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GIVING CREDIT WHERE CREDIT IS DUE: REVISITING THE DOCTRINE OF REVERSE PASSING OFF IN TRADEMARK LAW

John T. Cross*

Abstract: During the past twenty years, courts have increasingly come to accept a cause of action for “reverse passing off.” Unlike the more typical case of passing off, reverse passing off occurs when a defendant sells a product manufactured by a plaintiff under the defendant’s own mark. Despite this difference, courts regularly invoke federal and state trademark laws, including the Lanham Act, to give the plaintiff a right to recover. This Article challenges that conclusion. It argues that the Lanham Act does not actually support a cause of action against a defendant who engages in reverse passing off. In addition, most producers should not have a right to insist that they be acknowledged as the source of a product. The only exception to this conclusion is for artists, who, for several reasons, warrant this sort of protection.

I. INTRODUCTION

A few years ago the world of popular music was rocked when the members of the band “Milli Vanilli” admitted that they had not actually performed the songs on the group’s hit album.¹ Car owners in the late 1970s were similarly irate when they learned that General Motors had been installing Chevrolet engines in supposedly more upscale Oldsmobile automobiles.² Courts have been asked to determine whether NBC “stole” the idea for “The Cosby Show,”³ and whether Steven Spielberg properly acknowledged the person who came up with the plot for the movie “ET.”⁴ Although the individual cases are not as well-publicized, charges of plagiarism have destroyed the reputations, and in some cases even the careers, of many promising scholars and students.⁵

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² See Skelton v. General Motors Corp., 660 F.2d 311 (7th Cir. 1981); In re General Motors Corp. Engine Interchange Litig. (Oswald v. General Motors Corp.), 594 F.2d 1106 (7th Cir. 1979); State ex rel. Guste v. General Motors Corp., 370 So. 2d 477 (La. 1978); Gour v. Darary Motor Co., 373 So. 2d 571 (La. Ct. App. 1979); Amato v. General Motors Corp., 463 N.E.2d 625 (Ohio Ct. App. 1982); see also Szajna v. General Motors Corp., 503 N.E.2d 760 (Ill. 1986).
³ Murray v. NBC, Inc., 844 F.2d 988 (2d Cir. 1988).
⁴ Litchfield v. Spielberg, 736 F.2d 1352 (9th Cir. 1984).
A common theme runs through all of these situations. In each, someone receives credit for something produced by another. This false credit offends our basic sense of fairness, regardless of whether it occurs in the ivory towers of academics or the more rough-and-tumble world of the automobile sales lot. It is therefore not surprising that the law has intervened to deal with the problem of those who claim credit for the work of others. The legal claim takes one of many forms, depending on the situation. Most academic institutions view plagiarism as grounds for censure or dismissal. A consumer who buys a Milli Vanilli album or an Oldsmobile with a Chevrolet engine can sue for misrepresentation. Even the Federal Trade Commission has stepped into the fray, using its powers to supervise the market to prohibit sellers from taking false credit.

The person with the greatest incentive to prevent a seller from taking false credit is the person who actually produced the product. At present, the law clearly affords this producer a remedy, the cause of action for "reverse passing off." Many cases have allowed a party who actually designed or produced a product to recover against a competitor who, while falsely claiming to be the source, either resells that product or

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6. In the Oldsmobile case, of course, the parent company General Motors did produce the engine. However, the Oldsmobile Division was taking credit for engines actually produced by the Chevrolet Division. See In re General Motors, 594 F.2d at 1113; Gour, 373 So.2d at 573.

7. See cases cited supra notes 1–2.


9. The phrase "reverse passing off" comes from the concept of "passing off," which has long been recognized as actionable under the law of unfair competition. The terms "palming off" and "passing off" are synonymous. A party engages in passing off when it sells its own goods using someone else's name or mark. "Reverse" passing off, by contrast, occurs when a party sells goods that originate from someone else under circumstances that suggest that the selling party is itself the source.
markets a similar product. These courts generally find a cause of action in the common law of unfair competition, state unfair competition statutes, or section 43(a) of the Lanham Act. Like regular passing off, the customer deception caused by reverse passing off arguably fits within the spirit, if not the letter, of all of these laws. Accordingly, the vast majority of courts and commentators have concluded that reverse passing off is actionable.

This Article reevaluates the doctrine of reverse passing off. Rejecting the prevailing view, it argues that reverse passing off should not ordinarily be actionable by competitors. Although the practice may seem unfair at first glance, a closer analysis of reverse passing off shows that it really does not harm either competitors or consumers in the same ways as regular passing off or other deceptive practices. Absent such harm, giving the source a right to recover either damages or specific relief is little more than a windfall.

Part I of the Article traces the evolution of the cause of action for reverse passing off. It also analyzes the elements that courts consider in deciding these cases. Part I


11. 15 U.S.C. § 1125(a) (1994). The Lanham Act was enacted in 1946. Although the original version contained § 43(a), that provision was much more limited than the current form. Congress has broadened the scope of § 43(a) by several amendments, most notably in 1988. The effect of the 1988 amendments on Reverse Passing Off is discussed infra at text accompanying notes 119–27.

12. The gist of this Article is that reverse passing off actually does not harm the market. Therefore, the private right given to competitors is unnecessary. However, not all legal rules that deal with reverse passing off are designed with the market in mind. Plagiarism codes, for example, exist because the academy considers false claims of authorship to be morally wrong, not because it affects the "market" for scholarship. This Article's criticism of the private cause of action does not apply to laws that prohibit reverse passing off for non-economic reasons. Indeed, the author fully agrees that reverse passing off is immoral.
establishes a basic analytical framework for classifying the various types of reverse passing off cases.

Part II deals with the question of whether any of the various bodies of law cited as a basis for the cause of action for reverse passing off actually covers the situation. Most cases invoke section 43(a) of the Lanham Act.\(^3\) A careful review of that section, however, reveals that it does not actually reach reverse passing off. Therefore, the only possible source for a general cause of action is state law. Although Part II recognizes that some state laws may be preempted by federal copyright and patent laws, it concludes that states are generally free to regulate reverse passing off.

Given that states can regulate the practice, Part III addresses the more fundamental question of whether the law should impose liability for reverse passing off. To answer this question, Part III carefully considers the policy goals that the cause of action is meant to further. This analysis shows that the cause of action really does not accomplish these goals. First, contrary to the popular notion that a cause of action reduces market deception, reverse passing off cannot actually result in any meaningful consumer deception. Second, although the cause of action certainly provides an additional benefit to the source of the product, that benefit is unnecessary to stimulate innovation. Therefore, Section A of Part III argues that legislatures should refrain from creating a general cause of action for reverse passing off.

Section B considers whether that same conclusion should obtain when the plaintiff is an artist, author, or composer. The law often treats producers of art and literature differently than other sellers. These different policy concerns, coupled with the United States’ existing obligations under the Berne Convention,\(^4\) support granting artists and authors a very limited cause of action for reverse passing off. Part III concludes that a limited cause of action should be available to artists, and offers a proposal of how this right could be put into law.

Before embarking on the analysis, it may be helpful to establish a uniform terminology.\(^5\) This Article will use the term plaintiff to refer to

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15. The cases and commentary employ a clumsy, inconsistent terminology. Perhaps because of this, some courts have confused reverse passing off with other forms of unfair competition. In Groden v. Random House, Inc., 61 F.3d 1045 (2d Cir. 1995), for example, the court erroneously labeled what was actually a privacy or right of publicity claim as one of reverse passing off. Id. at 1051. Similarly, U-Haul, Int’l v. Jartran, Inc., 681 F.2d 1159 (9th Cir. 1982), although commonly
a party who has played a major role in producing or designing a product. The defendant is the party who advertises or sells the product to the public. Reverse passing off occurs when the defendant sells the product under its own name, without acknowledging the role of the plaintiff. Finally, this Article will use the capitalized phrase Reverse Passing Off in lieu of the cumbersome phrase “cause of action for reverse passing off.”

It should be noted that the above definition of reverse passing off is much broader than that used in some other discussions. It includes not only the classic case in which the defendant resells a product that was manufactured by the plaintiff, but also situations in which the defendant sells its own copy of the original and hybrid cases involving elements of both resale and copying. Further, a defendant engages in reverse

cited in discussions of reverse passing off, is not itself a reverse passing off case. U-Haul actually involves false comparative advertising.


For a variation on this theme, see Commodore Import Corp. v. Hiraoka & Co., 422 F. Supp. 628 (S.D.N.Y. 1976). In this case, plaintiff had originally ordered the goods from a third party, but had refused delivery. Defendant purchased and resold the same goods after attempting to eradicate the plaintiff’s trademark. The court in Commodore Import refused to hold defendant liable. Id. at 632.


Not all authors consider copying cases as true reverse passing off cases. One influential article, for example, entirely omits copying cases from its analysis of reverse passing off. See William M. Borchard, Reverse Passing Off—Commercial Robbery or Permissible Competition?, 67 Trademark Rep. 1 (1977). However, because courts use the label “reverse passing off” for both copying and resale cases, this Article will include both. Nevertheless, Part III.B of this Article ultimately draws a distinction between the two categories.

18. See, e.g., Cleary, 30 F.3d 1255.

There is also an entire subcategory of what can be dubbed “sample” cases, in which the defendant sells a product similar to plaintiff’s, but uses either plaintiff’s product or a photo of that product as a
passing off in any situation where its actions cause consumers to believe that the product originates from the defendant, regardless of whether the defendant makes an express statement to that effect.19 Because all of the cases revolve around the essential issue of whether the plaintiff is


The sample cases could be treated as a third category. However, the analysis used in this Article would ultimately treat the sample cases exactly the same as the copying cases. After all, any harm that plaintiff suffers is attributable to the purchase of defendant's similar product, not from the use of the sample. See infra note 69.


The line between express and implied reverse passing off is not always clear. For example, while both Borchard and Freedman argue that defendant's use of its own mark constitutes an express claim of source, the Southern District of New York disagrees. Banff, 921 F. Supp. 1065; see also Restatement (Third) of Unfair Competition, § 5 cmt. b (1995) (arguing that defendant's substitution of its mark is ordinarily not enough to deceive consumers as to source of product). For a discussion of whether use of a false copyright or patent notice constitutes a false representation, see infra notes 81–82.

This Article rejects any bright-line distinction between express and implied reverse passing off. As discussed infra note 85, a more useful distinction is between cases of misattribution and non-attribution.

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entitled to receive credit, it is useful to consider all of them in a general discussion of reverse passing off.

II. THE CURRENT LAW GOVERNING REVERSE PASSING OFF

Most of the cases that use the phrase "reverse passing off" were decided during the last fifteen years. Nevertheless, although the label is of a fairly recent vintage, courts have been wrestling with reverse passing off cases throughout this century. This section briefly reviews the development of the law governing reverse passing off. Following that, it analyzes the elements of the action and provides a conceptual framework for classifying the various types of reverse passing off cases. This framework will prove useful later in the analysis.

A. Evolution of the Doctrine

Courts throughout this century have indicated that there is something wrong with failing to acknowledge the source of a commercial product. The U.S. Supreme Court said as much in International News Service (INS), a decision that has had a major impact on intellectual property law. In INS, the defendant had copied the content of news that had been collected and originally published by a rival news organization. Although the majority opinion focused on the appropriation of the news itself, it also indicated that the defendant had made an actionable "false representation" when it published the copied news under its own name. Justice Holmes elaborated upon the theme of deceit in his concurrence, arguing that although the defendant should be free to copy the news, it was required to inform readers that the original publisher was the source of that news. To Holmes, the defendant's act involved the same basic "evil" as a normal passing off case.

20. See infra note 33 for a discussion of the phenomenal recent growth of the doctrine.
22. Id. at 231.
23. Id. at 242. For an even earlier discussion of the idea that false claims of origin constitute an actionable false representation, see the concurring opinion of Justice Seabury in Clemens v. Press Publishing Co., 122 N.Y.S. 206, 207-08 (N.Y. App. Div. 1910).

The argument that reverse passing off involves the same basic wrong as ordinary passing off survives to this day. See, e.g., Pioneer Hi-Bred Int'l v. Holden Found. Seeds, Inc., 35 F.3d 1226, 1241 (8th Cir. 1994); Roho, Inc. v. Marquis, 902 F.2d 356, 359 (5th Cir. 1990); Smith v. Montoro, 648 F.2d 602, 607 (9th Cir. 1981); Rittenberg, supra note 19, at 1758.
A case more directly on point is the Seventh Circuit's 1929 decision, *Federal Electric Co. v. Flexlume Corp.* This case involved a defendant who serviced signs that had been manufactured by the plaintiff. When servicing a sign, the defendant would replace the plaintiff's mark with defendant's own, thereby suggesting to passers-by that it had manufactured the sign. The court held that defendant's false representation constituted common law unfair competition.

Over the next fifty years, several courts upheld claims of Reverse Passing Off. Others disagreed, however, finding that a failure to acknowledge was not actionable. Reviewing the cases from the fifty year period following *Federal Electric*, it is apparent that reverse passing off had not yet gelled into a cohesive legal doctrine. Courts recognized that some injury could result from a failure to acknowledge, but could not agree on whether that harm was compensable under tort law.

Widespread acceptance of a cause of action began around 1980. In retrospect, two factors were instrumental in giving life to the cause of action. The first was a highly influential 1977 law review article in which William M. Borchard reviewed and categorized the case law as it stood at the time. Borchard's analysis, especially his discussion of the harm

25. 33 F.2d 412 (7th Cir. 1929).
26. Id. at 414.
27. Id. at 414–15.
30. See the extensive discussion in *Blazon, Inc. v. Deluxe Game Corp.*, 268 F. Supp. 416, 426 (S.D.N.Y. 1965), in which the court, although expressing doubt about whether a cause of action exists, chose to dispose of the case on the ground that plaintiff failed to demonstrate customer confusion.
31. See Borchard, supra note 17.
that could result from a failure to give credit, continues to influence the courts to this day.\textsuperscript{32}

The second factor was the Ninth Circuit's 1981 opinion in \textit{Smith v. Montoro}.\textsuperscript{33} In \textit{Smith}, an actor who had performed in a film sued when the distributor removed the actor's name from the film credits and advertising material, and substituted the name of another actor.\textsuperscript{34} The aggrieved actor brought several different claims. The Ninth Circuit's opinion, however, dealt only with plaintiff's claim under section 43(a) of the Lanham Act.\textsuperscript{35} The court held that the substitution constituted a "false designation or representation" within the meaning of section 43(a), and that the plaintiff could therefore use that federal law to recover.\textsuperscript{36}

Although \textit{Smith} was not the first case to recognize a cause of action for reverse passing off, the court's in-depth analysis proved quite influential. At last count, Reverse Passing Off is recognized by the Second,\textsuperscript{37} Third,\textsuperscript{38} Fifth,\textsuperscript{39} Seventh,\textsuperscript{40} Eighth,\textsuperscript{41} Ninth,\textsuperscript{42} and probably the Eleventh circuits. In addition, at least one trial court in the Fourth,\textsuperscript{43}

\begin{itemize}
\item 32. Witco Chem. Corp. v. United States, 742 F.2d 615, 625 n.12 (Fed. Cir. 1984); Smith v. Montoro, 648 F.2d 602, 605 (9th Cir. 1981).
\item 33. 648 F.2d 602. \textit{Smith} has been cited extensively in later cases. Its influence can perhaps be suggested by the fact that a LEXIS search revealed only six pre-\textit{Smith} cases using the phrases "reverse passing off" or "reverse palming off." In the 16 years since \textit{Smith}, no fewer than 85 cases have used one or both of these phrases.
\item 34. Id. at 603.
\item 35. Id. The trial court had dismissed that claim. Because that court had only ancillary jurisdiction over the state law claims, the trial court had dismissed those claims for lack of jurisdiction at the same time it dismissed the Lanham Act claim. \textit{Id.}
\item 36. \textit{Id.} at 605-07. \textit{Smith}'s interpretation of § 43(a) is noteworthy for another reason. The court also held that the actor had standing to bring a § 43(a) claim notwithstanding the lack of any direct competition between him and the distributor. \textit{Id.} at 607-08.
\item 37. \textit{See}, e.g., Waldman Publ'g Corp. v. Landoll, 43 F.3d 775, 780 (2d Cir. 1994); Arrow United Indus., Inc. v. Hugh Richards, Inc., 678 F.2d 410, 415 (2d Cir. 1982).
\item 38. \textit{See}, e.g., Williams v. Curtiss-Wright Corp., 691 F.2d 168, 172 (3d Cir. 1982).
\item 39. \textit{See}, e.g., Roho, Inc. v. Marquis, 902 F.2d 356, 359 (5th Cir. 1990); Bangor Punta Operations, Inc. v. Universal Marine Co., 543 F.2d 1107, 1109 (5th Cir. 1976).
\item 40. \textit{See}, e.g., Web Printing Controls Co. v. Oxy-Dry Corp., 906 F.2d 1202, 1204 (7th Cir. 1990); F.E.L. Publications Ltd. v. Catholic Bishop of Chicago, 214 U.S.P.Q. (BNA) 409, 416 (7th Cir. 1981); \textit{see also discussion supra} text accompanying notes 25-27.
\item 41. \textit{See}, e.g., Pioneer Hi-Bred Int'l v. Holden Found. Seeds, Inc., 35 F.3d 1226, 1241 (8th Cir. 1994).
\item 42. In addition to \textit{Smith}, see \textit{Cleary v. News Corp.}, 30 F.3d 1255, 1260-62 (9th Cir. 1994) and \textit{Lamothe v. Atlantic Recording Corp.}, 847 F.2d 1403, 1406-08 (9th Cir. 1988).
\item 43. The Eleventh Circuit has not itself faced the issue. However, the Eleventh Circuit was carved out of the Fifth in 1981. Precedent from the Fifth Circuit rendered prior to the split applies in the
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Tenth, and, most recently, the First Circuits have recognized Reverse Passing Off in certain circumstances. Many of these cases cite Smith as authority. The Sixth, District of Columbia, and Federal Circuits have not yet faced the issue.

Eleventh. As the Fifth Circuit had accepted reverse passing off by 1976, see supra note 39, the doctrine should also be valid in the Eleventh Circuit.

Trial court opinions from the new Eleventh Circuit bear this out. See Playboy Enters. v. Frena, 839 F. Supp. 1552 (M.D. Fla. 1993) (granting summary judgment for plaintiff); Marling v. Ellison, 218 U.S.P.Q. (BNA) 702 (S.D. Fla. 1982) (allowing recovery); see also Debs v. Meliopoulos, No. 1:90-cv-939-WCO, 1991 U.S. Dist. LEXIS 19864 (N.D. Ga. Dec. 18, 1991) (although recognizing cause of action, holding that defendant prevailed because plaintiff had failed to demonstrate both that it was creator of class notes in question and that readers would be confused by failure to acknowledge plaintiff as source).

44. See, e.g., Hospital for Sick Children v. Melody Fare Dinner Theatre, 516 F. Supp. 67, 73 (E.D. Va. 1980) (holding that defendant's use of title of play "Peter Pan," to which plaintiff held copyright for musical, constitutes reverse passing off).

Admittedly, the Fourth Circuit itself recently upheld the grant of a summary judgment dismissing a reverse passing off claim in its unpublished opinion in Takeall v. Pepsico, Inc., 14 F.3d 596, 1993 WL 509876, at *6-7 (4th Cir. Dec. 8, 1993). However, the plaintiff in Takeall had based its reverse passing off claims only on state law. The court found that these state law claims were preempted by the federal copyright laws. Id. at *6. Most plaintiffs in reverse passing off cases rely on a federal law, § 43(a) of the Lanham Act, 15 U.S.C. § 1125(a) (1994), as the basis for at least one of their claims. The copyright laws, of course, would not preempt a Lanham Act claim. Takeall is nevertheless relevant for its discussion of copyright preemption, an issue discussed in greater depth infra notes 146-70.


The Kasco court's recent acceptance of Reverse Passing Off is particularly significant insofar as the Massachusetts district court had previously refused to recognize the cause of action. General Elec. Co. v. Iljin Corp., Civ. A. No. 89-40094-GN, 1993 WL 41752 (D. Mass. Feb. 12, 1993); Boothroyd Dewhurst, Inc. v. Poli, 783 F. Supp. 670 (D. Mass. 1991). The General Electric and Boothroyd decisions were based on language in the influential 1949 case of Samson Crane, where the district court interpreted recently-enacted § 43 of the Lanham Act as applying only to acts "closely associated with the misuse of trademarks, i.e., the passing off of one's own goods as those of a competitor." Samson Crane Co. v. Union Nat'l Sales, Inc., 87 F. Supp. 218, 222 (D. Mass. 1949), aff'd, 180 F.2d 896 (1st Cir. 1950). Not only was Samson Crane itself affirmed by the First Circuit, but its restrictive language was cited with approval in later First Circuit cases, most recently in Clamp-All Corp. v. Cast Iron Soil Pipe Institute, 851 F.2d 478, 491 (1st Cir. 1988), a case that did not involve reverse passing off. The Kasco court nevertheless reasoned that this restrictive interpretation was in error, especially in light of the 1988 amendments to § 43(a) and the indications of Congressional intent behind those amendments. Kasco, 905 F. Supp. at 34. Whether Kasco's acceptance of the cause of action accurately reflects the views of the First Circuit remains to be seen.

47. The Northern District of Ohio and Sixth Circuit were presented with a situation involving reverse passing off in United States v. American Greetings Corp., 168 F. Supp. 45 (N.D. Ohio 1958), aff'd, 272 F.2d 945 (6th Cir. 1959). However, this was not a private cause of action; it was instead an
Virtually all of the reverse passing off cases have been litigated in the federal courts, with only a handful in the state courts. Illinois has recognized that reverse passing off may be actionable under the law of misappropriation. California apparently allows a similar claim under a theory of fraud or misrepresentation. New York, by contrast, held in 1962 that reverse passing off did not qualify as unfair competition. However, given the vintage of the decision and the substantial development of the cause of action over the past thirty years, the continued vitality of this New York precedent is open to question.

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The possibility of using federal agencies to police reverse passing off is discussed infra at text accompanying notes 250–51.

48. As will be discussed infra at text accompanying notes 97–98, most plaintiffs include a claim under § 43(a) of the Lanham Act, and therefore easily qualify for federal subject-matter jurisdiction under 28 U.S.C. § 1338 (1994). If the plaintiff also adds one or more state law claims, the federal court may hear the entire case under the expansive language of § 1338(b).

Not all cases involve a Lanham Act claim. In many of these cases, however, the plaintiff will have included a claim under the patent or copyright law. See, e.g., Fisher v. Dees, 794 F.2d 432 (9th Cir. 1986) (copyright and state law defamation, unfair competition, and product disparagement); FASA Corp. v. Playmates Toys, Inc., 869 F. Supp. 1334 (N.D. Ill. 1994) (copyright and state law misappropriation); American Precast Corp. v. Maurice Concrete Prods., Inc., 360 F. Supp. 859 (D. Mass.) (patent and state law unfair competition), aff'd, 502 F.2d 1159 (1st Cir. 1973). Section 1338(b) also allows jurisdiction over the state law claims in these cases.

49. Board of Trade v. Dow Jones & Co., 439 N.E.2d 526, 537 (Ill. App. Ct. 1982), aff'd, 456 N.E.2d 84 (Ill. 1983). Because the court allowed recovery under state law, it found it unnecessary to deal with plaintiff's Lanham Act claim. Id.

50. Parsons v. Tickner, 37 Cal. Rptr. 2d 810, 818 (Cal. Ct. App. 1995). In Parsons, the daughter of a deceased composer sued the composer's former business partners after she learned that the partners had taken control of the composer's music. Id. at 813. Although the daughter's complaint relied primarily on the theory of conversion, she also asserted that the partners committed fraud or misrepresentation when they alleged that the songs belonged to them. Id. The court of appeals reversed the trial court's grant of a demurrer regarding plaintiff's entire case. However, the court focused primarily on the issues of standing and the statute of limitations, and never directly addressed the merits of the reverse passing off claim. Id. at 815–20. Nevertheless, the fact that the court overturned the demurrer in its entirety suggests that it recognizes a cause of action.


The earlier case of Benelli v. Hopkins, 103 N.Y.S.2d 526 (N.Y. Sup. Ct. 1950), although dealing with a case facially similar to reverse passing off, is not really on point. The defendant in Benelli had been granted a license to produce plaintiff's play. Id. at 528. When plaintiff attempted to market a newer version of the play, defendant threatened the potential licensees with legal action. Id. Because defendant was not taking credit for the newer version of the play, Benelli is not a reverse passing off case.

52. The federal courts in New York are apparently convinced that an action lies under state law. In Blank v. Pollack, 916 F. Supp. 165 (N.D.N.Y. 1996), the court denied a motion to dismiss plaintiff's fraud and misappropriation claims under New York law. Id. at 170.
Courts have invoked Reverse Passing Off in a wide variety of situations. Like the plaintiff in Smith v. Montoro, a number of authors and artists have sued when a publisher or producer failed to acknowledge their work. Courts have applied the doctrine not just to film, but also to books, songs, scripts and other artistic works. Plaintiffs other than artists have also sued for Reverse Passing Off when their commercial products are resold with the original mark removed, incorporated into new products, copied, or used as samples for the sale of competing products. For some reason, a surprising number of cases involve the copying of dolls.

53. 648 F.2d 602 (9th Cir. 1981).
54. Some of these cases resemble Smith, where an original work that an artist or author helped to produce is attributed to someone else. See, e.g., Beacham v. MacMillan, Inc., 837 F. Supp. 970 (S.D. Ind. 1993) (publisher failed to include author’s name on book); Feerick v. Arthur Young & Co., 715 F. Supp. 1234 (S.D.N.Y. 1989) (partner helped to create work for use of partnership; partnership distributed work without acknowledging his role); Dodd v. Fort Smith Special Sch. Dist., 666 F. Supp. 1278 (W.D. Ark. 1987) (failure to acknowledge authorship of book). More commonly, however, the author or artist complains that someone else has copied a work without disclosing the original. See, e.g., Cleary v. News Corp., 30 F.3d 1255 (9th Cir. 1994) (failure to give credit for author’s work on prior edition of revised book); Kregos v. Associated Press, 3 F.3d 656 (2d Cir. 1993) (plaintiff alleges copyright infringement and state law claims); Kregos v. Associated Press, 937 F.2d 700 (2d Cir. 1991) (same; defendant put false copyright notice in its name on pitching form created by plaintiff); Berkio v. Crichton, 761 F.2d 1289 (9th Cir. 1985) (defendant produced screenplay similar to plaintiff’s); Offbeat, Inc. v. Cager, No. 94-2796, 1995 WL 214479 (E.D. La. Apr. 11, 1995) (defendant copied plaintiff’s mailing list); CD Law Inc. v. LawWorks Inc., 35 U.S.P.Q.2d (BNA) 1352 (W.D. Wash. 1994) (defendant copied plaintiff’s computer software); Playboy Enters. v. Frena, 839 F. Supp. 1552 (M.D. Fla. 1993) (defendant copied plaintiff’s pictures onto computer bulletin board, adding its own name in process); Childress v. Taylor, 20 U.S.P.Q.2d (BNA) 1181 (S.D.N.Y. 1991) (play performed without acknowledging playwright as author); Nash v. CBS, Inc., 704 F. Supp. 823 (N.D. Ill. 1989) (defendant produced series based on plaintiff’s story, aff’d on other grounds, 899 F.2d 1537 (7th Cir. 1990); Hartman v. Hallmark Cards, Inc., 639 F. Supp. 816 (W.D. Mo. 1986) (defendant produced similar greeting cards, aff’d, 833 F.2d 117 (8th Cir. 1987)); Marling v. Ellison, 218 U.S.P.Q.2d (BNA) 702 (S.D. Fla. 1982) (defendant copied much of plaintiff’s work in cookbook). The distinction between a “resale” case like Smith and a case involving copying will prove important to many issues in this analysis, and will therefore be explored in greater depth infra at text accompanying notes 63-70.
56. See, e.g., Lamothe v. Atlantic Recording Corp., 847 F.2d 1403 (9th Cir. 1988); F.E.L. Publications, Ltd. v. Catholic Bishop of Chicago, 214 U.S.P.Q. (BNA) 409 (7th Cir. 1982).
57. See, e.g., Shaw v. Lindheim, 919 F.2d 1353 (9th Cir. 1990); Murray v. NBC, Inc., 844 F.2d 988 (2d Cir. 1988); Nash, 704 F. Supp. 823.
58. See, e.g., Pioneer Hi-Bred Int’l v. Holden Found. Seeds, Inc., 35 F.3d 1226 (8th Cir. 1994) (copying of hybrid seeds); Roho, Inc. v. Marquis, 902 F.2d 356 (5th Cir. 1990) (parts incorporated into new product); Williams v. Curtis-Wright Corp., 691 F.2d 168 (3d Cir. 1982) (resale of unused and reconditioned parts under defendant’s own mark); Arrow United Indus., Inc. v. Hugh Richards, Inc., 678 F.2d 410 (2d Cir. 1982) (use of plaintiff’s damper as sample for selling defendant’s
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Courts have allowed recovery in all of these situations. In fact, since 1980, Reverse Passing Off has been warmly embraced by courts across the country. All of the federal courts that have actually considered the question have ultimately come to the conclusion that at least some types of reverse passing off are actionable. A number of scholars have also championed the cause of action.

B. The Elements of Reverse Passing Off

Courts not only agree that reverse passing off is actionable, but also agree on the general elements of a successful claim. Although no court states the elements this precisely, the following five-part test reflects a typical analysis.

I. The Product Must Originate with the Plaintiff

The crux of reverse passing off is that defendant is taking credit for someone else’s work. Accordingly, there can be no Reverse Passing Off claim if the product originates with the defendant or a third party.


60. See supra notes 37–46.


Not all of the commentary supports the cause of action. For a criticism of the cases that allow artists and authors to recover for non-attribution under § 43(a), see Sergent, supra note 19, at 69–77.

62. Jacobs v. Transocean Entertainment, No. 95-55804, 1996 U.S. App. LEXIS 27591 (9th Cir. Oct. 22, 1996) (finding plaintiff’s contribution to end product insufficient to give right to claim to be source); EFS Mktg., 37 U.S.P.Q.2d 1646 (refusing to hold that plaintiff is source of design because
The problem, of course, is determining where a given product actually originates. *Smith* is an exceptionally easy case in this regard, for the actor’s performance could by definition only originate with him. Other cases are much more difficult. In many ways the question of origin is one of both physics and metaphysics. One basic concern underlying Reverse Passing Off is that consumers are deceived if defendant falsely takes credit for the product. That deception cannot exist if customers, knowing all of the facts, would still consider defendant the origin. Therefore, a court must determine origin from the perspective of the customer, not the scientist or engineer.

In analyzing the first element of Reverse Passing Off, it is useful to divide the Reverse Passing Off cases into two categories, the “resale” and “copying” cases. Each category raises fundamentally different questions of origin. Accordingly, application of the first element may well differ in each.

In a resale case, the plaintiff is responsible for the actual manufacture of the product. Plaintiff may have built the product itself, or arranged with a third party to build something to specification.* Smith* and many of the other cases involving artists and authors also fall into this category, for in each the plaintiff was directly responsible for the final product.

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63. See, e.g., Summit Mach. Tool Mfg. Corp. v. Victor CNC Sys., Inc., 7 F.3d 1434 (9th Cir. 1993) (although defendant’s product was made of parts produced by plaintiff, the product was new and discrete); *Roho*, 902 F.2d 356 (finding that although defendant’s product was made of parts produced by plaintiff, the product was new and discrete); *Murray*, 844 F.2d 988 (holding that where plaintiff’s work completely lacks originality, plaintiff not entitled to be named as source); *Kamar*, 657 F.2d 1059 (finding that plaintiff cannot win absent proof that defendant either copied or resold plaintiff’s product); *Debs v. Meliopoulos*, No. 1:90-cv-939-WCO, 1991 U.S. Dist. LEXIS 19864 (N.D. Ga. Dec. 19, 1991) (finding that class notes used by defendant were produced mainly by defendant, not plaintiff); *Feerick v. Arthur Young & Co.*, 715 F. Supp. 1234 (S.D.N.Y. 1989) (finding that book written mainly by defendant, not plaintiff).


65. Lamothe v. Atlantic Recording Corp., 847 F.2d 1403 (9th Cir. 1988); Smith v. Montoro, 648 F.2d 602 (9th Cir. 1981); Grambs v. Image Bank, Inc., No. 90 Civ. 7291, 1991 U.S. Dist. LEXIS
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Ascertaining the origin of a product is relatively easy in the resale cases. If defendant acquires a product originally manufactured by plaintiff and merely resells it as its own, it is clear that plaintiff is the "origin," at least in the absolute sense of that word. But difficult issues can arise even here. In some of the cases, for example, the defendant made significant changes to the product before reselling it as its own. Courts must weigh the input of each party in the final product in order to determine who consumers would consider to be the source.

Although there are a good number of resale cases, most Reverse Passing Off cases are copying cases. The defendant in a copying case actually builds, or arranges to have built, its own product. However, defendant's product is a close copy of something that was designed or produced by the plaintiff. Of course, a defendant who copies a distinct product may be liable for copyright, patent, or regular trademark.
Reverse passing off is not a substitute for these claims, but instead deals with a separate and discrete injury. The plaintiff who sues for reverse passing off is not directly challenging the defendant’s right to copy. Plaintiff is merely claiming that if defendant does copy, it must tell consumers who actually designed the product. Because it deals with a separate wrong, the success or failure of a reverse passing off claim does not turn on plaintiff’s ability to recover for ordinary infringement.

The question of origin is far more complex in a copying case. Even in the simplest case, where defendant produces an exact duplicate of plaintiff’s product, the final product is the result of both plaintiff’s and defendant’s labors. A court must determine if, from the consumer’s perspective, the origin of a particular product is the person who designs it or the person who controls its actual manufacture. This may differ from product to product, or even from consumer to consumer.

The issue is even more complex when defendant’s copy is not exact. Much of the discussion of the question of origin in the copying cases is dedicated to the question of how similar the products must be. An excellent example is the disagreement between the Second and Ninth Circuits concerning the test to use for determining the “source” of a literary work. The Second Circuit requires only that the works be

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69. Courts have increasingly turned to the “trade dress” branch of trademark law to protect a producer against someone who copies a unique product design. The Supreme Court greatly facilitated the law of trade dress in Two Pesos, Inc. v. Taco Cabana, Inc., 503 U.S. 763 (1992), in which the Court allowed a restaurant to protect its decorative motif. Since Two Pesos, other courts have allowed trade dress to be protected. See, e.g., Krueger Int’l, Inc. v. Nightingale Inc., 915 F. Supp. 595 (S.D.N.Y. 1996). The question of trade dress and the related question of product configuration have proven terribly difficult for courts and commentators, and are likely to dominate the discussion of trademark law for some time to come.

However, that debate is of little relevance here, for there is a fundamental difference between these trade dress/product configuration cases and a case of reverse passing off. In the former, the design of plaintiff’s product serves, or is capable of serving, as an indication of source. If defendant markets a product of similar design, consumers may conclude that defendant’s product comes from plaintiff. In a reverse passing off case, by contrast, the product design does not serve as an indication of source, either because it is functional or because it is not perceived by consumers as an indication of source. Absent any reference to plaintiff, purchasers assume that plaintiff’s product comes from defendant or a third party. In this sense, then, reverse passing off is truly the reverse of ordinary infringement.

Courts have sometimes confused the distinction between product configuration and reverse passing off claims. See, e.g., Vibrant Sales, Inc. v. New Body Boutique, Inc., 652 F.2d 299 (2d Cir. 1981). In Vibrant, defendant used a photograph of plaintiff’s product in advertising its own product. The court rejected plaintiff’s § 43(a) claim, finding that none of the features of plaintiff’s product indicated source. In so doing, the court failed to recognize that this very finding made the dispute a paradigmatic reverse passing off case.
“substantially similar.” The Ninth Circuit, however, permits the defendant to claim to be the source unless its work is a “bodily appropriation” of plaintiff’s work. This standard is satisfied only if the works are virtually identical.

Both of these standards borrow heavily from the law of copyright. The substantial similarity test is the test used to determine copyright infringement. The bodily appropriation test, by contrast, incorporates copyright’s concept of originality. Under the law of copyright, a party is treated as an author even if his work consists only of making a few significant changes to an earlier work produced by another. If such minor changes are enough to garner copyright protection, they should perhaps be enough for a defendant in a Reverse Passing Off case to make an honest claim to be the origin.

Each test has its advantages and disadvantages. However, as will be discussed below, borrowing from principles of copyright and patent law

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70. The Second Circuit’s most recent applications of this standard are *Waldman Publishing Corp. v. Landoll, Inc.*, 43 F.3d 775, 783 (2d Cir. 1994), and *Kregos*, 3 F.3d at 663.


71. During the 1980s, the Ninth Circuit twice considered, but refused to decide, whether it would follow the Second Circuit’s “substantial similarity” test or the stricter “bodily appropriation” test. *Litchfield*, 736 F.2d at 1358; *Kamar Int’l, Inc. v. Russ Berrie & Co.*, 657 F.2d 1059, 1064 (9th Cir. 1981). The court finally opted for the bodily appropriation standard in 1990 in *Shaw*, 919 F.2d at 1364–65. The *Shaw* court construed its earlier precedent in *Smith*, 648 F.2d 602, and *Lamothe*, 847 F.2d 1403, as limiting Reverse Passing Off to cases where defendant takes credit for a product physically produced by the plaintiff. *Shaw*, 919 F.2d at 1364. Because the defendant in *Shaw* had not engaged in such bodily appropriation, the court refused to recognize a Reverse Passing Off claim. *Id.*

*Shaw* is ambiguous about whether a party can ever assert a Reverse Passing Off claim under the Lanham Act in a copying case involving a work of art or literature. In the penultimate sentence of the opinion, for example, the court states flatly, “We decline to expand the Lanham Act to cover cases in which the Federal Copyright Act provides an adequate remedy.” *Id.* at 1364–65. However, the court soon cleared up any misunderstanding on that note in *Cleary v. News Corp.*, 30 F.3d 1255 (9th Cir. 1994). *Cleary* expressly recognizes that a cause of action can exist, and provides a precise definition of bodily appropriation. A defendant appropriates a plaintiff’s work when it copies it without making any significant variations. *Id.* at 1261. Whether a variation is significant is measured by whether consumers of the copy would confuse it for the original.


74. The bodily appropriation standard has a greater logical appeal. The problem with the substantial similarity test is that it assumes that copyright law alone defines the relative rights of plaintiff and defendant. However, the issue in a reverse passing off case is not whether the defendant has encroached on one of the exclusive rights that Congress vests in the copyright owner. Indeed, in
is not very helpful in determining who is the origin of a product in a Reverse Passing Off case.\footnote{1}

\section*{2. Plaintiff Must Have Attempted to Take Credit for the Product in Public}

The gist of a Reverse Passing Off case is that defendant is taking credit for someone else's work. Although improperly taking credit may be wrong as a moral matter, it is not actionable by a competitor unless that competitor can show that that credit would otherwise have come to it.\footnote{2} There can be no Reverse Passing Off claim for an anonymous work.\footnote{3} Accordingly, a plaintiff who distributes its product to the public must take steps to ensure that consumers know who is the actual source of the product. In most cases, a plaintiff takes credit by attaching its name or trademark to, or using that name or mark in connection with, the product.\footnote{4}

\footnote{1} many of the copying cases the plaintiff's work is not protected by copyright. The real question in a Reverse Passing Off case is one of deceit: namely, whether the law should allow defendant to tout itself as the source of the work it is selling. Analogizing to copyright principles relating to origin is therefore more appropriate than using principles governing infringement. According to Sergent, supra note 19, at 59-61.

Nevertheless, there is a logical inconsistency between the Ninth Circuit's bodily appropriation standard for copying cases and the approach it uses in resale cases. In Smith, 648 F.2d 602, for example, the Ninth Circuit allowed the plaintiff to recover when its product was incorporated into a larger work. In essence, the court held that Smith was entitled to credit for his portion of the work notwithstanding defendant's own contribution to the final product. However, under the bodily appropriation test, a plaintiff in a copying case has no right to credit whatsoever as long as the final product includes some noticeable amount of defendant's own creative effort. It is not entirely clear why the plaintiff in a copying case cannot claim credit at least for those parts of the work that were copied wholesale.

The Ninth Circuit may have resolved this inconsistency in Summit Machine Tool Manufacturing Corp. v. Victor CNC Systems, Inc., 7 F.3d 1434 (9th Cir. 1993). In Summit, plaintiff designed a lathe and arranged for a manufacturer to assemble the product. Defendant purchased lathes from the same manufacturer. Although the situation more closely resembles a resale case than a copying case, the court applied the bodily appropriation test and denied recovery because defendant's lathes were somewhat different. Id. at 1437-38.

\footnote{2} See infra text accompanying notes 190-200.

\footnote{3} Under \S 43(a) of the Lanham Act, for example, only parties who can demonstrate that they are "likely to be damaged" by false representations can sue. A true source who does not take credit cannot be damaged by the defendant's false claim to be the origin. See 15 U.S.C. \S 1125(a) (1994).


\footnote{5} Plaintiff need not use its actual name. With respect to goods sold in the market, the benefit of receiving credit is that such credit may translate into increased future sales of the same or similar products. For this to occur, consumers need only know that the goods come from the same source as
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3. **Defendant Falsely Designates the Origin of the Product Without Plaintiff's Permission**

Reverse Passing Off is closely related to trademark law. Both actions seek to protect consumers from false information about the source of the products they are buying. Therefore, some sort of false designation of origin by defendant is a crucial element.\(^7\)

The cases do not require that defendant explicitly claim to be the source. Very few defendants are so direct.\(^8\) Courts have had to wrestle with more subtle behavior that might be construed as a representation concerning origin. The two most difficult situations are when defendant simply attaches its own mark, or a copyright notice in its name, to the good.\(^8\) Although both a trademark and a copyright notice provide information relating to source, neither necessarily implies that the trademark or copyright owner actually designed or produced the good. After all, both trademarks and copyrights can be assigned. Most courts agree that use of a false copyright notice, by itself, is not a false designation of source.\(^8\) However, it is unclear whether defendant’s use of a trademark constitutes reverse passing off.\(^8\)

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7. Requiring plaintiff to use a trademark or pseudonym is not unreasonable in situations where plaintiff has not yet disseminated its product to the public. In a case like Smith, 648 F.2d 602, for example, it would be unreasonable to require the actor to inform the public of his role. The actor in Smith had no control over the film itself, but was merely hired to play a role. To require the actor to inform the public of this fact would impose an undue burden.


81. Use of a false patent notice, however, is actionable. The basis for liability in these cases is not Reverse Passing Off, but § 292 of the Patent Act, 35 U.S.C. § 292 (1994 & Supp. I 1995). This provision imposes a fine of up to $500 for use of a false patent notation with the intent to counterfeit or deceive. Subsection (b) gives the patent holder the right to sue the defendant for a portion of that penalty. 35 U.S.C. § 292(b) (1994).


83. Like the Patent Act, the Copyright Act provides for criminal penalties for the improper use of the “©” symbol. 17 U.S.C. § 506 (1994). However, the Copyright Act does not provide a private
Note that defendant need not claim that it is the source in order to be held liable. Liability can be imposed even when defendant falsely asserts that a third party is the origin of the product. In *Smith v. Montoro*, for example, plaintiff recovered when defendant substituted the name of another actor for that of plaintiff.\(^8^4\) Reverse Passing Off, then, exists even when defendant does not directly benefit from its false statement.

But what if defendant says absolutely nothing about the origin of its product? At first glance, it would seem that a defendant who conveys no false information should not be held liable for either trademark infringement or Reverse Passing Off. The few cases that have discussed the issue appear to agree.\(^8^5\) These courts draw a distinction between cases of "misattribution," which is actionable if the other elements are enforcement mechanism. This may explain why the courts have been hesitant to allow copyright owners to recover for such use under some other body of law, such as the Lanham Act.

83. See *supra* note 19.


There is language in a recent Second Circuit decision supporting the distinction. In *Lipton v. Nature Co.*, 71 F.3d 464, the court rejected a reverse passing off claim where the defendant had placed a copyright notice in its name on the item. In so doing, however, the court noted that a claim for reverse passing off exists only where defendant makes a positive assertion of authorship. *Id.* at 473-74.

It should be noted that the concepts of misattribution and non-attribution do not correspond to the "express" and "implied" reverse passing off labels discussed *supra* note 19. A misattribution can be express, as when a seller positively states that it is the source, or implied, as when a seller merely sells the good under its own mark or unlabelled in its stores. As long as consumers are fooled, it should not matter whether the seller's representation is express or implied. The key question should be whether there is a possibility of customer deception.

satisfied, and mere "non-attribution," which cannot be the basis of liability.\textsuperscript{86}

From a purely moral perspective, misattribution is more objectionable than non-attribution. The academy recognizes this principle in its code of plagiarism. Lack of citation, although sloppy and perhaps unethical,\textsuperscript{87} is not plagiarism. Plagiarism exists only when scholars take credit for something that they did not produce. Distinguishing misattribution from non-attribution also makes some sense in the commercial tort of Reverse Passing Off. In a case of misattribution the consumer is deceived as to the source of the product. Non-attribution, by contrast, involves no such deception, but clearly places consumers on notice that they have the burden of ascertaining the source.

There is, however, some precedent to the contrary. A number of cases recognize at least the possibility of a reverse passing off claim even where defendant makes no claim to be the source.\textsuperscript{88} These cases suggest that plaintiff may have a positive right to acknowledgment of its role in creating a product, regardless of whether defendant is attempting to appropriate any of the benefits that might result from being perceived as

\textsuperscript{86} See cases cited supra note 85.

\textsuperscript{87} Federal law, for example, requires all institutions that apply for grants from agencies such as the National Institute of Health to have policies covering "misconduct in science," which is defined to include "fabrication, falsification, plagiarism, or other practices that seriously deviate from those that are commonly accepted within the scientific community for proposing, conducting, or reporting research." 42 C.F.R. § 50.102 (1996); see also National Inst. of Health, Responsibilities of NIH and Awardee Institutions for the Responsible Conduct of Research, 23 NIH Guide 44 (Dec. 16, 1994); National Academy of Sciences, Comm. on Science, Eng'g, and Pub. Policy, On Being a Scientist: Responsible Conduct in Research (2d ed. 1995).

\textsuperscript{88} See, e.g., Arrow United Indus., Inc. v. Hugh Richards, Inc., 678 F.2d 410 (2d Cir. 1982) (defendant used plaintiff's damper with marks removed as sample); F.E.L. Publications, Ltd. v. Catholic Bishop of Chicago, 214 U.S.P.Q. (BNA) 409 (7th Cir. 1982) (defendant published its own hymnal, but omitted copyright notice in plaintiff's name); Kasco Corp. v. General Servs., Inc., 905 F. Supp. 29 (D. Mass. 1995) (defendant, when servicing meat chopping machines manufactured by plaintiff, allegedly replaced knives with reconditioned knives manufactured by plaintiff); Woodke v. Dahm, 873 F. Supp. 179 (N.D. Iowa) (defendant used photograph of plaintiff's truck with mark removed; plaintiff survived 12(b)(6) motion), aff'd on other grounds, 70 F.3d 983 (8th Cir. 1995); Hospital for Sick Children v. Melody Fare Dinner Theatre, 516 F. Supp. 67 (E.D. Va. 1980) (defendant produced plaintiff's play; court held that merely using title is sufficient to constitute reverse passing off).

Admittedly, it is very difficult for plaintiff to recover when defendant does not actually claim to be the source. Accord Damich, supra note 85, at 394. However, the main reason plaintiffs lose these cases may be that consumers are not fooled into thinking that defendants are the source of the product that they are buying.
the origin. The right recognized in these cases is much stronger and can be justified only by concerns other than consumer deception.\(^9^9\)

Finally, in both misattribution and non-attribution cases, plaintiff cannot recover for Reverse Passing Off if it consented to defendant’s false statement concerning origin. The most common situation of consent is the case of “private branding,” where a large retailer buys goods from a manufacturer under a contract that allows the retailer to sell the goods under its own mark. Plaintiff’s consent precludes it from challenging defendant’s false statement notwithstanding that the statement may mislead consumers.\(^9^0\)

4. **The False Designation is Likely to Cause Consumer Confusion**

As a general proposition, of course, the law prohibits only those false statements that deceive consumers. However, courts typically assume that a false statement as to source will always be deceptive, because consumers use source to judge the quality of goods in the market.\(^9^1\) In this vein, it is interesting to note that courts have generally glossed over this element in the actual cases.

5. **Plaintiff Must be Harmed by the False Statement**

Plaintiff must demonstrate not only that consumers were deceived, but also that the deception resulted in injury to plaintiff. The injury in a reverse passing off case is unlike the injury in other competition law cases. In a typical false advertising or trademark infringement case, plaintiff’s injury is immediate—consumers who would otherwise have

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89. Consumers cannot be deceived in a case of non-attribution because the defendant has made no representation concerning the source of the product.


purchased plaintiff’s goods buy instead from defendant. Those lost sales deprive plaintiff of profits. Plaintiff in a reverse passing off case cannot demonstrate that same sort of injury. Even if defendant disclosed that plaintiff is the actual source, consumers may still purchase from defendant. In fact, defendant’s admission that the product comes from plaintiff may in many cases make consumers more likely to buy the goods from defendant, especially if plaintiff has a reputation for producing goods of high quality.

Courts have nevertheless had little difficulty finding this element satisfied. Typically, they identify plaintiff’s harm as a loss of future goodwill.\(^2\) Even if plaintiff reaps no immediate gain when defendant discloses plaintiff’s role in producing the product, consumers who have positive experiences with the product will associate the resulting goodwill with the plaintiff. When those consumers shop in the future, that goodwill may cause them to prefer plaintiff’s goods. Plaintiff cannot reap this future goodwill if defendant falsely represents that it is the source.

This reasoning also helps to explain one aspect of the first element of Reverse Passing Off, that the product must originate with the plaintiff. In some areas of competition law, such as false advertising, any competitor can sue a defendant who makes a false statement. Reverse Passing Off, however, is available only to the actual source. The reason for this restriction is that only the actual source can show a deprivation of future goodwill. In this regard, Reverse Passing Off is more akin to trademark infringement, where only the trademark owner can sue.

Although not all courts phrase them in precisely the same terms, all courts consider the above five factors in Reverse Passing Off cases. Most of the differences that crop up in the case law concern the particulars of the cause of action.\(^3\) Given the tremendous variety of Reverse Passing Off cases, this consistent approach is notable. The consistency becomes remarkable when one considers that the legal source for Reverse Passing Off is not entirely clear. This source is the focus of the next section.

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\(^2\) See \textit{e.g.}, \textit{Pioneer Hi-Bred Int’l v. Holden Found. Seeds, Inc.}, \textit{35 F.3d} 1226, 1242 (8th Cir. 1994); \textit{Roho, Inc. v. Marquis}, \textit{902 F.2d} 356, 359 (5th Cir. 1990); \textit{Arrow United}, \textit{678 F.2d} at 415; \textit{Freedman, supra} note 19, at 321–23.

\(^3\) See \textit{supra} text accompanying notes 70–71 for a discussion of the disagreement between the Second and Ninth Circuits concerning how to define the origin of a product.
III. THE LEGAL BASIS FOR REVERSE PASSING OFF

A. The Prevailing View

Courts and commentators have devoted surprisingly little attention to the basic question of the legal source of Reverse Passing Off. It is clear that the claim is not a *sui generis* cause of action. Courts have instead dealt with reverse passing off by fitting it within existing causes of action. A review of the cases and commentary reveals two leading contenders for the source of the claim: the federal Lanham Act and state unfair competition law.

The Lanham Act is the clear favorite. That statute's main concern is regular, not reverse, passing off. Section 43(a) of the Lanham Act, however, contains expansive language concerning false representations in commerce. Courts have found section 43(a) to be a useful provision that can be applied to a variety of deceptive acts. Therefore, it is no surprise that courts have also grounded Reverse Passing Off claims in section 43(a). In fact, every court that has faced the question has concluded that section 43(a) provides a cause of action.

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98. See, e.g., Waldman Publ'g Corp. v. Landoll, Inc., 43 F.3d 775, 780 (2d Cir. 1994); *Pioneer Hi-Bred*, 35 F.3d at 1241; Web Printing Controls Co. v. Oxy-Dry Corp., 906 F.2d 1202, 1203 n.1
A few courts look to state unfair competition law as the basis for the action. Many of these cases rely on the common law tort of unfair competition or one of its descendants. Others invoke state statutes dealing with unfair competition. Although most plaintiffs join their state law claims to section 43(a) claims, a few have relied exclusively on state law.

Many reverse passing off cases also involve claims under the federal copyright and patent laws. However, neither of these statutes actually
creates a general cause of action for reverse passing off. The crux of a copyright or patent claim is the copying of a product, not representations concerning the source of that product. In fact, a defendant who copies a copyrighted or patented item is liable even if it discloses to its customers that plaintiff is the source. The high incidence of copyright and patent claims in the reverse passing off cases is not because plaintiffs are relying on these statutes to recover for the false representation, but instead because so many reverse passing off claims involve the copying of a unique and original product.

However, there are two narrow situations in which the patent and copyright laws do address reverse passing off. The first involves section 292 of the Patent Act, which prohibits the use of a false patent or patent pending notation on a product. Although this provision is typically applied to a seller’s use of a patent notice on goods it has produced, it could also apply when the defendant copies or resells the goods of another. Therefore, section 292 may provide an alternate statutory cause of action in a few cases.

The second, and potentially more significant, exception is section 106A of the Copyright Act. This provision affords certain creators of “works of visual art” various rights, including the right to “claim authorship” of their works even after sale of the original to another.


103. Copying relates directly to Reverse Passing Off’s concept of origin. Suppose that defendant, without viewing plaintiff’s product, independently creates a very similar product. Just as it is a standard principle of copyright law that plaintiff cannot sue for infringement, see Sheldon v. Metro-Goldwyn Pictures Corp., 81 F.2d 49, 54 (2d Cir. 1936), aff’d, 309 U.S. 390 (1940), plaintiff would also be barred from bringing a Reverse Passing Off claim, because it cannot claim to be the source of defendant’s product.

By contrast, patent infringement exists even if the defendant independently creates the product. See 35 U.S.C. § 271(a).

104. Section 292 is essentially a criminal provision, and imposes a maximum fine of $500. 35 U.S.C. § 292(a) (1994 & Supp. I 1995). However, § 292(b) gives “any person” the right to sue for the penalty, and allows the victorious party to keep one-half of the amount recovered. 35 U.S.C. § 292(b) (1994).

105. The Copyright Act also imposes criminal penalties for misuse of a copyright notice. 17 U.S.C. § 506 (1994). However, this provision does not authorize any private cause of action. Eden Toys, Inc. v. Florelee Undergarment Co., 697 F.2d 27, 37 n.10 (2d Cir. 1982). Some courts have used this lack of an explicit private right of action in holding that Reverse Passing Off does not extend to use of a false copyright symbol. See supra note 82.


Revisiting the Doctrine of Reverse Passing Off

The section 106A right is virtually identical to Reverse Passing Off. Although no plaintiff has yet invoked section 106A in a case of reverse passing off, it could prove to be a significant weapon in the right situation. 108

Section 106A, however, is too narrow to serve as a general source of Reverse Passing Off. First, the right to claim authorship exists only with respect to a "work of visual art," 109 which is defined as paintings, drawings, prints, still photographs, and sculptures that are either originals or produced in limited editions of two hundred or fewer copies. 110 Very few of the reverse passing off cases that have actually been litigated involve works that meet this definition. 111 Second, section 106A would not even apply to all reverse passing off cases that involve works of visual art. Although the statute is ambiguous on this point, the right to claim authorship seems to apply only to works physically produced by the artist. 112 Thus, section 106A does not provide a cause of action in the

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108. To date, § 106A has been used only in “right to integrity” cases such as Carter v. Helmsley-Spear, Inc., 71 F.3d 77 (2d Cir. 1995), cert. denied, 116 S. Ct. 1824 (1996), and Pavia v. 1120 Avenue of the Americas Associates, 901 F. Supp. 620 (S.D.N.Y. 1995).


110. 17 U.S.C. § 101 (1994 & Supp. I 1995). The precatory language in § 106A(a) limits the entire provision to “works of visual art,” a term that is defined in § 101 to include the items listed in the text. 17 U.S.C. § 101. In addition to the limits on numbers, § 101 requires that the work be signed by the author, or in the case of sculpture, either signed or identified with some other identifying feature. 17 U.S.C. § 101.

This signature requirement is important for any discussion of reverse passing off. As noted supra in text accompanying notes 77–78, a plaintiff who does not take credit for its work cannot recover for Reverse Passing Off.

111. Most of the cases in which the product is an artistic or literary work involve books, which clearly lie outside the § 101 definition of a “work of visual art.” 17 U.S.C. § 101. The only case involving a product that would clearly be covered by § 106A is Morita v. Omni Publications International, Ltd., 741 F. Supp. 1107 (S.D.N.Y. 1990) (sculpture), vacated, 760 F. Supp. 45 (S.D.N.Y. 1991). However, as the work in that case was produced prior to 1990, § 106A did not apply. Although Florentine Art Studio, Inc. v. Vedet K. Corp., 891 F. Supp. 532 (C.D. Cal. 1995), also involved sculpture, § 106A would not apply because plaintiff produced more than two hundred copies, and did not sign the work.

112. Several considerations support this conclusion. First, the statute itself indicates that “the author of a work of visual art” has the right to claim authorship “in that work.” 17 U.S.C. § 106(A)(a). Likewise, the definition of a “work of visual art” is phrased in terms of physical objects—a painting, drawing, print, or sculpture—rather than the underlying form. 17 U.S.C. § 101. Finally, several statements in the legislative history to § 106A indicate that Congress meant the statute to cover only “original” works of art, i.e., those actually produced by the artist. H.R. Rep. No. 101-514, at 12, 17 (1990), reprinted in 1990 U.S.C.C.A.N. 6915, 6922, 6927; see also 2 William F. Patry, Copyright Law and Practice 1033 (BNA 1994).

The ambiguity arises because of some unfortunate language in § 106A(c), which sets out various exceptions to the right to claim authorship. This section provides that the right “shall not apply to any reproduction . . . in, upon, or in connection with” items such as books, magazines, posters, and
copying cases, which are numerically the most common type of reverse passing off cases. Because of these significant limitations, section 106A is also of little use in reverse passing off cases.

B. Problems with the Prevailing View

1. The Lanham Act

Courts have had little difficulty extending section 43(a) of the Lanham Act to reverse passing off. In so doing, however, few courts have paid much attention to the actual wording of that statute. A careful reading of section 43(a) reveals that there are real problems in using it in reverse passing off cases.

Section 43(a)(1) of the Lanham Act provides:

Any person who, on or in connection with any goods or services, or any container for goods, uses in commerce any word, term, name, symbol, or device, or any combination thereof, or any false designation of origin, false or misleading description of fact, or false or misleading representation of fact, which—

(A) is likely to cause confusion, or to cause mistake, or to deceive as to the affiliation, connection, or association of such person with another person, or as to the origin, sponsorship, or approval of his or her goods, services, or commercial activities by another person, or

(B) in commercial advertising or promotion, misrepresents the nature, characteristics, qualities, or geographic origin of his or her or another person's goods, services, or commercial activities,

shall be liable in a civil action by any person who believes that he or she is or is likely to be damaged by such act.\footnote{113}

Although codified as part of a trademark statute, section 43(a) reaches far beyond the world of trademarks. For better or for worse, this provision has proven itself to be a major weapon in controlling many types of false representations in commerce.\footnote{114}


Revisiting the Doctrine of Reverse Passing Off

Reverse passing off certainly seems to qualify as a false representation under section 43(a). By representing itself as the source of the goods, defendant has given purchasers false information concerning an issue that could be highly relevant to their buying decisions. Defendant’s false representation is likely to injure the actual source of the product. Section 43(a) seems to be a natural way to deal with this problem.

Although not the first case to apply section 43(a), Smith v. Montoro offers perhaps the best example of how courts fit reverse passing off within the language of the statute. The court rejected the defendant’s argument that section 43(a) was intended to cover only those claims that are directly analogous to ordinary trademark infringement, cases that involve “regular” passing off. Instead, the court held that Congress intended section 43(a) to extend to all deceptive practices that are “economically equivalent” to passing off. That basic line of argument guides courts to this day. Although acknowledging the differences between regular and reverse passing off, courts nevertheless apply section 43(a) to both. There has been relatively little analysis of the question in recent years, with most courts simply citing Smith and other precedent.

The problem with this approach is that Smith and the early cases were decided prior to the 1988 revisions to section 43(a). These


115. 648 F.2d 602 (9th Cir. 1981).

116. Federal district courts had been using § 43(a) in reverse passing off cases for at least 18 years prior to Smith. See, e.g., National Dynamics Corp. v. John Surrey, Ltd., 238 F. Supp. 422 (S.D.N.Y. 1963); John Wright, Inc. v. Casper Corp., 419 F. Supp. 292 (E.D. Pa. 1976), modified on other grounds, 587 F.2d 602 (3d Cir. 1978). In these early cases, however, the courts do not analyze in any depth how § 43(a) covers reverse passing off.

117. Smith, 648 F.2d at 605.

118. Of the recent cases, probably the most detailed discussion of how § 43(a) applies to reverse passing off is that in Lipton v. Nature Co., 71 F.3d 464 (2d Cir. 1995). Although recognizing the existence of a cause of action under § 43(a), the court held that defendant’s use of a false copyright notice did not constitute reverse passing off within the meaning of § 43(a).

119. Prior to the 1988 amendments, § 43(a) read in relevant part:

Any person who shall affix, apply, or annex, or use in connection with any goods or services, or any container or containers for goods, a false designation of origin, or any false description or representation, including words or other symbols tending falsely to describe or represent the same... shall be liable to a civil action....

amendments changed the statute to the current form quoted above.\textsuperscript{120} The main purpose of the 1988 amendments was to spell out more precisely the types of acts covered by the section in an attempt to solve some of the interpretive problems that courts had been facing.\textsuperscript{121}

The 1988 amendments have in no way deterred courts from applying section 43(a) to reverse passing off cases. To the contrary, the few courts that have considered the question have concluded that the amendments reinforce the conclusion that a cause of action exists. The best example is \textit{Kasco Corp. v. General Services, Inc.},\textsuperscript{122} where the District of Massachusetts, long the only federal court to refuse to apply section 43(a) to reverse passing off, finally joined the mainstream.\textsuperscript{123} The court's opinion indicates that it was persuaded by the 1988 amendments. It found especially compelling a statement in the legislative history which suggests that Congress meant the amended section 43(a) to incorporate the judicial gloss that courts had placed on the section over its forty-year lifespan.\textsuperscript{124} As the majority of circuits had interpreted section 43(a) to apply to reverse passing off prior to 1988, the District of Massachusetts held that its earlier decisions had been "consigned . . . to the dustbin" of prior jurisprudence.\textsuperscript{125}

But the \textit{Kasco} court conceded the issue too easily. Admittedly, the legislative history clearly and unambiguously states that Congress meant to accept the existing case law. However, this does not necessarily mean that Congress agreed with every application of section 43(a). In fact, the legislative history mentions only a few particular questions, which do not include reverse passing off. With respect to other questions, the report states simply that Congress "expects the courts to continue to interpret

\textsuperscript{120} See supra text accompanying note 113. Section 43 was amended again in 1995 to add new subsection (c), dealing with the "dilution" of famous marks. 15 U.S.C. § 1125(c) (Supp. I 1995). Because defendant in a reverse passing off case is by definition using its own mark, the new "antidilution" provision is unlikely to affect reverse passing off cases. However, the court in \textit{Childress v. Taylor}, 20 U.S.P.Q.2d (BNA) 1181, 1188 (S.D.N.Y. 1991), applied a state antidilution statute to a case of reverse passing off, although without any real analysis of how that law could apply.


\textsuperscript{123} \textit{Id.} at 33–34.

\textsuperscript{124} "[The 1988 amendment] revises Section 43(a) of the Act (15 U.S.C. 1125(a)) to codify the interpretation it has been given by the courts." S. Rep. No. 100-515, at 40.

\textsuperscript{125} \textit{Kasco}, 905 F. Supp. at 34.
the section." 126 This statement is hardly strong evidence that Congress meant for section 43(a) to reach reverse passing off. At best, the ambiguous language suggests that Congress may not have considered the question.

The actual language chosen for the 1988 amendments bolsters this conclusion. Congress cleared up the prior ambiguities in the section by explicitly listing the types of representations that are actionable. The amended section 43(a) reaches virtually all ordinary false advertising and regular passing off, but not reverse passing off.

In fact, the language used in the 1988 amendments actually makes it more difficult to apply the section to reverse passing off. Before 1988, section 43(a) allowed recovery whenever defendant made "a false designation of origin or false designation or representation." 127 That general phrase, by itself, is probably broad enough to include reverse passing off, which is literally a false statement about origin. The 1988 amendments preserved that broad language in the introductory clause. However, in subsections (A) and (B) Congress limited that introductory clause by listing what false representations are covered by section 43(a). Neither of these subsections reaches reverse passing off.

a. Section 43(a)(1)(A)

Under section 43(a)(1)(A), plaintiff may recover if defendant's false statement of origin or fact is (i) "likely to cause confusion, or to cause mistake, or to deceive" (ii) concerning either "the affiliation, connection, or association" of defendant "with another person, or as to the origin, sponsorship, or approval" of defendant's product by another person. 128

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126. S. Rep. No. 100-515, at 40. The only specific concern discussed in the Senate Report is that the pre-1988 version of § 43(a) had sometimes been applied only to claims that a party made about its own product, not to claims it made about the products of its competitors. Id. at 40–41. The revised § 43(a)(1)(B) now reads in relevant part, "misrepresents the nature, characteristics, qualities, or geographic origin of his or her or another person's goods, services, or commercial activities." 15 U.S.C. § 1125(a)(1)(B) (emphasis added). This change directly affects the problem cited in the report.


128. 15 U.S.C. § 1125(a)(1)(A) (1994). The lack of a comma after the word "deceive" admittedly opens the section to an alternate interpretation. Arguably, the section applies to all statements that cause confusion or mistake, and to any statements that "deceive as to the affiliation, connection, or association of such person." However, that interpretation is illogical. There is no reason why Congress would want to limit recovery for deceptive statements, but not for statements that cause confusion or mistake. Assuming, in order to avoid redundancy, that deception means something different than mistake and confusion, it must imply some element of intent on the part of the speaker.
Fitting reverse passing off into this precise language is problematic in several regards. The most fundamental problem is that reverse passing off cannot satisfy the second part of the test. A defendant who engages in reverse passing off in no way suggests that it is in any way affiliated, connected, or associated with plaintiff, or that its product originates from or is sponsored or approved by plaintiff. To the contrary, defendant has intentionally omitted any reference to the plaintiff. Because of the explicit statutory restrictions, reverse passing off does not fit within section 43(a)(1)(A).

b. Section 43(a)(1)(B)

Subsection (B) deals with false advertising involving matters other than the identity of the source. Unlike subsection (A), Congress here chose fairly broad language. In order to prevail under subsection (B), a plaintiff merely needs to show that defendant made a false statement in a commercial advertisement that "misrepresents the nature, characteristics, qualities, or geographic origin of his or her or another person's goods." One scholar has suggested that section 43(a)(1)(B) is a better source for Reverse Passing Off. The gist of the argument is that a defendant who engages in reverse passing off misrepresents the "nature" or "qualities" of its goods. Shoppers who know that the goods actually came from the plaintiff can use their knowledge of plaintiff's reputation to estimate the quality of the product. If defendant substitutes its name for plaintiff's, shoppers can no longer use the trademark to judge quality.

Congress could not have intended to allow some categories of intentionally false speech, while barring all categories of speech that inadvertently causes mistake or confusion. Therefore, the categories listed in part (ii) in the text must modify all three verbs in part (i).

129. As in any discussion of Reverse Passing Off, one problem is determining what the statute means by the undefined term "origin." Although plaintiff is almost certainly the origin of the product in a resale case, its claim is less persuasive in the copying cases.

A second problem is ascertaining whether consumers are deceived by defendant's claim. "Deception" implies some detriment. In a reverse passing off case, although consumers may be misled, it is unclear whether they suffer any harm. See infra text accompanying notes 191–97; Sergent, supra note 19, at 70–71.

130. Subsection (B) provides that a person shall be liable if "in commercial advertising or promotion, [he or she] misrepresents the nature, characteristics, qualities, or geographic origin of his or her or another person's goods, services, or commercial activities." 15 U.S.C. § 1125(a)(1)(B).


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There are several flaws with this argument. First, the argument assumes that defendant's claim to be the source is a statement concerning the "nature" or "qualities" of the good. Trademarks do provide buyers with information about quality. The main function of a trademark is to allow consumers to tap into their experience with a known source to judge the quality of goods they are considering.\textsuperscript{133} The problem with section 43(a)(1)(B), however, is that it is not meant to cover representations as to the identity of the origin, even though consumers do use those representations as a way to judge quality. The subsection specifically mentions "geographic origin." \textit{Expressio unius est exclusio alterius}: this reference to one particular type of origin means that it is unlikely that Congress meant the term "nature" or "qualities" to refer to the identity of the origin. Moreover, because statements as to the identity of the origin are already covered in section 43(a)(1)(A), extending subsection (B) to statements about the identity of the source would bypass the explicit limitations that Congress placed on such statements in section 43(a)(1)(A). A better interpretation, one that considers section 43(a)(1) as a whole, is that statements involving the identity of a product's origin fall exclusively with the ambit of subsection (A), which, as demonstrated just above, cannot be used to deal with reverse passing off. Section 43(a)(1)(B), by contrast, deals only with statements about the product itself, including geographic origin, which means that it also cannot be used in reverse passing off cases.

Second, even if Congress meant for subsection (B) to encompass statements concerning the identity of the origin, that subsection imposes liability only on defendants who misrepresent the quality of the product. By itself, a name or trademark says little about quality.\textsuperscript{134} Consumers nevertheless rely on marks to judge the quality of the products that they encounter in the market. Consumers do this by assuming that a branded product will be roughly the same quality as similar products bearing that same mark that they have previously purchased. Therefore, reverse passing off misrepresents the quality of a product only if the product does not meet the reputation that defendant has for products of that nature. In many cases, defendant's mark has no reputation whatsoever.

\textsuperscript{133} Schechter, \textit{supra} note 91, at 818–19.

\textsuperscript{134} Of course, there are exceptions. If a seller sells several grades of a product, and labels one with a mark like "PREMIER," use of the mark may well convey a message that the product is of better-than-average quality.
And even if defendant has acquired a reputation, there is no deception if the goods that defendant sells meet or exceed that reputation.\footnote{135} A careful reading of section 43(a) therefore indicates that it simply does not cover reverse passing off. Although the statute is meant to cover a wide variety of problems, it does have its limits. Whether Congress chose its words because it meant to exclude reverse passing off, or simply because it did not consider the doctrine while it was drafting, it is clear that the Lanham Act does not provide a cause of action.\footnote{136}

2. \textit{State Law}

State unfair competition law takes many forms. However, most reverse passing off plaintiffs rely either on the common law or one of various state statutes, such as the Uniform Deceptive Trade Practices Act\footnote{137} and the Unfair Trade Practices and Consumer Protection Law (UTPCPL),\footnote{138} that build upon the common law.\footnote{139} These various state laws all deal with the same basic types of activities, but differ in their particulars.

\textit{a. Applying State Unfair Competition Law to Reverse Passing Off}

Most of the state statutes are worded broadly enough to support a cause of action. For example, the Uniform Deceptive Trade Practices Act prohibits acts that cause a “likelihood of confusion or of

\begin{itemize}
\item 135. In fact, if defendant has resold plaintiff\textquoteright s products for some time, defendant\textquoteright s reputation will be determined by the quality of plaintiff\textquoteright s goods.
\item 136. Courts have proven quite willing to bend the literal language of § 43(a). They recognize that Congress meant § 43(a) to deal not with certain enumerated fact situations, but instead with an entire genre of unfair competition cases. \textit{See} Bauer, \textit{supra} note 97. If reverse passing off fits into this genre, courts should interpret § 43(a) to provide a cause of action notwithstanding the limits of the language chosen by Congress. However, this argument fails in its premise. The basic goals of the Lanham Act are to protect consumers against deception and to ensure that competitors receive the goodwill that is rightfully theirs. S. Rep. No. 79-1333, at 1 (1946), \textit{reprinted in} 1946 U.S.C.C.A.N. 1274, 1274. As discussed \textit{infra} at text accompanying notes 190–203, Reverse Passing Off accomplishes neither of these ends.
\item 137. 7A U.L.A. 265 (1985).
\item 138. Council of State Gov\textquotesingle ts, \textit{supra} note 100, at 31–39.
\end{itemize}
misunderstanding as to the source, sponsorship, approval, or certification of goods or services."140 Because this language does not contain the limitations present in section 43(a) of the Lanham Act, the statute can be extended to reverse passing off. The UTPCPL is worded even more generally, reaching all "deceptive" practices.141 Reverse passing off arguably deceives consumers by misrepresenting the source of the commodity that they are purchasing.142

Fitting reverse passing off into the common law is more difficult. The recently-enacted Restatement (Third) of Unfair Competition does contain an entire section dealing explicitly with reverse passing off. Section 5 provides in relevant part:

One is subject to liability to another . . . if, in marketing goods or services manufactured, produced, or supplied by the other, the actor makes a representation likely to deceive or mislead prospective purchasers by causing the mistaken belief that the actor or a third person is the manufacturer, producer, or supplier of the goods or services if the representation is to the likely commercial detriment of the other.143

This language contains a pair of important limitations. First, because the section requires that the goods in question actually be “manufactured, produced, or supplied” by the plaintiff, reverse passing off would be actionable only in resale cases, not in copying cases. Second, the section requires that defendant make a positive statement claiming to be the origin. The comments to section 5 indicate that merely substituting defendant’s trademark for plaintiff’s will not suffice.144 If section 5 accurately depicts the current state of the common law, Reverse Passing Off is much narrower than the rule applied in many cases.


141. Council of State Gov’ts, supra note 100, at 31–39. Section 2 is the key section of the UTPCPL. This section has three alternatives, all of which reach deceptive practices. In addition, alternatives one and three prohibit “unfair” trade practices. It is possible to argue that reverse passing off is unfair to consumers, by shifting to them the burden of ascertaining the true source of the product. Cf. In re Pfizer, Inc., 81 F.T.C. 23 (1972) (holding that under § 5 of Federal Trade Commission Act, 15 U.S.C. § 45, after which UTPCPL is patterned, seller making true but unsubstantiated claim is unfair trade practice because it would shift burden to consumers). As discussed infra at text accompanying notes 199–200, however, this same unfairness exists in other forms of branding practices that are widely accepted in many industries.

142. Whether deception really matters is an issue that will be addressed infra at text accompanying notes 190–200.


144. Id. § 5 cmt. b. The same reasoning suggests that use of a false copyright or patent notice would not be actionable under common law.
b. Preemption

But finding an applicable state law is only the first step. Reverse Passing Off primarily protects those who create products. These products almost invariably fall within the subject matter of the copyright or patent laws. Therefore, Reverse Passing Off arguably encroaches on the domain of the federal copyright and patent laws. These federal laws may preempt state law if the encroachment is too great. Because different rules govern copyright and patent preemption, it is necessary to analyze each separately.

c. Copyright Preemption

Section 301 of the Copyright Act explicitly defines the scope of copyright preemption. There are actually two separate preemption provisions in section 301. Subsection (a) is the general preemption provision that applies in most cases. In 1990, however, Congress added a separate and narrower preemption provision, section 301(f). With certain narrow exceptions, both provide that a state law is preempted if it is equivalent to various rights vested by the Copyright Act. The difference between the two sections lies in the type of rights covered by each. Section 301(a) covers state law rights that are equivalent to any of the general rights of copyright holders listed in section 106. Section 301(f), on the other hand, deals with state law rights that are equivalent to the special rights afforded certain visual artists in section 106A. As discussed above, section 106A, unlike section 106, creates a right of “authorship” that is closely akin to Reverse Passing Off. Therefore, section 301(f) is more likely than section 301(a) to preempt state reverse passing off laws.

145. Most of the cases cited in this Article involve either a work of authorship within the subject matter of copyright or a utilitarian product or process within the subject matter of patent law. Of course, the plaintiff’s product will not always qualify for patent or copyright protection. See, e.g., Murray v. NBC, Inc., 844 F.2d 988 (2d Cir. 1988) (general idea for situation comedy); Board of Trade v. Dow Jones & Co., 439 N.E.2d 526 (Ill. App. Ct. 1982) (stock market index), aff’d, 456 N.E.2d 84 (Ill. 1983).


148. See supra notes 107–08 and accompanying text.

149. 17 U.S.C. § 106A (1994). Section 106A(a)(1)(A) provides that the author of certain works has the right “to claim authorship of that work.” For a discussion of this § 106A right and its similarity to Reverse Passing Off, see supra at text accompanying notes 108–12.
Revisiting the Doctrine of Reverse Passing Off

In practice, the preemptive scope of section 301(f) is relatively narrow. It applies only when a state law is being used to protect a “work of visual art,” a fairly restricted category of works. Therefore, section 301(f) clearly does not prevent a state from allowing recovery for reverse passing off in the typical case in which plaintiff’s work would not qualify as a work of visual art.

States probably also have the power to act even when a work of visual art is involved. First, section 301(f) only precludes states from granting equivalent rights in the actual work of art produced by the artist. States are therefore not precluded by section 301(f) from imposing liability in a copying-type reverse passing off case, even if it involves a work of visual art. Second, section 301(f) exempts from preemption state laws that create rights that extend beyond the life of the artist.

Because of these limitations, the scope of section 301(f) preemption on state law Reverse Passing Off is extremely narrow. Basically, states are precluded from regulating cases in which defendant resells or otherwise markets a work of visual art produced by plaintiff, and then only during the life of the artist. Although no court has yet faced the question, the right granted to the plaintiff in a Reverse Passing Off case is certainly equivalent to the section 106A right to claim authorship.

150. 17 U.S.C. § 301(f)(1). The § 101 definition of “work of visual art” is discussed supra text accompanying note 110.

Section 301(f) prevents states from protecting certain limited categories of works. It is irrelevant whether the work in question is actually protected under the copyright laws. Cf. H.R. Rep. No. 101-514, at 21 (1990), reprinted in 1990 U.S.C.C.A.N. 6915, 6931.

151. Very few litigated cases have involved works of visual art. See supra note 111.

152. See supra note 112 and accompanying text.

153. Section 301(f)(2)(C) provides an exception for state laws that deal with “activities violating legal or equitable rights which extend beyond the life of the author.” 17 U.S.C. § 301(f)(2)(c). Thus, a state could clearly require acknowledgment of the plaintiff’s contribution after the plaintiff’s death. In fact, it might even be able to regulate acknowledgment during the life of the author, for there is a serious ambiguity in § 301(f)(2)(C). That section focuses on the duration of the state law right, not the time at which the infringing activities occur. In other words, as long as the state drafts a law covering Reverse Passing Off that allows the claim to survive the death of the plaintiff, it can apparently deal with all “activities” that impair that right, regardless of when those activities occur. Although that interpretation seems to defy the legislature’s intent by allowing for a parallel right during the author’s lifetime, it is the most honest interpretation of the statutory language.

154. Section 301(f) would also preempt state law in a “sample” case, where defendant copies plaintiff’s design, but markets its copy by showing potential customers a good actually produced by plaintiff. Although the defendant in these cases does copy, the gravamen of plaintiff’s complaint is not the copying, but instead defendant’s use of the original product. Moreover, the § 301(f) right to claim authorship applies regardless of whether the defendant actually sells the product. Therefore, although no sample cases involving works of visual art have yet arisen—or are likely to arise—these cases should be treated the same as resale cases for purposes of preemption.
Allowing a parallel state action in this narrow situation would defeat one of Congress's goals in enacting section 106A, which was to encourage uniformity among the states by providing a single, federal cause of action.155

Of course, it is still necessary to consider the general preemption provisions of section 301(a). Unlike section 301(f), section 301(a) deals with all works that fall within the subject matter of the copyright laws.156 The crucial question under section 301(a) is whether the right to prevent reverse passing off is equivalent to any of the general rights given copyright holders by section 106.157

No court requires perfect equivalence between the state law and section 106 rights. Most courts apply the "extra element" test to determine equivalence.158 If the state law claim includes an element that does not apply in a copyright claim, and that extra element makes the state law claim qualitatively different from a copyright claim, the state claim is not preempted.159

Several courts have applied this analysis to the question of whether state law Reverse Passing Off is preempted by section 301(a). Most,  

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155. H.R. Rep. No. 101-514, at 9, 21. There are admittedly certain statements in the legislative history which suggest that state law Reverse Passing Off would not be preempted. For example, in discussing § 301(f) the House Report states: "Further, State law causes of action such as those for misappropriation, unfair competition, breach of contract, and deceptive trade practices, are not currently preempted under § 301, and they will not be preempted under the proposed law." Id. at 21. Given that courts use some version of unfair competition law as the basis for most state law reverse passing off claims, this language might suggest that a state reverse passing off law based on unfair competition would not be preempted even if the plaintiff was trying to protect a work of visual art. However, such an interpretation would render the actual language of § 301(f) meaningless, for it is difficult to imagine a right that is more "equivalent" to a right of attribution. The label that the state places on its cause of action certainly should not control the question of preemption. The very next sentence of the Report supports this conclusion: "On the other hand, if a State attempts to grant an author the rights of attribution or integrity for works of visual art as defined in this Act those laws will be preempted." Id. Although unfair competition laws in general are not preempted, a state law that specifically requires acknowledgment would be.

156. Like § 301(f), § 301(a) preempts state attempts to protect a work regardless of whether it is currently protected under the copyright laws. 17 U.S.C. § 301(b)(1).


159. See supra note 158. For recent examples of this test in practice in an area other than Reverse Passing Off, see United States ex rel. Berge v. Board of Trustees, 104 F.3d 1433, 1463-64 (4th Cir. 1997) (holding that state conversion claim was preempted by federal copyright law), and Harold's Stores, Inc. v. Dillard Department Stores, Inc., 82 F.3d 1533, 1543-44 (10th Cir.) (holding that state antitrust claim was not preempted), cert. denied, 117 S. Ct. 297 (1996).
including the Second, Fourth, and Ninth Circuits, have found various state laws preempted.160 Professor Nimmer seconds this conclusion.161 Only the Northern District of Illinois has consistently upheld certain state law claims of reverse passing off against preemption.162

Notwithstanding the numbers, the Northern District of Illinois seems to have the better of the argument. State law reverse passing off almost always includes an important extra element that makes it qualitatively different than any of the rights granted by section 106 of the Copyright


161. 1 Melville B. Nimmer & David Nimmer, Nimmer on Copyright § 1.01[B][1][e], at 1-24 n.110 (1996).


The Southern District of New York once agreed with the Northern District of Illinois, but appears to have changed its mind. In Tracy v. Skate Key, Inc., 697 F. Supp. 748 (S.D.N.Y. 1989), the Southern District allowed a state Reverse Passing Off claim based on New York’s antitrust law act, but found a parallel claim under the state’s artists authorship rights law to be preempted. Tracy, 697 F. Supp. at 750-51. The Southern District’s later opinions in Waldman, 848 F. Supp. at 505, in 1994 and American Movie Classics, 922 F. Supp. at 934, in 1996 both concluded, without citing Tracy, that Reverse Passing Off claims were preempted. Although neither case involved the antitrust statute (and American Movie Classics, contrary to what the court concluded, did not even appear to involve reverse passing off), the court’s reasoning in each case probably supplants the conclusion in Tracy. And even if Tracy is not implicitly overturned, it is difficult to understand how reverse passing off could be actionable under an antitrust statute.
This extra element is defendant's false representation that
defendant is the source of the product. It is this false representation, not
the act of copying, that forms the crux of the cause of action.

Copying is also a *sine qua non* of reverse passing off, at least in the
copying cases. But the defendant in a copying-type reverse passing off
case is not penalized for copying. It is penalized for misleading the
public.\(^6\) If the defendant simply admits at the outset that it has copied
the plaintiff's good, courts will not impose liability for reverse passing
off.\(^6\) This makes Reverse Passing Off fundamentally different from any
of the copyright rights, under which it is immaterial whether defendant
discloses that plaintiff is the source.

Some courts dealing with section 301(a) preemption also apply a
"goals" analysis, under which they compare the goals of the state law
with the goals of copyright law.\(^6\) This approach bolsters the conclusion
that state law Reverse Passing Off is not preempted. The goal of
copyright is to encourage creative activity by granting authors a limited
monopoly in their works. Reverse Passing Off, by contrast, has two
primary objectives. One is to minimize consumer confusion concerning
the source of products in the marketplace.\(^6\) The copyright laws have
nothing whatsoever to do with this problem. The other goal of reverse
passing off is to ensure that the source of the product receives all of the
goodwill that flows from the design of the product.\(^6\) Although a
copyright holder also receives that future goodwill—after all, a
monopolist will by definition receive all of the goodwill associated with
a product—there is no indication that Congress considered this *future*


\(^{164}\) In fact, *Kregos*, 3 F.3d 656, which is probably the leading case finding preemption, can be
explained away on this basis. The *Kregos* court explicitly found that the New York law of unfair
competition did not require the plaintiff to prove any deceptive statement. *Id.* at 666. Plaintiff could
prevail merely by showing copying without permission, which is exactly the same showing as it
would have to make in a copyright infringement case.

The district court in *Waldman* missed this point. In that case, the plaintiff argued that New York's
common law of unfair competition did require proof of a misleading statement. The court dismissed
the case based on the authority of *Kregos*, without reviewing state law. Although plaintiff would
have had to demonstrate that New York common law had changed in the five years since *Kregos*, the
court should at least have allowed plaintiff to present the argument.

\(^{165}\) *See*, e.g., *CCS Communication Control, Inc. v. Law Enforcement Asso, Inc.*, 628 F. Supp.
1457, 1460 (S.D.N.Y. 1986) (finding no cause of action where defendant leaves plaintiff's mark on
product).

\(^{166}\) *See*, e.g., *Gannett Satellit, 1994 WL 606171, at *6; Stillman, 720 F. Supp. at 1362.

\(^{167}\) *See supra* text accompanying note 91.

\(^{168}\) *See supra* text accompanying note 92.
goodwill to be an important part of the incentive provided by the limited monopoly of copyright. In fact, just the opposite is true. Under the "first sale" doctrine of copyright, a person who legally obtains a copy of a copyrighted work is free to sell that copy without infringing the copyright. As the monopoly afforded by copyright ends at the initial sale, Congress clearly did not mean to give the author the right to capture future goodwill.

The very existence of section 301(f) also suggests that section 301(a) does not preempt state reverse passing off laws. That Congress elected to draft a separate section covering the right of attribution is strong evidence that it did not consider the right to be included within the existing section 106. If the right of attribution is not encompassed in section 106, section 301(a) has no effect on a state law that provides such a right.

Therefore, although they are precluded from regulating resale cases involving works of visual art, states are otherwise free to limit all types of reverse passing off in cases involving products within the subject matter of copyright. The only possible exception would be a state law that did not include as an element a false statement by the defendant concerning the source. For example, if a state tried to fit reverse passing off within the tort of misappropriation, the claim might well be preempted. Misappropriation imposes liability on the mere act of copying, regardless of whether that copying misleads the public. In this context, it is interesting to note that several of the cases that concluded that state law was preempted dealt with a form of the tort of general misappropriation.


In Allison v. Vintage Sports Plaques, 40 U.S.P.Q.2d (BNA) 1465 (N.D. Ala. 1996), the court found that the federal first sale doctrine was a defense in an action based on state law. Id. at 1469. As a result, the defendant was held not liable under state law for harm that it had caused to the plaintiff when it resold a product that it purchased from plaintiff.

Although Allison does represent an alternate way to find state law preempted, it should have little impact in state law Reverse Passing Off cases. The plaintiff's claim in that case was based upon the right of publicity. Plaintiff argued that it was entitled to profits that defendant earned by reselling certain plaques decorated with photographs of the plaintiff. Id. In essence, plaintiff was demanding all of the profits from the resale itself. If a court were to allow the claim, it would directly undermine the § 109 "first sale" exception. In a Reverse Passing Off case, by contrast, the plaintiff is not asking for the profits from the resale, but instead simply demanding that its name be left on the product when the product is resold. Although this demand is admittedly a condition on resale, it does not deprive defendant of the value of the product.

d. Patent Preemption

The patent statute\(^ {171} \) does not explicitly list the standards for preemption. The law of patent preemption has instead been developed in a series of Supreme Court cases\(^ {172} \). Although the law is not entirely settled, the scope of patent preemption is roughly the same as under section 301(a) of the Copyright Act. The predominant analysis closely resembles the "goals" analysis used by a few courts in construing section 301.\(^ {173} \) According to Bonito Boats,\(^ {174} \) the Supreme Court's most recent analysis of the question, states cannot reward inventors by giving them exclusive rights in their functional inventions.\(^ {175} \) States may, however, prohibit copying of those inventions if "necessary to promote goals outside the contemplation of the federal patent scheme,"\(^ {176} \) such as limiting customer confusion\(^ {177} \) or encouraging morality in competition.\(^ {178} \)

As in copyright, the product need only lie within the general subject matter of the patent laws; it is irrelevant whether it actually would qualify for a patent.\(^ {179} \)

Very few cases have addressed the question of whether the patent laws preempt state law Reverse Passing Off. However, both the Eighth and Ninth Circuits have concluded that certain state laws are not preempted.\(^ {180} \) These courts are correct. The goals of the patent laws are

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F. Supp. 823, 835 (N.D. Ill. 1989), aff'd on other grounds, 899 F.2d 1537 (7th Cir. 1990). Similarly, although phrased as an unfair competition claim, the state law claim that the court found preempted in Kregos v. Associated Press, 3 F.3d 656 (2d Cir. 1993), did not require plaintiff to prove a false statement. Id. at 666.

More generally, however, there is an ongoing debate about whether § 301 preempts state misappropriation laws. See generally Nimmer & Nimmer, supra note 161, at 1-28.


173. See supra text accompanying note 166.

174. 489 U.S. 141.

175. Id. at 157–58.

176. Id. at 166.

177. Id. at 165; see also Tverter v. AB Turn-O-Matic, 633 F.2d 831, 839 (9th Cir. 1990).


179. In Sears, 376 U.S. 225, 226 (1964), and Compco, 376 U.S. 234, 235 (1964), for example, patents had been obtained, but had been declared invalid in the course of the lawsuit.

180. See Summit Mach. Tool Mfg. Corp. v. Victor CNC Sys., Inc., 7 F.3d 1434 (9th Cir. 1993) (holding misappropriation claim was preempted, but unfair competition claims were not preempted);
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basically the same as those of copyright—to encourage invention by providing a strong financial incentive to the inventor. As discussed above, state law Reverse Passing Off neither conflicts with nor overlaps this basic goal. Reverse Passing Off does not provide any sort of a monopoly to the plaintiff. The law allows defendant to copy plaintiff’s product freely, only asking it to admit what it has done. Accordingly, neither the patent nor the copyright laws preclude states from regulating reverse passing off, at least in those cases where the state law cause of action requires a false statement by the defendant.

But merely because states can regulate reverse passing off does not necessarily mean that they should. By definition, giving rights to one competitor restricts others. Such a restriction is warranted only if it is offset by other benefits to society. The next section will address whether recognizing a cause of action for reverse passing off is a wise policy choice.

IV. SHOULD REVERSE PASSING OFF BE ACTIONABLE?

Reverse Passing Off has enjoyed a warm reception. The doctrine has been invoked in cases ranging from the resale of industrial machinery to the copying of works of art and literature. However, most courts have accepted the cause of action without really considering whether the cause of action is desirable. Most courts simply cite Smith v. Montoro or one of the other early reverse passing off decisions as supporting the claim. However, even these early cases do not really consider the policy issues presented by the cause of action.

Allowing the plaintiff to recover for reverse passing off certainly “feels” right. The defendant, after all, has lied to the public by falsely

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Truck Equip. Serv. Co. v. Fruehauf Corp., 536 F.2d 1210 (8th Cir. 1976) (holding that misappropriation claim was not preempted). However, the precedential value of both cases is subject to question. Truck Equipment was decided prior to the Supreme Court’s 1989 decision in Bonito Boats, a case that put teeth back into the preemption analysis. The discussion of preemption in Summit, by contrast, must be considered dictum. Although plaintiff had alleged both a § 43(a) and a state law Reverse Passing Off claim, the court rejected the claims on the merits. Summit, 7 F.3d at 1442. Moreover, the only authority that the Summit court cites for its statement about preemption is Tveter, 633 F.2d 831, a case involving ordinary, not reverse, passing off. States clearly retain the power to regulate ordinary passing off.

181. See Kewanee Oil, 416 U.S. at 480.

182. The only possible exception would be a state attempt to impose liability for the false use of a patent symbol. Because § 292 of the Patent Act, 35 U.S.C. § 292 (1994), specifically deals with that issue, see supra text accompanying note 104, it in all likelihood preempts state law in this area.

183. 648 F.2d 602 (9th Cir. 1981).
taking credit for something it did not create. There is a strong flavor of unfairness here; where a defendant, in the oft-quoted words of Justice Pitney in INS, is endeavoring to reap where it has not sown. By the same token, the law asks very little of the defendant. Reverse Passing Off does not question the defendant's ability to resell or copy the good; rather, it simply asks the defendant to disclose what it has done.

These vague feelings of impropriety, however, are not enough to justify a cause of action. The world of commerce is replete with situations in which people reap where they have not sown. Commercial success invariably breeds imitation. Not all of these situations of copying—in fact, only a small minority—are actionable. Before making an exception to this general principle for reverse passing off, it is important to consider the harms caused by a defendant who makes a false claim of origin.

A. Policy Considerations

A few courts and commentators have attempted to analyze the policy issues underlying reverse passing off. Two basic concerns regularly arise in these discussions. First, reverse passing off supposedly deceives consumers as to the source of the products they are purchasing. Second, a defendant who claims to be the source of a product benefits from the goodwill that consumers develop towards that product. Whether these concerns are genuine, and whether a cause of action addresses them, are the real issues.

1. Consumer Deception

Proponents of the cause of action argue that allowing a plaintiff to sue helps to prevent defendants from deceiving consumers. However, there are several flaws with this argument. First, it is by no means clear that a defendant who sells another's product under defendant's own name or mark is making a false statement. Second, any misrepresentation that

185. Id. at 239.
186. Roho, Inc. v. Marquis, 902 F.2d 356 (5th Cir. 1990); Smith, 648 F.2d at 607; Blazon, Inc. v. DeLuxe Game Corp., 268 F. Supp. 416, 426 (S.D.N.Y. 1965); Borchard, supra note 17, at 9-10, Freedman, supra note 19, at 319-23; Rittenberg, supra note 19, at 1763; Sergant, supra note 19, at 56-59, 68-77.
187. Rittenberg, supra note 19, at 1763, offers four policy justifications. However, all four are merely variations on the two themes set out in the text.
may occur may well be immaterial. Finally, it is impossible to
distinguish the deception involved in reverse passing off from other
common marketing practices that are perfectly acceptable.

A statement is "deceptive" if it is both false and likely to mislead the
audience. Situations of reverse passing off may not satisfy either of
these criteria. In this regard, it is useful to distinguish two types of
reverse passing off cases. In most cases, defendant's representation
involves attaching its name or trademark to the product or selling the
product in its store or catalog. In a few cases, defendant goes one step
further by expressly stating that it is the origin.

A defendant that simply sells a good under its own name or mark has
not necessarily made a false statement. The statement is false only if
consumers perceive it as a representation concerning the actual origin of
the product. Someone who buys a branded product does not
automatically assume that the seller personally designed or produced the
product. In today's economy, with its vast distribution chains and large
retailers, consumers are accustomed to buying goods that are produced
by unknown people. Therefore, defendant's use of its name or mark may
not be interpreted as an indication of origin. If not, it is not "false"
merely because it does not name plaintiff.

In some cases, though, consumers will conclude that defendant is the
origin, either because they assume that the seller must also be the origin,
or because defendant has made some express claim to be the origin. Even
here, however, consumer deception does not necessarily exist. Admittedly, consumers rely on marks and express statements to ascertain
the source of the products that they are buying, and rely heavily on that
knowledge in their purchasing decisions. However, it is important to
consider exactly why knowing the source is important. Ordinary
consumers are not interested in learning the name of the true source
merely to sate their curiosity. Instead, consumers want to know the
source simply because it provides them a shorthand way to gauge the

U.S.P.Q. (BNA) 1213, 1214 (T.T.A.B. 1984) (same); see also In re Clifford Associates, 103 F.T.C.

189. See, e.g., Lipton v. Nature Co., 71 F.3d 464, 468 (2d Cir. 1995); Marling v. Ellison, 218

190. Restatement (Third) of Unfair Competition, § 5 cmt. b.

191. Of course, there are exceptions. For example, some people may desire to buy a product
produced by a friend or neighbor.
quality of the product that they are considering.192 Therefore, from the perspective of the consumer, the source of a product is the party most responsible for the ultimate quality of that product.193 Unlike the more philosophical question of origin underlying a patent or copyright, the consumer's perception of source may well differ depending on a variety of factors.

For example, in copying cases consumers may actually consider the defendant, rather than the plaintiff, the best indication of quality. Of course, the quality of a given product is determined both by its design and by the skill with which it was constructed. However, consumers can generally evaluate the design of a product by visual or other inspection. Quality of manufacture is often much more difficult to judge. Consumers therefore want to know the name of the actual manufacturer, which in the copying cases is the defendant. In fact, attaching plaintiff's name to a good manufactured by defendant may actually prove more deceptive, especially if the quality of the goods manufactured by plaintiff and defendant differ significantly.

The resale cases are slightly more difficult, because in these cases plaintiff controls the manufacture. Whether defendant's claim to be the origin is false in these cases often turns on the nature of the product. For some products, especially durable goods, the reputation of the actual manufacturer provides the best indication of quality. For others, however, it is more important to know the reputation of others in the distribution chain. Most consumers purchasing milk, for example, are more interested in knowing who processed, shipped, and stored that perishable product than knowing who owns the cows. Even for durable goods, a consumer may prefer certain retailers over others because of superior service and post-sale support. In all of these cases, a defendant who holds itself out as the "source" does not necessarily mislead the consuming public, for in the eyes of consumers it may well be that the defendant's role is more important in ascertaining quality.

Finally, even if it is undisputed that plaintiff has played a greater role in the quality of the product, reverse passing off does not necessarily deceive consumers. Consider again how consumers use trademarks and

192. Knowledge of the source of the product is especially useful if the consumer has dealt with that seller before when purchasing the same or similar goods. For more detailed expositions of how sellers and buyers communicate through the use of marks, see Schechter, supra note 91, at 815–19, and see generally Hanak, supra note 91.

193. Borchard, supra note 17, at 4 n.7, suggests in passing that Reverse Passing Off can be justified in terms of a consumer's right to know the ultimate source of the product purchased. This analysis confuses the concepts of physical origin and the consumer's perceptions of origin.
other indicia of source when making purchasing decisions. Consumers choosing among competing commodities rely on the reputation of the source to judge quality.\footnote{194} A consumer who sees a product branded \textit{XYZ} expects that the product will be as good as the reputation of the owner of the mark \textit{XYZ}. The consumer is deceived if the product is not as good as the reputation.

Under the above analysis, \textit{regular} passing off clearly presents a potential for deception. In the ordinary case of passing off, plaintiff owns the mark \textit{XYZ} and defendant sells its product under the same or a confusingly similar mark. Because defendant’s products ordinarily will not match the quality associated with the plaintiff, defendant’s use of \textit{XYZ} is both false and misleading.\footnote{195}

In a case of reverse passing off, by contrast, consumers assume that the product comes from the defendant. If defendant has no reputation for quality, a situation that is fairly common in the cases, consumers are not deceived because they have no specific expectations concerning the quality of the product.\footnote{196} Nor is there deception even in the less frequent case where defendant has acquired a reputation. Defendant’s reputation is defined mainly by its history in dealing with products of a particular type. Because defendants in reverse passing off cases are selling products from a “single” source—admittedly the plaintiff—the product will, by definition, be as good as consumers expect, as long as defendant continues to resell plaintiff’s goods.\footnote{197} Use of defendant’s own mark therefore does not deceive consumers.

\footnote{194} This perceived reputation may arise from several sources, including advertising, a consumer’s own experiences with the product, the recommendations or warnings of others who have used the product, and the reports of testing agencies.

\footnote{195} The representation is not misleading if the plaintiff has not yet acquired a reputation. Trademark law nevertheless prohibits ordinary passing off even in this situation because defendant has destroyed the potential for efficient communication through the trademark.

\footnote{196} Consumers may have a general expectation of quality from the mere fact that the product is sold under defendant’s name or mark. As a general proposition, consumers may well assume that branded goods are of a generally higher quality than unbranded items. After all, few sellers would want to take credit for very low-quality goods. However, reverse passing off does not deceive consumers as to this general representation of quality. In fact, consumers are doubly protected; for not only defendant but plaintiff deems the good of sufficient quality to claim to be the origin.

\footnote{197} Of course, if defendant resells goods obtained from several different sources, consumer expectations will not be satisfied. None of the reverse passing off cases present such a situation. Even if the situation were to arise, the resulting “deception” would not alone be grounds for imposing liability. The problem of varying quality is not unique to reverse passing off. The law of trademarks has never adequately addressed the issue of a seller whose goods are not of consistent quality.
This argument may seem too facile. Even if consumer expectations are met, there appears to be another type of deception going on here. After all, consumers could make a better-informed purchasing decision if they were aware that the product actually comes from plaintiff, at least in those cases where plaintiff has a reputation for goods of this nature. Although defendant may not actually be lying, it has certainly withheld useful information from consumers.

But such nondisclosure does not of itself justify a cause of action. Even a cursory review of trademark law shows that the law does not, as a general rule, require full disclosure of source information.\textsuperscript{198} For example, a seller who uses the same mark on many different goods is under no obligation to ensure that the goods are of consistent quality. In fact, the very adoption of a trademark involves a form of non-disclosure, as the seller is now hiding behind the mask of a name other than its own.

The widespread practice of "private branding" presents the most obvious analog to reverse passing off. Many retailers, particularly supermarkets and drug chains, buy products from a manufacturer, attach their own mark, and sell the products to the public.\textsuperscript{199} No one claims that this practice is deceptive. Yet, private branding deceives customers every bit as much as reverse passing off; for in both cases the seller has failed to disclose the real origin of the product.\textsuperscript{200}

All things considered, it is impossible to justify Reverse Passing Off as a means of controlling deception. Realizing exactly how knowledge of the source is important to consumers makes it apparent that most reverse passing off is not deceptive. What little deception occurs is indistinguishable from other common marketing practices.

\textsuperscript{198} There are a number of laws requiring disclosure of source information. However, these rules are not part of general trademark statutes. Most of these laws are special rules promulgated by agencies such as the Food and Drug Administration.


\textsuperscript{200} Accord Rittenberg, supra note 19, at 1758 n.13; Sergent, supra note 19, at 71. The author could find no cases in which private branding was challenged as deceptive. Of course, one would not expect to find any cases in which the true source challenged the practice. In a case of private branding, the true source cannot bring suit because it has consented to the defendant's use of its own mark. However, a suit by the true source is not the only way in which a court could determine whether reverse passing off was deceptive. Consumers could in theory sue the defendant for misrepresentation. Similarly, the Federal Trade Commission could police the practice under its power to regulate "deceptive" trade practices. See 15 U.S.C. § 45 (1994). However, a search of the case law reveals no cases in which either consumers or the Commission has challenged private branding. The lack of case law suggests that we as a society do not consider private branding misleading even though the seller has failed to disclose the "true" source of the product it is selling.
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2. Preserving Goodwill Generated by the Source

Sellers do not use trademarks out of some altruistic desire to provide consumers with free information about the source of products. Instead, they use trademarks to maximize profits. Consumers who have positive experiences with products bearing a certain brand name are more likely to buy that brand in the future. This goodwill gives the seller a clear edge in the market. Because a trademark provides consumers with a ready way to distinguish the desired goods from others, sellers use marks to reap the goodwill generated by their prior sales.

One argument commonly used to support a cause of action for reverse passing off is that the practice inhibits the development of goodwill.\(^\text{201}\) If defendant takes credit for plaintiff's work, plaintiff cannot take advantage of the goodwill it has developed. There is a sense of unfairness here, the same sort of injustice that underlies the tort of general misappropriation.

However, any analogy to misappropriation is misplaced. Unlike a typical case of misappropriation, defendant is not reaping the fruits of another's labors. Because consumers in a case of reverse passing off do not associate the product with plaintiff, their immediate purchasing decisions will not be swayed by any favorable prior experiences with the product. In fact, there is no obvious immediate benefit to defendant in removing plaintiff's name from the product.

The argument that reverse passing off is unfair, then, must stem from the idea that plaintiff has a right to reap the future goodwill attributable to the products it has created.\(^\text{202}\) However, this argument proves too much. Defendant, after all, is engaged in competition with the plaintiff. Competition is a battle for future goodwill. Although the law places limits on competitive behavior, defendant has not exceeded these limits by engaging in this type of practice. Unlike typical instances of unfair competition, defendant has not lied to or coerced customers, nor has it engaged in egregious behavior towards plaintiff, its competitor.

\(^{201}\) Freedman, supra note 19, at 321-22; Rittenberg, supra note 19, at 1763; Sergent, supra note 19, at 66.

\(^{202}\) One leading commentator labels reverse passing off "anticompetitive commercial robbery." Borchard, supra note 17, at 24. His choice of the word "robbery" is telling. Robbery exists only where the victim has some sort of exclusive right in the item taken. Borchard, like others, merely assumes that the source of a product does have a legal right to the future development of goodwill, and devotes his efforts to defining how that right should operate in practice. This approach simply begs the question.
Defendant has merely failed to provide one item of information that customers might find useful.

In the copying cases, defendant has competed by copying plaintiff's product. Unless the product is protected by the patent and copyright laws, the Supreme Court has consistently held that copying benefits, rather than disrupts, competition. If a defendant who copies must disclose that copying to the public, many of the economic efficiencies that arise from copying will be lost.

In the resale cases, on the other hand, plaintiff has already received all of the goodwill that it can legitimately expect. Plaintiff had a chance to profit when it sold the product at the outset. That original sale added a little to plaintiff's goodwill, assuming that the buyer enjoyed the product. But plaintiff should not also be entitled to goodwill on later sales of that same product. Just as one is free to remove the marks of all products that one sells at a garage sale, defendant should be free to remove plaintiff's mark or even to substitute its own when it resells the good in the future. That plaintiff and defendant are in competition is irrelevant. Because plaintiff cannot control resale by consumers, it has no justified expectation of receiving credit for its good in the future. For the law to provide a right to credit whenever a competitor happens to resell the product would be nothing more than a windfall to plaintiff.


204. Sergent, supra note 19, at 47–48. The very fact that the defendant in a resale case can compete successfully with the plaintiff suggests that something has gone awry in the market. After all, defendant must buy the good from plaintiff. In order to make a profit, defendant must charge its customers at least as much as it paid. Moreover, because defendant is reselling the product under its own name, it does not have the advantage of any goodwill that consumers have towards the plaintiff. There are a number of reasons why defendant might be able to compete under these conditions. The most obvious example is where defendant has goodwill in its own name or mark. If defendant has competed in the market for this product or closely related products, consumers may rely on their past experiences with that name or mark to gauge the quality of the goods that defendant is selling. Even if the price is greater, consumers in such a case may favor defendant's goods because they assume the quality is greater. However, few of the reverse passing off cases involve defendants with an established reputation.

A second reason why consumers may buy from defendant is that defendant somehow undersells plaintiff. For example, defendant may have negotiated a quantity discount with the plaintiff. If plaintiff's quantity discount accurately reflects its economies of scale, of course, defendant should not have any cost advantage when it resells to individual buyers. However, there are many circumstances in which defendant will be able to undersell plaintiff. Plaintiff may have inflated its price in individual sales to cover its quantity discounts. Or plaintiff may provide not only the product, but also related set-up or warranty services not provided by defendant.

Finally, defendant's advantage may derive from the simple fact that it is not the plaintiff. If consumers have had trouble with plaintiff's goods in the past, they may avoid those goods in the market. They could conceivably prefer to buy from an unknown source—even at a higher price—
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Therefore, none of the proffered justifications for Reverse Passing Off are valid. Imposing liability does nothing to prevent or cure any meaningful consumer deception. Allowing plaintiff to reap the future goodwill that would flow to it from connection with the product would threaten the delicate balance established by the copyright and patent laws between the need to encourage innovation and the general freedom to compete. Reverse Passing Off gives the original source an unfair advantage over its competitors without providing any corresponding benefit to the market.

B. The Special Case of Artists

Even the matter of fact attitude of the law does not require us to consider the sale of the rights to a literary work in the same way that we would consider the sale of a barrel of pork. 205

The law often treats artists differently from those who produce other commodities. 206 For example, most nations operate two separate systems, copyright for artists and patent for other innovators. Legislatures have created special rules for artists because of a widespread perception that art is somehow different. These same differences may affect the question of reverse passing off. Even if Reverse Passing Off is not generally available, there may be special considerations that support a limited cause of action for artists. 207

The most obvious distinction between artists and others is that the United States is obligated by treaty to protect an artist’s association with the works he produces. After almost a century of deliberation, the United States in 1989 finally joined the Berne Convention for the Protection of

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206. This Article uses “artist” in a non-technical way. The term is intended to include authors, composers, sculptors, choreographers, and all similar creators. Defining who is an “artist” is notoriously difficult, and has occupied the attention of many scholars and judges. Fortunately, it is not necessary to define the concept precisely in order to understand the thesis of this Article. For those interested in a rough working definition, an “artist” is a person who produces creative works that appeal mainly to our aesthetic values, while a “non-artist” produces works that serve a particular function other than aesthetics.

207. See Freedman, supra note 19, at 322–23 (recognizing that reverse passing off cases involving artists present special considerations).
Literary and Artistic Works. This treaty requires signatories to provide a host of legal rights to artists. Among these rights is the article 6bis right to "claim authorship." Although perhaps susceptible to other interpretations, article 6bis has been interpreted by the United States as requiring that the artist be given a right to seek legal recourse against third parties who either remove the artist’s name from a work of art or substitute their own name. This is, of course, closely akin to Reverse Passing Off. Therefore, in order to satisfy its Berne obligations, United States law must afford some sort of Reverse Passing Off right to all artists within the contemplation of the treaty.

During the debates leading to United States accession to Berne, several members of Congress argued that the treaty would not have that great an impact because United States law already afforded many of the required rights. These proponents asserted that the right to claim authorship was covered by Reverse Passing Off under the Lanham Act. Notwithstanding these arguments, Congress included a limited right to claim authorship in the Visual Artists Rights Act of 1990, codified in section 106A of the Copyright Act.


209. Article 6bis provides in relevant part:

(1) Independently of the author's economic rights, and even after the transfer of the said rights, the author shall have the right to claim authorship of the work and to object to any distortion, mutilation or other modification of, or other derogatory action in relation to, the said work, which would be prejudicial to his honor or reputation.

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(3) The means of redress for safeguarding the rights granted by this Article shall be governed by the legislation of the country where protection is claimed.

Berne Convention, supra note 14, art. 6bis, at 235.

210. Article 6bis does not explicitly state that the author may bring a cause of action. It is possible to provide a right of paternity by means short of a private right to recovery. For example, the "right" could be achieved simply by allowing the author to proclaim his authorship to the world without fear of retribution from either the government or the party holding the copyright.

211. In theory, the article 6bis right of integrity might also be used to the same end. In addition to the right to claim authorship, 6bis(1) gives an author the right, "to object to any... mutilation or other modification of... the work... which would be prejudicial to his honor or reputation." Berne Convention, supra note 14, art. 6bis, at 235 (emphasis added). The concept of reputation can easily encompass goodwill. The more difficult question is whether removal of the author’s name or mark is a "mutilation" of the work. Even when the author places his name on the surface of a painting, that name is not necessarily an integral part of the work. If the name or mark can be removed without affecting the expression, removal does not constitute a mutilation of the underlying work of art.


213. Id.

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Section 106A, however, does not satisfy the requirements of article 6bis. Berne's definition of "literary and artistic works" includes many works that would not qualify as a section 106A works of visual art.\textsuperscript{215} For example, section 106A does not include any works of literature or musical compositions. And because the Lanham Act does not reach reverse passing off for the reasons discussed above,\textsuperscript{216} there is no national legislation providing a right of attribution to all artists covered by Berne. Congress must accordingly act if the United States is to comply with Berne.\textsuperscript{217}

On the other hand, Congress might choose not to provide a general right to claim authorship, even if it elects otherwise to comply with Berne. It would certainly not be the first time that the United States failed to satisfy a technical treaty obligation. The Berne Convention, like other treaties, contains an entire palette of rights. Many of these rights comport with United States policy. However, it is not entirely clear that article 6bis strikes the proper balance on the question of attribution. After all, Part IV.A of this Article demonstrated that there are sound policy reasons against providing a general action of Reverse Passing Off. In order to justify the special cause of action for artists envisioned by Berne, it must be shown that these producers are somehow different from non-artists. Moreover, not all differences count. Reverse Passing Off is justified only if there are demonstrable differences between artists and others regarding the two possible justifications for a cause of action: consumer deception and protecting future goodwill.

\textsuperscript{215} The Berne Convention covers "literary and artistic works," which article 2(1) defines as:
every production in the literary, scientific and artistic domain, whatever may be the mode or form of its expression, such as books, pamphlets and other writings; lectures, addresses, sermons and other works of the same nature; dramatic or dramatico-musical works; choreographic works and entertainments in dumb show; musical compositions with or without words; cinematographic works to which are assimilated works expressed by a process analogous to cinematography; works of drawing, painting, architecture, sculpture, engraving and lithography; photographic works to which are assimilated works expressed by a process analogous to photography; works of applied art; illustrations, maps, plans, sketches and three-dimensional works relative to geography, topography, architecture or science.

Berne Convention, supra note 14, art. 2(1), at 222. This definition is quite broad. Some of the listed works, such as maps and three-dimensional geographic representations, might not qualify as works of art even under this Article's expansive definition, set forth supra note 206.

\textsuperscript{216} \textit{See} discussion supra Part III.B.

\textsuperscript{217} State statutes or common law may, and often do, supply a cause of action. However, article 6bis(3) explicitly provides that the 6bis rights are to be made effective by national legislation. Berne Convention, supra note 14, art. 6bis, at 235. State law, even where it exists, obviously cannot satisfy this requirement.
I. Consumer Deception

As discussed above, most reverse passing off does not mislead consumers because defendant’s misrepresentation that it is the source of the product causes no harm to consumers. Most consumers do not care about “source” as an absolute. They are interested in source only because it provides some indication of the quality of the product being considered. As long as defendant is selling products of consistent quality, consumers are not deceived by defendant’s mark on plaintiff’s product.

From this perspective, art is no different. A person considering the purchase of a painting, recording, or book is certainly interested in knowing the name of the artist, performer, or author. Like the case of non-art, however, that interest exists mainly because knowing the artist’s name provides some indication of the quality of the work.218

In fact, knowing the name of the artist may actually be less important when shopping for art. Using the name of the source is an imprecise way to judge quality.219 Other methods, especially physical inspection, are much more accurate. Notwithstanding the chance for error, shoppers rely on source information primarily because the other methods of ascertaining quality often prove to be impracticable or too expensive. However, many works of art lend themselves quite readily to these other means of gauging quality. Visual inspection is much more useful when judging the quality of a painting than it is when evaluating an automobile. The quality of a painting is determined almost exclusively by its appeal to the eye, and does not include difficult-to-test factors that would be relevant in the case of the automobile, such as durability. Similarly, although a book or recording cannot be judged by visual inspection, there are other means, such as book and record reviews, to determine quality. In many respects, then, misrepresentations about the source of a work of art would as a general matter seem to be less

218. Some consumers may know artists personally, and accordingly want to buy from them for reasons other than objective quality. However, this phenomenon also exists in the case of non-artistic products. Any differences between artists and non-artists in this regard is one of degree, not kind.

219. Use of a mark is most accurate when the consumer has either had prior experience with goods from the same source, or has received information from others with experience. Nevertheless, the mark is still a fairly imprecise measure of quality. In essence, the consumer is relying on an assumption the goods will be of roughly the same quality as before.

Marks are even less precise when the consumer has never dealt with the seller before, or if the consumer has had past dealings but cannot recall them. In this case, the consumer has no solid information about the source or the actual level of quality. At best, the consumer will be forced to rely on seller advertising. Moreover, the consumer may assume that branded goods are generally “better.” Neither of these sources of information, of course, is necessarily very accurate.
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decreptive than misrepresentations concerning the source of other products.220

On the other hand, perhaps complete accuracy of source information is more important in the sale of art for other reasons. Art is, after all, something more than a simple functional product. It is a form of communication. The plaintiff who creates a work of art is conveying an idea to others through that work. In all forms of communication, knowing the identity of the speaker may help listeners evaluate the worth of the message. Reverse passing off obscures the identity of the artist and accordingly may distort the message.

Even this argument, however, does not support Reverse Passing Off. First, the argument assumes that the name of the artist would actually mean something to the observer. If the observer has never before encountered a work by the artist, knowing the artist's name adds nothing to the message conveyed by that work. Second, even if the name would mean something, there is no general principle in the law that requires an artist, or any speaker, to disclose his name. Many works of art are distributed anonymously. Others are published under pseudonyms.221 In fact, if the law is truly concerned with this sort of deception, copyright law's "work for hire" doctrine, which vests copyright not in the actual author but in the person who employs the artist to produce a work, seems somewhat of an anomaly.222 Given that all of these other situations also convey false information, it is difficult to justify singling out reverse

220. There are admittedly cases in which misrepresentations as to the source of a work of art may be more deceptive. First, as discussed supra note 218, some consumers may be interested in purchasing the works of a particular artist not because of any reputation of quality, but because they know the artist personally.

Second, many works of art are purchased for resale. In this situation, knowing the name of the artist may be a better way of judging the market value of the work than inspection. Artistic taste is highly idiosyncratic. The mere fact that a purchaser adores a sculpture is not necessarily an indication that that sculpture will appeal to others. Buying works of an artist with an established reputation provides a hedge against this unpredictability because that reputation is good evidence that the artist's works have appealed to a certain audience in the past. Ensuring that a work of art is identified with the actual artist may accordingly protect those consumers who purchase for resale. However, this consideration does not support a general cause of action for all artists, although it may support the more limited right set out in § 106A of the Copyright Act. 17 U.S.C. § 106A (1994). In this vein, it is interesting to note that § 106A covers only "works of visual art" produced in limited editions, the types most often purchased for resale.

221. Disclosure is not even a condition of copyright protection, as the Copyright Act allows for the registration of anonymous and pseudonymous works. 17 U.S.C. § 302(c) (1994).

passing off.\textsuperscript{223} For all of these reasons, then, deception cannot support even a narrow version of Reverse Passing Off limited to artists.

2. Capturing Goodwill

Reverse Passing Off gives the plaintiff more of the goodwill generated by products it designs or produces. Although this does provide an additional incentive for future creative activity, that incentive is ordinarily not enough to justify a cause of action.\textsuperscript{224} The law already has means to assure that the innovator can profit from its creations. Unless there is reason to believe that these other incentives are insufficient for artists, there is no reason to allow artists to recover for reverse passing off.

In many cases, artists are motivated by different factors than other producers. It is often said, for example, that the artist does not produce for profit, but instead because of a personal need to express an idea or notion in a work. Regardless of whether the perception is accurate,\textsuperscript{225} it alone does not warrant a cause of action. Reverse Passing Off is meant to increase the plaintiff's goodwill by ensuring that it receives credit for what it has produced. This in turn increases future sales. If the artist is less interested in profit than the non-artist, this financial windfall will actually be less of a motivating factor for future work than it would be for a non-artist.

On the other hand, there is another, more subtle, way in which goodwill may motivate the artist. Consider how goodwill actually develops. A seller acquires goodwill when consumers have positive experiences with the products it produces. As consumers associate those positive experiences with the seller itself, the seller acquires a certain sort of "fame."

Most sellers do not care about this fame in and of itself. Fame is important only because consumers have memories. Consumers carry their recollections of positive experiences with them into the market in

\begin{itemize}
  \item \textsuperscript{223} The actual source could not sue in any of these situations because it has consented to defendant's use of its own name. However, a suit by the source is not the only way to police deception. Consumers who feel deceived might bring an action for misrepresentation or an action under a state consumer protection law. Similarly, the Federal Trade Commission could intervene in such a case, as it did in United States v. American Greetings Corp., 168 F. Supp. 45 (N.D. Ohio 1958), aff'd, 272 F.2d 945 (6th Cir. 1959).
  \item \textsuperscript{224} See supra text accompanying notes 201–04.
  \item \textsuperscript{225} Western society clings to the myth of the starving but driven artist. Actually, many artists produce art for profit, and some do very well.
\end{itemize}
the future and accordingly will be more willing to purchase the seller’s products. Fame, then, is important to the non-artist because it results in increased sales. The promise of these sales, not the notoriety itself, motivates the seller both to innovate and to take credit for the innovation.

For most sellers, the law can protect this potential for future profit without providing a cause of action for reverse passing off. Trademark law, by protecting the symbols that consumers use to associate their past experiences with a particular seller’s goods, allows the seller to reap the results of that future goodwill. Although Reverse Passing Off might make the seller even better off, it does so at the expense of fair competition.

It is in this respect that artists are different. For whatever reason—perhaps simple vanity—those who produce a work of art or literature want recognition for their creations. More importantly, many artists are unique in that they want recognition for recognition’s sake, not merely because it may result in increased demand for future works. The painter, composer, sculptor, and even the academic writing a book or article has poured a great deal of himself into his work; he naturally feels slighted if someone else receives credit for that work. For the artist, then, fame itself provides part, or maybe even all, of the motivation for creative activity.226

Of course, the fact that artists want this recognition begs the question. A legal right to recognition may well result in more artistic production, perhaps more than society wants. However, it is safe to conclude that most societies have already made the decision that they want to increase artistic production. Most already have laws in force, such as patent and copyright, to encourage innovation. Moreover, when compared to the monopoly provided by the patent laws and the quasi-monopoly created by copyright, Reverse Passing Off is a relatively cost-free way to motivate artists. Competition is not restricted, because the cause of action does not forbid the competitor from reselling or copying the work. The seller merely must tell the purchaser who the real source of the product is.

Although the artist’s unique desire for recognition may justify a cause of action limited to artists, not all types of reverse passing off should be actionable. An author wants credit for those works she actually creates. Accordingly, the cause of action should clearly cover the resale cases, in

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226. In the case of academic works, for example, the author generally receives no direct compensation. Admittedly, there are certainly many non-artists who also take pride in their work. However, it is the rare non-artist for whom this pride is the primary motivation for creative activity.
which the credit for the original work is the issue. However, there is no need to extend the cause of action to copying cases. As long as the defendant is free to copy the good—an issue governed by the copyright laws—it should be free to claim credit for its copies. The author should only receive credit for the works produced by the author, not by other parties.\(^\text{227}\)

In conclusion, then, the special characteristics of the artist justify granting a limited cause of action for reverse passing off to artists, but not to others. Unless artists know that they will be associated with their work, they may not be willing to invest the time and energy needed to produce a work of quality. The law should accordingly allow the original artists to prevent others from taking credit for works that the artists actually produced. The next section explores the form that such a cause of action might take.

C. A Proposal

Part II of this Article explored the various possible sources of Reverse Passing Off. Although the Lanham Act, as currently written, does not support a cause of action, courts could find such a right in existing state law. In addition, section 106A of the Copyright Act provides a more limited cause of action in favor of visual artists.\(^\text{228}\)

However, this existing hodgepodge of laws lacks uniformity. When the United States acceded to the Berne Convention, it agreed to protect indications of source in works of art. Article 6bis expressly indicates that such protection should be set forth in national legislation.\(^\text{229}\) Therefore, the preferable way to provide for Reverse Passing Off is through a single federal statute.

The simplest way to provide a uniform cause of action would be to build upon some current law. Copyright Act section 106A is the obvious choice. That section’s “right to claim authorship” includes the right to

\(^{227}\) Supra note 18 discusses the sample and photograph cases, which are in some sense a hybrid between the resale and copying cases. Reverse passing off cases in which an artist’s work is used as a sample are likely to be exceedingly rare. But cf., Ideal Toy Corp. v. Fab-Lu, Ltd., 261 F. Supp. 238 (S.D.N.Y. 1966) (dolls); Blazon, Inc. v. DeLuxe Game Corp., 268 F. Supp. 416 (S.D.N.Y. 1965) (toy horse). Should such a case arise, it should be treated like a resale case, and the artist should be allowed to recover. Like the resale cases, the issue is whether the artist receives credit for his actual handiwork. It is irrelevant whether the author receives that credit in connection with the sale of the original, or the use of the original to sell copies.


\(^{229}\) Berne Convention, supra note 14, art. 6bis, at 235.
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challenge reverse passing off. Moreover, as discussed above, section 106A is limited to resale cases,\(^{230}\) the only type of reverse passing off case in which protection of artists can be justified.\(^{231}\) Congress would need to amend section 106A in order to ensure that all artists receive proper recognition for the original works. It should clarify the vague phrase "right to claim authorship" by specifying that it includes the right to bring a private action against a defendant who engages in reverse passing off. Most importantly, Congress should extend the protection of section 106A to all works within the subject-matter of copyright, not merely works of visual art.\(^{232}\)

Remedies are another issue. A practical, but largely unrecognized, problem with allowing a private action for reverse passing off is choosing a proper remedy for the plaintiff.\(^{233}\) Because most courts have concluded that reverse passing off is actionable under section

\(^{230}\) See supra note 112 and accompanying text.

\(^{231}\) Limiting the protection to resale cases may benefit sculptors and painters, but will be of significantly less benefit to authors, recording artists, and others whose works are sold in numerous copies. The defendant who wants to reverse pass off a book or recording will not simply resell the original. Rather, it will copy plaintiff's work and sell it under defendant's own name. The § 106A right to claim authorship provides no relief in these copying cases.

That limitation is not a problem because the author or recording artist already has ample rights. All artists who produce original works are protected by the other provisions of the copyright laws and can therefore sue the copier for infringement. In fact, the right to sue for infringement is even more powerful than § 106A insofar as it allows the plaintiff to stop altogether defendant's sale of its copies. A defendant who cannot sell cannot engage in reverse passing off.

In some cases the artist will assign the copyright to a printer or producer. Although the artists have lost the right to sue for infringement they can still obtain protection by negotiating a right of attribution in their contracts of assignment.

\(^{232}\) Congress may also need to refine the Copyright Act's concept of "author" in order to make the new right effective. For example, the plaintiff in the leading case of Smith v. Montoro, 648 F.2d 602 (9th Cir. 1981), had no rights under the copyright laws. Although the work in question—a film—did fall within the subject-matter of copyright, the Copyright Act would consider the producer or director the "author." Although this rule may make sense in the context of copyright's exclusive rights, it is too restrictive in the case of the right to claim authorship. Claimants who have contributed to works covered by copyright should have a right to have their contributions acknowledged.

In one respect, however, Congress needs to limit § 106A. As written, the section allows authors to claim authorship of works with respect to later sales even if they have not claimed authorship for the initial sales. If the purpose of Reverse Passing Off is to ensure the author the opportunity to receive the notoriety necessary to inspire creation, it is inappropriate to extend the cause of action to an author who conveys a work without any attempt to claim credit.

43(a) of the Lanham Act, they have also borrowed the remedies from that statute. The Lanham Act authorizes a wide array of remedies, including profits, \(^{234}\) damages, \(^{235}\) destruction of infringing items, \(^{236}\) and injunctions. \(^{237}\) In some cases, a victorious plaintiff is also entitled to treble damages and attorney's fees. \(^{238}\) These Lanham Act remedies are quite similar to those authorized by the Copyright Act, although the Copyright Act provides for statutory damages in lieu of treble damages. \(^{239}\) Most of the Copyright Act remedies are available in section 106A cases. \(^{240}\) Therefore, if Congress provides a cause of action for reverse passing off to artists under section 106A, there is likely to be very little change in the way in which courts handle damages.

The question of remedies warrants closer scrutiny. Although the remedies provided by the Lanham and Copyright Acts make perfect sense in an ordinary infringement case, they present serious difficulties in a case of reverse passing off. Unlike ordinary copyright or trademark infringement or false advertising, defendant's acts do not deprive plaintiff of any immediate sales which it could otherwise expect to make. In fact, if defendant had correctly named plaintiff as the source, it is entirely likely that defendant would have diverted more sales from plaintiff than it did by selling the product under its own name. \(^{241}\)

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238. 15 U.S.C. § 1117. Augmented damages are a matter of discretion in most cases, including all cases under § 43(a) of the Lanham Act. However, § 35(b) mandates the imposition of treble damages when defendant intentionally uses a counterfeit of a registered mark. 15 U.S.C. § 1117(b).
241. Consider what actually occurs in a reverse passing off case. Consumers purchase a product from defendant under the belief, admittedly erroneous, that it originates from defendant. If plaintiff does not compete in the market for that product, plaintiff clearly has lost no sales. More importantly, even if plaintiff does compete, some consumers have chosen defendant's goods over plaintiff's. As discussed supra note 204, the most likely reason is a price differential. However, if defendant is selling its product at a price lower than plaintiff, requiring defendant to acknowledge plaintiff may well increase defendant's sales, for defendant would then have the additional advantage of any goodwill associated with plaintiff.

Conversely, consumers may be avoiding plaintiff because it has developed a poor reputation. In this case, requiring defendant to acknowledge plaintiff may increase plaintiff's sales, although it is more likely to benefit the other competitors in the industry.
Therefore, giving plaintiff a right to recover the profits from defendant’s sale is not an appropriate measure of plaintiff’s loss. Plaintiff can gain the sales going to defendant only by barring defendant from the market altogether, regardless of what mark it uses. That, however, results in the sort of monopoly that falls within the exclusive province of the copyright and patent laws, not Reverse Passing Off.

In addition, the fact that the proposed cause of action applies only in resale cases makes an award of profits particularly inappropriate. A plaintiff in a resale case has already sold the original and received whatever profit it could command at that time. Defendant’s reverse passing off does not affect this sale, but only the profits that plaintiff might earn on future sales of other works. Awarding plaintiff the profits that defendant has earned on the resale bears no reasonable relation to the harm actually suffered.

Damages are another option. But even an award of damages is inappropriate in a reverse passing off case. As noted just above, plaintiff’s harm is the loss of future goodwill. These damages are highly speculative and difficult to estimate. More importantly, however, an award of damages for loss of future goodwill does not comport with the reasons for creating a cause of action for artists but not for others. Artists should be allowed to recover for reverse passing off only because that is the only way to ensure that they receive the recognition necessary to motivate them to create. The recognition is meant to relate solely to the instant work, not to heighten the demand for the artist’s other products. Giving artists a right to recover future goodwill as damages results in the same sort of unjustified windfall criticized earlier in this Article.

Nor does seizure and destruction of defendant’s goods address the real harm in these cases. Like an award of profits, seizure and destruction results in a form of overkill. It is warranted in ordinary infringement cases because it is the only sure way of preventing the defendant from

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242. Damages are much easier to estimate in a regular trademark case because the issue is loss of current sales. In a reverse passing off case, by contrast, the court must prophesy how plaintiff’s goodwill would have developed, and then translate that higher level of goodwill into a loss of future sales. Because of the number of factors that can affect future goodwill, this process is little better than pure speculation.

243. For the same reasons, treble damages are not warranted in reverse passing off cases. Except in the case of counterfeiting, the Lanham Act specifically provides that treble damages are not to be used as a penalty. 15 U.S.C. § 1117(a). Instead, they are intended to cover the components of damages that are likely to exist, but are difficult to measure.
making a sale that would otherwise have been made by the plaintiff. Because defendants in reverse passing off cases are not stealing sales from the plaintiff, seizure and destruction goes too far.

In fact, the ideal remedy in cases of reverse passing off cases is quite simple. All of the policy considerations can be satisfied merely by requiring the defendant to notify consumers of the actual source of the product or sample. This ensures that plaintiff receives credit for the work it has done, and interferes only to a minimal extent with defendant’s ability to compete in the market for the product. Such an order would be fully effective even if it occurred after the sale.244

The final option is statutory damages under Copyright Act section 504(c). Statutory damages are intended to ensure that the copyright owner is compensated even in cases where actual damages and profits are difficult to measure or prove.245 Arguably, then, such damages should be available in reverse passing off cases, because of the difficulty of measuring the value of notoriety.246 However, statutory damages are less desirable than a simple order of acknowledgment, which provides a perfect solution. Although it reverses the normal order of things by making the equitable remedy the remedy of choice, Congress should amend the remedy provisions to make the order of acknowledgment the primary remedy in cases of reverse passing off.

There remains, of course, the problem of incentive. Even if injunctions requiring acknowledgment were granted as a matter of course, it will still prove to be quite costly for artists to enforce their rights. The availability of costs and attorneys’ fees go a long way towards ameliorating this problem, and both should continue to be available in reverse passing off cases.247 Even then, however, there may not be a sufficient incentive for artists to demand acknowledgment. One crucial factor is whether the artist will make future sales. If the artist will make other sales, then the cost of obtaining the order may be offset in

244. An order requiring acknowledgment would also easily fit within the Copyright Act, which authorizes an injunction in cases involving a § 106A violation. 17 U.S.C. § 501(a), 502.

245. A plaintiff must choose between statutory damages and actual damages. 17 U.S.C. § 504(c) (1994). Given the difficulty of proving actual damages in a reverse passing off case, most artists would opt for statutory damages.

246. The amount of statutory damages authorized by § 504, however, may prove to be excessive in a case of reverse passing off. Statutory damages are intended as a rough estimate of the sales that the author lost as a result of defendant’s actions. In an ordinary infringement case, it is not illogical to assume that all sales made by defendant would have otherwise been made by plaintiff. As demonstrated at supra note 241 and accompanying text, however, one cannot assume that a defendant in a reverse passing off case deprived plaintiff of any sales.

whole or in part by the increase in value of his works. However, an artist who plans no more sales will not have this financial offset. The desire to be named as author may be a matter of intense personal pride that the author values quite highly, but it does not generate the income needed to fund litigation.

A more far-reaching option to deal with the problem of incentive would be some sort of administrative remedy. For example, the law could be revised to allow an artist to lodge some sort of complaint with an agency, perhaps the Copyright Office. The agency could investigate the matter and order attribution if it determined that the complaint was well grounded. An administrative scheme of this sort would ensure that the plaintiff would receive no financial windfall other than the unavoidable increase in reputation. Moreover, although it would certainly place an additional burden on the agency, reverse passing off cases would not prove to be that factually complex. Recall that the proposed cause of action applies only to cases in which defendant uses an original actually produced by the plaintiff. Therefore, the agency could avoid the complex problem of ascertaining the “true source” that arises in the copying cases. The issue of source is ordinarily straightforward in resale cases, except possibly in the situation where the defendant modifies the work prior to resale. The other main issue in the dispute—whether the defendant acknowledged the plaintiff—will also be relatively simple.

In short, there are many options for the proposed action for reverse passing off. Of course, legislative action will eventually be required. The best option would be for Congress to amend section 106A and the remedies provisions of the Copyright Act to incorporate the above suggestions. Failing Congressional action, state legislatures would also be free to enact their own laws, except for artists who are already protected by current section 106A. Regardless of whether it is enacted by

248. Admittedly, this is the same sort of windfall criticized supra at text accompanying notes 201–04. However, if ensuring that artists receive credit for their works is necessary to provide a proper incentive, there is no way to avoid the collateral increase in profits that will result.

249. One solution would be to require attorney’s fees and costs in these cases. Of course, that approach only benefits the artist who prevails in litigation.


251. See supra text accompanying notes 70–75.
V. CONCLUSION

The time is ripe for a serious review of the law dealing with reverse passing off. Over the past twenty years, courts have generally come to accept the existence of a cause of action. This trend seems to have developed a momentum of its own. Most courts seem persuaded by the numbers, with few engaging in any serious consideration of either the source of the cause of action or its possible policy ramifications.

At the very least, courts and commentators need to reevaluate the legal source of the cause of action. They are clearly mistaken in grounding the action in section 43(a) of the Lanham Act; for that statute, when parsed carefully, simply does not reach reverse passing off. If the cause of action does exist, it must arise under the state law of unfair competition.

But is reverse passing off really "unfair" within the meaning of these state laws? It certainly looks unfair, because the defendant is admittedly lying about the source of the product that it is selling. However, not all lies are actionable under the law of unfair competition. Rather, the law gives a competitor the right to challenge lies in the marketplace only when those lies injure consumers. Analyzed in this light, it becomes clear that reverse passing off, unlike other statements about source, really causes no direct harm to consumers. Nor can the cause of action be justified under a theory of allowing the true source of a product the "just rewards" of its work. Because neither of the proffered justifications for the cause of action survives closer scrutiny, courts have erred in accepting a general action for reverse passing off.

The only case in which reverse passing off can be justified is when a work of art, literature, or music is involved. Because of the United States' obligations under the Berne Convention, and the unique factors that motivate to the artist as "producer," the law needs to ensure that artists have the right to be associated with their works. Therefore, a limited form of reverse passing off, one that applies only when a work of art is resold without acknowledging the artist, can be justified. Although such a cause of action does not yet exist under federal law, it could be added without great difficulty to the existing law of copyright.

In a perfect world reverse passing off would not be a problem. Were all sellers completely forthright with the consuming public, they would disclose the source of the goods they sell. For whatever reason, however,
many take credit for work that is not theirs. Even though this sort of lie is not admirable, it is not necessarily a situation in which the law should intervene. Legislatures and courts should police the marketplace only when it can be shown that intervention will benefit consumers, either by reducing meaningful deception or by providing an incentive to sellers to create new products. Except in the case of art, Reverse Passing Off accomplishes neither of these social goals.