

2nd Circ. Won't Revive Models' TM Claims Against NY Clubs

By **Lauren Berg**

Law360 (June 29, 2023, 9:59 PM EDT) -- The Second Circuit on Wednesday refused to revive a lawsuit against two New York nightclubs over their use of images of models on social media, saying the women who brought the Lanham Act false endorsement claims aren't recognizable enough for the posts to confuse consumers.

The three-judge panel, in a brief **opinion**, affirmed a New York federal judge's **summary judgment** in favor of Bronx-based Sin City Cabaret and Queens-based Show Palace Gentlemen's Club, saying the strength of the models' marks should be looked at with an eye to the plaintiffs' recognizability or public prominence, not with reference to the marks' distinctiveness as to the source of the advertised good or service.

The models also didn't present evidence that the nightclubs knew their identities when they used their photos on Instagram and Facebook or that the clubs intended to confuse consumers, the panel said, adding that the district court correctly dismissed the Lanham Act claim.

Led by Cielo Jean Gibson, the group of 20 models — plus one of their sisters — **sued** SCE Group Inc. and 21 Group Inc., which operate the clubs, in 2015, alleging violations of the Lanham Act, New York state privacy rights and unfair trade practices under state law.

The models asserted that the clubs used "sexually suggestive" pictures of them without their permission in social media posts that falsely implied they were strippers or endorsed the clubs. They also sued for defamation, claiming the misuse of the pictures damaged their careers.

The clubs then moved for summary judgment, which U.S. District Judge Edgardo Ramos largely granted in July 2019, finding that the models hadn't proved they were so recognizable among the customers of the two clubs that the contested photos on social media would confuse consumers.

"Their resumes vary considerably. Some have millions of followers, and others have a few thousand," Judge Ramos said. "Based on their resumes and in the absence of a consumer survey, however, the court cannot conclude that any of them have attained the level of celebrity that other courts in this circuit have considered to constitute strong marks."

But the judge did determine that one of the women — Jessica Burciaga, who has appeared in various magazines including Playboy and Maxim — was well-known enough to have rights over her images under the New York Civil Rights Law. She was awarded \$5,000 in damages with respect to the publication of one image.

In its opinion Wednesday, the Second Circuit panel upheld Judge Ramos' decisions, including Burciaga's damages award.

"While expanding the protection businesses that exploit the image and likeness of professional models, actors and social media influencers are afforded in the Second Circuit, the decision effectively grants defendants, and others like them, a permanent license to use plaintiffs' intellectual property in advertising for free," the models' attorney, John V. Golaszewski of Casas Law Firm PC, told Law360 on Thursday.

"This decision stands in stark contrast with those issued by courts across the country, which have

either awarded summary judgment to these and similarly situated young women whose images are used commercially without their consent or determined that the levels of confusion created by these types of advertisements, which no one has ever disputed are categorically false, is a question for a jury," he added.

Counsel for the clubs declined to comment Thursday.

This case is just one of **dozens of suits** filed against strip clubs in recent years for the alleged misuse of images in their advertising. Many of them, including this one, have been filed in New York, Florida, Illinois and Texas by San Diego-based Casas Law Firm PC.

In February, a Washington, D.C., federal judge handed a **default victory** to a group of models in their suit alleging that the operator of nightclub XO Lounge used their photos in its advertisements for events and parties without their consent.

Another group of models **in April settled** their trademark suit with North Carolina strip club Capital Cabaret.

And last month, the Second Circuit **refused to revive** a similar lawsuit claiming Mansion Gentlemen's Club & Steakhouse used models' photos for promotion without their knowledge or consent.

All the models in those cases are represented by Casas Law Firm.

U.S. Circuit Judges Rosemary S. Pooler, Susan L. Carney and Beth Robinson sat on the panel for the Second Circuit.

The models are represented by John V. Golaszewski of Casas Law Firm PC.

The clubs are represented by Don R. Sampen and Thomas D. Jacobson of Clausen Miller PC.

The case is Cielo Jean Gibson et al. v. SCE Group Inc. et al., case number 22-916, in the U.S. Court of Appeals for the Second Circuit.

--Additional reporting by Britain Eakin, Tiffany Hu, Travis Bland and Adam Lidgett. Editing by Gemma Horowitz.