

EXPLAINING DILUTION THROUGH BALANCE THEORY

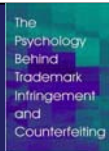
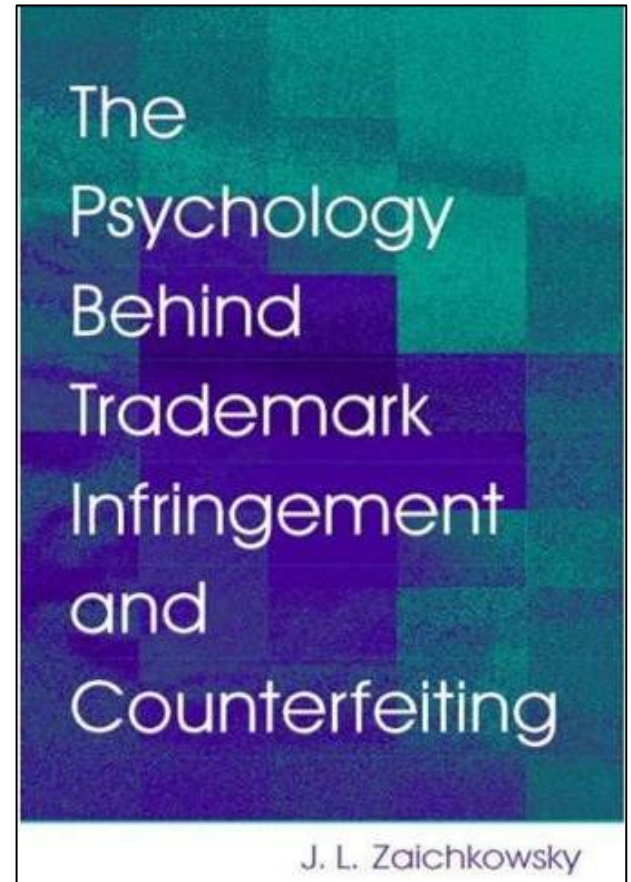
Prepared for
Santa Clara High Tech Law Institute
Trademark Dilution Conference



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SIMON FRASER UNIVERSITY
CANADA

Who Am I?

Author of ***“The Psychology Behind Trademark Infringement and Counterfeiting”*** (2006)



Agenda

1. Balance Theory Explained
2. Consumers Own the Brand
3. When Undesirable Links to the Brand are made
4. It's a Marketing Problem

Balance Theory

- My Friend's Friend is my Friend
- My Enemy's Enemy is my Friend
- Goal is to avoid tension, especially in a busy life

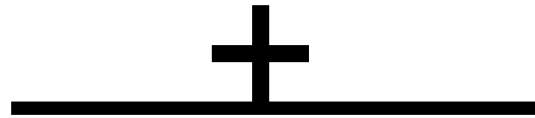
Balance Theory and Consumer Motivation

- The Individual feels that those who purchase or use a particular brand possess the characteristics that he or she would like to have
- *“I saw Kelly Holmes at the Balmoral Road race and she was wearing Adidas. I went to JJB with my sister, checked out the Adidas section and bought a top and pair of trainers” (female tween)*

Heider's Balance Theory



**Kelly
Holmes**

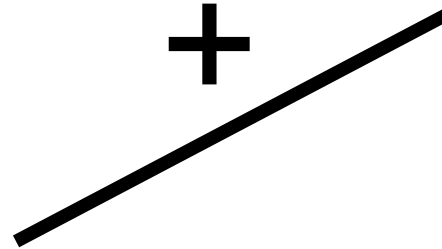


Adidas

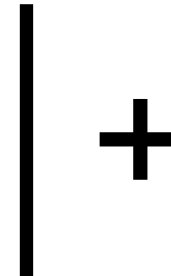
Heider's Balance Theory



Teenager



**Kelly
Holmes**

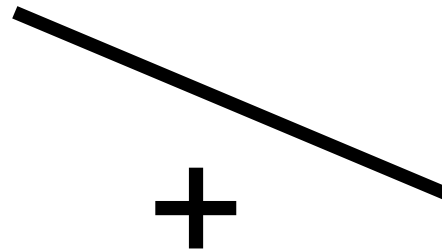
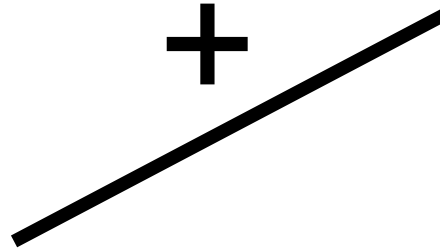


Adidas

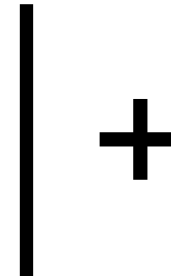
Heider's Balance Theory



Teenager



**Kelly
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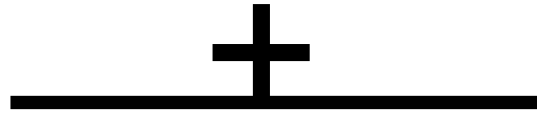


Adidas

Rap Stars Appropriate Brand



**Busta Rhymes
& P. Diddy**

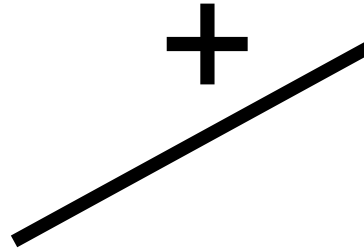


Courvoisier

Consumer Digs the Rap



Consumer



**Busta Rhymes
& P. Diddy**

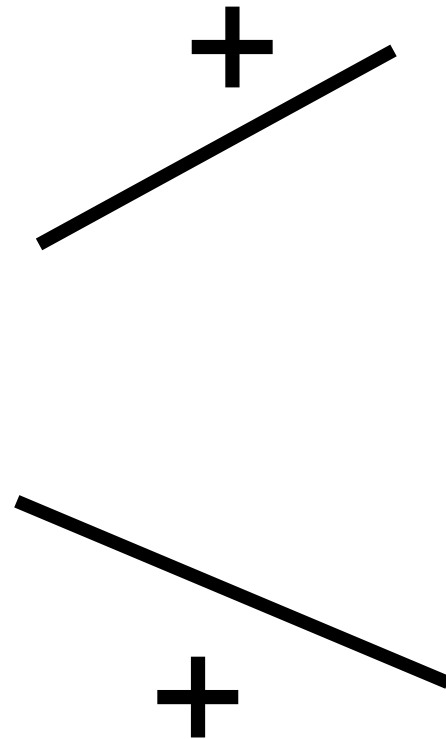


Courvoisier

Consumer Digs the Brand



Consumer



**Busta Rhymes
& P. Diddy**



Courvoisier

Socially Occurring Links to Image



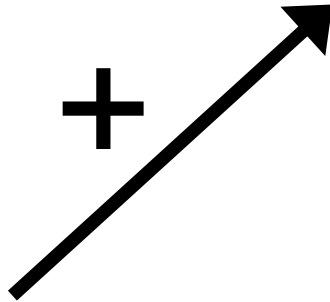
Girl Scouts



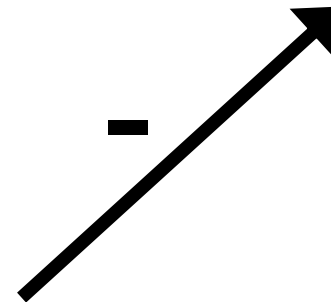
**Unwed
Pregnancy**



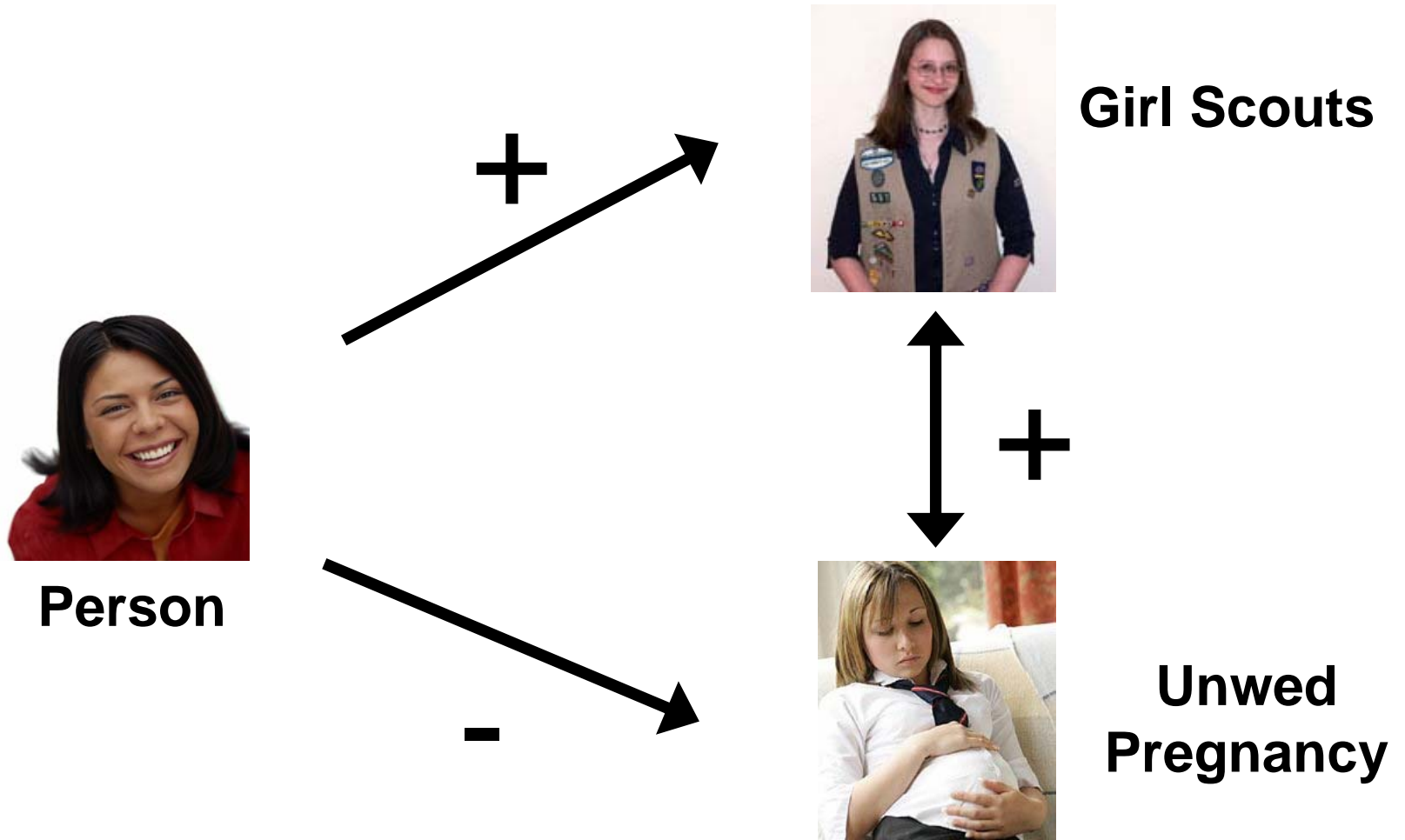
Person



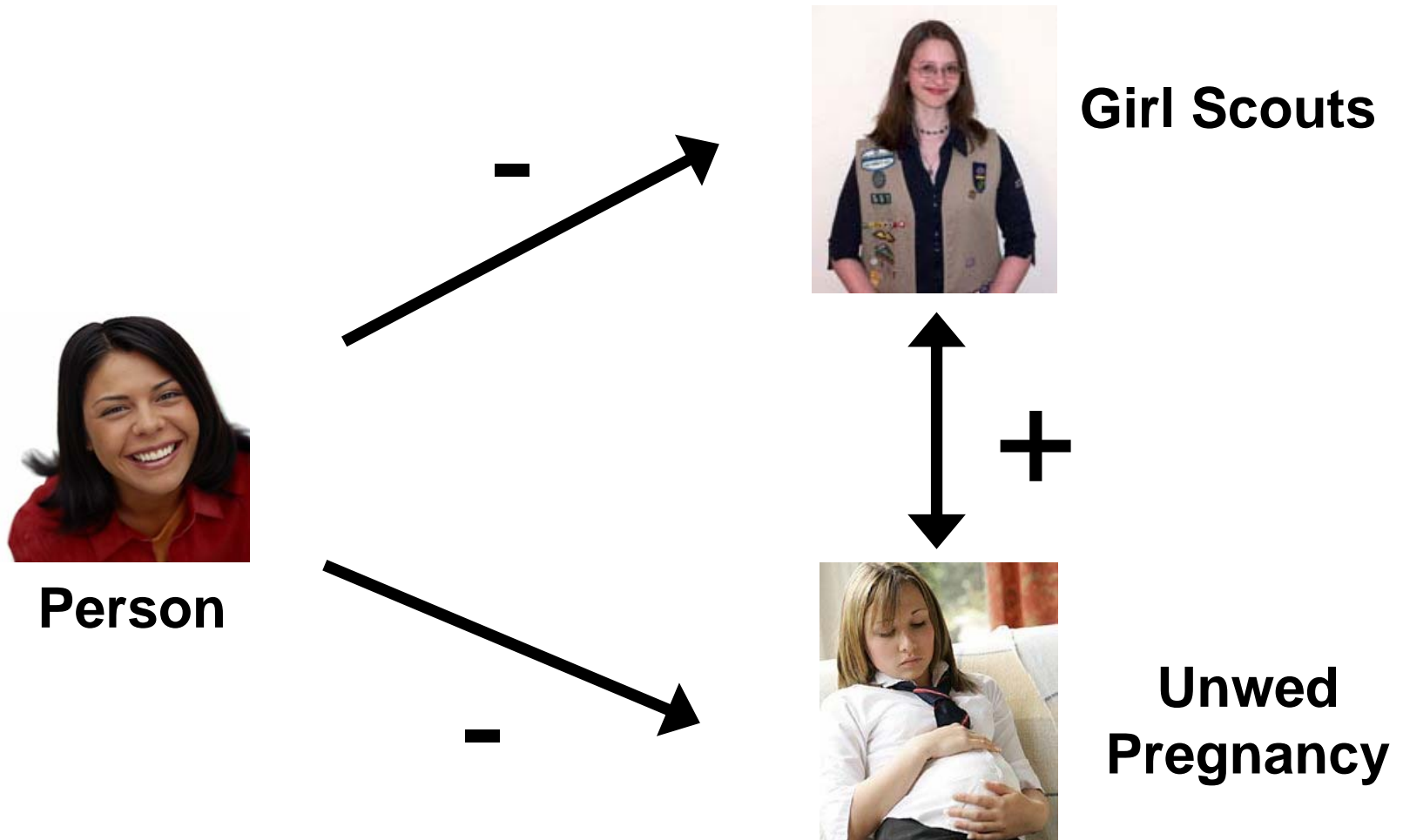
Person



Unbalanced State: Tension



Girl Scouts Suffers Dilution by Undesirable Link



THE VANCOUVER SUN

AL EDITION www.vancouversun.com

SERIOUSLY WESTCOAST SINCE 1912

TUESDAY, SEPTEMBER 25, 2012

There's no clothing allowance

FASHION LABELS BLACKLISTED BY CLUBS

Customers wearing brands associated with gangs may be turned back at the door

BY CHANTAL EUSTACE
VANCOUVER SUN

Downtown bars are turning people away because they're wearing brands of clothing that are being identified as gangster-wear.

The crackdown on couture began about three weeks ago, according to Vancouver club-hoppers and clothing-store owners.

That's about the time several gang-related shootings occurred in Metro Vancouver.

In early September, two people were injured in gunfire at Quattro on Fourth restaurant, the same night six shots were fired into an east Vancouver home. And on Sept. 11, a Langley man with Hells Angels connections was shot while driving his son to school.

Since then, bars along the Granville entertainment strip have begun focusing on what their customers are wearing.

This is just one line of defence against gangs, said John Teti, president of BarWatch, a group that represents Vancouver bars.

"Do you risk putting your customers' safety in jeopardy because you've chosen to let somebody in wearing that kind of clothing?" Teti said.

Clubs are being stricter because they want to protect law-abiding customers, he said.

"Nobody wants to see somebody get hurt within their club. It's about public safety," said Teti,

adding that gangs are a big problem in the Lower Mainland.

"If you're just a pretender or a wannabe and you pretend to be a gangster, then I guess you're going to suffer the indignation of being treated like one."

But none of this makes sense to Jackson Dembroski, 24, who has experienced the frustration of fashion policing first-hand.

Last Saturday night, staff at Crush on Granville Street told him he wasn't allowed inside wearing his Ed Hardy shirt, he said. He had to turn the shirt inside-out to hide the design.

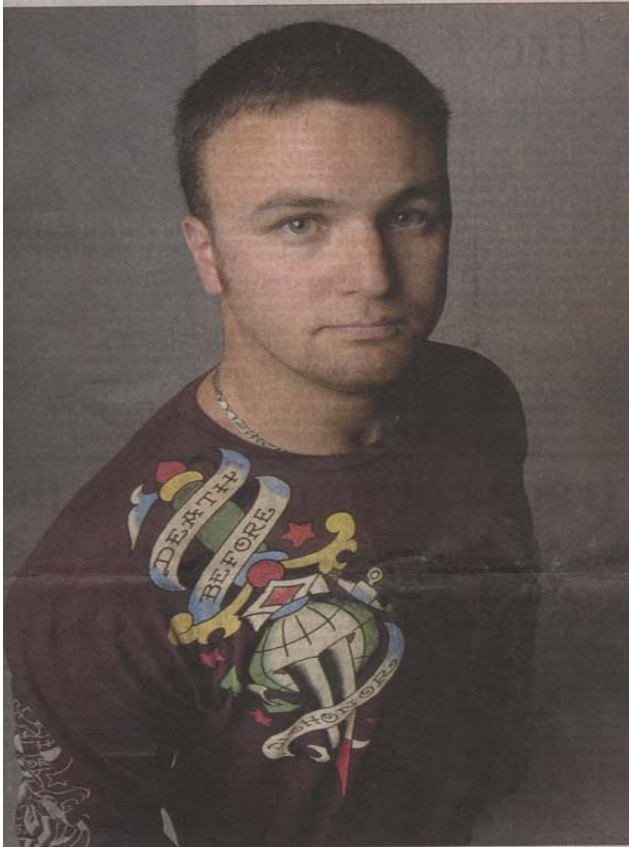
Three weeks earlier, he said, he was asked to leave Caprice on Granville Street for wearing a shirt by Affliction — a U.S. brand popular with celebrities like Paris Hilton and Ozzy Osborne.

Since then, Dembroski said, he's learned that The Modern and Republic clubs are also banning the brands. Other clubs may follow suit, he said.

"Their excuse is that it's gang-related attire or only drug dealers can afford those shirts," said Dembroski, who works in Langley building race cars. "It makes me feel like now I have to watch what I wear."

He does. Blacklisted brands include his favourite labels like Ed Hardy, Affliction and Xtreme Couture, he said. All of these use trendy motifs like tattoos, skulls and chains.

See HIP, POPULAR A2



GLENN BAGLO/VANCOUVER SUN

Jackson Dembroski was told by bouncers that he couldn't enter a club wearing this shirt. He says the club's fashion police bounced him because they said he was dressed in gangster attire.

The
Psychology
Behind
Trademark
Infringement
and
Counterfeiting

ZAICHKOWSKY

Brands Involved



Dilution by Undesirable Customers

- UK Pubs banned young people wearing Burberry due to an association with “football hooliganism”.



Dilution by Undesirable Customers

- **Chav:** UK slang for a subcultural stereotype
 - wear fake Burberry clothing, fake jewelry, and street/hip hop clothes
 - associated with juvenile delinquency, lower class
- [Video: Chavs in Me Burberry](#)



Marketing Solutions

- Change look of brand
 - 2004: Burberry ended production of branded baseball cap
 - 2007/2008 Burberry Fall Collection

