Trademark and Deceptive Advertising SURVEYS
Law, Science, and Design

EDITED BY
Shari Seidman Diamond and Jerre B. Swann*

*The editors’ names are in alphabetical order to reflect the genuine collaboration, if not always agreement, between the editors in producing this volume.
CONTENTS

AUTHOR BIOGRAPHIES xi

SECTION I INTRODUCTION 3

1 EDITORS' INTRODUCTION: SURVEYS IN MODERN LITIGATION INVOLVING TRADEMARKS AND DECEPTIVE ADVERTISING 3

THE CHAPTERS 6
DEDICATION 7

SECTION II PRELIMINARY MATTERS 9

2 THE USE OF PILOT TESTS AND PRETESTS IN CONSUMER SURVEYS 11
By Ivan Ross

INTRODUCTION 11
The Expert and the Attorney: Different Perspectives on the Value of Pilot Tests 14
An Example of the Value of Pilot Work 16
TYPICAL RESEARCH PARAMETERS STUDIED IN PILOT TESTS 17
The Questionnaire 18
Universe Specification, Sampling Issues, and Incentives 20
Mechanical, Administrative, and Logistical Considerations 21
HOW LIKELY IS IT THAT PILOT WORK WILL BE HELPFUL? 22
Piloting Usually Provides at Least Some Helpful Information 22
Circumstances in Which Pilot Work Is More Likely to Be Helpful 23
Circumstances When a Pilot Test Is Less Likely to Be Helpful 23
PILOT TEST IMPLEMENTATION CONSIDERATIONS 24
Pilot Survey Sample Size 24
How Many Parameters Can Be Evaluated at the Same Time? 24
Pilot Study Timing 25
How Many Pilot Tests? 25
CONCLUDING THOUGHTS 25

3 THE UNIVERSE 27
By William G. Barber

DETERMINING THE PROPER UNIVERSE 28
Forward Confusion 28
Reverse Confusion 31
Post-Sale Confusion 31
CONTENTS

Distinctiveness/Strength of Senior User's Mark 32
Dilution Issues 33
False Advertising 36
Special Rules 36
ERRORS IN DEFINING THE UNIVERSE 39
  Overinclusiveness 39
  Underinclusiveness 42
  Overinclusive and Underinclusive 44
  Judicial Nit-picking 44
SAMPLING AND SCREENING THE UNIVERSE 47
  Sampling 47
  Screening 48
CONCLUSION 49

SECTION III   LEGAL QUESTIONS

4   LIKELIHOOD OF CONFUSION 51
   By Jerre B. Swann

EVEREADY 56
  The Questionnaire and Variants 56
  Categorization and Pattern Matching in an Eveready Format 60
  The Confusion Factors Tested by Eveready 61
  The Need for a Control Cell 62
  The Scope of Eveready 62
SQUIRT 64
  The Questionnaire and Variants 64
  Categorization and the Representativeness Heuristic 66
  The Confusion Factors Tested by Squirt 67
  The Need for Control Cells 68
  The Scope of Squirt 69
GOING BOTH WAYS 72
OTHER FORMATS 72
REJECTED APPROACHES 74
PRINCIPAL REASONS FOR REDUCED WEIGHT/PRECLUSION OF
  CONFUSION STUDIES 75
  Lack of Relevance, Reliability, or Objectivity 75
  Distortion of the Stimulus or Its Context 76
CONCLUSION 77

5   SECONDARY MEANING SURVEYS 79
   By Vincent N. Palladino

INTRODUCTION 79
THE MEANING OF SECONDARY MEANING 81
ASSESSING ASSOCIATION DIRECTLY 83
  Isolating the Trademark or Trade Dress 83
  Questions 85
  Level of Association 90
OTHER ATTEMPTS TO ASSESS SECONDARY MEANING DIRECTLY

"Who" Questions 91
"What-Word" Questions 92
"What-Name" Questions 93
Brand Awareness Questions 94
Applicability to Trade Dress 95
Reported Secondary Meaning Percentages 96

INFERRING SECONDARY MEANING FROM OTHER FINDINGS 97
Genericness 97
Likelihood of Confusion 98
A COMMENT ON COMMON SENSE 99

6 GENERICNESS SURVEYS IN TRADEMARK DISPUTES:

UNDER THE GAVEL 101
By E. Deborah Jay

INTRODUCTION 101
THE SURVEYS IN AMERICAN THERMOS 105
THE SURVEYS IN E. I. DU PONT DE NEMOURS 107
THERMOS SURVEYS AFTER AMERICAN THERMOS 109
TEFLON SURVEYS AFTER E. I. DU PONT DE NEMOURS 112
The Brand-Name/Common-Name Dichotomy 114
Screening Respondents 115
Question Wording 117
Frame of Reference 119
Controls 120
Rotation of Items and Response Categories 121
Survey Analysis 122

ALTERNATIVES TO THE THERMOS AND TEFLON FORMATS 124
Consumer-Recognition Surveys 125
Source-Identification and Brand-Association Surveys 126
Permission or Approval Surveys 129
Statement-of-Meaning Surveys 129
Consumer Motivation Surveys 130

OTHER SURVEY DESIGN AND IMPLEMENTATION ISSUES 131
The Role of Experts and Attorneys in Surveys 131
Universe Selection and Sample Size 131
Data Collection Methods and Visual Stimuli 136
Survey Reporting 139
COUNTERING A GENERICNESS SURVEY 139
CONCLUSION 143

7A DILUTION SURVEYS UNDER THE TRADEMARK DILUTION REVISION ACT 145
By Jerre B. Swann

INTRODUCTION 145
RECOGNITION/AWARENESS 147
ASSOCIATION 149
IMPAIRED DISTINCTIVENESS AS A FUNCTION OF SIMILARITY, ELEVATED FAME, SUBSTANTIALLY EXCLUSIVE USE, ASSOCIATION, AND JUNIOR USER INTENT 151
CONCLUSION 154

7B SURVEYS IN DILUTION CASES II 155
By Shari Seidman Diamond

FAME SURVEYS 155
ASSOCIATION SURVEYS 157
AFTER FAME AND ASSOCIATION 159
CONCLUSION 161

7C SWANN'S REBUTTAL TO DIAMOND 163

8 SURVEY EVIDENCE IN FALSE ADVERTISING CASES 167
By Bruce P. Keller

WHEN SURVEYS ARE USED IN FALSE ADVERTISING 167
Advertisements That Are Literally False 168
Advertisements That Are False by Necessary Implication 172
Advertisements That Are Misleading 173
CONSTRUCTION OF SURVEYS 177
Survey Standards 178
WEIGHT AND ADMISSIBILITY OF SURVEY EVIDENCE 194
CONCLUSION 197

SECTION IV CONTROLS 199

9 CONTROL FOUNDATIONS:
RATIONALES AND APPROACHES 201
By Shari Seidman Diamond

INTRODUCTION 201
THREATS TO INTERNAL VALIDITY AND SOURCES OF MEASUREMENT ERROR 203
Preexisting Beliefs 204
Yea-Saying 204
Guessing That Produces Random Error 205
Guessing That Produces Systematic Error 205
A CLOSER LOOK AT SURVEY DESIGN WITHOUT AND WITH CONTROLS 206
Without Controls 206
With Controls 209
CHOOSING APPROPRIATE CONTROLS 210
Selecting a Control That Shares Features with the Test Stimulus That Are Not at Issue 212
Avoiding Cues in the Control That Artificially Depress "Confusion" Responses 213
CONTENTS

Selecting a Control That Is a Plausible Member of the Product Category 214
Avoiding a Control That Is Itself Infringing 214
THE ROLE OF MULTIPLE CONTROLS 215
CONCLUSION 216

10 DESIGN ISSUES FOR CONTROLS 217
By Mike Rappeport

INTRODUCTION 217
THE MYTH OF REPLICATION 218
THE PROBLEM—THE INHERENT "LEADINGNESS" OF SURVEYS 219
NOISE AND OTHER SURVEY ARTIFACTS 220
PRECONCEPTIONS 221
SUMMARY OF THE CHAPTER TO THIS POINT 222
GOOD DESIGN—THE CONCEPT OF CONTROLS 223
THE ENGINEERING NATURE OF SURVEY RESEARCH 224
CHOOSING A CONTROL—GENERAL PRINCIPLES 225
THE BASIC KINDS OF SURVEY CONTROL STRUCTURES 226
THE CONTROL CELL DESIGN 227
The Basic Design 227
Uses of a Control Cell Design—False Advertising 228
Other Uses of a Control Cell Design 228
Analysis of Control Cell Designs with Multiple Controls 232
THE SINGLE TEST STIMULUS ONE-ROOM ARRAY DESIGN 233
The Basic Design 233
Controls in Single Test Stimulus One-Room Array Designs 234
Use of Single Test Stimulus One-Room Array Designs 234
Additional Control Stimuli in Single Test Stimulus One-Room Array Designs 236
COMPARISON ARRAY DESIGNS 236
The Two Basic Designs 236
Deciding Between a One-Room and a Two-Room Comparison Array 237
Selecting the Controls 238
Analysis in a One-Room Array 238
Analysis in a Two-Room Array 239
CONCLUDING REMARKS 239

SECTION V OTHER METHODOLOGICAL ISSUES 241

11 DEMAND EFFECTS IN LIKELIHOOD OF CONFUSION SURVEYS: THE IMPORTANCE OF MARKETPLACE CONDITIONS 243
By Itamar Simonson and Ran Kivetz

ACADEMIC RESEARCH REGARDING DEMAND EFFECTS IN SOCIAL-PSYCHOLOGICAL AND BUYER-BEHAVIOR EXPERIMENTS 244
LEADING SURVEY QUESTIONS AND DEMAND EFFECTS 246
DEMAND EFFECT BIASES IN LIKELIHOOD OF CONFUSION SURVEYS 248
Monadic versus Sequential Presentation 249
SIMON PROPERTY GROUP V. MYSIMON 252
# Contents

KARGO GLOBAL V. ADVANCE MAGAZINE PUBLISHERS SEQUENTIAL PRESENTATION SURVEY 255  
LEEELANAU WINE CELLARS V. BLACK & RED, INC. 257  
CONCLUSION 259

12 Are Closed-Ended Questions Leading Questions? 261  
By Jacob Jacoby

INTRODUCTION 261  
OPEN-ENDED QUESTIONS 262  
CLOSED-ENDED QUESTIONS 262  
JUDICIAL VIEWS OF CLOSED-ENDED QUESTIONS 263  
Reliability 263  
Objectivity 264  
Leadingness 265  
THE VIEWS OF AUTHORITIES, LEGAL AND OTHERWISE 266  
Authorities Generally Recognized in Law 266  
The Case Law 267  
Other Authorities 268  
The Psychology Underlying Open-Ended and Closed-Ended Questions 269  
WHAT MAKES A CLOSED-ENDED QUESTION A LEADING QUESTION? 272  
FACTORS THAT CONVERT CLOSED-ENDED QUESTIONS INTO LEADING QUESTIONS 273  
Failure to Provide Explicit Instructions Not to Guess 273  
Failure to Provide a “Don’t Know” (or Equivalent) Response Option 274  
Asking Simple Yes/No Questions 274  
Failure to Be Fair and Balanced 274  
REVISITING THE EARLIER CITED COURT CRITICISMS OF CLOSED-ENDED QUESTIONS 281  
Universal City Studios, Inc. v. Nintendo Co. 281  
Beneficial Corp. v. Beneficial Capital Corp. 282  
Scott Fetzer Co. v. House of Vacuums Inc. 282  
Marshall Field & Co. v. Mrs. Fields Cookies 283  
Gillette v. Norelco 283  
CONCLUSION 283

Editors’ Note on Chapter 12 285

13 Internet Surveys for Evaluating Trademark Infringement and Deceptive Advertising 287  
By Roger Tourangeau and Shari Seidman Diamond

INTRODUCTION 287  
SURVEY RESEARCH FOR EVALUATING TRADEMARK INFRINGEMENT AND DECEPTIVE ADVERTISING 288  
POTENTIAL ADVANTAGES OF THE INTERNET FOR TRADEMARK AND DECEPTIVE ADVERTISING SURVEYS 289
NONOBSERVATION AND MEASUREMENT ERRORS IN INTERNET
SURVEYS 290
Nonobservation Errors 292
Observation Error 300
CONCLUSION 305
EDITORS’ NOTE ON CHAPTER 13 307

SECTION VI  RESPONSES TO SURVEY EVIDENCE 309

14  SURVEY PERCENTAGES IN LANHAM ACT MATTERS 311
By Gerald L. Ford

INTRODUCTION 311
LIKELIHOOD OF CONFUSION SURVEYS 313
SECONDARY MEANING SURVEYS 315
GENERICNESS SURVEYS 317
FALSE ADVERTISING SURVEYS 319
FAME SURVEYS 322
LIKELIHOOD OF DILUTION SURVEYS 324
Dilution Surveys—January 16, 1996, through March 4, 2003 324
Dilution Surveys—March 5, 2003, through October 6, 2006 324
Dilution Surveys—October 7, 2006, through December 31, 2010 325
CONCLUSION 326
EDITORS’ NOTE ON CHAPTER 14 327

15  THE DAUBERT REVOLUTION AND LANHAM ACT SURVEYS 329
By G. Kip Edwards

INTRODUCTION 329
THE SUPREME COURT AND EXPERT EVIDENCE 331
The Daubert Decision 331
The Kumho Decision 333
The Amendments to Rule 702 335
Procedural Aspects of Daubert 335
DAUBERT CHALLENGES TO LANHAM ACT SURVEY EVIDENCE 338
Survey Universe 340
Sample Size and Related Issues 343
Definitions 345
Presenting the Stimulus and Replicating Market Conditions 346
Problems with the Survey Questions 348
The Need for Controls 355
EXPERTS TESTIMONY UNSUPPORTED BY SURVEY EVIDENCE 357
CONCLUSION 361
## 16 Survey Critiques

*By Jerre B. Swann*

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>INTRODUCTION</td>
<td>363</td>
</tr>
<tr>
<td>HOW A CRITIQUE SHOULD NOT BE DONE</td>
<td>363</td>
</tr>
<tr>
<td>IPSE DIXIT CRITIQUES PURELY AS TO TECHNICAL MATTERS SHOULD BEAR LITTLE (IF AT ALL) ON THE WEIGHT GIVEN A SURVEY</td>
<td>367</td>
</tr>
<tr>
<td>CRITIQUES AS TO SUBSTANTIVE FLAWS SHOULD TURN ON THE IMPACT OF THE FLAW ON RELEVANCE OR RELIABILITY, NOT ON THE LABEL ATTACHED TO THE FLAW</td>
<td>371</td>
</tr>
<tr>
<td>The Truly Irrelevant</td>
<td>371</td>
</tr>
<tr>
<td>The Substantially Irrelevant</td>
<td>372</td>
</tr>
<tr>
<td>The Partially Relevant</td>
<td>372</td>
</tr>
<tr>
<td>The Substantially Relevant</td>
<td>372</td>
</tr>
<tr>
<td>TRUE CANDIDATES FOR FATAL FLAW TREATMENT, WITHOUT EXTENSIVE ANALYSIS OR SUPPORTING DATA</td>
<td>373</td>
</tr>
<tr>
<td>A Survey Without a Control Cell or with a Fundamentally Inadequate Control Stimulus</td>
<td>373</td>
</tr>
<tr>
<td>A Complete Divergence “from the Conditions That Potential Purchasers Encounter in the Parties’ Marketplace” Is Irrelevant</td>
<td>374</td>
</tr>
<tr>
<td>CONCLUSION</td>
<td>375</td>
</tr>
</tbody>
</table>

## Index

<table>
<thead>
<tr>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>377</td>
</tr>
</tbody>
</table>