

IP CASE OF THE WEEK

## Illini Win to Fight Another Day for Disavowed Chief Illiniwek

<u>The Board of Trustees of the University of Illinois v. Vintage Brand LLC and</u> <u>Sportswear Inc. d/b/a Prep Sport</u>

By: Lisa Holubar & Andy Himebaugh | October 13, 2023

When an organization publicly disavows a trademark, does it turn over the mark to the public domain? Regarding the "Chief Illiniwek" Logo ("Chief Logo"), the Northern District of Illinois punted by denying Vintage Brand LLC and Sportswear Inc.'s (collectively, "Defendants") motion for summary judgement that the mark was abandoned. The Chief Logo, shown on the right, was styled after a mascot that performed at Plaintiff's athletic events named for the indigenous people who ancestrally populated much of present-day Illinois. Both the mascot and logo depict a Native American man in a traditional headdress and regalia.



In 2007, following an NCAA ban that prohibited NCAA colleges and universities from displaying imagery deemed hostile and abusive to Native American cultures, Plaintiff publicly disavowed use of Chief Illiniwek and forbade most of its licensees from using the Chief Logo. Plaintiff did continue a limited license to the Chief Logo via its College Vault Program, through which online-only sales of products bearing the logo have continued to the present day (although these sales amount to no more than 0.6 percent of the Plaintiff's aggregate licensing revenue). Publicly, however, Plaintiff has run the same play, repeatedly disavowing the Chief Logo. After Defendants began selling unauthorized vintage merchandise bearing the Chief Logo, Plaintiff commenced litigation against Defendants, who moved for summary judgment on the affirmative defense of trademark abandonment before discovery had closed.

First, the Court evaluated whether Plaintiff's use of the Chief Logo, via the College Vault licenses, was source-identifying or merely ornamental. The Court acknowledged Plaintiff's repeated public disavowal of the mark and public awareness of Plaintiff's expressed intent to distance itself from Chief Illiniwek. But the Court also noted it needed to consider how the public views the mark. On balance, the Court found summary judgment inappropriate in light of the undeveloped factual record.

Second, the Court analyzed whether Plaintiff's College Vault Program was merely a trademark maintenance program, rather than bona fide commercial use of the Chief Logo. Plaintiff's evidence of thousands of dollars in sales indicated it was not just a trademark maintenance program. And, Plaintiff's restrictions on the number of licenses and types of sales permitted by licensees did not necessarily mean that the University has concealed itself as the source. Once again, that determination required evidence as to what the public knew or believed about the source of the Chief Logo products.

Third and finally, the Court analyzed whether the sales volume of merchandise with the Chief Logo showed prima facie abandonment. The Court found that summary judgement was inappropriate because 1) low sales do not per se indicate a *de minimis* use necessary to find prima facie abandonment and 2) Plaintiff had sold over 27,000 products with the Chief Logo through the College Vault Program from late 2003 through early 2022.

The Court denied Defendants' motion without prejudice so for now, the final whistle has not blown on whether Plaintiff abandoned its trademark. This case is one to watch for brand owners that may wish to keep an older trademark alive and prevent others from using it despite a brand refresh or total rebrand.