universal Systems, Inc. (“GUS”), claimed that

84. *Gen. Universal Sys., Inc. v. Lee*, 379 F.3d 131, 137–38 (5th Cir. 2004).

a former client, a trucking company, had copied the source code of a program designed for the client and resold the program as the client's own freight tracking system.⁸⁵ The Fifth Circuit affirmed the district court's dismissal of the RPO claim because GUS did not accuse the defendant "of taking tangible copies of its software, removing its trademarks, and selling them as its own."⁸⁶ Instead, GUS asserted that the defendant "copied the ideas, concepts, structures, and sequences embodied in its copyrighted work," and thus the Lanham Act claim is "simply a claim" that the defendant "infringed its copyright" in the source code.⁸⁷

As an early post-*Dastar* Court of Appeals case addressing RPO claims concerning computer programs, *General Universal Systems* has been looked to by courts outside the Fifth Circuit when confronted with similar claims. A plaintiff bringing a RPO claim for a software program not having a tangible basis, like a CD-ROM, should find out whether the district court has agreed with *General Universal Systems*.⁸⁸ If so, the plaintiff must either sufficiently distinguish its case from *General Universal Systems* or allege facts to comply with its holding. However, if jurisdiction and venue requirements permit, it may be better to bring the case in a district more amenable to RPO claims for digital products.⁸⁹

In an attempt to reinforce the boundaries of the intellectual property regimes by limiting § 43(a) claims to producers of tangible goods, the Supreme Court added a layer of complexity to intellectual property litigation. Plaintiff-producers of downloadable programs, streamed media, and online databases must distinguish RPO claims from violations of reproduction or distribution rights under copyright. This means establishing that the defendant did not simply copy the plaintiff's file or source code, but also that the defendant sold that digital product in such a way as to make consumers believe that the product originated from the defendant. Yet a digital product must be copied to be resold, and, so, RPO claims may

85. *Id.*

86. *Id.* at 149.

87. *Id.*

88. Such districts include the Southern District of New York (*Smartix Int'l Corp. v. MasterCard Int'l LLC*, 2008 U.S. Dist. LEXIS 108548 at *20–21 (S.D.N.Y. Sept. 30, 2008)); the Eastern District of Michigan (*Dorchen/Martin Assocs. v. Brook of Cheboygan, Inc.*, 838 F. Supp. 2d 607, 615–16 (E.D. Mich. 2012)); and the District of Colorado (*Ti Training Corp. v. FAAC, Inc.*, 2010 U.S. Dist. LEXIS 26947, at *12–16 (D. Colo. Mar. 20, 2010)).

89. Such districts include the Eastern District of Virginia (*Cvent, Inc. v. Eventbrite, Inc.*, 739 F. Supp. 2d 927, 935–36 (E.D. Va. 2010)), the District of Nebraska (*Experian Mktg. Solutions, Inc. v. U.S. Data Corp.*, 2009 U.S. Dist. LEXIS 82075, at *26–28 (D. Neb. Sept. 9, 2009)); and the Northern District of Illinois (see *infra* Part III.C.1).

be preempted by copyright. Thus, plaintiffs may want to bring a copyright claim, even if copyright validity is in doubt, either to keep the suit in federal court should the Lanham Act claim be dismissed or to prevent preclusion of the copyright claim should the case be fully adjudicated and the Lanham Act claim found invalid.

III. ANYTHING BUT PREDICTABLE: INTERPRETATIONS OF *DASTAR* IN THE DISTRICT COURTS

The outcomes of RPO litigation are inconsistent among district courts. There is no consensus among the courts on who qualifies as an “origin,” whether “tangible goods” precludes intangible goods, and whether digital products can be repackaged. In general, district courts in the Second and Ninth Circuits tend to dismiss RPO claims when the plaintiff’s product conveys content or when the plaintiff is the creator of ideas or technology embodied within the good at issue. The Northern District of Illinois and the Middle District of Florida, however, are more amenable forums for RPO claims because these courts have interpreted *Dastar* as not limiting Lanham Act relief to “tangible products,” and both districts have developed requisite “extra elements” for avoiding copyright preemption. Opinions in the district courts of the Fourth District vary in their interpretations of *Dastar*, thus demonstrating that the decision has not created predictability.

Section A discusses how courts in the Second and Ninth Circuits interpret “origin” to curtail § 43(a) claims brought by producers of products conveying information or content. It also demonstrates how *Dastar* can lead to inconsistent holdings within a circuit by examining the conflicting interpretations of “tangible goods” in the Fourth Circuit. Section B explores how bringing copyright and RPO claims for the same infringing activity can result in copyright preemption by examining district court cases in the Ninth Circuit. Section C focuses on cases in the Seventh and Eleventh Circuits in which the district courts identify the “extra elements” necessary for avoiding copyright preemption.

A. ELEMENTS OF A § 43 (A) REVERSE PASSING OFF CLAIM

1. “Origin”—Southern District of New York

The Southern District of New York interprets *Dastar* as requiring courts to maintain boundaries between the intellectual regimes; thus, producers of digital products may not have much success in this district.⁹⁰

90. There is limited discussion of *Dastar* in Second Circuit Court of Appeals opinions. In

The district considers goods to be tangible “wares” or “merchandise,”⁹¹ and it usually dismisses § 43(a) claims brought by producers of products conveying communicative content.⁹² Further, the district is very attentive as to whether the plaintiff is seeking to protect ideas or technology embodied in the defendant’s product.⁹³

Producers of digital products may not succeed in bringing RPO claims due *Agence France Presse v. Morel*. Daniel Morel, a professional photojournalist, was in Haiti when an earthquake struck the country on January 12, 2010.⁹⁴ “A few minutes after” Morel posted the photographs of the destruction on his Twitter account, Lisandro Suero reposted the photographs on his Twitter account and claimed that he had “exclusive photographs . . . for credit and copyright.”⁹⁵ AFP copied and licensed the photographs to CNN and CBS, crediting Suero. The court granted AFP’s motion to dismiss holding that *Dastar* foreclosed Morel’s RPO claim, since “photographs are ‘communicative products’ protected by copyright” and thus “false designation of their authorship is not cognizable under section 43(a)(1)(A).”⁹⁶

Courts in this district will most likely consider the author or creator of the content embodied within a digital communicative product to be the “origin” harmed by the reverse passing off the product since the product must be copied to be sold by the defendant. A producer of a communicative product may have a valid RPO claim if the infringing activity concerns a

Chosun International, Inc. v. Chrisha Creations, Ltd., *Dastar* is cited in a footnote to support the proposition that a plaintiff “should not be permitted to recategorize one form of intellectual property as another, thereby extending the duration of protection beyond that which Congress has deemed appropriate for their actual creative efforts.” *Chosun Int’l Inc. v. Chrisha Creations, Ltd.*, 413 F.3d 324, 328 n.2 (2d Cir. 2005). The Southern District of New York no longer considers *Waldman Publishing Corp.* as good law with respect to its interpretation of the Lanham Act. *See Atrium Grp. de Ediciones y Publicaciones, S.L. v. Harry N. Abrams, Inc.*, 565 F. Supp. 2d 505, 512–13 (S.D.N.Y. 2008).

91. In *Hong Leong Finance, Ltd. (Singapore) v. Pinnacle Performance, Ltd.*, the court found that the Second Circuit had already defined goods as “wares, merchandise,” and thus there is “no reason to import the definition of the term from one statute to another.” *Hong Leong Fin., Ltd. (Sing.) v. Pinnacle Performance, Ltd.*, 297 F.R.D. 69, 74 (S.D.N.Y. 2013) (internal quotation marks omitted) (holding that securities do not constitute goods under *Dastar*).

92. *See, e.g.*, *Agence Fr. Presse v. Morel*, 769 F. Supp. 2d 295, 307 (S.D.N.Y. 2011); *Atrium Grp.*, 565 F. Supp. 2d at 511–13.

93. *See Enzo Biochem, Inc. v. Amersham PLC*, 981 F. Supp. 2d 217, 228 (S.D.N.Y. 2013) (holding that a plaintiff’s concession that he was the author of the concepts embodied in the product at issue is “fatal” to his § 43(a) claim).

94. *Agence Fr. Presse*, 769 F. Supp. 2d at 298.

95. *Id.* at 299.

96. *Id.* at 307 (quoting *Dastar Corp. v. Twentieth Century Fox Film Corp.*, 539 U.S. 23, 33 (2003)).

non-communicative, physical aspect of the product.⁹⁷ This is problematic when a product exists only in a digital format. The producer does not meet *Dastar*'s definition of "origin" because the product conveys "intellectual content," and the product can never be "valued . . . primarily for its physical qualities";⁹⁸ thus, the "origin" will most likely be considered to be the author or creator of the content conveyed by the digital product.

Further, a plaintiff cannot be an "origin of goods" when the defendant incorporates the plaintiff's technology or proprietary information into a product. A RPO claim will be dismissed if the defendant copied the plaintiff's source code or proprietary information to drive its own program or system.⁹⁹ Calling a website or database a "service" does not bring a plaintiff out of *Dastar*'s reach. While the plaintiff may be the originator of the service provided by the plaintiff's website or system, *Dastar* still forecloses § 43(a) claims brought for ideas or concepts conveyed by the plaintiff's website which were reproduced in the defendant's website or system.¹⁰⁰

2. "Origin" and "Bodily Appropriation"—Ninth Circuit District Courts

While the Ninth Circuit has developed a "bodily appropriation" claim similar to *Dastar*'s repackaging theory, such a claim is probably not available to producers of digital products. A producer of a good can bring a RPO claim if the defendant "bodily appropriated" the good (even if slightly modifying it) and sold it as the defendant's own product.¹⁰¹ In 2004, the

97. *Id.*; Pearson Educ., Inc. v. Boundless Learning, Inc., 919 F. Supp. 2d 434, 438 (S.D.N.Y. 2013).

98. *Dastar*, 539 U.S. at 33.

99. Smartix Int'l Corp. v. MasterCard Int'l LLC, 2008 LEXIS 108548 at *19–21 (S.D.N.Y. Sept. 30, 2008) (holding that MasterCard's alleged incorporation of Smartix's marketing program into its own card system does not give rise to a RPO claim). *See also* Baden Sports, Inc. v. Molten USA, Inc., 556 F.3d 1300, 1305–07 (Fed. Cir. 2009) (holding that § 43(a) claims brought by plaintiffs who invented technology incorporated into the defendant's product are precluded by *Dastar* from recovery under the Lanham Act).

100. Thomas Publ'g Co. v. Tech. Evaluation Ctrs., Inc., 2007 U.S. Dist. LEXIS 55086, at *5–10 (S.D.N.Y. July 27, 2007). In 2015, in a case concerning debt financing services, the Southern District of New York stated, "Although *Dastar* was decided in the context of tangible goods, its reasoning applies equally well to reverse palming off of services . . ." Aviation Fin. Co. v. Chaput, 2015 U.S. Dist. LEXIS 32043, at *58 (S.D.N.Y. Mar. 12, 2015).

101. Cleary v. News Corp., 30 F.3d 1255, 1261 (9th Cir. 1994). The Ninth Circuit affirmed the Central District's granting of summary judgment on Fox's reverse passing off claim under the theory that *Dastar* "committed a 'bodily appropriation' of Fox's series." Twentieth Century Fox Film Corp. v. Entm't Distrib., 34 F. App'x 312, 314 (9th Cir. 2002). The Supreme Court's holding in *Dastar* was motivated partly out of concern that plaintiffs would use the "bodily appropriation" theory to bring claims for misattribution of creative works under the Lanham Act, thus blurring the boundaries between trademark and copyright law. Theodore H. Davis, Jr., & John L. Welch, *United States Annual Review:*

Western District of Washington held that copying a communicative product, such as photograph, and reselling that product did not constitute a “bodily appropriation” under the Lanham Act.¹⁰² Even though a copy of the product is resold without any modifications to the content, that type of infringing activity is a violation of the content owner’s copyright, and thus relief must be sought under that act.¹⁰³ Since digital products cannot be physically “appropriated,” but must be copied in order to be passed off as another’s good, a RPO claim under the “bodily appropriation” theory may not be found valid by the courts in the Ninth Circuit.

Dastar’s restrictions of who is the “origin” of a product—and thus who can bring a RPO claim—apply to claims regarding services provided in the creation of communicative content. In *Williams v. UMG Recordings, Inc.*, a plaintiff alleged that his production services for a film were “repackaged” when the defendant failed to credit the plaintiff.¹⁰⁴ The court found the RPO claim invalid even though the plaintiff was a “producer” of the film because the plaintiff did not produce any physical products, and misattribution of services in the creation of a work of authorship—whether the service concerns managing a production or a creation of content, such as editing or writing—is a copyright claim.¹⁰⁵

3. “Tangible Good”—Fourth Circuit District Courts

Post-*Dastar* litigation in the Fourth Circuit regarding the meaning of “tangible goods” demonstrates how *Dastar* leads to inconsistent holdings among district courts. Whether *Dastar*’s “tangible goods” language precludes digital products is debated in the Eastern District of Virginia, the District of Maryland, and the Eastern District of North Carolina.

The district most amenable to plaintiff-producers of digital products is

The Sixty-Fifth Year of Administration of the U.S. Trademark (Lanham) Act of 1946, 103 TRADEMARK REP. 1, 200 (2013).

102. *Corbis Corp. v. Amazon.com Inc.*, 351 F. Supp. 2d 1090, 1117 (W.D. Wash. 2004).

103. *Id.* Producers of digital products may not have success even if they demonstrate that the product as a whole was reproduced and sold. In *Harbor v. Farquhar*, appellants argued that the defendants “repackaged” digital musical compositions because they resold the “unalterable” media files of the compositions to television companies as their own product. The appellants did not bring a claim against the television companies for using their product. Brief of Appellants, *Harbour v. Farquhar*, No. 05-55693 (9th Cir. Sept. 1, 2005). In an unpublished three paragraph opinion, the Ninth Circuit restated *Dastar*’s holding on the “origin of goods” and found the set of musical compositions barred from Lanham Act protection because they were “idea[s], concept[s], or communication[s] embodied within” television programs. *Harbour v. Farquhar*, 245 F. App’x 582, 582–83 (9th Cir. 2007) (quoting *Dastar*, 539 U.S. at 37) (internal quotation marks omitted).

104. *Williams v. UMG Recordings, Inc.*, 281 F. Supp. 2d 1177, 1184 (C.D. Cal. 2003).

105. *Id.* at 1184–86.

the Eastern District of Virginia. In *Cvent, Inc. v. Eventbrite, Inc.*, the plaintiff brought a RPO claim alleging that the defendant scraped data from its website and then “reformatted the material into its own layouts and made it available on [the defendant’s] website.”¹⁰⁶ The court held that the “tangible goods” language in *Dastar* is

confusing, and tends to suggest that electronic products are not covered by the Lanham Act. However, the *Dastar* opinion also makes clear that the Court used that language simply to distinguish goods and products offered for sale . . . from any “idea, concept or communication embodied in those goods” . . .¹⁰⁷

Since Cvent’s database was a “web-hosted software” licensed to “companies and their meeting planners,” it was a product and was eligible for protection under the Lanham Act.¹⁰⁸ Further, Cvent’s complaint did not “assert that Eventbrite . . . passed off its *ideas* as its own, but rather that Eventbrite . . . re-branded and re-packaged its *product* (the CSN venue database) and sold it as its own.”¹⁰⁹

Other district courts in the Fourth Circuit do not share the Eastern District of Virginia’s interpretation of “tangible goods.” Less than a month before the *Cvent* decision, motions to dismiss a RPO claim were brought before a court in the District of Maryland.¹¹⁰ The defendants had copied and reposted the plaintiffs’ videos on legal and business topics, available only by download, and “presented the videos as [their] own by removing references” to the plaintiffs’ website.¹¹¹ The court found the plaintiffs’ RPO claim preempted by copyright because the defendants were the “‘origin’ of the videos, as they published them on their website, and the Lanham Act does not protect the creators of intangible video content.”¹¹²

106. *Cvent, Inc. v. Eventbrite, Inc.*, 739 F. Supp. 2d 927, 930 (E.D. Va. 2010). “Scraping” consists of using a computer program to collect and aggregate information from a series of webpages. Anthony J. Dreyer & Jamie Stockton, *Internet “Data Scraping”: A Primer for Counseling Clients*, N.Y. L.J., July 15, 2013, at S2.

107. *Cvent*, 739 F. Supp. 2d at 936 (quoting *Dastar*, 539 U.S. at 37).

108. *Id.* at 930, 936.

109. *Id.* at 936.

110. *LTVN Holdings, LLC v. Odeh*, 2010 U.S. Dist. LEXIS 63164 (D. Md. June 25, 2010).

111. *Id.* at *1–4.

112. *Id.* at *13. The Court for the Western District of North Carolina reached a similar conclusion in 2015. *Mannella Grp., Inc. v. Cornerstone Chiropractic Mktg.*, 2015 U.S. Dist. LEXIS 66598, at *9–10 (W.D.N.C. May 21, 2015). The plaintiff produced and sold marketing materials, including videos, for chiropractors through its website. The defendants incorporated the video and content into their own marketing plan for chiropractors and sold the materials through their website. The court dismissed the RPO claim because the plaintiff was “not the ‘origin’ of the marketing materials sold by Defendants, but rather the author of the communication embodied in the materials.” *Id.* at *10.

In a 2013 decision, a court in the Eastern District of North Carolina stated that *Dastar*'s holding "should apply in a variety of factual contexts" because "the Court intended to narrow the scope of conduct proscribed by" § 43(a).¹¹³ Since the Court found that the section applies only to producers of "tangible goods" and "provided a specific definition of the statutory language," the Court "significantly limited the scope of the statute."¹¹⁴ A claim brought by a producer of a digital product in this district would probably be dismissed given that a digital product does not meet the "specific definition" of a "tangible product."

B. ALTERNATIVE PLEADINGS AND COPYRIGHT PREEMPTION—NINTH CIRCUIT

Post-*Dastar* litigation in the Ninth Circuit demonstrates that bringing alternative copyright and Lanham Act claims may result in a finding of copyright preemption. The Court of Appeals opinion for *Sybersound Records Inc., v. UAV Corp.* establishes that the Lanham Act cannot be used to seek relief for matters that can be remedied by copyright, such as a producer's misrepresentation that it has acquired licenses to reproduce the copyrighted content conveyed by its goods.¹¹⁵ *Dastar* does not preclude plaintiffs from bringing copyright and Lanham Act claims in the same suit. However, courts in the Ninth Circuit dismiss the Lanham Act claim if copyright provides an adequate remedy.

RPO claims regarding digital products are preempted if a copyright claim is brought that concerns the reproduction and distribution of content conveyed by the digital product. In *Corbis Corp. v. Amazon.com, Inc.*, Corbis brought copyright claims and a RPO claim alleging that Amazon was displaying digital photographs licensed by Corbis on IMDb.com without proper accreditation.¹¹⁶ The court dismissed the Lanham Act claim because Corbis pled that both the copyright and Lanham Act claims involved "bodily appropriation" of the content, sought the same remedies under both acts, and conceded that the "Ninth Circuit has refused to *expand* Lanham Act protection in cases where the Copyright Act provides an adequate remedy."¹¹⁷

113. *Logan Developers, Inc. v. Heritage Bldgs., Inc.*, 2013 U.S. Dist. LEXIS 140909, at *9 (E.D.N.C. Sept. 30, 2013). In *Logan*, the district court held that an architect could not seek relief under § 43(a) for architectural designs incorporated into the defendant's plans. *Id.* at *14–15.

114. *Id.* at *10.

115. *Sybersound Records, Inc. v. UAV Corp.*, 517 F.3d 1137, 1143–44 (9th Cir. 2008).

116. *Corbis Corp. v. Amazon.com, Inc.*, 351 F. Supp. 2d 1090, 1116 (W.D. Wash. 2004).

117. *Id.* at 1117 (quoting Opposition to Amazon.com, Inc.'s Motion for Partial Summary

A case in the Southern District of California demonstrates the importance of distinguishing in the complaint the harm to be remedied under copyright from the harm to be remedied under § 43(a). In *Fractional Villas, Inc. v. Tahoe Clubhouse*, the defendant copied information and copyrighted material from the plaintiff's website and incorporated the material into the defendants' website.¹¹⁸ The plaintiff supported its RPO claim on the basis that "Defendants' intentional infringement of the Copyright constitutes unfair competition[,] . . . is a false designation of origin . . . and is likely to cause confusion . . ." ¹¹⁹ The court dismissed the claim because the plaintiff did not accuse the defendants of repackaging a tangible good and argued that the harm to be remedied by the Lanham Act resulted from an act of copyright infringement; thus, the plaintiff "failed to plead a cause of action under the [Act]."¹²⁰

A case in the Central District of California suggests that even if a court considers the origin of a digital product to be a "producer" and not an "author," RPO claims may still be preempted if copyright claims are also pled. VFM Leonardo ("VFML") allegedly acquired and redistributed Pro Search Plus's ("Pro Search") photographs and media content related to the hotel industry.¹²¹ Initially, Pro Search only pled antitrust and Lanham Act claims. The court granted VFML's motion to dismiss the RPO claim without prejudice because it was "unclear" from the complaint whether Pro Search was "more like the 'printer [/] publisher' or the 'author' . . . of the digital images and rich media it distributes."¹²² Pro Search brought a copyright infringement claim in its second amended complaint alleging that "VFML has deceived consumers into believing that VFML is 'the source and/or creator of the images/rich media, instead of [Pro Search].'"¹²³ In its second opinion, the court still considered Pro Search to be a producer

Judgment on Plaintiff's Trademark and State Law Claims at 6, *Corbis Corp. v. Amazon.com, Inc.*, 351 F. Supp. 2d 1090 (W.D. Wash. 2004) (No. CV03-1415L), 2004 WL 2995467 (W.D. Wash. 2004)).

118. *Fractional Villas, Inc. v. Tahoe Clubhouse*, 2009 U.S. Dist. LEXIS 4191, at *3 (S.D. Cal. Jan. 22, 2009).

119. First Amended Complaint at ¶¶ 37–39, *Fractional Villas, Inc. v. Tahoe Clubhouse*, 2009 U.S. Dist. LEXIS 4191 (S.D. Cal. Jan. 22, 2009) (No. 08CV1396-IEG-POR), 2008 U.S. Dist. Ct. Pleadings LEXIS 5391, at *10 (S.D. Cal., Oct. 21, 2008).

120. *Fractional Villas*, 2009 U.S. Dist. LEXIS 4191, at *11.

121. *Pro Search Plus, LLC v. VFM Leonardo, Inc.*, 2013 U.S. Dist. LEXIS 107895, at *17 (C.D. Cal. July 30, 2013).

122. *Id.* at *22.

123. *Pro Search Plus, LLC v. VFM Leonardo, Inc.*, 2013 WL 6229141, at *10 (C.D. Cal. Dec. 2, 2013) (quoting Second Amended Complaint at ¶ 168, *Pro Search Plus, LLC v. VFM Leonardo, Inc.*, 2013 WL 6229141 (C.D. Cal. Dec. 2, 2013) (No. 8:12-CV-02102-JST-AN), 2013 WL 6438681, at ¶ 168 (C.D. Cal. Aug. 27, 2013)).

whose product is “the management and distribution of images.”¹²⁴ However, the court dismissed the Lanham Act claim because Pro Search alleged that VFML held itself out to be the creator of the images, and “the addition of the copyright claim resolves any ambiguity about the Lanham Act claim and makes clear that it should be dismissed [with prejudice] under *Dastar*.”¹²⁵

District courts in the Ninth Circuit tend to find RPO claims concerning digital products preempted by copyright law. Yet as shown by the cases described above, plaintiffs still exert time and money bringing RPO claims so as not to miss the opportunity to seek relief under the Lanham Act. Given the risk of claim preclusion, producers of digital products will bring alternative RPO claims, even in districts with a strong tendency to find Lanham Act claims preempted by copyright, and take their chances at surviving Rule 12(b)(6) motions to dismiss.

C. EXTRA ELEMENTS AND AVOIDING COPYRIGHT PREEMPTION

Although *Dastar* permits plaintiffs to bring copyright and Lanham Act claims in the same suit, avoiding copyright preemption requires that plaintiffs plead extra elements to bring the claim outside the scope of copyright. The Northern District of Illinois and the Middle District of Florida have identified some extra elements.

1. “Repackaging”—Northern District of Illinois

Producers of digital products may have success bringing RPO claims in the Northern District of Illinois. To survive Rule 12(b)(6) motions to dismiss, a plaintiff must avoid pleading that the defendant incorporated the plaintiff’s good into the defendant’s product. In a 2005 Seventh Circuit Court of Appeals case, Judge Easterbrook found that *Dastar* “had the right (so far as the Lanham Act is concerned) to incorporate into its videos footage taken and edited by others, provided that it manufactured the finished product and did not mislead anyone about who should be held responsible for shortcomings.”¹²⁶ Yet in a series of decisions, the Northern District of Illinois found that digital products could be repackaged and that “repackaging” is an “extra element” needed in a RPO claim.¹²⁷

124. *Id.* at *10 n.6.

125. *Id.* at *10.

126. *Bretford Mfg., Inc., v. Smith Sys. Mfg. Corp.*, 419 F.3d 576, 580 (7th Cir. 2005).

127. One of the first cases to deal with digital products post-*Dastar* was *Bob Creeden & Associates, Ltd. v. Infosoft, Inc.* The court found that the plaintiff was not the “origin” of the ordering system sold by the defendant because the defendant’s system was derived from the system developed

In 2004, in *Do It Best Corp. v. Passport Software, Inc.*, the Northern District of Illinois held that *Dastar*'s repackaging theory could apply to digital products.¹²⁸ Passport Software ("PSI") licensed accounting software to Do it Best ("DIB"), who then sold more than 400 copies of the program having replaced PSI's copyright notices with DIB's notices on the splash screen. The court found that the plaintiff had a valid RPO claim under *Dastar*'s "repackaging" theory.¹²⁹ When the parties motioned for summary judgment, the court clarified that "repackaging" claims are only available when the defendant slightly modifies the plaintiff's product before marketing the product as its own.¹³⁰ Since it was questionable as to what extent DIB modified PSI's program, the court denied both parties' motions for summary judgment.¹³¹

From 2010 to 2011, the Northern District of Illinois debated whether the removal of a plaintiff's copyright notice alone constituted a violation under § 43(a) or whether an "extra element" was necessary. In *Cable v. Agence France Presse* (July 20, 2010), the plaintiff alleged that AFP copied his digital photographs and removed copyright notices and accreditation lines.¹³² The court found that reposting the photographs with new copyright notices and without modifying the photographs constituted an act of "repackaging" in violation of § 43(a).¹³³ Less than a month later,

by the plaintiff. The court did not focus on whether the product at issue was tangible, but on whether the defendant was the origin of the good, the software system. *Bob Creeden & Assocs., Ltd. v. Infosoft, Inc.*, 326 F. Supp. 2d 876, 879–80 (N.D. Ill. 2004).

128. *Do It Best Corp. v. Passport Software, Inc.*, 2004 WL 1660814, at *17 (N.D. Ill. July 23, 2004).

129. *Id.* The court looked to an Eleventh Circuit, pre-*Dastar* opinion, *Montgomery v. Noga*, in which the Court of Appeals explained that a RPO claim "is applicable in situations where a defendant resells another person's product that has been only 'slightly modified.'" *Montgomery v. Noga*, 168 F.3d 1282, 1299 n.27 (11th Cir. 1999). Significantly, the defendants in *Montgomery* removed the plaintiff's copyright notices from their computer program and claimed ownership of the program. *Id.* at 1298–99. Although DIB's removal of PSI's copyright notice was a copyright violation, the Lanham Act claims were not preempted because PSI's pleadings sufficiently demonstrated that, by removing the notices from the splash screens, DIB "merely repackaged [the Programs] as its own." *Do It Best*, 2004 WL 1660814 at *16–18 (quoting *Dastar Corp. v. Twentieth Century Fox Film Corp.*, 539 U.S. 23, 31 (2003)). Since the suit was brought in 2004, the court states that based on the liberal Rule 8 pleading standards, it had to deny DIB's motion to dismiss PSI's counterclaim. *Id.* at *18. However, plaintiffs must now meet the pleading standards articulated by *Twombly* and *Iqbal*.

130. *Do It Best Corp. v. Passport Software, Inc.*, 2005 WL 2234651, at *6–8 (N.D. Ill. Sept. 12, 2005).

131. *Id.*

132. *Cable v. Agence Fr. Presse*, 728 F. Supp. 2d 977, 978 (N.D. Ill. 2010).

133. *Id.* at 981. The court denied AFP's motion to reconsider. AFP claimed it had added the new credit lines to indicate that it was a "distributor of the goods." The court was not "willing to conclude at [that] point in the litigation that the references in the complaint that AFP was the 'provider' or was 'distributing' or 'sub-licensing' the photo establish that AFP did not attempt to repackage the photo as

in *Cyber Websmith, Inc. v. American Dental Ass'n*, the court found that even though the defendant copied and resold the plaintiff's templates for a website without modification, the plaintiff's Lanham Act claims were preempted because an "assertion of consumer confusion and deception [resulting from copyright notice removal], without more, does not allow Plaintiff to sidestep preemption under Section 301."¹³⁴ In *CustomGuide v. CareerBuilder, LLC* (August 24, 2011), the court found that RPO claims for digital professional training videos copied and redistributed by the defendants could not survive copyright preemption because the plaintiffs failed to plead an extra element beyond consumer confusion and deception.¹³⁵

On September 1, 2011, another district court reconciled *Cable* with *Cyber Websmith* in *Defined Space, Inc. v. Lakeshore East, LLC* by stating that "Cable's Lanham Act claim fit the description of the [repackaging] caveat in *Dastar*."¹³⁶ The court found that the plaintiff sufficiently pled the "repackaging" extra element by alleging that Lakeshore East, a real estate company, appropriated and used the plaintiff's digital photographs for its marketing campaign without "permission and *without alteration*."¹³⁷ The court limited the application of the "repackaging" extra element by stating that the plaintiff may not bring RPO claims involving "works in the public domain" nor any works that raise a "fear of a perpetual copyright regime."¹³⁸

While the Northern District of Illinois is a favorable forum for plaintiffs with digital products, the Seventh Circuit as a whole has not adopted the Northern District of Illinois's interpretation of *Dastar*.¹³⁹ Two

its own." *Id.* at 982.

134. *Cyber Websmith, Inc. v. Am. Dental Ass'n*, 2010 WL 3075726, at *3 (N.D. Ill. Aug. 4, 2010) (finding that "reverse passing off claims tend not to survive" preemption). Yet the court did not dismiss the claim with prejudice. *Id.* n.4 ("The Court declines Defendants' request . . . that the Court dismiss Plaintiff's Lanham Act and IDTPA claims *with prejudice* at this time. While . . . it is not evident to the Court how Plaintiff might be able to replead Counts III and/or IV in a manner that would survive a motion to dismiss, it is not clear that any attempt to amend would be futile either.")

135. *CustomGuide v. CareerBuilder, LLC*, 813 F. Supp. 2d 990, 999 (N.D. Ill. 2011).

136. *Defined Space, Inc. v. Lakeshore E., LLC*, 797 F. Supp. 2d 896, 900-01 (N.D. Ill. 2011).

137. *Id.* at 901 (emphasis in original).

138. *Id.* The Trademark Reporter was critical of this decision. See Davis & Welch, *supra* note 101, at 198 ("[The] Illinois federal district court [that decided *Defined Space*] missed the bus in failing to dismiss a reverse passing off cause of action grounded in facts similar to those in *Dastar*.")

139. The Southern District of Illinois held *Dastar*'s repackaging theory to be "merely dicta" and dismissed a RPO claim against defendants who misappropriated and sold term papers over the Internet because it reasoned that there is "nothing tangible about the information exchanged over the Internet." *Weidner v. Carroll*, 2007 WL 2893637, at *4 (S.D. Ill. Sept. 28, 2007).

cases heard by the Court of Appeals in August 2014 suggest that producers of digital products may encounter challenges in bringing RPO claims within that Circuit.

In *M. Arthur Gensler Jr. & Associates v. Strabala*, Judges Richard A. Posner, Frank H. Easterbrook, and Diane S. Sykes reversed the Northern District of Illinois's dismissal of a RPO claim because the defendant had not copied the communicative product at issue.¹⁴⁰ According to the opinion written by Judge Easterbrook, it was possible for an architectural firm to bring a RPO suit against a former employee claiming to be the designer of several high-profile buildings.¹⁴¹ Although the claims concerned the defendant's services, "the Supreme Court did not read 'services' out of the Lanham Act."¹⁴² Significantly, the defendant had not made any copies of the designs; thus, the claim was "outside the scope of copyright law" and the plaintiff's "only plausible federal claim rests on § 43(a)."¹⁴³ The attention the Court of Appeals gave to whether the defendant copied the plaintiff's product suggests that producers of digital products may encounter difficulty convincing a district court that their RPO claim is a "plausible" § 43(a) claim. Since digital products must be copied to be resold as the defendant's product, courts looking to *M. Arthur Gensler Jr.* could find that the claim fits "within" the scope of copyright law.

Judge Manion's opinion in a "reverse confusion" case concerning a software program and the film *The Dark Knight Rises* suggests that communicative products may qualify for § 43(a) protection as long as those products are "primarily" tangible.¹⁴⁴ Judge Manion classified both the computer program and the movie as tangible products even though both are available on the Internet, since "the movie was shown first and primarily in theaters, and Fortres Grand's software is only available at its website, not at other places on the [I]nternet."¹⁴⁵ While *The Dark Knight Rises* is a

140. *M. Arthur Gensler Jr. & Assocs. v. Strabala*, 764 F.3d 735, 737 (7th Cir. 2014).

141. *Id.* at 738.

142. *Id.* at 736.

143. *Id.* at 737.

144. *Fortres Grand Corp. v. Warner Bros. Entm't Inc.*, 763 F.3d 696, 702–03 (7th Cir. 2014) (before Judges Manion, Rovner, and Hamilton). The plaintiff develops and sells a software program, "Clean Slate," that wipes hard drives and is used primarily for security management of public computers. The villain in *The Dark Knight Rises* possesses a software program, "the clean slate program," which erases criminal records. Fortres Grand brought a suit against Warner Bros. alleging that the drop in the sales of its Clean Slate program was "due to potential customers mistakenly believing that its Clean Slate software is illicit or phony on account of Warner Bros.' use of the name 'the clean slate' in *The Dark Knight Rises*." *Id.* at 700.

145. *Id.* at 704; *Product Downloads*, FORTRES GRAND, <http://www.fortresgrand.com/support/downloads.htm> (last visited July 22, 2015).

communicative product (a movie), it qualifies as a tangible good because it had a theatrical release.¹⁴⁶ A district court looking to *Fortres Grand* may dismiss a § 43(a) claim brought by a producer of a movie available only through streaming—with no theatrical release, the product cannot be “primarily tangible.” Likewise, a court may find a software program sold through various websites to be “intangible.” Under this interpretation of *Dastar*, a court may distinguish producers of digital-only products from producers of “primarily tangible” products. This could exclude producers of digital-only products from seeking relief under the Lanham Act despite the fact that they provide products similar to “primarily tangible” products.

2. “Customer Confusion” and “Ownership”—Middle District of Florida

In the Middle District of Florida (Eleventh Circuit), courts focus on whether the plaintiff’s complaint meets the *Montgomery v. Noga* pleading requirements for RPO claims. In *Montgomery*, the Eleventh Circuit did not grant the defendant’s motion for judgment as a matter of law on the plaintiff’s RPO claim.¹⁴⁷ The RPO claim concerned image-viewing software incorporated within the defendants’ CD-ROMs. The defendants “activate[d] a certain feature” of the program which caused the plaintiff’s “copyright notice not to appear when users viewed” the defendants’ CD-ROMs.¹⁴⁸ The Eleventh Circuit held that the plaintiff pled a valid RPO claim because the plaintiff argued that (1) consumers would believe the program was owned by the defendants because a notice appeared within the program indicating that the defendants owned the “help menu” that assisted users with the program¹⁴⁹ and (2) the defendants “actually stated that they ‘owned’ the menu.”¹⁵⁰

These two elements—confusion and attestation of ownership—continue to be essential factors for RPO claims after *Dastar*. A producer of document-imaging software survived a motion dismiss because it alleged

146. Yet most major entertainment studios release movies as “digital cinema packages” (“DCP”) instead of printing reels of 35mm film. A distributor loads the DCP onto a hard drive. A theater connects the hard drive to a server, which interfaces the encrypted files with a digital projector. Doris Toumarkine, *The ABCs of DCPs: Unwrapping the Digital Cinema Package*, FILM J. INT’L, Sept. 2012, at 52–54. Sony Pictures distributes *The Dark Knight Rises* in the UK as a DCP. *The Dark Knight Rises (2012): Released as a 4K DCP Movie Title*, SONY UK, <http://www.sony.co.uk/pro/article/digital-cinema-4k-movies-the-dark-knight-rises-2012> (last visited July 22, 2015). See also Andrew Stewart & David S. Cohen, *The End*, VARIETY, Apr. 9, 2013, at 40–46 (discussing the transition to digital technology in cinema production and distribution).

147. *Montgomery v. Noga*, 168 F.3d 1282, 1297–99 (11th Cir. 1999).

148. *Id.* at 1297.

149. *Id.* at 1297–98.

150. *Id.* at 1299.

facts sufficient to demonstrate consumer confusion.¹⁵¹ However, a producer of a securities brokerage accounting system did not survive summary judgment because it failed to demonstrate that the defendant held himself out to be the producer of a program based off the plaintiff's system.¹⁵² In both cases, the plaintiff's programs and source code were incorporated into the defendant's products. This suggests that the Middle District of Florida, unlike courts in the Second, Seventh, and Ninth Circuit, may not find RPO claims from producers, whose products are incorporated into the defendant's products, to be invalid.

The various holdings and requirements for RPO claims across circuits demonstrate that *Dastar's* attempt to prevent plaintiffs from pleading overlapping trademark and copyright claims has in fact generated inconsistent judicial interpretations of "origin" and "tangible goods." This has led courts to identify the "extra elements" required to avoid copyright preemption. Attorneys whose clients wish to bring RPO claims for digital products must determine their district's interpretation of *Dastar* and then consider whether it is worth the time and money to bring the claim. Nevertheless, *Dastar's* restrictions may also present an opportunity to think beyond § 43(a) and explore other methods for protecting digital products.

IV. AVOIDING *DASTAR*: ALTERNATIVES TO § 43(A) REVERSE PASSING OFF CLAIMS

Given that plaintiffs with digital products may not have much success bringing RPO claims, especially in the Southern District of New York and the Ninth Circuit, producers may wish to take prospective measures so that they are able to bring claims other than a RPO claim should a defendant copy and resell the product. This Section provides two alternative claims: "passing off" and trade secret theft.

151. *Pegasus Imaging Corp. v. Northrop Grumman Corp.*, 2008 WL 5099691, at *7 (M.D. Fla. Nov. 24, 2008). The plaintiff did not prevail at the summary judgment phase because it did not show it was harmed by the defendants' "repackaging" of its product. *Pegasus Imaging Corp. v. Northrop Grumman Corp.*, 2010 WL 4627721, at *5-6 (M.D. Fla. Nov. 5, 2010).

152. *N. Am. Clearing, Inc. v. Brokerage Computer Sys.*, 666 F. Supp. 2d 1299, 1309-10 (M.D. Fla. 2009).

A. SOURCE-IDENTIFYING MARKS AND “PASSING OFF” CLAIMS

Plaintiffs with digital products should embed logos or trademarks on content conveyed by the product. The mark with the strongest protection is a registered trademark, but producers should also have a distinctive source-identifying mark on their product when it is released in the marketplace.¹⁵³ In the Southern District of New York and the Ninth Circuit, a copyright notice is not a source-identifying mark under the Lanham Act, and an alteration to a copyright notice is a violation of the Copyright Act.¹⁵⁴ Names and short phrases are not protected by copyright.¹⁵⁵ By alleging that the defendant copied or removed a trademark or a source-identifying mark such as a name, the plaintiff is not “attempting to use trademark law to prosecute plagiarism of . . . creative work”;¹⁵⁶ thus, copyright preemption is not triggered.

Plaintiff-producers of digital products bringing “passing off” claims have had success surviving Rule 12(b)(6) motions to dismiss in the Southern District of New York and the Ninth Circuit. In *Expressway Music, Inc. v. Slep-Tone Entertainment Corp.*, the products at issue were digital karaoke tracks copied by Expressway and media-shifted onto hard drives.¹⁵⁷ The infringing copies had Slep-Tone’s trademarks on the tracks. In its pretrial opposition brief, Slep-Tone conceded that by copying the tracks and storing them on hard drives, Expressway was the “origin” of the good (the hard drives).¹⁵⁸ However, the court found that the claim, “as

153. GERK & FLEMING *supra* note 19, at 215–42; Lanham Act § 43(a), 15 U.S.C. § 1125(a)(1) (2012) (holding anyone liable for commercial misuse of “any word, term, name, symbol, or device, or any combination thereof”).

154. *Lipton v. Nature Co.*, 71 F.3d 464, 473 (2d Cir. 1995); *Nintendo of Am. v. Dragon Pac. Int’l*, 40 F.3d 1007, 1010–11 (9th Cir. 1994).

155. HALPERN, SEYMORE & PORT, *supra* note 18, at 7–8.

156. *Bach v. Forever Living Prods. U.S., Inc.*, 473 F. Supp. 2d 1110, 1118 (W.D. Wash. 2007). The Western District of Washington permitted both types of claims to be brought by the author of the book *Jonathan Livingston Seagull* because he was “seeking remedies for distinct wrongs under each legal framework.” *Id.* The defendant used the title of the book and copyrighted images in promotional materials for a health-products company. Since the “[p]laintiff’s rights in the *name* and *title* of *Jonathan Livingston Seagull* . . . are protected under trademark law, not copyright law,” as source-identifying marks, the plaintiff was not “attempting to use trademark law to prosecute plagiarism of [his] creative work.” *Id.*

157. *Expressway Music, Inc. v. Slep-Tone Entm’t Corp.*, 2013 WL 5345969, at *2 (S.D.N.Y. Sept. 23, 2013).

158. Response in Opposition to Plaintiff’s Motion to Dismiss Counterclaims and Motion to Strike Answer at ¶ I(A)(3), *Expressway Music, Inc. v. Slep-Tone Entm’t Corp.*, 2013 WL 5345969 (S.D.N.Y. Sept. 23, 2013) (No 1:12-cv-00834-ALC-MHD), 2013 WL 1750698 (S.D.N.Y. Mar. 20, 2013). In another Slep-Tone case regarding trademark infringement, the Northern District of Illinois stated that, in fact, “[t]he media and format shifting operates as an independent creation event, placing a new ‘good’ in the marketplace.” *Slep-Tone Entm’t Corp. v. Sellis Enters.*, 2015 U.S. Dist. LEXIS 44301, at

pleaded and given a literal interpretation of *Dastar*,” was valid because “Slep-Tone appear[ed] to argue that because Expressway is the origin of media- and format-shifted records, the presence of Slep-Tone’s ‘SoundChoice’ trademark [was] passing off Expressway’s product as Slep-Tone’s.”¹⁵⁹ Because Slep-Tone brought a “passing off” claim, the Southern District of New York found *Dastar* inapposite, despite the fact that the “case may [have] toe[d] the line between a trademark claim attempting an ‘end run around the copyright laws’ and a viable trademark claim.”¹⁶⁰

There is inconsistency among the district courts in the Ninth Circuit as to whether plaintiffs can bring “passing off” claims for trademarks or source-identifying marks displayed in copyrighted material. In *Zuffa, LLC v. Justin.tv, Inc.*, the defendant streamed the plaintiff’s copyrighted broadcast of martial arts matches on its website.¹⁶¹ The District of Nevada found that *Dastar* did not apply to the plaintiff’s passing off claims alleging that the defendant displayed the plaintiff’s trademarks “watermarked” on the video streamed through the defendant’s website.¹⁶² However, the plaintiff also claimed trademark rights in a particular type of wrestling ring that appeared in the video content. The court limited the plaintiff’s claims “only to the display of the . . . trademarks which are not an inherent part of the video broadcast,” because otherwise “nobody would ever be able to copy the video and display it regardless of whether the copyright had entered the public domain.”¹⁶³

On the other hand, in *Craigslist Inc. v. 3Taps Inc.*, Craigslist brought a passing off claim because the defendants scraped listings posted on Craigslist’s website and reposted the listings containing Craigslist’s marks on different websites to create the impression that their “products [were]

*14 (N.D. Ill. Apr. 3, 2015). Since “[t]he producer of the new good (karaoke jockeys) and the mark-holder of the mark on the goods (Slep-Tone) do not match, the alleged use of Slep-Tone’s mark on the copied tracks is a false designation of origin covered by the Lanham Act.” *Id.* at *15.

159. *Expressway Music*, 2013 WL 5345969, at *2.

160. *Id.* at *2-3. A court in the District of Oregon (Ninth Circuit) reached a similar decision. *See Slep-Tone Entm’t Corp. v. Shenanigans Lounge*, 2013 WL 1768444 (D. Or. Feb. 22, 2013).

161. *Zuffa, LLC v. Justin.tv, Inc.*, 838 F. Supp. 2d 1102, 1103 (D. Nev. 2012).

162. *Id.* at 1105.

163. *Id.* at 1106. In *Slep-Tone Entertainment Corp. v. America’s Bar & Grill, LLC*, the Northern District of Illinois, following *Zuffa*, refused the defendant’s motion to dismiss Slep-Tone’s passing off claims concerning unauthorized media-shifted karaoke tracks bearing Slep-Tone’s “Sound Choice” mark. *Slep-Tone Entm’t Corp. v. Am.’s Bar & Grill, LLC*, 2014 U.S. Dist. LEXIS 113219, at *5–9 (N.D. Ill. Aug. 15, 2014). Slep-Tone had “adequately alleged facts to state a plausible claim to relief” because it contended that its “trademarks are entirely separable from the copyrighted material.” *Id.* at *9.

provided or endorsed by Craigslist.”¹⁶⁴ The court found that *Dastar*’s “tangible goods” limitation did not preclude the plaintiff’s Lanham Act claims because they concerned its classified advertisement services.¹⁶⁵ The “passing off” claims did not overlap with the copyright claims because “[t]he Copyright Act provides no recourse for Craigslist to prevent others from trading on Craigslist’s name and mark”¹⁶⁶ Even though the marks appeared within the listings, which were copyrighted content, the court found that the Lanham Act claim was not preempted because the defendant had not provided “any authority” stating that “such claims are *not* permitted, and it does not follow from *Dastar* that [the defendant] is free to use Craigslist’s trademark in an allegedly misleading way simply because the mark is contained in Craigslist’s copyrighted (or copyrightable) work.”¹⁶⁷

B. TRADE SECRET

Neither the Lanham Act nor Copyright Act protects ideas or proprietary information; thus, producers of software programs and digital databases may wish to consider protecting their products under trade secret law. Trade secret laws are state laws, so if a RPO claim is preempted by copyright or if all the federal laws claims are dismissed, the plaintiff can still seek relief under trade secret law in state court.¹⁶⁸ While state laws governing trade secrets vary, the basic elements of a trade secret claim are set out in the Uniform Trade Secrets Act (“UTSA”).¹⁶⁹ A trade secret is information that derives actual or potential economic value from not being generally known and is the subject of reasonable efforts to maintain its secrecy.¹⁷⁰ In order for a defendant to be liable for trade secret theft, the defendant must have acquired the information through improper means and have used the information in commerce.¹⁷¹ The owner of a trade secret has no temporal limitations on his right to exploit the trade secret: if not disclosed, a trade secret lasts forever.¹⁷² Plaintiffs can seek remedies such

164. Craigslist Inc., v. 3Taps Inc., 942 F. Supp. 2d 962, 978 (N.D. Cal. 2013).

165. *Id.* at 979.

166. *Id.* at 978.

167. *Id.* at 979–80 (emphasis in original). The court also denied the defendants’ 12(b)(6) motion to dismiss because Craigslist alleged “unauthorized use of its mark in other contexts.” *Id.* at 980.

168. See, e.g., Smartix Int’l Corp. v. MasterCard Int’l LLC, 2008 WL 4444554 (S.D.N.Y. Sept. 30, 2008), *aff’d*, 355 F. App’x 464 (2d Cir. 2009); Firoozye v. Earthlink Network, 153 F. Supp. 2d 1115 (N.D. Cal. 2001).

169. GERK & FLEMING, *supra* note 19, at 287.

170. UNIF. TRADE SECRETS ACT § 1(4) (1985).

171. *Id.* § 1 (2); GERK & FLEMING, *supra* note 19, at 288–89.

172. GERK & FLEMING, *supra* note 19 at 290.

as injunctive relief and damages.¹⁷³

A source code can be protected under trade secret and copyright. Since reproduction and distribution of a program is a copyright violation, it is recommended to register the copyright of the program's source code.¹⁷⁴ The Copyright Office allows owners of programs containing trade secrets to deposit a redacted version of the source code when registering for copyright protection.¹⁷⁵ While the public has access to records deposited with the Copyright Office, several district courts have found that secrecy is not destroyed when a redacted version of the source code is deposited.¹⁷⁶ Copyright will not preempt a trade secret claim because the defendant's breach of duty of confidentiality or misappropriation of the trade secret is an "extra element" that removes the claim from the scope of copyright.¹⁷⁷ However, the plaintiff cannot recover double damages "where the damages for copyright infringement and trade secret misappropriation are coextensive."¹⁷⁸

Trade secret law provides other benefits that make it a viable alternative to § 43(a) claims. Even if the program contains public domain material, a combination of public domain information may be considered a trade secret.¹⁷⁹ The defendant can be held liable for trade secret misappropriation even when the source code is modified and incorporated into another system.¹⁸⁰ Thus, the plaintiff is not restricted by the "repackaging," "bodily appropriation," or "incorporation" limitations developed by post-*Dastar* case law. Further, a source code, which is "intelligible" to humans, does not lose its value as a trade secret when it is turned into machine-readable object code so that computers can execute the program. The source code is not discernable from the object code; thus, the trade secret is not revealed even though the object code is made public by

173. *Id.* at 289–90.

174. 1 MELVILLE B. NIMMER & DAVID NIMMER, NIMMER ON COPYRIGHT § 2.04 (2014).

175. U.S. COPYRIGHT OFFICE, COPYRIGHT REGISTRATION FOR COMPUTER PROGRAMS 3 (2012), <http://www.copyright.gov/circs/circ61.pdf>.

176. *E.g.*, *Libertas Techs. v. Cherryhill Mgmt.*, 2012 U.S. Dist. LEXIS 173078, at *14–17 (S.D. Ohio Dec. 6, 2012); *Third Party Verification, Inc. v. SignatureLink, Inc.*, 2007 WL 1288361, at *6 (M.D. Fla. May 2, 2007); *Cinebase Software, Inc. v. Media Gaur. Trust Inc.*, 1998 U.S. Dist. LEXIS 15007, at *25–30 (N.D. Cal. Sept. 21, 1998).

177. *Avtec Sys. v. Peiffer*, 21 F.3d, 568, 574 (4th Cir. 1994); *Computer Assocs. Int'l v. Altai*, 982 F.2d 693, 717, 721 (2d Cir. 1992); *Firoozye v. Earthlink Network*, 153 F. Supp. 2d 1115, 1130–31 (N.D. Cal. 2001); *Micro Data Base Sys. v. Nellcor Puritan-Bennett*, 20 F. Supp. 2d 1258, 1262 (N.D. Ind. 1998).

178. *Computer Assocs. Int'l*, 982 F.2d at 720.

179. 2 MELVIN F. JAGER, TRADE SECRETS LAW § 9:3 (2014).

180. *Id.* § 9:6.

general use of the program.¹⁸¹

Two cases demonstrate the value of bringing a trade secret claim along with copyright and RPO claims—at times, the trade secret claim may be the only claim to survive summary judgment. In *General Universal Systems*, the Fifth Circuit found the plaintiff’s copyright claim invalid because the plaintiff did not provide sufficient evidence that the defendant copied its source code, and it found the RPO claim invalid because the defendant did not “repackage” any tangible goods (i.e., CD-ROMs) produced by the plaintiff.¹⁸² However, there was “a genuine issue of material fact” as to whether the defendants misappropriated the source code and whether the code was a properly protected trade secret; thus, the trade secret claim survived the defendant’s motion for summary judgment.¹⁸³

In *Pegasus Imaging Corp. v. Northrop Grumman Corp.*, the defendant incorporated the plaintiff’s source code into its own products.¹⁸⁴ The complaint stated that the plaintiff submitted a redacted version of the source code to the Copyright Office.¹⁸⁵ The plaintiff sought copyright claims, in addition to trade secret and Lanham Act claims. At the summary judgment proceeding, the court for the Middle District of Florida dismissed the RPO claim because the plaintiff failed to adequately allege harm caused by the infringing activity.¹⁸⁶ However, the court refused to grant summary judgment on the trade secret claim, since it was undisputed that the “source code constitute[d] a trade secret” and there were questions as to “whether any misappropriation occurred.”¹⁸⁷

Trade secret and “passing off” claims allow producers of digital products to avoid both the limitations of *Dastar* and copyright preemption. However, to be able to invoke these claims, plaintiffs must think prospectively and take precautions when releasing a product to ensure that the underlying technology remains a trade secret and the product displays

181. *Id.*

182. *Gen. Universal Sys., Inc. v. Lee*, 379 F.3d 131, 146–49 (5th Cir. 2004).

183. *Id.* at 150–52.

184. *Pegasus Imaging Corp. v. Northrop Grumman Corp.*, 2008 WL 5099691, at *5 (M.D. Fla. Nov. 25, 2008).

185. Second Amended Complaint at ¶ 106, *Pegasus Imaging Corp. v. Northrop Grumman Corp.*, 2010 WL 4627721 (M.D. Fla. Nov. 5, 2010) (No. 807CV01937), 2008 WL 5679582 (M.D. Fla. Dec. 15, 2008).

186. *Pegasus Imaging Corp. v. Northrop Grumman Corp.*, 2010 WL 4627721, at *6 (M.D. Fla. Nov. 5, 2010).

187. *Id.* at *5. The court also refused to grant the defendant’s motion for summary judgment on the copyright claims since there were questions of fact regarding the scope of activities permitted under the defendant’s license to develop the program to serve its software needs. *Id.* at *3–4.

source-identifying marks.

CONCLUSION

Should CreativeSoft file a RPO claim against MockSoft for copying CreativeDesign2.0 and reselling it as MockDesign? As with many complex legal questions, the answer is: it depends. Given the risk of claim preclusion, you might advise your client to bring any and all claims as permitted by Rule 8. Yet by bringing copyright claims in the same suit, you risk copyright preemption of Lanham Act and state unfair competition claims (especially if you bring the suit in the Ninth Circuit). CreativeSoft may not be able to demonstrate that it is the “origin” of the copies of the product sold by MockSoft (especially in the Southern District of New York and the Ninth Circuit), and some courts may dismiss the claim because the product is intangible. CreativeSoft may survive Rule 12(b)(6) motions to dismiss in the Northern District of Illinois or the Middle District of Florida if it can plead “extra elements” that would bring the RPO claim out of the scope of copyright. CreativeSoft may have a better chance of surviving the pleading stage if it brings a “passing off” claim or a trade secret claim. Yet the validity of these claims will be predicated on whether MockDesign displays CreativeSoft’s logos, whether CreativeSoft sufficiently kept the source code of CreativeDesign secret, and whether MockSoft misappropriated the code.

The underlying goal of *Dastar* is to reinforce the boundaries between the trademark, patent, and copyright regimes. The Court wished to prevent plaintiffs who no longer had the right to seek remedies under the Copyright Act from bringing claims under § 43(a). The Court’s limitation of “origin of goods” to producers of tangible products resulted from the Court’s concern that extending “origin of goods” to include the “person or entity that originated the ideas or communications that ‘goods’ embody or contain” would be a judicial action “out of accord with the history and purpose of the Lanham Act and inconsistent with precedent.”¹⁸⁸

Dastar ultimately complicates the application of trademark law in a

188. *Dastar Corp. v. Twentieth Century Fox Film Corp.*, 539 U.S. 23, 32 (2003). Justice Scalia consulted the second edition of Webster’s New International Dictionary, published in 1949, to determine that “origin of goods” means the producers of tangible products. *Id.* at 31. James J. Brudney and Lawrence Baum found that “Justice Scalia used dictionaries from close to the filing date more than two-thirds of the time . . .” James J. Brudney & Lawrence Baum, *Oasis or Mirage: The Supreme Court’s Thirst for Dictionaries in the Rehnquist and Roberts Eras*, 55 WM. & MARY L. REV. 483, 535 (2013). Justices select dictionaries published close to the enactment date of a statute if the “focus is ordinary meaning as presumptively understood by the Congress that voted for the statute.” *Id.* at 511.

marketplace in which digital products are sold and misappropriated. Copied and resold digital products do not just harm the author or creator of the content conveyed by the product. This type of infringement harms consumers and producers who cannot be protected under the Patent and Copyright Acts. Thus, the need for trademark law to prevent consumer confusion and to protect the investment and goodwill of producers continues to exist even though products are now intangible. By restricting § 43(a) claims to producers of tangible goods and by suggesting that communicative products conveying intellectual content are better served through copyright protection, *Dastar* may have restricted a whole set of producers—those who distribute digital products—from entitlement to relief under § 43(a).

Is the Court's interpretation of the "origin of goods" as "the producer of a tangible product" entirely in accord with the Lanham Act? The Senate Report for the 1946 Act states that the purpose of the Act

is twofold. One is to protect the public so it may be confident that, in purchasing a product with a trade-mark which it favorably knows, it will get the product which it asks for and wants to get. Secondly . . . [the producer] is protected in his investment from its misappropriation by pirates and cheats.¹⁸⁹

The Senate Report for the 1988 amendments recognized that "commerce has come a long way in the past 42 years" but also noted that the Act was "in need of updating and fine-tuning to reflect changes in other laws and business practices."¹⁹⁰

Legislative history suggests that the Lanham Act is dynamic. The drafters knew that commerce would change and trademark law would need to adapt to new markets and protect new products. In giving the judiciary the power to interpret § 43(a), the Senate gave them the power to bring trademark law up to date with commerce as it develops. The Lanham Act does not define "goods" or "origin," thus judges must interpret those words. The Supreme Court could have defined "origin of goods" to be inclusive of producers of digital products. Doing so would be in accord with the Act because it would allow the Act to "reflect changes in . . . business practices" by protecting producers of new types of "wares."

189. S. Rep. No. 79-1333, at 3 (1946), *reprinted in* 1946 U.S.C.C.A.N. 1274, 1276.

190. S. Rep. No. 100-515, at 4 (1988), *reprinted in* 1988 U.S.C.C.A.N. 5577, 5580. The goal of the 1946 Act was similar: "This bill attempts to accomplish these various things: . . . 3. To modernize trade-mark statutes so that they will conform to legitimate business practices." S. Rep. No. 79-1333, at 3 (1946), *reprinted in* 1946 U.S.C.C.A.N. 1274, 1276.

Until Congress revises the Lanham Act to explicitly embrace digital products, *Dastar* is formidable precedent. At the same time, major tech giants of the economy—Google, Amazon, Microsoft, and Apple—direct consumers to purchase intangible products like media and computer programs from websites and cloud computing services. Reverse passing off continues in this era of digital commerce, but plaintiff-producers of digital products cannot rely on RPO claims as an option for obtaining relief for harm caused by such infringement. Perhaps, producers of digital products should consider RPO claims, like the videotapes that were the catalyst for *Dastar*, outdated and seek protection elsewhere.