

University of Tennessee Law

Legal Scholarship Repository: A Service of the Joel A. Katz Library

UTK Law Faculty Publications

Fall 2016

Good Ole Rocky Top: Rocky Top Tennessee

Brian Krumm

Follow this and additional works at: https://ir.law.utk.edu/utklaw_facpubs



Part of the [Law Commons](#)



DATE DOWNLOADED: Thu Aug 26 10:37:45 2021
SOURCE: Content Downloaded from [HeinOnline](#)

Citations:

Bluebook 21st ed.

Liz Natal & Brian Krumm, Good Ole Rocky Top: Rocky Top Tennessee, 18 Transactions: TENN. J. Bus. L. 125 (2016).

ALWD 6th ed.

Natal, L.; Krumm, B. ., Good ole rocky top: Rocky top tennessee, 18(1) Transactions: Tenn. J. Bus. L. 125 (2016).

APA 7th ed.

Natal, L., & Krumm, B. (2016). Good ole rocky top: Rocky top tennessee. Transactions: The Tennessee Journal of Business Law, 18(1), 125-146.

Chicago 17th ed.

Liz Natal; Brian Krumm, "Good Ole Rocky Top: Rocky Top Tennessee," Transactions: The Tennessee Journal of Business Law 18, no. 1 (Fall 2016): 125-146

McGill Guide 9th ed.

Liz Natal & Brian Krumm, "Good Ole Rocky Top: Rocky Top Tennessee" (2016) 18:1 Transactions: Tenn J Bus L 125.

AGLC 4th ed.

Liz Natal and Brian Krumm, 'Good Ole Rocky Top: Rocky Top Tennessee' (2016) 18(1) Transactions: The Tennessee Journal of Business Law 125.

MLA 8th ed.

Natal, Liz, and Brian Krumm. "Good Ole Rocky Top: Rocky Top Tennessee." Transactions: The Tennessee Journal of Business Law, vol. 18, no. 1, Fall 2016, p. 125-146. HeinOnline.

OSCOLA 4th ed.

Liz Natal and Brian Krumm, 'Good Ole Rocky Top: Rocky Top Tennessee' (2016) 18 Transactions: Tenn J Bus L 125

Provided by:

University of Tennessee College of Law Joel A. Katz Law Library

-- Your use of this HeinOnline PDF indicates your acceptance of HeinOnline's Terms and Conditions of the license agreement available at

<https://heinonline.org/HOL/License>

-- The search text of this PDF is generated from uncorrected OCR text.

-- To obtain permission to use this article beyond the scope of your license, please use:

[Copyright Information](#)

GOOD OLE ROCKY TOP: ROCKY TOP TENNESSEE

LIZ NATAL AND BRIAN KRUMM*

INTRODUCTION

How did an official state song and unofficial fight song for the University of Tennessee become a town in East Tennessee? During the summer of 2014, newspaper headlines across the state announced that a Tennessee town formally known as Lake City, Tennessee (“Lake City”) changed its name to “Rocky Top” in hopes of luring tourists and gaining economic prosperity.¹ The song that proclaims, “Rocky Top, you’ll always be home, sweet home, to me,”² became the subject of a trademark suit.³

The Rocky Top trademark suit is unlike any other case. The district court opined that it “is a novel situation,” and that, “[w]hile the [c]ourt cannot say whether this is the first time in history that a city has changed its name and has been accused of trademark infringement, there is, by everyone’s account, little case law directly on point.”⁴ On April 24, 2015, Chief Judge Thomas Varlan of the United States District Court for the Eastern District of Tennessee ordered a limited preliminary injunction applying only to the Developers known as the Rocky Top Tennessee Marketing and Manufacturing Company and its agents.⁵ The

*About the authors: Liz Natal is a recent graduate of the University of Tennessee College of Law and a practicing attorney in Nashville, Tennessee. Brian Krumm is an Associate Professor of Law and is member of the Anderson Center for Entrepreneurship and Innovation Research Council, Haslam College of Business.

¹ FOX NEWS, *Tennessee town changes name to ‘Rocky Top’ in bid to attract tourists*, FOXNEWS.COM (June 26, 2014), <http://www.foxnews.com/us/2014/06/26/tennessee-town-changes-name-to-rocky-top-in-bid-to-attract-tourists/> (last visited 04/01/2015).

² *Id.*

³ House of Bryant Publ’ns, LLC v. City of Lake City, No. 3:14-CV-93-TAV-HBG, 2014 WL 2208974, at *1 (E.D. Tenn. May 28, 2014), *appeal dismissed*, Order Dismissing Appeal, No. 14-5767 (6th Cir. July 24, 2015).

⁴ *Id.* at * 11.

⁵ Preliminary Injunction Order at 3, House of Bryant Publ’ns, LLC v. City of Lake City, No. 3:14-CV-93-TAV-HBG (E.D. Tenn. Aug. 24, 2015).

court refused to enjoin the municipality of Lake City (now Rocky Top) and held that a town's name change to "generate growth and tax revenue . . . is not . . . engaging in commerce"⁶

How will this decision impact trademark law? Is there an argument to be made that a name change is "use in commerce" under the Lanham Act?⁷ This article focuses on the Rocky Top trademark suit, evaluating whether House of Bryant Publications, LLC ("House of Bryant") is entitled to further relief by enjoining Lake City and whether the court should have further considered Lake City's "fair use" defense of using the Rocky Top mark as a mere geographical description.⁸

THE BATTLE OF ROCKY TOP

On March 10, 2014, House of Bryant filed a complaint in the United States District Court for the Eastern District of Tennessee against Lake City, the Rocky Top Tennessee Marketing and Manufacturing Co., Tim Isbel, President of Rocky Top Tennessee Marketing and Manufacturing Co., Brad Coriell, Mark Smith, and Michael Lovely (the "Developers"), alleging infringement and dilution over the Rocky Top marks and copyrighted song lyrics under the federal trademark statute and under state common law.⁹ House of Bryant, the owner of the registered copyright for the song "Rocky Top" and nine trademark registrations on the mark, objected to Lake City changing its name.¹⁰ In addition, House of Bryant sought to forbid the "development of plans for an amusement park or other developments trading on the name 'Rocky Top.'"¹¹

House of Bryant requested that the Court grant a preliminary injunction to prevent any further activities that would damage the "reputation, goodwill and business value of the company's Rocky Top

⁶ *House of Bryant Publ'ns*, 2014 WL 2208974, at *11.

⁷ *See id.* at *9.

⁸ *See id.* at *7.

⁹ *Id.* at * 1.

¹⁰ *House of Bryant Publ'ns, LLC v. City of Lake City*, No. 3:14-CV-93-TAV-HBG, 2014 WL 2208974, at *1 (E.D. Tenn. May 28, 2014).

¹¹ *Id.*

trademarks.”¹² On May 26, the district court denied the request for an injunction,¹³ holding that House of Bryant lacked standing against the Developers,¹⁴ and that the claims against the Developers were not ripe for review.¹⁵ Furthermore, the district court also held that Lake City would not likely use the mark in commerce.¹⁶ Lake City continued with the name change and announced to an audience of about 400 people that the city council approved the name change by vote.¹⁷ The Mayor, Tim Sharp, stated to journalists that “[w]e now have a spot on the map . . . Just like Santa Claus, Indiana. Is Santa Claus there? No. But they stop to see what’s there”¹⁸

THE ROCKY TOP TRADITION

The Rocky Top trademark suit owes its origin to the great songwriting of Boudleaux and Felice Bryant.¹⁹ The song “Rocky Top” dates back to 1967 when the couple composed the bluegrass standard in room 338 at the Gatlinburg Inn.²⁰ The Osborne Brothers recorded the song and released it later that same year.²¹ According to David Cross, the nephew of the owners of the Gatlinburg Inn, after Nashville Disc Jockey Ralph Emery played “Rocky Top” on the air, “the phones started ringing [and] [t]he song had a life of its own after that.”²²

¹² FOX NEWS, *supra* note 1.

¹³ *House of Bryant Publ’ns*, 2014 WL 2208974, at *1.

¹⁴ *Id.* at *8.

¹⁵ *Id.* at *9.

¹⁶ *Id.* at *11.

¹⁷ FOX NEWS, *supra* note 1.

¹⁸ *Id.*

¹⁹ Lee Ann Bowman, *Rocky Top: The History Behind the Song*, WBIR (Aug. 26, 2014, 6:08 PM), <http://www.wbir.com/story/life/music/2014/08/26/rocky-top-house-of-bryant-songwriting-university-of-tennessee-gatlinburg-inn-marketing/14647827/>.

²⁰ *Id.*

²¹ *Id.*

²² *Id.*

“Rocky Top” has become more than just a song; it invokes a spirit of pride for Tennessee fans.²³ The words alone bring memorabilia to tailgating, football stadiums full of orange, and midnight chants on the strip. According to the University of Tennessee (“UT”), UT’s Pride of the Southland Band first played “Rocky Top” in 1972 during a football game, and it has become a staple ever since.²⁴ Over the years, artists such as Buck Owens, Lynn Anderson, and Dolly Parton all performed the song, with license agreements from House of Bryant.²⁵

“Rocky Top” developed a marketing brand visible throughout Tennessee on “t-shirts, koozies, [and] shot glasses”²⁶ On October 11, 2014, House of Bryant and UT established an agreement to create the Rocky Top Institute (“Institute”), which allowed students to build a Rocky Top brand.²⁷ The Institute was created by a generous donation of \$75,000 from the House of Bryant.²⁸ The students have since developed apparel with the logos of “‘Rocky Top, Tennessee, Home sweet home to me’”²⁹ The Bryant family and UT split the royalties from the products developed by the Institute.³⁰

House of Bryant secured federal trademark registration for the ROCKY TOP mark for a variety of merchandise.³¹ The mark is registered in several different categories, including: “license plates, decorative magnets, mouse pads, lapel pins, bumper stickers and decals, temporary tattoos, drinking glasses, mugs, plastic cups, foam drink holders, insulating sleeves for bottles and/or cans, baby blankets, lap

²³ *Id.*

²⁴ UNIVERSITY OF TENNESSEE, *Our Traditions*, www.utk.edu/aboutut/traditions/ (last visited Sep. 11, 2016).

²⁵ Complaint at 4-5, *House of Bryant Publ’ns, LLC v. City of Lake City*, No. 3:14-CV-93-TAV-HBG, 2014 WL 2208974, at *1 (E.D. Tenn. Mar. 10, 2015).

²⁶ Bowman, *supra* note 19.

²⁷ Megan Boehnke, *Students to Build ‘Rocky Top’ Brand at UT*, KNOXVILLE NEWS SENTINEL, Oct. 5, 2011, <http://www.knoxnews.com/business/students-to-build-rocky-top-brand-at-ut-ep-402944309-357484951.html>.

²⁸ *Id.*

²⁹ *Id.*

³⁰ *Id.*

³¹ Complaint, *supra* note 25, at 5.

blankets, banners, flags, baseball caps, golf shirts, hats, jackets, sweatshirts, t-shirts, buttons, and Christmas tree ornaments and decorations.”³² In addition to trademark registration, House of Bryant has operated the Rocky Top Village in Gatlinburg, Tennessee since 1982.³³

ROCKY PROCEDURE

In June 2014, two days before the official name change, House of Bryant filed a notice of appeal of the district court’s decision to deny the motion for preliminary injunction against Lake City.³⁴ House of Bryant requested that the court enjoin Lake City from changing its name to “Rocky Top” pending the appellate court’s decision.³⁵ The court rushed the hearing after considering the limited amount of time, but again, Chief Judge Varlan denied the injunction and found that relief at this stage of litigation was not warranted.³⁶ The district court further held that the name change would not constitute “use of the mark in commerce” under the Trademark Dilution Revision Act.³⁷

Approximately two months after the denial, House of Bryant filed another motion for preliminary injunction pending appeal based on new facts.³⁸ On October 22, 2014, Chief Judge Varlan issued an opinion stating that if the Sixth Circuit remanded the case for the purposes of reconsidering an injunction, he would likely grant the injunction in favor

³² *Id.*

³³ *Id.*

³⁴ Notice of Appeal at 1, House of Bryant Publ’ns, LLC v. City of Lake City, No. 3:14-CV00093 (E.D. Tenn. June 24, 2014).

³⁵ Plaintiff’s Motion for Injunction Pending Appeal at 1, House of Bryant Publ’ns, LLC v. City of Lake City, 30 F. Supp. 3d 711, 712 (E.D. Tenn. 2014).

³⁶ *House of Bryant Publ’ns*, 30 F. Supp. 3d 711, 717 (E.D. Tenn. 2014) (order denying the injunction pending appeal).

³⁷*Id.* at 714.

³⁸ Plaintiff’s Motion for Injunction Pending Appeal Based on New Facts at 1, House of Bryant Publ’ns, LLC v. City of Lake City, No. 3:14-CV-93-TAV-HBG, 2014 WL 5449672 (E.D. Tenn. Sep. 8, 2014).

of House of Bryant.³⁹ What could be different about this hearing that persuaded Chief Judge Varlan to reconsider the injunction? House of Bryant presented new facts to the court indicating that the Developer took significant steps towards infringement and dilution of the “Rocky Top” mark.⁴⁰

The district court originally denied the injunction based partly on the Developers’ failure to demonstrate that they did not “intend to sell goods or services featuring the phrase ‘Rocky Top’”⁴¹ Shortly after the denial of the injunction, the Developer began filing “intent-to-use” applications with the U.S. Patent and Trademark Office (“USPTO”).⁴² Specifically, the Developers filed eight intent-to-use applications bearing the mark ROCKY TOP.⁴³ The Developers also entered into a licensing agreement with Marc Nelson Denim, a third-party manufacturer and distributor, to design apparel bearing the ROCKY TOP mark.⁴⁴ The new facts persuaded the court to reconsider its prior decision to issue an injunction to prevent irreparable harm.⁴⁵ On April 1, 2015 the Sixth Circuit issued an order granting the motion for a limited remand to the district court for further proceedings.⁴⁶

HOUSE OF BRYANT’S ARGUMENT

On November 7, 2013, House of Bryant sent a formal letter to Mayor Tim Sharp and the city council of Lake City after hearing reports that suggested that the town intended to change its name.⁴⁷ The letter requested that the town refrain from changing its name because House

³⁹ House of Bryant Publ’ns, LLC v. City of Lake City, No. 3:14-CV-93-TAV-HBG, 2014 WL 5449672, at *14 (E.D. Tenn. Oct. 22, 2014).

⁴⁰ *Id.* at *6.

⁴¹ House of Bryant Publ’ns, LLC v. City of Lake City, No. 3:14-CV-93-TAV-HBG, 2014 WL 2208974, at *8 (E.D. Tenn. May 28, 2014).

⁴² *House of Bryant Publ’ns*, 2014 WL 5449672, at *6.

⁴³ *Id.* at *8.

⁴⁴ *Id.* at *11.

⁴⁵ *Id.* at *14.

⁴⁶ Order Granting Limited Remand, House of Bryant Publ’ns v. City of Lake City, No. 14-5767, at *2-3 (6th Cir. Apr. 1, 2015).

⁴⁷ Complaint, *supra* note 25, at 7.

of Bryant owned the ROCKY TOP marks and copyrighted song.⁴⁸ The town proceeded with the process to initiate a name change in the Tennessee General Assembly.⁴⁹

Representatives from both sides met on December 18, 2013.⁵⁰ Lake City representatives discussed the plans to change the city's name to improve economic conditions and promote growth.⁵¹ The Developers presented a multi-phasic business plan that would cost approximately \$147.435 million dollars to revive the town, which would feature: a 3-D interactive theatre, an amusement park, a hotel and banquet hall, the Rocky Top Sports Arena, the Rocky Top Express (train running from Lake City to Knoxville), a River-pirated themed restaurant, and the Rocky Top Sweets & Candies Emporium.⁵² In response, House of Bryant filed a fourteen-count complaint seeking an injunction, which alleged:

declaratory judgment establishing likelihood of confusion and/or trademark infringement, false designation or false description, unfair competition, passing off, false advertising, declaratory judgment establishing likelihood of dilution, dilution, willful and/or exceptional conduct, unlawful taking, deceptive trade practices, common law trademark infringement, Tennessee dilution and injury to business reputation, civil conspiracy, and other claims not yet discovered arising from infringing activities undertaken by City of Lake City.⁵³

⁴⁸ *Id.* at 7-8.

⁴⁹ *Id.* at 8.

⁵⁰ *Id.* at 11.

⁵¹ *Id.*

⁵² *Id.* at 9.

⁵³ *Id.* at 1.

House of Bryant first argued trademark infringement against the Developers.⁵⁴ To succeed on an infringement claim, a plaintiff must demonstrate to the court: “(1) that it owns a valid protectable trademark; (2) that the defendant used the mark in commerce and without the registrant’s consent; and (3) there was a likelihood of consumer confusion.”⁵⁵ Accordingly, House of Bryant presented copies of trademark registration on file with the USPTO,⁵⁶ a licensing agreement with UT,⁵⁷ and a list of “manufacturers, distributors, and retailers in nineteen states” who have permission to use the ROCKY TOP mark.⁵⁸ Next, House of Bryant presented evidence that the defendants changed the town’s name to Rocky Top,⁵⁹ “formulated a business plan, . . . filed intent-to-use applications, . . . secured a licensing partner, and . . . produced sample shirts.”⁶⁰ Finally, House of Bryant argued that the precise goal in changing the name was to cause confusion by presenting the following evidence: (1) the Rocky Top mark is famous and associated with the UT;⁶¹ (2) the defendants filed intent-to-use applications for similar goods;⁶² (3) the defendants developed similar goods;⁶³ and (4) the goods will be sold in the same region.⁶⁴

⁵⁴ House of Bryant Publ’ns, LLC v. City of Lake City, No. 3:14-CV-93-TAV-HBG, 2014 WL 2208974, at *11 (E.D. Tenn. May 28, 2014).

⁵⁵ Abercrombie & Fitch v. Fashion Shops of Ky., Inc., 363 F. Supp.2d 952, 957 (S.D. Ohio 2005) (citing Too, Inc. v. TJX Co., 229 F. Supp. 2d 825, 829 (S.D. Ohio 2002) (citing Microsoft Corp. v. Grey Computer, 910 F. Supp. 1077, 1086–88 (D. Md. 1995))).

⁵⁶ House of Bryant Publ’ns, LLC v. City of Lake City, No. 3:14-CV-93-TAV-HBG, 2014 WL 5449672, at *6 (E.D. Tenn. Oct. 22, 2014).

⁵⁷ *Id.*

⁵⁸ *Id.*

⁵⁹ *Id.* at *12.

⁶⁰ *Id.* at *7.

⁶¹ *Id.* at *8.

⁶² *See* House of Bryant Publ’ns, LLC v. City of Lake City, No. 3:14-CV-93-TAV-HBG, 2014 WL 5449672, at *9 (E.D. Tenn. Oct. 22, 2014).

⁶³ *See id.* at *8.

⁶⁴ *Id.* at *9.

The second argument presented against the Developer was trademark dilution.⁶⁵ In order to satisfy a dilution claim, the plaintiff must show the “similarity between a mark . . . and a famous mark that impairs the distinctiveness of the famous mark.”⁶⁶ First, House of Bryant asserted that the Rocky Top mark and copyrighted song are famous, distinctive and well-known.⁶⁷ Next, House of Bryant argued that Lake City, by changing its name to Rocky Top, would dilute by blurring the distinctive quality of the ROCKY TOP mark.⁶⁸ Finally, House of Bryant argued that the Developer “willfully intended to trade on the reputation or cause dilution of . . . [the] [m]ark[]” by the proposed use of the name “ROCKY TOP.”⁶⁹

LAKE CITY’S DEFENSE

It is important to learn some history about Lake City (now Rocky Top) in order to better understand the motivation behind the name change. Lake City is a former coal-mining town located approximately 26 miles from Knoxville, Tennessee, with a population of about 1,781 people.⁷⁰ The town has not always been named Lake City and, in fact, this is not the first time the town changed its name.⁷¹ Prior to the 1940s, the town was known as Coal Creek.⁷² Coal Creek, as its name indicates, was an Appalachian coal-mining town and, during its prime, was a leading fuel provider for many parts of the nation.⁷³ Like many places, the Great Depression affected Coal Creek, but it was spared by the

⁶⁵ House of Bryant Publ’ns, LLC v. City of Lake City, No. 3:14-CV-93-TAV-HBG, 2014 WL 2208974, at *9 (E.D. Tenn. May 28, 2014).

⁶⁶ 15 U.S.C. § 1125(c)(2)(B).

⁶⁷ Complaint, *supra* note 25, at 5.

⁶⁸ *Id.* at 26.

⁶⁹ *Id.* at 20.

⁷⁰ *Id.* at 6.

⁷¹ *Id.*

⁷² See JAMES OVERHOLT, ANDERSON COUNTY, TENNESSEE: A PICTORIAL HISTORY 197 (1989).

⁷³ *Id.* at 37.

Tennessee Valley Authority and the creation of the Norris Dam.⁷⁴ The town received several improvements, such as “a new and modern theatre, . . . a new sewerage system, and the construction of a . . . high school.”⁷⁵ In honor of the improvements, “the city fathers . . . change[d] the town’s name to Lake City, seeing . . . future . . . possibilities for tourism and recreational business”⁷⁶

Although Lake City remained a quiet place with a small population,⁷⁷ the town has always had an eye for progress. Even in the 1960s, the town saw an opportunity to expand when the government constructed Interstate 75 and “many businesses moved north to take advantage of the tourist trade.”⁷⁸ And just a few years ago, Lake City saw a similar opportunity when the Developers approached them to build a \$20 million dollar theme park in Lake City on the condition that it changed its name to “Rocky Top.”⁷⁹ Lake City began with the name change process and communicated its plans to House of Bryant in a formal meeting.⁸⁰

Once House of Bryant filed the complaint, Lake City and the Developers each filed responses presenting their individual arguments.⁸¹ Lake City premised its argument on the notion that it the Developers intended to engage in building a theme park, restaurants, and movie theaters.⁸² Lake City would not infringe on the trademark and was in fact undergoing a lengthy process through the Tennessee General Assembly in order to effectuate the name change.⁸³ Next, Lake City

⁷⁴ *Id.* at 96.

⁷⁵ *Id.*

⁷⁶ *Id.* at 96-97.

⁷⁷ See Complaint, *supra* note 25, at 6.

⁷⁸ OVERHOLT, *supra* note 73, at 197.

⁷⁹ Complaint, *supra* note 25, at 9.

⁸⁰ *Id.* at 11.

⁸¹ See, e.g., Defendant City of Lake City’s Response to Plaintiff’s Motion for Preliminary Injunction at 1, House of Bryant Publ’ns, LLC v. City of Lake City, No. 3:14-CV-93-TAV-HBG, 2014 WL 2208974, at *1 (E.D. Tenn. April 9, 2014).

⁸² *Id.* at 2-3.

⁸³ *Id.* at 3.

made a sound legal argument that House of Bryant lacked standing and that the issue was not ripe for review.⁸⁴

Judge Varlan ruled in favor of Lake City and the Developers, because the court did not find a strong likelihood that the House of Bryant had standing at that time.⁸⁵ In addition to the arguments about standing and ripeness of the claim, Lake City and the Developers asserted a fair use defense.⁸⁶ Under the Lanham Act, a trademark owner is not permitted to prohibit others from using a “term or device which is descriptive of and used fairly and in good faith only to describe the goods or services of such party[] or their geographic origin”⁸⁷ Further, “[u]nder the fair use doctrine, ‘the holder of a trademark *cannot* prevent others from using the word that forms the trademark in its *primary* or *descriptive* sense.’”⁸⁸ Lake City and the Developers argued that the ROCKY TOP mark is a geographic descriptor and that they were, therefore, entitled to use the mark.⁸⁹ In order to assert a fair use defense, Lake City and the Developers argued that: (1) they used the mark in a descriptive sense; and (2) that they used the mark in good faith.⁹⁰

EXPLORING USE IN COMMERCE

In essence, arguments presented by all the parties revolve around the commercial use of the ROCKY TOP mark.⁹¹ For the trademark

⁸⁴ *Id.* at 6-8.

⁸⁵ House of Bryant Publ’ns, LLC v. City of Lake City, No. 3:14-CV-93-TAV-HBG, 2014 WL 2208974, at *16 (E.D. Tenn. May 28, 2014).

⁸⁶ *Id.* at *6-7.

⁸⁷ 15 U.S.C. § 1115(b)(4) (2016).

⁸⁸ Hensley Mfg. v. ProPride, Inc., 579 F.3d 603, 612 (6th Cir. 2009) (quoting Herman Miller, Inc. v. Palazzetti Imp. & Exp., Inc., 270 F.3d 298, 319 (6th Cir. 2001)) (emphasis in original).

⁸⁹ House of Bryant Publ’ns, 2014 WL 2208974, at *6.

⁹⁰ House of Bryant Publ’ns, LLC v. City of Lake City, No. 3:14-CV-93-TAV-HBG, 2014 WL 2208974, at *7 (E.D. Tenn. May 28, 2014).

⁹¹ See *id.* at *10.

infringement claim and the trademark dilution claim, the court examined whether Lake City and the Developers engaged in the “use of commerce.”⁹² Under the Lanham Act, “‘use in commerce’ means the bona fide use of a mark in the ordinary course of trade, and not made merely to reserve a right in a mark.”⁹³ Why is “use in commerce” so important? First, ownership of a trademark is conditioned on the use of the trademark.⁹⁴ A trademark allows “consumers to identify goods and services” produced by a mark holder.⁹⁵ Second, one of the leading purposes of the Lanham Act “is to prevent the use of identical or similar marks in a way that confuses the public about the actual source of goods and services.”⁹⁶ Finally, the court determines “use in commerce” by the sale of goods or through the transportation of the goods in commerce.⁹⁷

The court posed the question of whether Lake City and the Developers’ “use of ‘ROCKY TOP’ as the name of its city is ‘in connection with a sale of goods and services.’”⁹⁸ Ultimately, the court determined that the Developers engaged in the use of commerce by formulating a business plan, filing intent-to-use applications, securing a licensing partner, and producing sample merchandise.⁹⁹ The court did not decide the same for Lake City, however, because a name change does not constitute a sale of goods and services.¹⁰⁰

However, the next question should have been whether the name change was proper under the Lanham Act, despite the fact Lake City was

⁹² *Id.*

⁹³ 15 U.S.C. § 1127 (2016).

⁹⁴ MARY LAFRANCE, UNDERSTANDING TRADEMARK LAW 36 (2d ed. 2009).

⁹⁵ Brian Krumm & Zackarij Gardner, *Registering Trade and Service Marks in Tennessee: A Brief How to Guide*, 16 TENN. J. BUS. L. 179, 181 (2015) (citing J. THOMAS MCCARTHY, MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 2.30 (4th ed. 2008)).

⁹⁶ *Bosley Med. Inst., Inc. v. Kremer*, 403 F.3d 672, 677 (9th Cir. 2005) (citing *Mishawaka Rubber & Woolen Mfg. Co. v. S.S. Kresge Co.*, 316 U.S. 203, 205 (1942)).

⁹⁷ *See id.*

⁹⁸ *House of Bryant Publ'ns, LLC v. City of Lake City*, No. 3:14-CV-93-TAV-HBG, 2014 WL 2208974, at *10 (E.D. Tenn. May 28, 2014) (citing *Kremer*, 403 F.3d at 677).

⁹⁹ *House of Bryant Publ'ns, LLC v. City of Lake City*, No. 3:14-CV-93-TAV-HBG, 2014 WL 5449672, at *7 (E.D. Tenn. Oct. 22, 2014).

¹⁰⁰ *Id.* at *6.

not using the Rocky Top mark in commerce.¹⁰¹ Under 15 U.S.C. § 1125(a)(1), “[a]ny person who, on or in connection with any goods or services” which “is likely to cause confusion” or “misrepresents the . . . geographic origin” of a product is liable.¹⁰² Is it possible that the name change could cause confusion among consumers to believe that the copyrighted song “Rocky Top” originated in the town of Rocky Top? Lake City is approximately 26 miles from Knoxville, the location of the University of Tennessee and people could very likely associate the town and the song together.¹⁰³ In addition to causing confusion, renaming the town could likely mislead tourists to the town for the purposes of learning about the origin of “Rocky Top.”¹⁰⁴

How does the name change affect the ROCKY TOP mark? House of Bryant argued that the ROCKY TOP mark would become “geographically descriptive in nature.”¹⁰⁵ Fair use constitutes a defense based upon the argument that the use of a phrase merely identifies a “geographic origin of the goods or services.”¹⁰⁶ The defense would allow the town to become “ROCKY TOP,” which would open the doors for other uses of the mark and therefore cause further dilution of the mark.¹⁰⁷ Is it possible that having a town named Rocky Top will cause the mark to acquire a secondary meaning?

Is there an argument that Lake City is liable for contributory dilution? Although liability for contributory dilution is rare, the House of Bryant might be able to prove that Lake City “encouraged others to dilute a trademark”¹⁰⁸ The name change resulted in the change of the

¹⁰¹ See 15 U.S.C. § 1125(a)(1).

¹⁰² 15 U.S.C. § 1125(a)(1)(A)-(B).

¹⁰³ Complaint, *supra* note 25, at 6.

¹⁰⁴ *Id.* at 11.

¹⁰⁵ *House of Bryant Publ'ns*, 2014 WL 2208974, at *6.

¹⁰⁶ *House of Bryant Publ'ns, LLC v. City of Lake City*, No. 3:14-CV-93-TAV-HBG, 2014 WL 5449672, at *12 (E.D. Tenn. Oct. 22, 2014).

¹⁰⁷ See *id.*

¹⁰⁸ LAFRANCE, *supra* note 95, at 256.

markings on police, fire and EMS vehicles, the public library, highway signs, and the city's website.¹⁰⁹ By changing its name, Lake City induced further use of the trademark and will likely induce further use of the name by third parties.¹¹⁰

Lake City and the Developers asserted a fair use defense,¹¹¹ which implies that the parties used the ROCKY TOP mark in good faith.¹¹² But, did the developers use the mark in good faith? There is certainly a question of whether Lake City and the Developers had bad faith in the name change and business plan.¹¹³ However, bad faith could likely be proven by the defendant's "intent to benefit from or capitalize on the . . . [trademark owner's] goodwill by confusing or deceiving buyers."¹¹⁴ Newspaper articles reporting town officials' quotes also question the good faith of the defendants, stating: "Success comes in a name - the name of Rocky Top."¹¹⁵

Lake City and the Developers knew of the fame and goodwill of the ROCKY TOP mark and wanted to capitalize on it to further the economic advancement of Lake City.¹¹⁶ After all, the history of the city makes it clear that the town changed its name in the past to associate itself with Norris Lake.¹¹⁷ If the court determined that the Developers sought a commercial advantage, it is a reasonable assumption that Lake City sought a commercial advantage by changing its name.¹¹⁸

¹⁰⁹ Plaintiff's First Supplemental Complaint at 2-3, 4, *House of Bryant Publ'ns, LLC v. City of Lake City*, No. 3:14CV00093 (E.D. Tenn. Apr. 24, 2015).

¹¹⁰ *See id.*

¹¹¹ *House of Bryant Publ'ns*, 2014 WL 5449672, at *2.

¹¹² *Car-Freshner Corp. v. S.C. Johnson & Son, Inc.*, 70 F.3d 267, 269-70 (2d Cir. 1995).

¹¹³ *See House of Bryant Publ'ns, LLC v. City of Lake City*, No. 3:14-CV-93-TAV-HBG, 2014 WL 2208974, at *8 (E.D. Tenn. May 28, 2014).

¹¹⁴ *Abraham v. Alpha Chi Omega*, 708 F.3d 614, 622 (5th Cir. 2013).

¹¹⁵ Kevin Lessmiller, *Fight Over 'Rocky Top' Rages on in Tennessee*, COURTHOUSE NEWS SERVICE (Oct. 27, 2014), <http://www.courthousenews.com/2014/10/27/72824.htm> (04/01/2015)

¹¹⁶ *See id.*

¹¹⁷ Complaint, *supra* note 25, at 7.

¹¹⁸ *See id.*

In Lake City's defense, it would not be the first city to change its name in an effort to enhance economic prosperity.¹¹⁹ In 1996, the town of North Tarrytown, New York changed its name to Sleepy Hollow to associate itself with its past and the writings of Washington Irving's *The Legend of Sleepy Hollow*.¹²⁰ The town changed its name with the hope of bringing tourism and lifting the economy, just like Lake City.¹²¹ Perhaps a name change is not so unheard of, but, what is unheard of is a city getting sued for trademark infringement. A further look into the policy behind trademarks will allow a better understanding as to why House of Bryant sued for trademark infringement and dilution.

THE POLICY BEHIND TRADEMARK LAW

A trademark is essentially a form of branding, or better stated, it is a "communication of characteristics, values, and attributes that clarify what the particular brand is and is not."¹²² Furthermore, the "brand is characterized as a . . . symbol that incorporates consumers' motives, feelings, logic, and attitudes."¹²³ Thus, House of Bryant developed a Rocky Top brand through the production of merchandise that reflects its consumer's feelings and the association of Rocky Top, the song, the cheer, and the spirit of Tennessee.¹²⁴

The policy behind trademark law is embodied in three purposes: (1) to protect the trademark as property; (2) to reduce consumer

¹¹⁹ Scott Allen, *9 Towns that Changed their Names (and 4 that Almost Did)*, MENTAL FLOSS (June 25, 2010, 8:54 AM), <http://mentalfloss.com/article/25021/9-towns-changed-their-names-and-4-almost-did> (04/01/2015).

¹²⁰ *Id.*

¹²¹ Joseph Berger, *North Tarrytown Votes to Pursue its Future as Sleep Hollow*, NEW YORK TIMES, Dec. 11, 1996, <http://www.nytimes.com/1996/12/11/nyregion/north-tarrytown-votes-to-pursue-its-future-as-sleepy-hollow.html>.

¹²² Krumm & Gardner, *supra* note 96, at 180.

¹²³ *Id.* (citing Burleigh B. Gardner & Sidney J. Levy, *The Product and the Brand*, 33 HARV. BUS. REV. 33, 33 (1955)).

¹²⁴ Bowman, *supra* note 19.

confusion; and (3) to protect the goodwill of the business.¹²⁵ The first principle is perhaps most essential in understanding why House of Bryant insisted that the court place an injunction on Lake City and the Developer.¹²⁶ Trademarks are historically considered a form of property in that the owner of the trademark is given the right to exclude others.¹²⁷ House of Bryant, in owning the nine registered marks on Rocky Top, possesses an intellectual “bundle of legal rights.”¹²⁸ They have the right to license the mark, control the use of the mark, and the right to exclude other businesses from using “Rocky Top.”¹²⁹

The second policy principle behind trademark law is “to protect both consumers from deception and confusion over trade symbols”¹³⁰ This principle arises from the common-law tort of deceit, which commonly occurred when a seller misrepresented to a buyer that goods offered for sale were actual goods of another seller or manufacturer.¹³¹ The courts afforded protection over misrepresentation because of the potential harm to the consumer.¹³² In a broader context, misrepresentation occurs to both the consumer and the seller whose goods have been misrepresented.¹³³ Therefore, trademark law’s goal to protect the consumer is essentially the “trademark owner’s right to a non-confused public.”¹³⁴

The third policy value behind trademark law is to provide the owner of a trademark with the “continued enjoyment of his trade

¹²⁵ J. THOMAS MCCARTHY, MCCARTHY ON TRADEMARKS & UNFAIR COMPETITION § 2:2 (4th ed. 2008).

¹²⁶ See *House of Bryant Publ’ns, LLC v. City of Lake City*, No. 3:14-CV-93-TAV-HBG, 2014 WL 2208974, at *1 (E.D. Tenn. May 28, 2014).

¹²⁷ MCCARTHY, *supra* note 126, at § 2:14.

¹²⁸ See *id.*

¹²⁹ *Id.*

¹³⁰ *Id.* at § 2:2.

¹³¹ *Id.* at § 2:34.

¹³² See *id.*

¹³³ See *id.*

¹³⁴ *Id.* at § 2:14 (citing *James Burrough, Ltd. v. Sign of Beefeater, Inc.*, 540 F.2d 266 (7th Cir. 1976), *appeal after remand*, 572 F.2d 574 (7th Cir. 1978)).

reputation and the good-will that flows from it”¹³⁵ Goodwill has been defined as “the basic human propensity to continue doing business with a seller who has offered goods that the customer likes and has found adequate to fulfill his needs.”¹³⁶ The products that carry the trademark logo serve as a communication of the company’s identity, quality, and goodwill.¹³⁷ House of Bryant expressed its concern that the Lake City and the Developers will damage its goodwill that it established throughout the years.¹³⁸

If the purpose behind trademark law is to protect the owner and the consumer, has House of Bryant been afforded this type of protection? On one hand the denial of an injunction resulted in: (1) a town bearing the name of the ROCKY TOP mark; (2) the Developers using the ROCKY TOP mark in naming the corporation; and (3) the town using the mark on buildings and government cars.¹³⁹ Although these activities may not constitute commercial use, they may have the effect of diluting the value of the ROCKY TOP mark to the House of Bryant. Ultimately, the issue comes down to consumer perception. Do consumers now associate the Rocky Top brand with the Rocky Top town and, if so, does the resulting confusion damage the House of Bryant?

A SOLUTION FOR ROCKY TOP

Is there a solution to the House of Bryant and Lake City dispute? The Lanham Act affords a variety of remedies for trademark relief including both non-monetary remedies such as an injunction or cancelation of trademark registration, and monetary remedies such as

¹³⁵ *Id.*

¹³⁶ *Lifeguard Licensing Corp. v. Gogo Sports, Inc.*, No. 10–CV–9075, 2013 WL 4400520, at *1 (S.D. N.Y. 2013); *Id.* at §2:17 (citing *Porous Media Corp. v. Pall Corp.*, 173 F.3d 1109 (8th Cir. 1999)).

¹³⁷ *Id.*

¹³⁸ *See House of Bryant Publ’ns, LLC v. City of Lake City*, No. 3:14-CV-93-TAV-HBG, 2014 WL 2208974, at *14 (E.D. Tenn. May 28, 2014).

¹³⁹ *See id.* at *1.

attorney fees and actual damages.¹⁴⁰ We believe that there are two feasible solutions. The first is the route provided by the Lanham Act,¹⁴¹ and one that the plaintiffs have chosen, which is to file for an injunction against the Developer.¹⁴² The second is an out-of-court solution provided by alternative dispute resolution, which is for the parties to reach an agreement by negotiation.¹⁴³ Although the first solution is clearly House of Bryant's preferable choice, they should consider the advantages of a negotiated settlement.

An injunction, whether temporary or permanent, is the principal remedy for trademark violations and unfair competition.¹⁴⁴ By seeking an injunction, the trademark owner retains control of the mark as its property and is afforded the right to exclude other parties from using its mark.¹⁴⁵ The remedy protects the owner of the mark from an irreparable injury that "could be caused by another party's appropriation and tarnishment of the goodwill embodied in the mark."¹⁴⁶ It also provides consumer protection from the danger of confusion and deception from the infringing party.¹⁴⁷

Section 34 of the Lanham Act provides courts with the ability to exercise broad discretion in considering whether to grant an injunction.¹⁴⁸ A court's decision to issue the injunction is based on what it deems reasonable by considering: the injury to the plaintiff, the harm the public would suffer from misleading marks, and the good or bad faith of the defendant.¹⁴⁹ A court may issue a preliminary injunction

¹⁴⁰ 15 U.S.C. §§ 1116-17 (2016).

¹⁴¹ 15 U.S.C. § 1116 (2016).

¹⁴² *House of Bryant Publ'ns*, 2014 WL 2208974, at *1.

¹⁴³ See generally Kevin Cheatham, *Negotiating a Domain Name Dispute: Problem Solving v. Competitive Approaches*, 7 WILLAMETTE JOUR. INT'L L. & DISPUTE RESOLUTION 33 (2000).

¹⁴⁴ LAFRANCE, *supra* note 95, at 337.

¹⁴⁵ MCCARTHY, *supra* note 126, at § 2:14.

¹⁴⁶ LAFRANCE, *supra* note 95, at 337.

¹⁴⁷ *Id.*

¹⁴⁸ 15 U.S.C. § 1116(a) (2016).

¹⁴⁹ LAFRANCE, *supra* note 95, at 338.

based on a plaintiff's ability to demonstrate a likelihood of success on the merits.¹⁵⁰ And a court may issue a permanent injunction after the plaintiff makes a reasonable showing that denial of an injunction will likely harm the public interest by confusing and misleading consumers.¹⁵¹ When a federal court issues the injunction, it provides relief across the nation.¹⁵²

It is understandable why House of Bryant would seek an injunction because it provides a solution unlike any other remedy.¹⁵³ The injunction would have prevented the town from changing its name to "Rocky Top."¹⁵⁴ It would have also prevented any resulting use of the mark, such as relabeling police cars and municipal buildings.¹⁵⁵ The city took action in becoming Rocky Top, as Mayor Tim Sharp stated: "They have a pride in the new name. I saw a police car that had been relabeled to say Rocky Top, Tennessee and it had a daunting effect with a different wrapper."¹⁵⁶ Further, he stated that: "It's the same with the city, it's the same place and the same people, but a different wrapper."¹⁵⁷ Perhaps a settlement prior to litigation would not have avoided these types of activities, but House of Bryant could have agreed to how Lake City could use "Rocky Top."¹⁵⁸

¹⁵⁰ *Id.* at 340.

¹⁵¹ *Id.*

¹⁵² *Id.*

¹⁵³ *See* 15 U.S.C. § 1116(a) (2016).

¹⁵⁴ *See* House of Bryant Publ'ns, LLC v. City of Lake City, No. 3:14-CV-93-TAV-HBG, 2014 WL 2208974, at *1 (E.D. Tenn. May 28, 2014).

¹⁵⁵ *See id.*

¹⁵⁶ Savannah Gilman, *Good Ole' Rocky Top: Tennessee Town Renamed Rocky Top to Boost Tourism and Revitalize Local Economy*, THE DAILY BEACON, July 19, 2014, http://www.utdailybeacon.com/news/article_c7bde297-51be-5716-aae6-19e038b84977.html.

¹⁵⁷ *Id.*

¹⁵⁸ *See generally* Cheatham, *supra* note 144.

The second proposed solution is for the parties to seek an agreement by way of a negotiated settlement.¹⁵⁹ Perhaps one of the best examples of two parties coming to an agreement over the use of a mark is the dispute over the “12th Man.”¹⁶⁰ On January 30, 2006, Texas A&M University filed a suit against the Seattle Seahawks, Inc. Seattle Professional Football, Inc. and Football Northwest, LLC for trademark infringement and dilution of the 12th Man Mark.¹⁶¹ Texas A&M objected to the use of the 12th Man mark by the Seahawks as a way to refer to the fans in advertisements, on the Seahawks website, on merchandise, and during the Superbowl.¹⁶² For Texas A&M, the 12th Man mark is a “‘time honored’ tradition[] . . . [that] symbolizes [not only] the school and its football program, but A&M’s school spirit.”¹⁶³

Texas A&M filed a restraining order and injunction to prevent the Seahawks from any further use of the registered mark.¹⁶⁴ Judge J.D. Langley entered the temporary restraining order, but before any further court action, the two parties entered into a licensing agreement over the use of the 12th Man mark.¹⁶⁵ The agreement allowed the Seahawks to use the mark in the Pacific Northwest on the condition that they acknowledge Texas A&M’s ownership rights.¹⁶⁶ News reports provided unconfirmed details that “the Seahawks made a one[-]time payment of \$100,000 and further agreed to pay \$7,500 a year in license fees.”¹⁶⁷

Although the Texas A&M and Seattle Seahawks dispute differs in respect to the types of organizations involved, the negotiated licensing

¹⁵⁹ See generally *id.*

¹⁶⁰ *Seahawks, A&M Resolve ‘12th Man’ Dispute*, ESPN (May 8, 2006), <http://sports.espn.go.com/nfl/news/story?id=2437992>.

¹⁶¹ Lisa Pearson, *Trademark Law for Sports Fans: The 12th Man Goes to Court*, 191 TRADEMARK WORLD 16, 16 (2006).

¹⁶² *Id.*

¹⁶³ *Id.* at 17.

¹⁶⁴ *Id.* at 116.

¹⁶⁵ *Id.* at 117.

¹⁶⁶ *Id.*

¹⁶⁷ *Id.*

agreement is a reasonable solution for House of Bryant and Lake City. It is clear that, in the Texas A&M suit, the parties are respectively a university and a football team, but they encounter the same issue of trademark infringement and dilution.¹⁶⁸ So, it is not unreasonable that a municipality and a music publisher could come to a licensing agreement that would allow Lake City and the Developer to use the Rocky Top mark.¹⁶⁹ After all, House of Bryant already possesses a trademark licensing agreement with the University of Tennessee.¹⁷⁰

CONCLUSION

Recently, the House of Bryant reached a settlement agreement with the City of Rocky Top.¹⁷¹ As part of the settlement agreement, the city agreed “not to use the name ‘Rocky Top’ for any commercial purposes.”¹⁷² The city’s Attorney, Nathan Rowell, acknowledged that as part of the settlement agreement, the House of Bryant “would drop their challenge of Rocky Top changing its name and Rocky Top would agree not to produce any merchandise that would infringe on their trademarks”¹⁷³ In the event that the City of Rocky Top used the name “Rocky Top” for fundraising purposes, they agreed to pay royalties to the House of Bryant.¹⁷⁴

The City of Rocky Top has already benefited from the name change, as evidenced by several businesses moving into the city.¹⁷⁵ Whether or not the Developers will continue to pursue their plans for a

¹⁶⁸ *See id.*

¹⁶⁹ *See* House of Bryant Publ’ns, LLC v. City of Lake City, No. 3:14-CV-93-TAV-HBG, 2014 WL 5449672, at *1 (E.D. Tenn. Oct. 22, 2014).

¹⁷⁰ *Id.* at *6.

¹⁷¹ Rachel Wittel and Zach Sewell, *Rocky Top Keeps Name in Settlement Suit*, WBIR (Feb. 8, 2016, 8:22 PM), <http://www.wbir.com/news/city-of-rocky-top-keeps-name-in-settlement-suit/35263095>.

¹⁷² *Id.*

¹⁷³ *Id.*

¹⁷⁴ *Id.*

¹⁷⁵ *See id.*

theme park and associated commercial endeavors has yet to be seen.¹⁷⁶ The injunction still applies to the Developers, and if they want to pursue their plans, they must enter into an agreement to license “Rocky Top” if they intend to incorporate the name into their commercial activities.¹⁷⁷ But until other businesses attempt to capitalize on the Rocky Top trademark, all is well. It just might be time to celebrate by drinking some corn from a jar.

¹⁷⁶ *See id.*

¹⁷⁷ *See id.*