



## LEGAL PRIMER: HOW TO USE COMPETITORS' TRADEMARKS IN COMPARATIVE ADVERTISING

Permitted: under the doctrine of nominative fair use, competitors' trademarks may be used in comparative advertising as long as basic rules are applied.

### DO's

**(1) DO** use a competitor's trademark only in a manner that is reasonably necessary to identify the trademark owner and its services for comparison purposes.

“Thus, a soft drink competitor would be entitled to compare its product to Coca-Cola or Coke, but would not be entitled to use Coca-Cola's distinctive lettering. See Volkswagenwerk, 411 F.2d at 352 (“Church did not use Volkswagen's distinctive lettering style or color scheme, nor did he display the encircled ‘VW’ emblem”);”

New Kids on the Block v. News Am. Pub., Inc., 971 F.2d 302, 308 fn7 (9th Cir. 1992).

Verizon advertises it has better coverage than AT&T. Verizon is using AT&T's trademark solely to refer to AT&T's actual services for comparative advertising. This is OK.



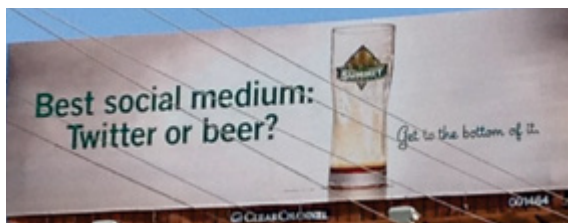
**(2) DO VERIFY** all statements being made about a competitor's products/services based on information provided by competitor on its own websites, marketing or advertising materials.

ADVIL comparative advertising; packaging contains footnote corroborating “2x faster claim” and notation that NUROFEN is a registered trademark of competitor Reckitt Benckiser Pty Ltd.



**(3) DO** have an opinion. Opinions about the superiority of your products/services are OK in comparative advertising, provided no false statements about the competitor's products or services are made.

### OK Examples:



## DON'T's

**(1) DON'T** imply sponsorship, endorsement or association with a competitor when using the competitor's trademark in advertising.

**(2) DON'T** prominently use a competitor's trademark or logo in comparative advertising, or display a competitor's trademark in a manner that would cause consumer confusion as to source or affiliation, resulting in trademark infringement.

Classic example of these principles using the famous STARBUCKS trademark. The first advertisement is acceptable comparative advertising, the second is NOT.

**(3) DON'T** create false impressions or statements about your company or a competitor's products or services. Classic case is WHOPPER v. BIG MAC comparative advertisement. Burger King faces consumer lawsuits claiming false advertisement because its WHOPPER is depicted to be larger in comparative advertisements than in reality. VERIFY and CORROBORATE all claims made in advertisements.

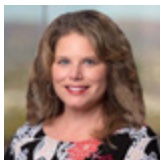


## TAKE A-WAYS

Comparative advertising is a powerful and effective marketing tool, but should be utilized with caution to avoid liability or claims of false advertisement or comparison by your company.

**Always verify and corroborate claims.** Have supporting documentation and tangible research for claims made about competitors in comparative advertisements.

**Never imply sponsorship or affiliation with a competitor**, and be sure to note ownership of registered trademarks in all advertisements.



**Questions or Concerns?** Please contact **Shannon Marie McKeon** at Dykema for any trademark questions, or preliminary review and legal evaluation of comparative advertisements and content. [smckeon@dykema.com](mailto:smckeon@dykema.com), or via phone at (202) 906-8790.

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