

Second Circuit Court of Appeals: Second Circuit Announces Standard For Nominative Fair Use

International Information Systems Security Certification Consortium, Inc. v. Security University, LLC, 823 F.3d 153 (2d Cir. 2016)

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In International Information Systems Security Certification Consortium, Inc. v. Security University, LLC, 823 F.3d 153 (2d Cir. 2016) (hereinafter, “IISSCC”), the U.S. Court of Appeals for the Second Circuit addressed the doctrine of nominative fair use. The Court held that nominative fair use is not an affirmative defense to a claim of trademark infringement, but that it should be considered in addition to the multi-factor *Polaroid* test that courts in the Second Circuit use to assess likelihood of confusion.

Plaintiff-appellant International Information Systems Security Certification Consortium, Inc. (“ISC²”) is a non-profit organization that administers a certification program for professionals in the information security field. *Id.* at 156. ISC² uses the certification mark CISSP to identify those professionals who have met certain requirements, including passing the CISSP certification examination administered by ISC². *Id.* ISC² owns a federal registration for the CISSP certification mark. *Id.* Defendant-appellee Security University, LLC (“SU”) is a for-profit company that provides information-security training, including classes to prepare for ISC²’s CISSP certification examination. *Id.*

It was undisputed that SU could use ISC²’s CISSP certification mark to convey that SU prepared students for the CISSP certification examination. *Id.* at 157. It was further undisputed that SU’s

instructors could accurately identify themselves as being CISSP-certified. *Id.* ISC², however, objected to certain of SU's advertisements, which identified one SU instructor as a "Master CISSP" or a "CISSP Master." *Id.* ISC² argued that the use of the term "Master" with its certification mark misleadingly suggested that the instructor had achieved a higher level of certification. *Id.* Accordingly, ISC² filed a complaint against SU in the District Court for the District of Connecticut, asserting claims for trademark infringement, false designation of origin, false advertising, and dilution under the Lanham Act, and unfair competition under Connecticut law. *Id.* at 157-58.

The parties cross-moved for summary judgment in the district court. The district court granted SU's motion, finding that SU's use of the CISSP certification mark constituted nominative fair use. *Id.* at 158. Under the doctrine of nominative fair use, a defendant can use a plaintiff's trademark to identify the plaintiff's goods or services, so long as certain conditions are met. The district court, rather than applying the Second Circuit's *Polaroid* test for likelihood of confusion, looked to the Ninth Circuit's test for nominative fair use, which provides that use of a mark is nominative fair use so long as (1) the product or service in question is not readily identifiable without use of the trademark, (2) only so much of the mark is used as is reasonably necessary to identify the product of service, and (3) the user does not do anything that would, in conjunction with the use of the mark, suggest sponsorship or endorsement by the trademark holder." *Id.* (citing *New Kids on the Block v. News Am. Publ'g Inc.*, 971 F.2d 302, 308 (9th Cir. 1992)). The district court held that SU had satisfied all three elements. According to the Second Circuit, central to the district court's analysis was its conclusion that no ordinarily prudent consumer would be confused as to the source of SU's training courses, as the advertisements in question did not suggest that ISC2 was offering the classes. *ISSCC*, 823 F.3d at 158.

ISC² appealed the district court's decision to the Second Circuit, which vacated the district court's decision and remanded the case for further proceedings. The Second Circuit's opinion first addresses two errors in the district court's opinion. The first was the district court's incorrect view that the only type of confusion that is relevant to trademark infringement is confusion as to source. *Id.* at 161. The Second Circuit explained that the modern test of infringement not only asks whether the defendant's use of the mark is likely to cause confusion as to source, but also as to sponsorship, affiliation, or connection. *Id.* This is made plain in both the statutory text and Second Circuit precedent. For example, in *Weight Watchers International, Inc. v. Luigino's, Inc.*, 423 F.3d 137 (2d Cir. 2005), the

Second Circuit recognized that plaintiff Weight Watchers was likely to succeed on its claim that a frozen food manufacturer had infringed its registered trademark POINTS by displaying the points value on frozen meal packaging. As the Second Circuit explained in that case, it was clear that the defendant was the source of the frozen meals, but nonetheless Weight Watchers could succeed on its claim by showing that consumers were likely to mistakenly believe that Weight Watchers “had determined the point values or otherwise endorsed the [defendant’s] products.” *//SSCC*, 823 F.3d at 162 (quoting *Weight Watchers*, 423 F.2d at 144). As such, in this case the district court “erred in applying its narrow conception of confusion relevant to infringement claims.” *//SSCC*, 823 F.3d at 162.

Second, the Second Circuit found that the district court took an erroneously narrow view of how certification marks can be infringed. Certification marks are a sub-category of marks that, unlike other trademarks, are intended to be used by those other than its owner to indicate the quality, accuracy, or other characteristics of the goods or services. *Id.* at 159. The typical ways for a certification mark to be infringed are “use of the mark in a resume of a professional who is in fact not certified by the organization that is the owner of the mark;” “the use of the mark on goods that have not in fact been certified;” and use of a confusingly-similar certification mark by a competing certifying body. *Id.* at 163. However, these are not the exclusive ways to infringe a certification mark, and indeed a party that has met all of the requirements for certification can infringe a certification mark. *Id.* Moreover, it is not required that the defendant use the allegedly infringing content as a certification mark. *Id.* at 164. Here, the district court did not consider the many number of ways that a certification mark can be infringed. For example, although neither party offers a “Master CISSP” or “CISSP Master” certification, consumers may incorrectly believe that ICS² has introduced a new line of certifications. *Id.*

Finally, the Second Circuit addressed nominative fair use. Because the Second Circuit had never previously adopted a test for nominative fair use, the Court first surveyed the other Circuits’ tests. In the Ninth Circuit, nominative fair use is not an affirmative defense because it does not protect a defendant from liability if there is a likelihood of consumer confusion, but the three-factor nominative fair use test from the *New Kids on the Block* case, set forth above, replaces the multi-factor test that the Ninth Circuit typically uses to assess likelihood of confusion. *Id.* at 166. By contrast, the Third Circuit, which has adopted a variation of the Ninth Circuit’s three-factor test, treats nominative fair use as an affirmative defense. *Id.* The Second Circuit rejected the Third Circuit’s approach. It explained that if

Congress had wanted nominative fair use to constitute an affirmative defense, it would have expressly stated so in the Lanham Act. *Id.* at 167-68.

The Second Circuit also saw no reason to replace the *Polaroid* test in the nominative fair use context, but acknowledged that some of the *Polaroid* factors are a bad fit when nominative fair use is concerned. *Id.* at 168. Therefore, district courts, in addition to discussing each of the *Polaroid* factors, are to consider a variation of the Ninth Circuit and Third Circuit's nominative fair use tests: (1) whether the use of the plaintiff's mark is necessary to describe both the plaintiff's product or service and the defendant's product or service, that is, whether the product or service is not readily identifiable without use of the mark; (2) whether the defendant uses only so much of the plaintiff's mark as is necessary to identify the product or service; and (3) whether the defendant did anything that would, in conjunction with the mark, suggest sponsorship or endorsement by the plaintiff holder, that is whether the defendant's conduct or language reflects the true or accurate relationship between plaintiff's and defendant's products or services. *Id.* The Second Circuit remanded the case to the district court for consideration of the *Polaroid* factors in addition to the three nominative fair use factors.

The Second Circuit has now provided guidance on how district courts in this Circuit should apply the doctrine of nominative fair use, making clear that the doctrine will not protect a defendant in cases where a purportedly nominative fair use is still likely to cause confusion.