

No. 16-352

IN THE
Supreme Court of the United States

SECURITY UNIVERSITY, LLC AND SONDR A SCHNEIDER,
Petitioners,

v.

INTERNATIONAL INFORMATION SYSTEMS SECURITY
CERTIFICATION CONSORTIUM, INC.,
Respondent.

ON PETITION FOR A WRIT OF CERTIORARI TO THE UNITED
STATES COURT OF APPEALS FOR THE SECOND CIRCUIT

REPLY BRIEF OF PETITIONERS

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INTRODUCTION

Respondent (ISC)² does not dispute that the proper nominative fair use standard is the subject of a “deep conflict” that is “not going away.” Pet. 23. Neither does it dispute that “[a] clear and predictable nominative fair use defense is critically important to competition and free speech.” Pet. 29. And it offers not even a passing defense of the Second Circuit’s decision. Instead it recites a few vehicle-related watchwords and insists the case is too fact-bound for this Court. None of it holds up.

First, (ISC)² says that the question presented misses the mark because it uses the colloquial term “trademark” where this case involves a certification mark, a different species of mark under the Lanham Act. Opp. 1. The short answer is that it makes no difference. It is just as well for this Court to resolve the question of the proper nominative fair use standard for certification marks, or anything else fitting the statutory definition of “mark” under the Lanham Act, 15 U.S.C. § 1127. They are all the same question with the same answer, because it is well-settled that the infringement analysis is the same no matter what species of mark is at issue. That is why the Second Circuit squarely confronted the existing circuit conflict as to the proper nominative fair use standard (and deepened it). And that is why (ISC)² offers no argument for why different species of marks would be treated differently.

(ISC)² next points to two purported independent errors found by the Second Circuit. Both errors con-

cern the district court’s understanding of how a defendant can cause consumer confusion and thus infringe under the Lanham Act. We explained why these other grounds are a non-issue in our petition (at 35-37): They are not independent at all, but rather bound up with the issue of the proper nominative fair use standard. (ISC)² doesn’t address our argument, but all but admits we are right when it concedes that each of the competing nominative fair use standards “addresses whether the alleged infringer did something in conjunction with the mark that was confusing.” Opp. 13. If whether the defendant did something confusing is part of the nominative fair use analysis, how could errors related to that inquiry be “independent”? They aren’t. They are inextricable—which means that this case ends (or doesn’t) with the application of the proper nominative fair use standard regardless.

Finally, (ISC)² includes a throw-in paragraph suggesting that our critiques of the Second Circuit’s approach are “largely empirical.” Opp. 14. To begin with, (ISC)² ignores several pages of purely doctrinal arguments against the Second Circuit’s approach. And the arguments it does address are not really empirical ones either. For example, we argued that by jumbling its likelihood of confusion factors with the three traditional nominative fair use factors, the Second Circuit “dilutes” the nominative fair use standard. Pet. 30. (ISC)² asks this Court to wait and see, suggesting that adding eight factors to a rejiggered three-factor test won’t water it down. That is implausible—indeed, even the Second Circuit acknowledged that it was rejecting an approach that “affords defendants broader protection.” Pet. App. 30a. Its decision

deepens a long-simmering conflict. The issue is ready for this Court's review.

ARGUMENT

I. It Makes No Difference That This Case Involves A Certification Mark.

Our petition explained that the proper nominative fair use standard is “the subject of deep conflict” involving at least five different approaches. Pet. 11-23. (ISC)² offers no counter, because there is none. (ISC)² instead tries to slip around this entrenched conflict by arguing that “[t]his is a certification mark infringement case, not a trademark infringement case.” Opp. 1. It says there is “no split over the proper standard for analyzing whether a defendant’s use of a certification mark is likely to cause consumer confusion where a defendant claims to be using the mark nominatively.” Opp. 9. This is a red herring. The distinction between trademark and certification mark makes no difference here. The circuit conflict is squarely presented, and the Second Circuit squarely addressed and deepened it.

(ISC)² refers to the “factual and legal basis of [its] *certification mark* infringement claim” as a meaningful distinction, Opp. 1 (emphasis in original), but it never clearly explains what that means. What it seems to think significant is that Security University used (ISC)²'s CISSP[®] mark to say not only that its classes could help students pass the CISSP exam, but also that the instructor of those classes is CISSP-certified. In other words, its big distinction between the

nominative use of a trademark and a certification mark is this:

Trademark: Our course can help you pass the CISSP exam.

Certification mark: Our course can help you pass the CISSP exam because it is taught by a CISSP-certified expert.

When it comes to Security University's right to use the CISSP® mark to describe Security University's offerings, the distinction is as meaningless as it looks. Both species of mark raise the same question subject to the same standard, and that will be so in every case involving a "mark" under the Lanham Act, 15 U.S.C. § 1127.

It is remarkable how little (ISC)² does to show otherwise. It offers the tautology that trademarks and certification marks "do not mean the same thing," Opp. 1, without pointing to even a single difference that would matter for nominative fair use purposes. There is none. It is true that trademarks and certification marks are not the same—the former is issued to the markholder as the source of a product or service, the latter is issued to the markholder as the source of certain certification standards that another can attain. *See generally* J. Thomas McCarthy, *McCarthy on Trademarks and Unfair Competition* § 19:91 (4th ed. 2016). But "[c]ertification marks are generally treated the same as trademarks," *Levy v. Kosher Overseers Ass'n of Am., Inc.*, 104 F.3d 38, 39 (2d Cir. 1997), and that includes application of "the

same Lanham Act ... likelihood of confusion analysis,” *McCarthy, supra*, at § 19:92:50.

Nor does (ISC)² support its assertion that the trademark-versus-certification-mark distinction “was clearly foundational to [the Second Circuit’s] analysis.” Opp. 9. It offers two citations. The first comes well before the Second Circuit’s nominative fair use discussion, where the court notes the difference between certification marks and trademarks. Opp. 9 (citing Pet. App. 14a). The other cite is to the court’s remand instructions directing the district court to apply its newly fashioned 11-factor nominative fair use inquiry while keeping in mind the ways a defendant can infringe a certification mark. Opp. 9 (citing Pet. App. 37a). But (ISC)² does not mention the Second Circuit’s affirmation that “certification marks are generally treated the same as trademarks.” Pet. App. 15a (quoting *Levy*, 104 F.3d at 39). And it points to nothing in the Second Circuit’s discussion of nominative fair use that hints that the resolution of the proper standard was somehow informed by the type of mark at issue.

On the contrary, the Second Circuit plainly understood the case law comprising the circuit conflict to be directly on point. It discussed the Ninth Circuit’s approach, contrasted that approach with the Third Circuit’s, and noted that “[o]ther circuits have adopted variations of this test.” Pet. App. 29a-30a (discussing *New Kids on the Block v. News Am. Publ’g, Inc.*, 971 F.2d 302 (9th Cir. 1992); *Cairns v. Franklin Mint Co.*, 292 F.3d 1139 (9th Cir. 2002); *Toyota Motor Sales, U.S.A., Inc., v. Tabari*, 610 F.3d 1171 (9th Cir. 2010); *Mattel Inc. v. Walking Mountain Prods.*, 353

F.3d 792 (9th Cir. 2003); *Century 21 Real Estate Corp. v. Lendingtree, Inc.*, 425 F.3d 211 (3d Cir. 2005); *Pebble Beach Co. v. Tour 18 I Ltd.*, 155 F.3d 526 (5th Cir. 1998); *Universal Commc'n Sys., Inc. v. Lycos, Inc.*, 478 F.3d 413 (1st Cir. 2007)). Just as we did in our petition (at 11-23). In short, the Second Circuit entered the fray. It never suggested that other circuits' authorities did not apply because they dealt with trademarks, nor that its new approach would not apply because this case deals with a certification mark.

(ISC)² says that “neither the Petitioners nor the Amicus clearly explain how the split they set forth is directly implicated given the factual context of this case.” Opp. 9. But there is no need to “wade into facts,” as (ISC)² urges. Opp. 9. Here is why the circuit conflict is squarely presented: (ISC)² contends that Security University has used its CISSP[®] mark in a manner that is confusing; Security University has defended on the ground that it is entitled to make this use in order to describe, by reference to the CISSP[®] mark, the services it offers; and if the Second Circuit is reversed, confirming the correctness of the district court's analysis, Security University will prevail. That is all there is to it.

II. The Second Circuit's Purported “Independent Grounds” Are All Bound Up With The Proper Nominative Fair Use Standard.

(ISC)² next says that the other two errors the Second Circuit identified are “independent” and thus make this a bad case to resolve the proper nominative fair use standard. The first error relates to the types

of confusion—confusion as to source, affiliation, sponsorship, and so forth—relevant to an infringement claim. Pet. App. 18a. The second relates to the ways a defendant can cause confusion with respect to a certification mark—use by a non-certified person, use combined with another mark, etc. Pet. App. 22a-23a. As we explained in our petition (at 35-36), both of these errors are (a) based on a spurious reading of the district court’s decision and are therefore highly unlikely to affect the outcome of this case; and (b) bound up with the proper nominative fair use standard. There is simply no avoiding the nominative fair use question in resolving this case. (ISC)² does not suggest otherwise. So the issue of the proper standard is concretely and inescapably presented.

(ISC)² does not address our contention that the Second Circuit’s findings of error are illusory, so we will not rehash why that is so. Suffice to say that the district court almost certainly did consider what the Second Circuit thought it had missed, both with respect to types of confusion* and the ways a defendant can infringe. The district court is overwhelmingly

* (ISC)² (at 12) takes issue with our description of the Second Circuit as finding that “the district court failed to consider whether Security University’s uses were likely to confuse consumers as to (ISC)²’s ‘affiliation’ with or ‘sponsorship’ of Security University’s courses,” Pet. 35. This is puzzling—the Second Circuit explicitly said that the district court thought “the only type of confusion relevant ... is confusion as to *source*,” Pet. App. 18a (emphasis in original), and then pointed to “confusion regarding affiliation or sponsorship” as other potentially relevant types of confusion, Pet. App. 19a. In any event, as we explained in our petition (at 36), the district court *did* consider all relevant types of confusion.

likely to reach the same conclusion on remand. *See* Pet. 35-36.

As to our second contention—that the additional errors and the proper nominative fair use standard are inextricable—(ISC)² essentially admits it. It concedes that “[u]ltimately, each nominative use test addresses whether the alleged infringer did something in conjunction with the mark that was confusing,” then cites to the Ninth, Third, and Second Circuit’s contrasting approaches to analyzing that question. Opp. 13. That admission demolishes the notion that the additional errors are somehow “independent” of the proper nominative fair use standard. As we explained at length in our petition (at 30-34), how nominative fair use principles interact with the likelihood of confusion analysis—and the content of the appropriate inquiry—is precisely what is at issue here. (ISC)² apparently agrees that these things are all interrelated. So whatever else it has to say about how confusion ought to be analyzed in this case, none of it avoids the nominative fair use question.

In light of this, (ISC)² simply cannot be right when it suggests that the proper nominative fair use standard is somehow an “abstract” question here. Opp. 14. Again, it’s pretty simple. If this Court grants the petition and affirms the Second Circuit’s approach, the district court on remand will apply the new 11-factor standard that merges the likelihood-of-confusion and nominative fair use analyses. If it grants the petition and adopts either the Ninth Circuit’s time-honored approach or the Third Circuit’s affirmative defense approach—or anything else for that

matter—the district court will apply that test on remand. There is no path to resolving this case that does not run through nominative fair use. (ISC)² does not contend otherwise.

III. There Is No Reason To Defer Resolution Of The Proper Nominative Fair Use Standard.

(ISC)²'s last argument that this is a bad vehicle for resolving the proper nominative fair use standard is that the Second Circuit's standard is new, and that it therefore has not generated a "defined body of caselaw." Opp. 14. To be clear, (ISC)² does not say that the Second Circuit's approach is doctrinally correct, nor does it deny that the Second Circuit has created a splintered circuit conflict. So (ISC)² is asking this Court to defer review of a standard (ISC)² will not even passingly defend, and that deepens a long-existing divide in the circuits. There is no reason to do so.

(ISC)² submits that our arguments that the Second Circuit standard is wrong are "largely empirical." Opp. 14. But as with the other issues discussed above, it ignores everything that doesn't fit neatly into its off-the-rack vehicle characterization. Our petition argued that the Second Circuit's standard is inconsistent with the text and structure of the Lanham Act. Pet. 30-31. It argued that nominative fair use should be treated as a defense akin to descriptive fair use. Pet. 31. And it argued that Congress effectively ratified such an approach, rather than the Second Circuit's contrary approach. Pet. 32. Those are not "empirical" arguments—they are doctrinal arguments that (ISC)² just ignores.

The arguments that (ISC)² does mention are not empirical either. We argued that by adding eight factors to the prevailing three-factor nominative fair use test, the Second Circuit “dilutes” nominative fair use protections. Pet. 30. Our reasoning, which (ISC)² does not refute, is that “[i]n the Second Circuit, a defendant can overwhelmingly satisfy the traditional factors ... and *still* face liability based on the outcome of the other factors.” Pet. 30. We also argued (without contest from (ISC)²) that the Second Circuit’s 11-factor test—with its “new hybrid nominative use factors” added to the “other eight traditional likelihood-of-confusion factors,” an unidentified few of which the Second Circuit suggested might not apply—is “convoluted.” Pet. 33. Common sense is enough to know that adding eight new considerations to a three-factor standard will dilute it. So too that defendants will have a far harder time making out a cogent nominative fair use showing under an 11-factor standard than a three-factor defense, and that district courts will have a harder time applying the former consistently than the latter.

The issue presented here is not new. Its doctrinal foundations are a century old, and its modern formulation is the subject of an entrenched circuit conflict. That is precisely the sort of issue appropriate for this Court’s review, and this is an ideal case in which to review it.

CONCLUSION

For the reasons stated in the petition for certiorari and above, this Court should grant the petition.

Respectfully submitted,

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Date December 5, 2016