

**BY FACSIMILE AND FIRST CLASS MAIL**

Hon. Robert H. Cleland  
U.S. District Court – Eastern District of Michigan  
231 West Lafayette Blvd  
Detroit MI 48226-2700

May 17, 2001

Re: ***Ford Motor Co. v. 2600 Enterprises, No. 01-CV-71685-DT – Letter  
Brief Rebuttal to Plaintiff’s Eleventh-Hour “Reply.”***

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Dear Judge Cleland:

It is with the understanding that FORD’s Motion for leave to file its fourteen page tome of a “Reply” Memorandum is likely to be granted, and out of serious concern that the Court may not fully be prepared to address two **newly raised** issues brought up today the Plaintiff, that I write briefly to provide a total of seven authoritative case citations, which the Court is strongly urged to review with care in advance of tomorrow’s hearing – in order to prepare fully for argument.

**Collateral Estoppel:** On the subject of “famousness” – a famously difficult and complex issue to analyze under the Federal Trademark Dilution Act – FORD argues that it has no need to meet its burden of proof because the issue has already been addressed in other lawsuits. Ford is wrong. There exists no “privity” or mutuality between the Defendants in **this** case and the parties in those **other** cases. According to time-tested principles of issue preclusion (also called *collateral estoppel*), Defendants are not subject to an estoppel on this factual point. Parklane Hosiery Co. v. Shore, 439 U.S. 322 (1979); see also Baker v. General Motors Corp., 522 U.S. 222 (1998); Lytle v. Household Mfg., Inc., 494 U.S. 545 (1990). Accordingly, the burden of proof remains on FORD and FORD has introduced no evidence whatsoever to prove it is “famous” under the rigorous standards of the FTDA.

In this regard, we also respectfully draw the Court’s attention specifically to the Ninth Circuit’s decision in Avery-Dennison Corp. v. Sumpton, 189 F.3d 868 (9<sup>th</sup> Cir. 1999). Hardly any office or government worker exists in America (or, likely, the world) that isn’t deeply familiar with the trademarks “Avery” “Dennison,” or “Avery-Dennison.” However, like the word “FORD,” the Avery-Dennison trademarks also happen to correspond with very common family names. Id. at 876-80. We respectfully submit that the reasoning in the Avery-Dennison case is highly persuasive, here, too. Ford simply is not a “famous” trademark for FTDA purposes.

**Defamation:** Ford has been invited to identify any “goods and services” that might bring this case within the purview of the Lanham Act, generally, or the FTDA. FORD has completely failed to do so. FORD instead argues that statements that are **alleged** to be “false or

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misleading” are entitled to no constitutional protection whatsoever. To put it mildly, FORD overstates its case. The Constitution affords protection even for speech that is alleged to be false and injurious. Gertz v. Robert Welch, Inc., 418 U.S. 323, 349 (1974); New York Times Co. v. Sullivan, 376 U.S. 254 (1954).

What FORD completely neglects to address in its papers is the existence of an entire well-developed body of law quite separate and apart from trademark, that addresses statements that are alleged to be injurious and false. The requirement of “trademark use” as a designation of the source of goods or services is not a precondition for a defamation claim. FORD – if it believes that there actually has been a “false attribution” – certainly has every opportunity to file a defamation action instead of trying to distort the Lanham Act beyond all reason. See Masson v. New Yorker Magazine, Inc., 501 U.S. 496, 511-12 (1991) (defamation case can be brought on basis of a “false attribution.”). However, there is an obvious reason why FORD has eschewed defamation law. The First Amendment requires proof of “actual malice” by the Defendants and FORD knows it cannot meet that burden of proof.

In short, FORD should not be permitted to re-interpret the Lanham Act in an effort to make an end-run around the requirement of *scienter* or “actual malice” recognized in such cases as New York Times v. Sullivan And Masson. That is not the function of trademark law. Nor should it be.

Respectfully submitted,

Eric C. Grimm

cc: Kathleen Lang, Esq.  
Greg Phillips, Esq.