

Caution: Tribal Names Not a Free-For-All

by Blaine Green, Robert Burlingame and Jeffrey Jacobi

The Navajo Nation's recent lawsuit reminds companies that unauthorized use of American Indian tribal names might be considered infringement and might also violate the federal Indian Arts & Crafts Act.

The Navajo Nation recently filed a lawsuit in federal court in New Mexico against popular clothing retailer Urban Outfitters, Inc. and its affiliates Anthropologie and Free People.¹ The lawsuit, based on the defendants' unauthorized use of the terms "Navajo" and "Navaho," alleges trademark infringement, trademark dilution, and violation of the federal Indian Arts & Crafts Act (25 U.S.C. Section 305 *et seq.*). By obtaining multiple federal trademark registrations for the word "Navajo" and policing its marks as part of a planned enforcement strategy, the Navajo Nation positioned itself well to assert its intellectual property rights in federal court.

Navajo Nation's Trademark Claims Against Urban Outfitters

In its Complaint, the Navajo Nation alleges that Urban Outfitters and its affiliates used, without the permission of the Navajo Nation, the terms "Navajo" and "Navaho" in connection with the sale of clothing, jewelry, footwear, handbags and other items. Some such items allegedly "evoke the Navajo Indian Tribe's tribal patterns, including geometric prints and designs fashioned to mimic and resemble Navajo Indian and Tribal patterns, prints, and designs." Other items, such as the defendants' alleged use of "Navajo" on underwear and liquor flasks, are described as "derogatory and scandalous."

The Navajo Nation has asserted claims of intentional federal trademark infringement and dilution, as well as related claims of unfair competition under state and federal laws on the basis that the items allegedly compete directly with the Navajo Nation's own retail goods. The crux of those claims is that (i) the defendants' sale of the unauthorized items causes a likelihood of consumer confusion about whether the Navajo Nation is associated with or has approved the sale of such items, and (ii) the unauthorized use of "Navajo" and "Navaho" dilutes the strength and distinctive, source-identifying nature of the Navajo Nation's "Navajo" trademarks.

In regard to the scandalous and derogatory items, the Navajo Nation again asserts trademark dilution—specifically a claim of dilution by tarnishment. For example, the Complaint alleges that the use of "Navajo"

¹ *Navajo Nation v. Urban Outfitters, Inc., et al.*, U.S. Court for Dist. of New Mexico, Case No. 12-cv-00195 (filed Feb. 28, 2012).

on liquor flasks harms the Navajo Nation's reputation and the goodwill associated with its "Navajo" trademarks, because the Navajo Nation has "long banned the sale, manufacture, possession, transport, delivery, and consumption of alcohol within [the Navajo Nation's] borders."

Navajo Nation's Claims Under the Indian Arts & Crafts Act

The Navajo Nation's Complaint also alleges violations of the federal Indian Arts and Crafts Act (25 U.S.C. § 305 *et seq.*), which prohibits the direct or indirect offer, sale or display for sale of a good in a manner that "falsely suggests it is Indian produced, an Indian product, or the product of a particular Indian or Indian tribe or Indian arts and crafts organization" (25 U.S.C. § 305e).

That Act, which allows for both criminal and civil liability, was adopted in part to "promote the economic welfare of the Indian tribes and Indian individuals through the development of Indian arts and crafts and the expansion of the market for the products of Indian art and craftsmanship." 25 U.S.C. § 305a. When a tribal name is used to falsely suggest that a product is of Indian origin, the Act permits a successful plaintiff to obtain injunctive relief (*e.g.*, a court order immediately barring a defendant from selling the unauthorized products), monetary relief (including the greater of treble damages or not less than \$1,000 per day that the violation continues), punitive damages, and reimbursement for costs of the lawsuit and reasonable attorneys' fees.

Benefits of Trademark Registration, Enforcement, and Licensing

Even for those not entitled to the protections afforded via the Indian Arts and Crafts Act, many of the steps that the Navajo Nation took years ago to protect its trademark rights serve as a good model to follow.

Federally registering one's trademarks can be extremely helpful in protecting and asserting those trademark rights, and, like many other tribes within the United States, the Navajo Nation has prioritized the protection of its identity and intellectual property by pursuing such registrations. Through tribe-owned corporations, the Navajo Nation has registered more than 80 trademarks with the U.S. Patent and Trademark Office, including approximately 10 registrations of the mark "Navajo" for clothing, footwear, other household products, and online retail sales.

The Navajo Nation has also spent significant time and money to promote and preserve its trademarks. Under U.S. trademark law principles, an owner may be deemed to have abandoned its trademark rights if it does not use the trademarks in commerce and take action to halt others' infringement or dilution. Failure to stop an infringing use can also make it more difficult to later halt a different infringing use. To protect its trademark rights, in addition to pursuing the latest lawsuit filed against Urban Outfitters and its affiliates, the Navajo Nation has initiated several trademark protests at the U.S. Patent and Trademark Office and claims to regularly send cease-and-desist letters to halt the unauthorized use of its trademarks.

The Navajo Nation has also reportedly expanded the authorized use of its trademarks by licensing to others the right to use "Navajo." Trademark license agreements—if drafted and performed correctly—enhance rather than dilute the licensor's trademark rights and can generate substantial revenue through royalties.

Cautionary Tale

Before adopting new names, designs or slogans for one's products or services, it is important to "clear" such proposed trademarks to reduce the potential for conflict with others' registered and unregistered

trademarks. It is also important to consider whether the terms (or associated designs) used to describe a product or service are already used as the trademarks of others and/or falsely suggest an association with another entity, including a Native American tribe.

Furthermore, many tribes have successfully registered their marks with the U.S. Patent & Trademark Office, and a proper search of the U.S. Patent & Trademark Office's records should uncover such registrations. The Office also maintains a searchable "Native American Tribal Insignia Database" (see <http://www.uspto.gov/trademarks/law/tribal/index.jsp>) on which federally and state-recognized Native American tribes can record their official insignia even if the insignia does not technically meet the legal definition of a "trademark." In the United States, however, where "common law" trademark rights arise through use of a trademark in commerce regardless of registration, a simple search of the U.S. Patent & Trademark Office's records, though helpful, may not be sufficient to clear a proposed trademark for use, and a full U.S. trademark search covering both registered and unregistered trademarks is generally recommended.

Lastly, it is important to note that the federal trademark registration process in the United States generally takes at least one year (and potentially two years or more) to complete, and that a federal trademark application can be filed before the trademark is used (so long as the applicant has a bona fide intent to use the mark). Therefore, Native American Indian tribes and others should begin the trademark registration process as soon as possible, rather than in response to or anticipation of a particular litigation.

If you have questions, please contact the Pillsbury attorney with whom you regularly work or the authors:

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