

UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF  
CALIFORNIA

Playboy Enterprises, Inc. v. Welles

7 F. Supp. 2d 1098 (S.D. Cal. 1998) · No. 98-CV-0413-K (JFS) · Decided May 21, 1998

SUMMARY

The United States District Court for the Southern District of California denied Playboy Enterprises, Inc.'s motion for a preliminary injunction against Terri Welles. The court held that Welles's use of the terms "Playmate of the Year 1981" and "PMOY '81" to identify herself, as well as her use of Playboy-related terms in website meta tags, constituted fair use and was unlikely to cause consumer confusion or support a dilution claim. The court therefore found insufficient likelihood of success on the merits and denied preliminary injunctive relief.

CASE DETAILS

|                       |                                                                                                                                                                                                                                                                                                                                                                     |
|-----------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| COURT                 | United States District Court for the Southern District of California                                                                                                                                                                                                                                                                                                |
| WRITING FOR THE COURT | Keep, District Judge                                                                                                                                                                                                                                                                                                                                                |
| JURISDICTION          | California                                                                                                                                                                                                                                                                                                                                                          |
| DECIDED               | May 21, 1998                                                                                                                                                                                                                                                                                                                                                        |
| DOCKET                | 98-CV-0413-K (JFS)                                                                                                                                                                                                                                                                                                                                                  |
| DISPOSITION           | other                                                                                                                                                                                                                                                                                                                                                               |
| PROCEDURAL POSTURE    | Plaintiff moved for a preliminary injunction in an action alleging federal trademark infringement, false designation of origin and unfair competition, trademark dilution, and related state-law claims.                                                                                                                                                            |
| STANDARD OF REVIEW    | A preliminary injunction requires either probable success on the merits and a possibility of irreparable harm, or serious questions on the merits with the balance of hardships weighing heavily in the moving party's favor. These formulations operate along a continuum, with the required showing of harm varying inversely with the required showing of merit. |
| PRECEDENTIAL VALUE    | Published federal district court opinion; persuasive rather than binding outside the court.                                                                                                                                                                                                                                                                         |
| PARTIES               | Playboy Enterprises, Inc. v. Terri Welles                                                                                                                                                                                                                                                                                                                           |

TOPICS

trademark law

trademark infringement

trademark dilution

equitable relief

commercial litigation

## PRACTICE AREAS

intellectual property

trademark law

commercial litigation

equitable relief

## QUESTIONS PRESENTED

1. Whether Welles's use of "Playmate of the Year 1981" and "PMOY '81" on her website was protected fair use under 15 U.S.C. § 1115(b)(4).
2. Whether Welles's use of Playboy and Playmate in website meta tags constituted trademark infringement or false designation of origin.
3. Whether Playboy Enterprises demonstrated a likelihood of success on its trademark dilution claim under 15 U.S.C. § 1125(c).
4. Whether Playboy Enterprises satisfied the standard for a preliminary injunction.

## HOLDINGS

1. Welles's use of "Playmate of the Year 1981" to identify herself was a descriptive, fair, and good-faith use protected by 15 U.S.C. § 1115(b)(4). The related use of "PMOY '81" was also permissible because it referred to the same title.
2. Welles's use of Playboy and Playmate in the meta tags of her website did not constitute trademark infringement because she used the terms in good faith to index and describe the website's content.
3. Even apart from the fair-use defense, Playboy Enterprises failed to show a likelihood of consumer confusion sufficient to establish likely success on its trademark claims.
4. Playboy Enterprises failed to demonstrate likely success on its dilution claim because Welles's use of the marks was fair use and served to identify herself and her services.
5. Playboy Enterprises was not entitled to a preliminary injunction because it failed to show a strong likelihood of success on the merits and did not establish that the balance of hardships justified relief.

## KEY QUOTATIONS

*"It is clear that defendant is selling Terri Welles and only Terri Welles on the website."* (1104)

*"In cases where the trademarked term must be used to identify the individual or a good, infringement and dilution laws do not apply."* (1105)

*"When the mark is used in a way that does not deceive the public we see no such sanctity in the word as to prevent its being used to tell the truth. It is not taboo."* (1105)

## FACTUAL BACKGROUND

Terri Welles was Playboy magazine's Playmate of the Month in December 1980 and Playmate of the Year in 1981. She created a website using the phrases "Playmate of the Year 1981" and "PMOY '81," as well as Playboy and Playmate in meta tags, to identify herself and promote her services and related goods. The website did not

use Playboy's bunny logo, used disclaimers stating that it was not endorsed or affiliated with Playboy Enterprises, and did not use Playboy in its domain name. Playboy sought to enjoin these uses as trademark infringement, false designation, and dilution.

## PROCEDURAL HISTORY

Playboy Enterprises filed its complaint on February 27, 1998, and moved for a preliminary injunction on March 18, 1998. After briefing and oral argument, the district court issued an amended order denying the motion. The court addressed only the federal trademark infringement, false-designation, and dilution theories presented in the motion.

## DISPOSITION

other

## CASES CITED

- Vision Sports v. Melville, 888 F.2d 609, 612 (9th Cir. 1989)
- Rodeo Collection v. West Seventh, 812 F.2d 1215, 1217 (9th Cir. 1987)
- Topanga Press, Inc. v. City of Los Angeles, 989 F.2d 1524, 1528 (9th Cir. 1993)
- Dr. Seuss Enters. v. Penguin Books USA, Inc., 924 F. Supp. 1559, 1574 (S.D. Cal. 1996), aff'd, 109 F.3d 1394 (9th Cir. 1997)
- New Kids on the Block v. New Am. Pub., Inc., 971 F.2d 302, 305-06 (9th Cir. 1992)
- Playboy Enters., Inc. v. Chuckleberry Publ'g, Inc., 687 F.2d 563, 566-67 (2d Cir. 1982)
- WCVB-TV v. Boston Athletic Ass'n, 926 F.2d 42, 44 (1st Cir. 1991)
- Metro Publ'g Ltd. v. San Jose Mercury News, 987 F.2d 637, 640 (9th Cir. 1993)
- Century 21 Real Estate Corp. v. Sandlin, 846 F.2d 1175, 1178-79 (9th Cir. 1988)
- Volkswagenwerk Aktiengesellschaft v. Church, 411 F.2d 350, 352 (9th Cir. 1969)
- Consumers Union of U.S. v. General Signal Corp., 724 F.2d 1044, 1053 (2d Cir. 1983)
- Prestonettes v. Coty, 264 U.S. 359, 368, 44 S. Ct. 350, 68 L. Ed. 731 (1924)
- Stokely-Van Camp Inc. v. Coca-Cola Co., 2 U.S.P.Q.2d 1225, 1227 (N.D. Ill. 1987)
- CBS Inc. v. Man's Day Publ'g Co., Inc., 205 U.S.P.Q. 470, 473-74 (S.D.N.Y. 1980)