

PROTECTING SINGLE COLOR TRADEMARKS IN FASHION AFTER *LOUBOUTIN*[♦]

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INTRODUCTION

French footwear designer Christian Louboutin sells more than five hundred thousand pairs of shoes bearing his name each year.¹ At prices of \$400 to \$6,000 a pair,² these high-heels are fashion's ultimate symbol of status and prosperity.³ Donned by celebrities and paid homage in pop culture,⁴ "Louboutin's" are arguably the most revered shoes around the globe. While the considerable price tag and A-list adoption certainly bolster the fame of the brand, Louboutin's are best known for one thing: the red outsole.

The shiny red outsole has appeared on "virtually all Louboutin shoes" since 1992.⁵ The "Red Sole Mark" was awarded trademark registration in the United States in 2008, affording protection to "a lacquered red sole on footwear."⁶ Over the years, the red sole has become a great visual cue, widely recognized by consumers as a trademark of the Louboutin brand.⁷

However, despite the overwhelming association in consumers' minds between the red sole and the Louboutin brand, the Red Sole Mark may soon lose its federal trademark protection. In August 2011, the fate of Louboutin's mark came before the United States District Court for the Southern District of New York in *Louboutin S.A. v. Yves Saint Laurent, Am., Inc.*, when Yves Saint Laurent ("YSL") counterclaimed for cancellation of the mark's registration.⁸ The court acknowledged that "[c]olor alone

¹ See Lauren Collins, *Sole Mate: Christian Louboutin and the Psychology of Shoes*, THE NEW YORKER (Mar. 28, 2011), http://www.newyorker.com/reporting/2011/03/28/110328fa_fact_collins.

² See *id.*

³ The Christian Louboutin brand has consistently ranked at the top of The Luxury Institute's annual Luxury Brand Status Index (LBSI), which is an objective measure of the value of high-end brands to wealthy consumers. See, e.g., *High Net-Worth Shoppers Rank Luxury Brands on Multiple Criteria*, LUXURY INST. BLOG (Mar. 29, 2011), <http://blog.luxuryinstitute.com/?p=993> (Christian Louboutin ranked as the second most luxurious brand in the Women's Shoes category in 2011, and as the top brand from 2007 to 2010).

⁴ See, e.g., JENNIFER LOPEZ, LOUBOUTINS (Epic Records 2009) and DJ KHALED, I'M ON ONE (2011) ("The ones beneath me recognize the red bottoms I wear."). "There is [even] a Louboutin manicure, in which the underside of the nail is painted with scarlet polish." Collins, *supra* note 1.

⁵ Brief of Appellant at 9, *Louboutin S.A. v. Yves Saint Laurent Am., Inc.*, No. 11-cv-3303 (2d Cir. Oct. 17, 2011), ECF No. 45.

⁶ Registration No. 3361597.

⁷ See, e.g., Alison Frankel, *Louboutin Red-Sole Trademark Case: Color War at the 2nd Circuit*, THOMSON REUTERS (Jan. 5, 2012), http://newsandinsight.thomsonreuters.com/Legal/News/2012/01_-_January/Louboutin_red-sole_trademark_case_color_war_at_the_2nd_Circuit/ (Louboutin is "known around the world for the flashy Chinese red on the bottom of his posh high heels . . .").

⁸ See *Louboutin S.A. v. Yves Saint Laurent Am., Inc.*, 778 F. Supp. 2d 445 (S.D.N.Y. 2011).

sometimes may be protectable as a trademark,”⁹ but ultimately indicated that it would cancel the registration upon a motion by YSL for summary judgment,¹⁰ since single colors in the realm of fashion are “per se aesthetically functional.”¹¹ Louboutin has appealed the decision to the U.S. Court of Appeals for the Second Circuit, while judgment on YSL’s requested cancellation of the mark is stayed.¹²

The district court’s analysis of the protectability of a single color trademark was complicated by the fact that the mark here was applied to “an article of wear produced in the fashion industry”¹³—a distinction upon which the court’s decision ultimately turned.¹⁴ *Louboutin* has led practitioners¹⁵ and other designers¹⁶ to conclude that single color marks in fashion will never be allowed federal trademark protection. On appeal, Louboutin characterizes the district court’s ruling as an “*a priori* rule that a single color may not serve as a trademark on a fashion item,”¹⁷ and *amicus curiae* Tiffany & Co. describe it as “a sweeping and unprecedented *per se* rule against granting trademark protection to *any* single color that is used on *any* ‘fashion item’”¹⁸

This “*per se* rule” is problematic because it is based on a generalized analysis of the fashion industry, and as such could erode trademark protection within fashion beyond just single

⁹ *Id.* at 450 (internal quotation marks omitted).

¹⁰ “If a motion for summary judgment were brought, the Court’s conclusion that the Red Sole Mark is ornamental and functional in its fashion industry market would compel it to grant partial summary judgment in favor of YSL on YSL’s counterclaims seeking cancellation of Louboutin’s mark.” *Id.* at 457.

¹¹ Charles E. Colman, *A Red-Leather Year for Aesthetic Functionality*, LANDSLIDE: A PUBLICATION OF THE ABA SECTION OF INTELLECTUAL PROPERTY LAW (Nov./Dec. 2011), at 26, 28.

¹² See Notice of Appeal, *Louboutin S.A. v. Yves Saint Laurent Am., Inc.*, No. 11-cv-3303 (2d Cir. Aug. 15, 2011), ECF No. 1.

¹³ *Louboutin*, 778 F. Supp. 2d at 451.

¹⁴ See *id.* (“[W]hatever commercial purposes may support extending trademark protection to a single color for industrial goods do not easily fit the unique characteristics and needs—the creativity, aesthetics, taste, and seasonal change—that define production of articles of fashion [I]n fashion markets color serves not solely to identify sponsorship or source, but is used in designs primarily to advance expressive, ornamental and aesthetic purposes.”).

¹⁵ See, e.g., *No Trademark Protection for Single Color Used in Fashion Items*, S.D.N.Y. Judge Rules, BNA PAT., TRADEMARK & COPYRIGHT L. DAILY (Aug. 16, 2011), http://www.ballardspahr.com/eventsnews/mediacoverage/~//media/Files/MediaCoverage/2011-08-16_No_Trademark_Protection_for_Single_Color_Used_in_Fashion_Items_SDNY_Judge_Rules.ashx.

¹⁶ Tiffany & Co., a manufacturer and retailer of jewelry and fashion accessories, filed an *amicus curiae* brief seeking reversal of the district court opinion based on its opposition to “a broad edict forbidding trademark protection for color marks in an entire industry.” Brief for Tiffany & Co. as Amici Curiae Supporting Appellants at 3-4, *Louboutin S.A. v. Yves Saint Laurent Am., Inc.*, No. 11-cv-3303 (2d Cir. Oct. 24, 2011), ECF No. 63.

¹⁷ Brief of Appellant, *supra* note 5, at 19.

¹⁸ Brief for Tiffany & Co., *supra* note 16, at 3.

color marks.¹⁹ Using the district court's rationale, many currently enforceable multi-color trademarks in fashion, such as the green and red Gucci stripe,²⁰ or trademarks that use color in "patterns or combinations,"²¹ such as the Burberry check,²² could be canceled under similarly broad construals of functionality, aesthetic functionality, and color depletion theory.²³ What results is an uncertain or dwindling amount of trademark protection in an industry that needs such protection the most.²⁴ Moreover, the effects of *Louboutin* could ripple into other industries,²⁵ placing currently enforceable marks at risk where rights gained through federal registration can "be upended arbitrarily"²⁶ if courts construe the mark holder's claim to be broader than the specific language of its registration.²⁷

This Note will argue against a *per se* bar; single color marks in fashion should be eligible for federal protection, with their validity²⁸ based upon individual, holistic examinations. Part I introduces the arc of trademark law, as the law has addressed the issue of trademarks consisting solely of one color. Part II presents the theories used to bar single color trademarks in fashion, addresses how each was used in *Louboutin*, and argues why each of

¹⁹ "Fashion law experts have suggested that other brands' exclusive use of certain colours could be at risk should Louboutin's trademark on red soles crumble." Emily Cronin, *Tiffany Supports Louboutin's Red-Sole Appeal*, ELLEUK.COM (Oct. 25, 2011), [http://www.elleuk.com/news/fashion-news/tiffany-supports-louboutin-s-red-sole-appeal/\(gid\)/819982](http://www.elleuk.com/news/fashion-news/tiffany-supports-louboutin-s-red-sole-appeal/(gid)/819982).

²⁰ The Gucci trademark "is made up of a stripe containing three bands of color, the colors being green, red then green." Registration Nos. 1122780, 1123224 and 1483526. *See also* Gucci Am., Inc. v. Gucci, No. 07-6820, 2009 U.S. Dist. LEXIS 124888 (S.D.N.Y. 2009) (enjoining defendant from using a confusingly similar green and red stripe design on certain products).

²¹ *Louboutin S.A. v. Yves Saint Laurent Am., Inc.*, 778 F. Supp. 2d 445, 451 (S.D.N.Y. 2011).

²² The Burberry check pattern consists of "the colors and shades of colors" "light tan, dark tan, light brown, dark brown, black, white, very dark red, dark red, medium red, light red, dark grey, medium grey and light grey." Registration No. 1241222. *See also* Burberry Ltd. v. Euro Moda, Inc., No. 08-5781, 2009 U.S. Dist. LEXIS 53250 (S.D.N.Y. 2009) (using Burberry's registration of the check mark as prima facie evidence that the mark is valid).

²³ Although the district court sought to distinguish unprotectable single color marks from protectable multicolor marks, the line drawn between the two is arbitrary; in both cases, a competitor has hypothetically depleted the other designers' "palette." *See generally* *Louboutin*, 778 F. Supp. 2d 445.

²⁴ *See infra* III.C.

²⁵ "The reason [Tiffany filed an *amicus* brief] is simple: if the district court ruling is left to stand, Tiffany's trademark blue could be in danger as well." Joe Palazzolo, *Ruling against French Shoemaker Gives Tiffany the Blues*, WALL ST J. L. BLOG (Oct. 26, 2011), <http://blogs.wsj.com/law/2011/10/26/ruling-against-french-shoemaker-gives-tiffany-the-blues>.

²⁶ Brief for International Trademark Association (INTA) as Amici Curiae at 26, *Louboutin S.A. v. Yves Saint Laurent Am., Inc.*, No. 11-cv-3303 (2d Cir. Nov. 21, 2011), ECF. No. 82.

²⁷ Crucial to the district court's position was its construal of Louboutin's claim as a claim to the color red, rather than a claim to a lacquered red sole on footwear, as specified in Louboutin's trademark registration. *See Louboutin*, 778 F. Supp. 2d 445.

²⁸ "To be valid and protectible, a mark must be capable of distinguishing the products it marks from those of others." *Lane Capital Mgmt., Inc. v. Lane Capital Mgmt., Inc.*, 192 F.3d 337, 344 (2d Cir. 1999).

these rationales is flawed. Part III explores the reasons for granting protection to single color marks in fashion, arguing that extending protection to marks akin to the Red Sole Mark comports well with the public policy goals upon which trademark law is founded, as well as with the “expansion trajectory”²⁹ of the Lanham Act. Part III also considers what other intellectual property (“IP”) protections exist in the fashion industry, making clear the need for further protection in the form of single color marks. Finally, based upon the assumption that single color trademarks in fashion do merit protection, Part IV proposes a system to allow for the protection of marks like the Red Sole, with limitations that address the concerns underlying the *Louboutin* decision.

I. AN OVERVIEW OF COLOR TRADEMARKS

“A trademark is a word, name, symbol, device, or other designation . . . that is distinctive of a person’s goods or services and that is used³⁰ in a manner that identifies those goods or services and distinguishes them from the goods or services of others.”³¹ Trademarks may be inherently distinctive³² or may acquire distinctiveness through use, also known as secondary meaning.³³ In the United States, trademark law is codified by the federal Lanham Trademark Act of 1946,³⁴ which is founded upon Congress’s commerce clause authority.³⁵ The Lanham Act allows

²⁹ The Lanham Act has afforded increasingly broad trademark protections since its inception. See generally Kenneth L. Port, *The Expansion Trajectory: Trademark Jurisprudence in the Modern Age*, 92 J. PAT. & TRADEMARK OFF. SOC’Y 474 (2010).

³⁰ 15 U.S.C. § 1127. A 1988 Amendment broadened this definition to include trademarks “which a person has a bona fide intention to use,” which “indicate the source of the goods, even if that source is unknown.” *Id.*

³¹ *Id.*

³² “Fanciful, arbitrary and suggestive marks are regarded as being ‘inherently distinctive.’ . . . [A]n inherently distinctive mark is presumed immediately to serve as an identifier of source from the very first moment that it is used.” 2 J. THOMAS MCCARTHY, MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 11:4 (4th ed. 2004) (quoting *Two Pesos, Inc. v. Taco Cabana, Inc.*, 505 U.S. 763 (1992)). See also *Abercrombie v. Hunting World, Inc.*, 537 F.2d 4 (2d Cir. 1976) (creating four categories of trademarks—fanciful, arbitrary, suggestive, and descriptive—which vary with respect to their distinctiveness).

³³ A showing of secondary meaning is required for non-inherently distinctive marks. Secondary meaning refers to the acquired distinctiveness a trademark gains when “as a result of its use, prospective purchasers have come to perceive it as a designation that identifies goods, services, businesses, or members” RESTATEMENT (THIRD) OF UNFAIR COMPETITION: DISTINCTIVENESS; SECONDARY MEANING § 13 (1995). See also *Inwood Labs. v. Ives Labs.*, 456 U.S. 844, 851, n.11 (1982) (Secondary meaning is acquired when “in the minds of the public, the primary significance of a product feature . . . is to identify the source of the product rather than the product itself.”).

³⁴ See 15 U.S.C. § 1051, *et. seq.*

³⁵ See 15 U.S.C. § 1051 (requiring that “the mark is in use in commerce” or that the applicant have a “bona fide intention . . . to use a trademark in commerce”). See also MCCARTHY, *supra* note 32, § 5:3 (“The power of the federal government to provide for trademark registration comes only under its ‘Commerce Power.’ That is, the power to ‘regulate commerce with foreign nations, and among the several states’”) (quoting U.S. CONST. art. 1, § 8, cl. 3).

for the registration of trademarks that are distinctive of the applicant's goods in commerce,³⁶ so long as they do not fall within any of the bars to registration codified in Section Two of the Act.³⁷ Although federal registration is not necessary to establish trademark rights,³⁸ it does confer several advantages to the registrant.³⁹

"The language of the Lanham Act places few restrictions on what may be registered as a trademark and does not expressly require that trademarks be verbal or even visual."⁴⁰ As such, the Supreme Court held in 1995 that "[t]here is no rule absolutely barring the use of color alone as a trademark"⁴¹ So long as the color mark meets the ordinary requirements of trademark law, including use in commerce,⁴² acquired distinctiveness,⁴³ indication of source,⁴⁴ and nonfunctionality,⁴⁵ there is no *per se* bar to registration.⁴⁶ In fact, the Trademark Manual of Examining Procedure lists specific requirements for the registration of color trademarks,⁴⁷ which evidences the acceptability and current use of

³⁶ "[N]othing herein shall prevent the registration of a mark used by the applicant which has become distinctive of the applicant's goods in commerce" 15 U.S.C. § 1052(f).

³⁷ See 15 U.S.C. §§ 1052(a)–(e).

³⁸ "The basic rule of trademark ownership in the United States is priority of use." MCCARTHY, *supra* note 32, § 16:1. See also *United Drug Co. v. Theodore Rectanus Co.*, 248 U.S. 90, 100 (1918) ("Undoubtedly, the general rule is that, as between conflicting claimants to the right to use the same mark, priority of appropriation determines the question.").

³⁹ The registrant gains nationwide protection of the trademark as of the date of the trademark application, whereas common-law protection for unregistered marks may be limited geographically to the area where the mark is actually in use. See, e.g., *Thrifty Rent-A-Car System v. Thrift Cars, Inc.*, 831 F.2d 1177 (1st Cir. 1987). Federal registration is also assumed to provide second-comers with sufficient notice as to the rights of the registrant, and gives the registrant a constructive date of first use as of the date the application for registration was filed. Moreover, the registered mark may become incontestable after five years of continuous use and gains certain evidentiary presumptions, such as *prima facie* validity. See 15 U.S.C. § 1065.

⁴⁰ See Stephen J. Newman, *Kill the "Mere Color" Rule: Equal Protection for Color Under the Lanham Act*, 61 U. CHI. L. REV. 1595, 1598 (1994).

⁴¹ *Qualitex v. Jacobson Prods. Co.*, 514 U.S. 159, 162 (1995).

⁴² See 15 U.S.C. § 1127 (defining use in commerce as "[t]he bona fide use of a mark in the ordinary course of trade, and not made merely to reserve a right in a mark."). See also *Blue Bell, Inc. v. Farah Mfg. Co.*, 508 F.2d 1260, 1266 (5th Cir. 1975) ("To acquire trademark rights there has to be an 'open' use, that is to say, a use has to be made to the relevant class of purchasers or prospective purchasers . . .").

⁴³ Color trademarks may never be inherently distinctive; rather, a showing of secondary meaning is required for protection. See TRADEMARK MANUAL OF EXAMINING PROCEDURE 1202.05(a) (7th ed. 2010) (hereinafter "TMEP"). See also *Wal-Mart Stores v. Samara Bros.*, 529 U.S. 205, 211–12 (2000).

⁴⁴ "It is the source-distinguishing ability of a mark—not its ontological status as color, shape, fragrance, word, or sign—that permits it to serve [the purposes of trademark law]." *Qualitex*, 514 U.S. at 164.

⁴⁵ There is a "well-established rule that trade dress protection may not be claimed for product features that are functional." *Traffix Devices v. Mktg. Displays*, 532 U.S. 23, 29 (2001). See generally MCCARTHY, *supra* note 32, § 7:63.

⁴⁶ "We conclude that, sometimes, a color will meet ordinary legal trademark requirements. And, when it does so, no special legal rule prevents color alone from serving as a trademark." *Qualitex*, 514 U.S. at 161.

⁴⁷ See generally TMEP 1202.05, *supra* note 43.

this type of mark.

However, single color marks were not always considered registrable for purposes of federal protection.

Until 1985, it was well settled among the lower courts that no single color could ever be distinctive enough to be granted trademark protection. Color could be protected as a trademark only to the extent that it was used as part of a pattern of other colors, words, or symbols.⁴⁸

Use of two colors in conjunction was also found insufficient.⁴⁹ This ban on single color marks was originally founded upon the color depletion and shade confusion theories, discussed *infra*.⁵⁰

In later decades, courts more often used the doctrine of functionality to find color marks unprotectable. “The functionality doctrine prevents trademark law, which seeks to promote competition by protecting a firm’s reputation, from instead inhibiting competition by allowing a producer to control a useful product feature.”⁵¹ In 1982, the district court in *Deere & Co. v. Farmhand, Inc.* held that the color “John Deere green” was not protectable due to the doctrine of aesthetic functionality,⁵² since evidence showed that farmers preferred to match the color of their front-end loaders to that of their tractors.⁵³ The court allowed the defendant to continue producing its loaders in “John Deere green,” since they would match farmers’ John Deere-brand tractors. Underlying this decision was the court’s opinion that “color, per se, is not capable of appropriation as a trademark.”⁵⁴ In the 1994 case of *Brunswick Corp. v. British Seagull*, the Federal Circuit Court did not recognize trademark protection for a black boat motor because “the color black exhibits both color compatibility with a wide variety of boat colors and ability to make objects appear smaller.”⁵⁵ However, this decision relied more upon the doctrine of functionality and less upon an outright ban

⁴⁸ Newman, *supra* note 40, at 1604. See also *A. Leschen & Sons Rope Co. v. Broderick & Bascom Rope Co.*, 201 U.S. 166, 171 (1906) (“Whether mere color can constitute a valid trade-mark may admit of doubt. Doubtless it may, if it be impressed in a particular design But the authorities do not go farther than this.”).

⁴⁹ See *Campbell Soup Co. v. Armour & Co.*, 175 F.2d 795, 798 (3d Cir. 1949) (“That a man cannot acquire a trade-mark by color alone has been stated a good many times in decisions and textbooks.”). Note that this case was decided before passage of the Lanham Act.

⁵⁰ See *infra* II.A. and II.B.

⁵¹ *Qualitex*, 514 U.S. at 164. See also, generally, *Inwood Labs. v. Ives Labs.*, 456 U.S. 844 (1982); *TraFFix Devices v. Mktg. Displays*, 532 U.S. 23, 29 (2001); *Eco Mfg. LLC v. Honeywell Int’l. Inc.*, 357 F.3d 649 (7th Cir. 2003).

⁵² See *infra* II.C.2.

⁵³ *Deere & Co. v. Farmhand, Inc.*, 560 F. Supp. 85 (S.D. Iowa 1982).

⁵⁴ *Id.* at 96 (internal citations and quotation marks omitted).

⁵⁵ *Brunswick Corp. v. British Seagull*, 35 F.3d 1527, 1531 (Fed. Cir. 1994).

of single color marks than did *Deere & Co.*, indicating that courts had begun to accept the premise that non-functional single color marks *could* be protectable.

The modern trajectory began in 1985 with the Federal Circuit's decision in *In re Owens-Corning Fiberglas Corp.*⁵⁶ Here, the court found that the color pink as applied to fibrous glass insulation served no utilitarian purpose (was not functional) and sufficiently acted as a trademark.⁵⁷ In doing so, the court noted that the Lanham Act should be construed broadly to afford protection to a wide variety of marks, including color.⁵⁸ Moreover, the court suggested that the color depletion theory should give way to a more flexible review of each case on its facts.⁵⁹ This decision created discord among the circuits, as some followed the *Owens-Corning* rationale permitting protection of a single color⁶⁰ while others adhered to the traditional ban on "mere color."⁶¹ The Supreme Court finally ruled on the issue in *Qualitex Co. v. Jacobson Prods. Co.*, holding that "no special legal rule prevents color alone from serving as a trademark."⁶² While the case law pertaining to single color trademarks has been less than consistent, *Qualitex* ushered in an expansion of protection for single color marks.⁶³ Since *Qualitex*, various companies such as United Parcel Service, 3M, and Tiffany & Co. have successfully registered single color marks.⁶⁴ However, due to the unique nature of the fashion industry, much uncertainty still exists as to how *Qualitex's* allowance of color marks applies to single colors used as trademarks on apparel and accessories.⁶⁵

⁵⁶ *In re Owens-Corning Fiberglas Corp.*, 774 F.2d 1116 (Fed. Cir. 1985).

⁵⁷ *See id.*

⁵⁸ *See id.* at 1119–20.

⁵⁹ *See id.* at 1120–21 ("In determining registrability of color marks, courts have considered factors such as the nature of the goods, how the color is used, the number of colors or color combinations available, the number of competitors, and customary marketing practices. . . . [F]ollowing passage of the Lanham Act courts have declined to perpetuate [the color depletion theory's] *per se* prohibition which is in conflict with the liberating purposes of the Act.")

⁶⁰ *See Master Distribs. v. Pako Corp.*, 986 F.2d 219 (8th Cir. 1993) (declaring that there would be no *per se* prohibition against protection of a color mark, so long as the mark met all the normal trademark requirements).

⁶¹ *See NutraSweet Co. v. Stadt Corp.*, 917 F.2d 1024, 1027 (7th Cir. 1990) ("As a rule color cannot be monopolized to distinguish a product. Color is not subject to trade-mark monopoly except in connection with some definite arbitrary symbol or design.") (citations omitted).

⁶² *Qualitex v. Jacobson Prods. Co.*, 514 U.S. 159, 161 (1995).

⁶³ *See, e.g.*, Paul R. Morico, *Protecting Color Per Se in the Wake of Qualitex v. Jacobson*, 77 J. PAT. & TRADEMARK OFF. SOC'Y 571, 582 (1998) ("Qualitex can be interpreted as broadening . . . the protectability and enforceability of color marks . . .").

⁶⁴ *See* Registration No. 2131693 (registering brown as applied to vehicles); Registration No. 2390667 (registering canary yellow as applied to adhesive notes); Registration No. 2359351 (registering robin's egg blue as applied to boxes).

⁶⁵ *Qualitex* found the green-gold color on dry cleaning press pads protectable, thus extending registrability of single color marks to "industrial products." However, the fashion industry runs into greater problems with aesthetic functionality than do other

In *Louboutin*, the district court acknowledged that Louboutin's red soles have undoubtedly acquired secondary meaning⁶⁶ and serve trademark functions.⁶⁷ However, in denying Louboutin's motion for a preliminary injunction,⁶⁸ the court relied on the color depletion and shade confusion theories, which have been criticized by higher courts since *Owens-Corning*, as well as the doctrine of aesthetic functionality, which has been denounced by scholars and practitioners due to its inconsistent and overbroad application. By relying on these theories, the district court diverged from the modern trajectory and has jeopardized the future protectability of single color trademarks in the fashion industry.

II. THE COUNTERARGUMENTS ARE FLAWED

The most common arguments used by courts to deny protection to single color marks are the same antiquated theories proffered by the *Louboutin* court: color depletion, shade confusion, and a broad construal of aesthetic functionality. *Louboutin* turned on each of these unsound theories, as the district court argued that these rationales apply with sufficiently greater force in the fashion context.

A. Color Depletion

The color depletion theory reflects the "concern that since the number of colors is limited, to grant exclusive rights in colors would soon deplete the available stock and, thus, be anticompetitive."⁶⁹ This theory was most famously articulated in *Campbell*, which denied the plaintiff the exclusive use of a red and white label on food products, finding that "[i]f [plaintiff] may thus monopolize red in all of its shades the next manufacturer may monopolize orange in all its shades and the next yellow in the

industries, since fashion itself is based upon aesthetic appeal. The Court in *Qualitex* said that where a color mark serves a nontrademark function such as "satisfy[ing] the 'noble instinct for giving the right touch of beauty to common and necessary things,'" courts will more closely examine whether granting the mark protection would result in anticompetitive effects. *Qualitex*, 514 U.S. at 170.

⁶⁶ See *supra* note 33.

⁶⁷ "Louboutin succeeded to the point where . . . the red outsole became closely associated with Louboutin. Leading designers have said it, including YSL, however begrudgingly." *Louboutin S.A. v. Yves Saint Laurent Am., Inc.*, 778 F. Supp. 2d 445, 447–48 (S.D.N.Y. 2011).

⁶⁸ Louboutin sought a preliminary injunction "preventing YSL from marketing . . . any shoes [with outsoles] that use the same or a confusingly similar shade of red as that protected by the Red Sole Mark" after YSL introduced four models of shoes that "[bore] a bright red outsole as part of a monochromatic design in which the shoe is entirely red." *Id.* at 449. YSL counterclaimed, seeking cancellation of the Red Sole Mark. See *id.* at 447.

⁶⁹ Jeffrey M. Samuels and Linda B. Samuels, *Color Trademarks: Shades of Confusion*, 83 TRADEMARK REP. 554, 555 (1993).

same way. Obviously, the list of colors will soon run out.”⁷⁰ However, in ruling that single colors *can* serve as trademarks, the *Owens-Corning* court acknowledged that “following passage of the Lanham Act courts have declined to perpetuate [the color depletion theory’s] *per se* prohibition which is in conflict with the liberating purposes of the Act,”⁷¹ and agreed with the Trademark Trial and Appeal Board that “the color depletion argument is an unreasonable restriction on the acquisition of trademark rights.”⁷² Scholars approved of this rejection of the color depletion argument.⁷³ The Supreme Court ultimately adopted this position in *Qualitex*, holding that color depletion theory is unpersuasive “because it relies on an occasional problem to justify a blanket prohibition.”⁷⁴ Following these precedential decisions, the legitimacy of the color depletion theory has become questionable at best.

Nonetheless, the district court in *Louboutin* explicitly invoked the color depletion theory in finding the Red Sole Mark unprotectable. The court found that “Louboutin’s claim would cast a red cloud over the whole industry, cramping what other designers could do, while allowing Louboutin to paint with a full palette.”⁷⁵ Such a “monopoly on the color red would impermissibly hinder competition among other participants”⁷⁶ and the “law should not countenance restraints that would interfere with creativity and stifle competition”⁷⁷

There are a variety of problems with *Louboutin*’s reliance on and construal of the color depletion theory. Foremost, the court characterizes Louboutin’s claim as “a claim to ‘the color red’”⁷⁸ and finds that “Louboutin would thus be able to market a total

⁷⁰ *Campbell Soup Co. v. Armour & Co.*, 175 F.2d 795, 798 (3d Cir. 1949). *See also* *Diamond Match Co. v. Saginaw Match Co.*, 142 F. 727, 729 (6th Cir. 1906) (“The primary colors, even adding black and white, are but few. If two of these colors can be appropriated for one brand of tipped matches, it will not take long to appropriate the rest.”).

⁷¹ *In re Owens-Corning Fiberglas Corp.*, 774 F.2d 1116, 1120 (Fed. Cir. 1985).

⁷² *Id.* at 1122 (“[I]n a case where there is no competitive need . . . for colors to remain available to all competitors, the color depletion argument is an unreasonable restriction on the acquisition of trademark rights. We are confronted with such a case.”) (internal citations and quotation marks omitted).

⁷³ *See* Samuels, *supra* note 69, at 559 (“Commentators applauded the Federal Circuit’s rejection of any rule that automatically barred trademark protection for a single product color alone”).

⁷⁴ *Qualitex v. Jacobson Prods. Co.*, 514 U.S. 159, 168 (1995). *See also* *Master Distrib. v. Pako Corp.*, 986 F.2d 219, 223 (8th Cir. 1993) (rejecting the color depletion theory) (“Until secondary meaning has been established in every distinguishable shade of color and in no color at all, a highly improbable situation, there will always be an option available to a new market entrant.”).

⁷⁵ *Louboutin S.A. v. Yves Saint Laurent Am., Inc.*, 778 F. Supp. 2d 445, 454 (S.D.N.Y. 2011).

⁷⁶ *Id.*

⁷⁷ *Id.* at 453.

⁷⁸ *Id.* at 454.

outfit in his red, while other designers would not.”⁷⁹ This is clearly not the case. Louboutin’s trademark registration specifically limits the red mark to footwear, and includes a line drawing to show placement of the mark on the outsole of a shoe.⁸⁰ Moreover, the court fails to acknowledge that Louboutin’s color mark is an extremely rare practice, in terms of both the mark’s placement as well as its unnatural hue.⁸¹ This should render Louboutin’s mark less anti-competitive than if the court were dealing with, for example, colored blouses or handbags, where use of a single color is commonplace and the threat of depletion obvious. Furthermore, the *Louboutin* court neglected the specific facts of the case in favor of applying the color depletion theory at the outset. The court did acknowledge that the Red Sole has acquired secondary meaning, but quickly moved into broad policy-based discussions in reaching its decision. *Owens-Corning* and *Master Distributors* state that each case is to be decided on its facts,⁸² and where a party has met all the normal trademark requirements, the color depletion theory should not bar the party’s single color mark from protection.⁸³

Moreover, there are flaws with the color depletion theory in general. Scholars argue that the theory has little scientific basis; it fails to take into account the specific properties of color—including hue, saturation, and value—and therefore underestimates the thousands, if not millions, of different colors distinguishable to the human eye.⁸⁴ Furthermore, color depletion is less of an actual threat where modern “technology allows replication of precise shades on a given product.”⁸⁵ When a

⁷⁹ *Id.* at 455.

⁸⁰ See Registration No. 3361597 (claiming red as a feature of the mark, which “consists of a lacquered red sole on footwear.”). *Amicus curiae* INTA similarly argues: “In equating [Louboutin’s mark] to just another color in an artist’s palette, [the court] effectively presumed it *not* to be a valid trademark, and thus shifted from [YSL] the burden to prove the mark invalid In considering the validity of the Red Sole Mark the District Court failed to analyze the mark as it is registered” Brief for INTA, *supra* note 26, at 5, 10.

⁸¹ See Samuels, *supra* note 69, at 569 (“Proof that the color is not the natural color of the product and, in fact, is a somewhat unusual color for that product, will also increase the likelihood of securing trademark protection.”).

⁸² *Master Distrib. v. Pako Corp.*, 986 F.2d 219, 222 (8th Cir. 1993) (“The court recognized the color depletion theory as an argument against the protection of color, but concluded that ‘contrary to an absolute prohibition on registrability of color marks, . . . each case [should be] decided upon its facts.’”) (quoting *In re Owens-Corning Fiberglas Corp.*, 774 F.2d 1116, 1120 (Fed. Cir. 1985)).

⁸³ *Master Distrib.*, 986 F.2d at 223 (“We believe that not allowing manufacturers to protect color marks when all the traditional requirements have been met will actually promote inconsistency and confusion.”).

⁸⁴ See, e.g., Newman, *supra* note 40, at 1610 (“The human eye can distinguish between minute differences of hue, value, or saturation [U]nder good lighting conditions the average person can distinguish among five million shades.”). See also Michael B. Landau, *Trademark Protection for Color Per Se After Qualitex Co. v. Jacobson Products Co.: Another Grey Area in the Law*, 2 UCLA ENT. L. REV. 1, 9 (1995) (“In reality, there is not an easily exhaustible supply of colors.”).

⁸⁵ Newman, *supra* note 40, at 1613.

manufacturer can “produce a precise shade time and time again, . . . courts should be more willing to protect a color as a trademark because the manufacturer is depleting less of the available spectrum.”⁸⁶ Additionally, the same scarcity concerns are adequately dealt with in the realm of descriptive word marks, where a showing of secondary meaning is required for protection.⁸⁷ This showing is also appropriate for the protection of single color marks. Where color, such as Louboutin’s red, has acquired secondary meaning, the threat of depletion should be allayed. This is especially true because single color marks in fashion face a higher hurdle in acquiring secondary meaning than do color marks in other industries or word marks in general, due the transient nature of the fashion industry as well as its ubiquitous use of color.

B. *Shade Confusion*

The shade confusion theory is based upon the belief “that differences in individual shades of color would be too difficult to discern by triers of fact,”⁸⁸ and that “infringement actions could soon denigrate into questions of shade confusion.”⁸⁹ The dissenting judge in *Owens-Corning* articulated this theory,⁹⁰ but courts in later decisions chose not to rely on his concern.⁹¹ In *Master Distributors*, the Eighth Circuit found that “[a]lthough protecting particular shades of color may result in some shade confusion problems,” determining the likelihood of confusion among color shades is no more difficult than determining the likelihood of confusion between similar word marks.⁹² In *Qualitex*, the Supreme Court rejected the defendant’s shade confusion argument on similar grounds, finding that courts often make difficult likelihood of confusion decisions and that doing so in the context of color is no different or any more difficult.⁹³ Thus, this

⁸⁶ *Id.*

⁸⁷ See also Samuels, *supra* note 69, at 569 (arguing that color depletion theory is erroneous because the same scarcity rationale could be applied to protecting a hypothetically limited supply of word marks, where the threat is simply not a reality).

⁸⁸ Landau, *supra* note 84, at 11.

⁸⁹ *In re Owens-Corning Fiberglas Corp.*, 774 F.2d 1116, 1131 (Fed. Cir. 1985) (Bissell, C.J., dissenting).

⁹⁰ See *id.*

⁹¹ One exception is *NutraSweet*, where the majority did rely on shade confusion theory. See *NutraSweet Co. v. Stadt Corp.*, 917 F.2d 1024, 1027 (7th Cir. 1990) (“The case before the court provides a vivid example of the problems with shade confusion. *NutraSweet* does not contend that the color blue . . . is identical . . . but rather, . . . that the shades of blue are confusingly similar. How different do the colors have to be?”). However, *NutraSweet* was decided before *Master Distributors* and *Qualitex*.

⁹² *Master Distribs. v. Pako Corp.*, 986 F.2d 219, 223 (8th Cir. 1993) (“Triers of fact must often answer close and difficult questions, and the traditional likelihood of confusion standard should be applied to distinguish similar colors, as it is when similar slogans, symbols, numbers, or words are compared.”).

⁹³ See *Qualitex v. Jacobson Prods. Co.*, 514 U.S. 159, 167 (1995) (“We do not believe,

“theory developed around the incorrect assumption that shades of color are inherently more difficult to differentiate than words, graphics, or shapes.”⁹⁴

The shade confusion theory is flawed because it fails to concede that *all* trademark infringement actions “denigrate into questions of . . . confusion,”⁹⁵ with courts considering a plethora of factors⁹⁶ to assess the likelihood of confusion between marks.⁹⁷ In fact, “[c]onfusion is the essence of an infringement claim”⁹⁸ Moreover, courts have contradictorily invoked the shade confusion theory to deny protection to single color marks, but not to color used in combination with a symbol or words.⁹⁹ “Color-in-combination” marks are frequently registered and protected without any objections based upon shade confusion.¹⁰⁰ Applying shade confusion theory to bar single color marks but not color-in-combination marks is disingenuous, as “[q]uestions of color comparison and confusion are necessitated in litigation involving color *per se* marks as well as color-in-combination marks.”¹⁰¹ It thus becomes evident that the shade confusion theory is an anomaly through which courts may justify the front-end filtering of single color marks.

Despite these flaws, and despite the Supreme Court’s rejection of the theory, *Louboutin* invokes the shade confusion theory as further justification of its prohibition of single color

however, that color, in this respect, is special. Courts traditionally decide quite difficult questions about whether two words or phrases or symbols are sufficiently similar, in context, to confuse buyers. They have had to compare, for example, such words as ‘Bonamine’ and ‘Dramamine’ Legal standards exist to guide courts in making such comparisons We do not see why courts could not apply those standards to a color”) (internal citations omitted).

⁹⁴ Landau, *supra* note 84, at 11. See also Samuels, *supra* note 69, at 569 (arguing that likelihood of confusion determinations between colors might even be easier to resolve than those between word marks) (“In making . . . determinations involving word marks . . . courts are directed to focus on the sight, sound, and meaning of the marks involved. In contrast, cases involving color marks would require courts to focus solely on appearance.”).

⁹⁵ See *supra* text accompanying note 89.

⁹⁶ See, e.g., *Polaroid Corp. v. Polarad Elec. Corp.*, 287 F.2d 492 (2d Cir. 1961), *cert. denied*, 368 U.S. 820 (1961) (considering the following factors in determining likelihood of confusion: the strength of plaintiff’s mark, the degree of similarity between the two marks, the proximity of the products or services, the likelihood plaintiff will bridge the gap, evidence of actual confusion, defendant’s good faith in adopting the mark, the quality of the defendant’s product or service, and the sophistication of the buyers).

⁹⁷ See generally Landau, *supra* note 84, at 11–15 (arguing that the determination by courts of the likelihood of confusion between word marks and between color marks is equally difficult).

⁹⁸ *Id.* at 14.

⁹⁹ See *id.* at 15–16.

¹⁰⁰ *Id.* The *Louboutin* court cited Burberry’s check pattern and Louis Vuitton’s Murakami design as examples of color-in-combination marks. “In these cases . . . the approved trademark applies to color not as an abstract concept . . . but to the arrangement of different colors and thus their synergy to . . . identify a source” *Louboutin S.A. v. Yves Saint Laurent Am., Inc.*, 778 F. Supp. 2d 445, 451 (S.D.N.Y. 2011).

¹⁰¹ Landau, *supra* note 84, at 16.

marks in fashion.¹⁰² *Louboutin* distinguishes *Qualitex*'s rejection of the theory on the basis that the "contexts in which the application of [difficult likelihood of confusion judgments] generally has arisen has not entailed use of a single color in the fashion industry, where distinctions in . . . single colors represent not just matters of degree but much finer qualitative and aesthetic calls."¹⁰³ The *Louboutin* decision assumes that judgment calls would be more difficult to make in the fashion realm because color is more crucial, and that judges would have to become "arbiter[s] of fashion design."¹⁰⁴ In reality, the degree to which two colors are confusingly similar when looked at side-by-side, as they were in *Louboutin*, should not vary from one context or industry to the next. Moreover, just because fashion designers enjoy a more subtle relationship with color than do producers of other products, that does not mean that consumers' perception of color on fashion goods is that much more intricate.

The *Louboutin* decision does express valid concerns about how courts may best determine likelihood of confusion among colors, and how competitors will know what colors come too confusingly close to the registered color mark.¹⁰⁵ *Louboutin*'s trademark application merely laid claim to a "lacquered red sole," which leaves competitors without notice as to precisely which shades of red and what "degree of buffing" they may safely use themselves.¹⁰⁶ The potential solutions—that courts require other designers to stay some percentage of Pantone shades away from the claimed color, that other designers seek advance clearance from the mark owner, or that competitors initially seek declaratory relief—were all found neither "practical [n]or palatable" by the *Louboutin* court.¹⁰⁷ However, this predicament is not unique to the fashion industry; every industry would benefit from clearer

¹⁰² See *Louboutin*, 778 F. Supp. 2d at 453 ("Placing off limit signs on any given chromatic band by allowing one artist or designer to appropriate an entire shade and hang an ambiguous threatening cloud over a swath of other neighboring hues, thus delimiting zones where other imaginations may not veer or wander, would unduly hinder not just commerce and competition, but art as well.").

¹⁰³ *Id.* at 456.

¹⁰⁴ *Id.*

¹⁰⁵ See *id.* at 455 ("A competitor examining the *Louboutin* registration drawing for guidance as to what color it applies to may therefore remain unable to determine precisely which shade or shades it encompasses and which others are available for it to safely use The larger question this conflict poses is how close to a protected single color used in an item of fashion can the next competitor approach without encountering legal challenge from the first claimant of a shade as a trademark.").

¹⁰⁶ *Id.* at 456. "In its reply brief, *Louboutin* identified that color for the first time as Pantone No. 18-1663 TP, or 'Chinese Red,' . . . [y]et . . . *Louboutin* cannot amend or augment its PTO registration by representations it makes in this litigation." *Id.* at 455.

¹⁰⁷ *Id.* at 455-57. The Pantone system is an international, standardized means of identifying shades of colors. See *Pantone: What We Do*, PANTONE.COM, <http://www.pantone.com/pages/pantone/pantone.aspx?pg=19295&ca=10> (last visited Mar. 29, 2012).

guidelines for determining when color marks are too similar. Nor is this issue better resolved by using the shade confusion theory to invalidate the mark at the outset, on the premise that it will likely cause confusion at some point in the future. Rather than rely on a previously rejected doctrine, Congress should advocate for greater specificity¹⁰⁸ in trademark applications for single color marks and courts should accept that they will be forced to make subtle judgment calls—as they do in most trademark cases already.

C. *Functionality*

Non-functionality is a requirement for the federal protection of any trademark.¹⁰⁹ Although initially intended to keep utilitarian product features in the public domain, functionality has expanded to consider non-utilitarian, aesthetic product features as well. However, the doctrine of utilitarian functionality is inapplicable to the Red Sole Mark, while the doctrine of aesthetic functionality is too broadly construed in the *Louboutin* opinion to comport with modern trademark law.

I. Utilitarian Functionality

The functionality doctrine prevents trademark law from allowing a producer to gain a perpetual monopoly over a useful product feature.¹¹⁰ Under the traditional *Inwood* test of utilitarian functionality, “[a] product feature is functional if it is essential to the use or purpose of the article or if it affects the cost or quality of the article.”¹¹¹ “Where the design is functional under the *Inwood* formulation there is no need to proceed further to consider if there is a competitive necessity for the feature.”¹¹² The *Louboutin* court found the Red Sole Mark functional under the *Inwood* test by focusing broadly on color *per se* and on the fashion industry in general, rather than limiting its focus to the actual product at hand. In considering the “essential to the use or

¹⁰⁸ It is interesting to consider whether *Louboutin* would have been decided differently had Louboutin specified the Pantone shade in its U.S. trademark application. Although it too has been opposed, Louboutin’s analogous European Union registration specifies: “The trademark consists of the colour red (Pantone 18.1663TP) applied to the sole of a shoe as shown” Registration No. 008845539. See OFFICE FOR HARMONIZATION IN THE INTERNAL MARKET – CTM DATABASE, http://oami.europa.eu/CTMOnline/RequestManager/en_Detail_NoReg# (search for Trademark No. 008845539).

¹⁰⁹ See *supra* note 45.

¹¹⁰ See *Qualitex v. Jacobson Prods. Co.*, 514 U.S. 159, 164 (1995). Useful product features are those that make the final product of higher quality or less costly to produce.

¹¹¹ *Inwood Labs. v. Ives Labs.*, 456 U.S. 844, 851, n.10 (1982). See also *Qualitex*, 514 U.S. at 165; *Traffix Devices v. Mktg. Displays*, 532 U.S. 23, 232 (2001).

¹¹² *Traffix*, 523 U.S. at 33. However, where the central question is aesthetic functionality, courts will invoke the competitive necessity test, which prohibits protection for features the “exclusive use of [which] would put competitors at a significant non-reputation-related disadvantage.” *Qualitex*, 514 U.S. at 165.

purpose” prong, the court found that color is a “critical attribute” of all products in the fashion industry, and an essential element needed by competing designers.¹¹³ Here, the court failed to ask specifically whether the red sole is essential to the use or purpose of the shoe. In considering the “affects the cost or quality” prong, the court found that adding the red sole adds to the cost of production, but that this “higher cost of production is desirable because it makes the final creation that much more exclusive, and costly.”¹¹⁴ However, the doctrine of functionality seeks to prevent a producer from having a monopoly on the ability to manufacture a product at a lower cost, since that would place competitors at a significant disadvantage.¹¹⁵ As *amicus curiae* Tiffany & Co. argues, “[i]f the use of a trademarked feature makes a product *more* expensive to produce, this demonstrates that the feature is *not* a functional element that competitors need in order to compete.”¹¹⁶ Because the red sole is not essential to the use or purpose of the shoe, and because it does not improve the quality¹¹⁷ of the shoe nor lower the cost of production, the utilitarian standard of functionality under *Inwood* is inapplicable.¹¹⁸

2. Aesthetic Functionality

The aesthetic functionality doctrine is a hotly debated theory that is inconsistently and unpredictably used by modern courts.¹¹⁹ Aesthetic functionality is based upon the premise that the visual appeal of a trademark may be “essential to effective competition”¹²⁰ or “an important ingredient in the commercial

¹¹³ *Louboutin S.A. v. Yves Saint Laurent Am., Inc.*, 778 F. Supp. 2d 445, 452–53 (S.D.N.Y. 2011). “Fashion has ‘a dependence on color as an indispensable medium. Color constitutes a critical attribute of the goods each form designs.’” *Id.* at 452.

¹¹⁴ *Id.* at 454.

¹¹⁵ *See, e.g., Kellogg Co. v. Nat’l Biscuit Co.*, 305 U.S. 111, 122 (finding the pillow-shape of shredded wheat functional because this form allows the product to be produced at a lower cost).

¹¹⁶ Brief for Tiffany & Co., *supra* note 16, at 17. *See also* *LeSportsac, Inc. v. K Mart Corp.*, 754 F.2d 71, 76 (2d Cir. 1985) (“[A] design feature ‘affecting the cost or quality of an article’ is one which permits the article to be manufactured at a lower cost . . .”) (internal citation omitted).

¹¹⁷ Although the district court did not consider how the addition of a red sole would affect the quality of the shoe, *Louboutin* argues on appeal that the addition of the red sole actually causes wear to show more easily, and thereby offers no functional advantage. *See* Brief of Appellant, *supra* note 5, at 32.

¹¹⁸ *See* Anne Gilson LaLonde, *Tripping on the Red Carpet? Color Trademarks and the Fashion Industry in Louboutin v. Yves Saint Laurent*, 2011 EMERGING ISSUES 5994, at *4 (August 2011) (“The court incorrectly cited the *utilitarian* functionality standard The visual appeal of the bright red sole is not utilitarian: It is not essential to the use or purpose of the shoe, and the court even notes that addition of the red lacquer to a leather sole is ‘more expensive, not less’ than producing shoes ‘without that extra ornamental finish.’”) (citations omitted).

¹¹⁹ *See generally* Mark Alan Thurmon, *The Rise and Fall of Trademark Law’s Functionality Doctrine*, 56 FLA. L. REV. 243, 326–33 (2004) (describing the division in the courts over the proper aesthetic functionality standard).

¹²⁰ *Wallace Int’l Silversmiths, Inc. v. Godinger Silver Art Co.*, 916 F.2d 76, 80 (2d Cir.

success of the product,”¹²¹ and must therefore be free for all to imitate for reasons of fair competition. The doctrine was most famously applied in the 1952 *Pagliero v. Wallace China Co.* decision, where the Ninth Circuit found that the defendant was entitled to copy the plaintiff’s china designs, since the “attractiveness and eye-appeal of the design” were the primary selling feature of the china.¹²² However, the Ninth Circuit has substantially limited the *Pagliero* decision in recent years,¹²³ and the Second Circuit declined to apply the *Pagliero* test for aesthetic functionality in deciding a nearly identical case in 1993.¹²⁴ Other courts rejected the doctrine of aesthetic functionality altogether.¹²⁵ In 1995, “The Restatement took a compromise position rejecting *Pagliero* . . . [and] substantially redefined aesthetic functionality: ‘A design is functional because of its aesthetic value only if it confers a significant benefit that cannot practically be duplicated by the use of alternative designs.’”¹²⁶ The Supreme Court adopted this standard in *Qualitex*.¹²⁷ The use and construal of the aesthetic functionality doctrine for source-designating trademarks still varies by circuit, though most courts have rejected or limited its application.¹²⁸

1990).

¹²¹ *Pagliero v. Wallace China Co.*, 198 F.2d 339, 343 (9th Cir. 1952). “Functional in this sense might be said to connote other than a trade-mark purpose. If the particular feature is an important ingredient in the commercial success of the product, the interest in free competition permits its imitation in the absence of a patent or copyright.” *Id.* (internal citations omitted).

¹²² *Id.* at 343–44.

¹²³ See generally *Au-Tomotive Gold, Inc. v. Volkswagen of Am., Inc.*, 457 F.3d 1062, 1074 (9th Cir. 2006); *Fleischer Studios, Inc. v. A.V.E.L.A.*, 654 F.3d 958 (9th Cir. 2011) (withdrawing its own earlier decision based on the aesthetic functionality doctrine).

¹²⁴ See *Villeroy & Boch Keramische Werke K.G. v. THC Sys., Inc.*, 999 F.2d 619 (2d Cir. 1993).

¹²⁵ See *Ferrari S.P.A. Esercizio v. Roberts*, 944 F.2d 1235, 1247 (6th Cir. 1991) (“The precedent in this circuit suggests that aesthetic functionality will not preclude a finding of nonfunctionality where the design also indicates source.”); *Devan Designs, Inc. v. Palliser Furniture Corp.*, 25 U.S.P.Q.2d (BNA) 1991, 2002 (M.D.N.C. 1992) (“The Fourth Circuit has not considered extending the functionality defense to aesthetic characteristics.”).

¹²⁶ MCCARTHY, *supra* note 32, § 7:80 n.13 (quoting RESTATEMENT (THIRD) OF UNFAIR COMPETITION: FUNCTIONAL DESIGNS § 17 cmt. c (1995)). See also *Wallace*, 916 F.2d at 81 (limiting aesthetic functionality to cases where trademark protection “would significantly hinder competition by limiting the range of adequate alternative designs”).

¹²⁷ See *Qualitex v. Jacobson Prods. Co.*, 514 U.S. 159, 170 (1995) (“The Restatement (Third) of Unfair Competition adds that, if a design’s ‘aesthetic value’ lies in its ability to ‘confer a significant benefit that cannot practically be duplicated by the use of alternative designs,’ then the design is ‘functional.’”).

¹²⁸ See, e.g., *Bd. of Supervisors for La. State Univ. Agric. & Mech. Coll. v. Smack Apparel Co.*, 550 F.3d 465, 487–88 (5th Cir. 2008) (“Our circuit has consistently rejected the concept of aesthetic functionality We do not believe that the Court’s dictum in *TraFFix* requires us to abandon our long-settled view rejecting recognition of aesthetic functionality.”). One recent exception is *Jay Franco & Sons, Inc. v. Franek*, 615 F.3d 855 (7th Cir. 2010) (holding the circular design of a beach towel aesthetically functional). However, the *Franek* court noted “consumers want the shape regardless of who manufactures it.” *Id.* at 861. In *Louboutin*, consumers want the red sole precisely because of who manufactures it.

However, in *Louboutin*, the court reverted to a broad construal of aesthetic functionality, finding that “in fashion markets color . . . is used in designs primarily to advance expressive, ornamental and aesthetic purposes.”¹²⁹ The court highlighted the non-trademark functions of the red sole in its finding of aesthetic functionality: “[t]o attract, to reference, to stand out, to blend in, to beautify, to endow with sex appeal”¹³⁰ Yet, these “functional” roles of color cited by the district court could be invoked to render nearly any color mark—not just those used in the fashion industry—unprotectable.¹³¹ Namely, every trademark, let alone color mark, serves to “reference” its source, as this is the ultimate role of a trademark. For example, the color pink for home insulation, found protectable in *Owens-Corning*, intended to reference its manufacturer. When television commercials told customers to “put your house in the pink,” they were actually telling customers to purchase Owens-Corning insulation.¹³² Thus, not only does the district court’s rationale threaten other types of marks within fashion, but it also conflicts with the protection of color marks outside the fashion industry.

Rather than examine the availability of alternative designs,¹³³ the court automatically found a “threat[] to legitimate competition in the designer shoe market,”¹³⁴ since it construed Louboutin’s mark as a claim to the color red *per se*, rather than a claim to a lacquered red outsole.¹³⁵ The integral question should not have been whether fashion designers need to be able to use the color red in general, but rather whether competing shoe designers need to be able to use a red sole to compete effectively.¹³⁶ *Louboutin*’s generalized construal of aesthetic functionality could be used to render nearly every mark in fashion

¹²⁹ *Louboutin S.A. v. Yves Saint Laurent Am., Inc.*, 778 F. Supp. 2d 445, 451 (S.D.N.Y. 2011).

¹³⁰ *Id.* at 454.

¹³¹ See Colman, *supra* note 11, at 29 (“Marrero takes a view of the functional roles of color so expansive that, if applied literally, it could potentially render valid color marks the exception rather than the rule . . .”).

¹³² *In re Owens-Corning Fiberglas Corp.*, 774 F.2d 1116, 1126 (Fed. Cir. 1985) (discussing Owens-Corning’s advertisements that focused on the color pink).

¹³³ See, e.g., *Knitwaves, Inc. v. Lollytogs, Ltd.*, 71 F.3d 996, 1006 (2d Cir. 1995) (finding that although the primary purpose of plaintiff’s sweater designs was aesthetic, protecting the designs would not affect defendant’s ability to compete, where defendant failed to prove that the number of alternative “fall motif” designs was limited).

¹³⁴ *Louboutin*, 778 F. Supp. 2d at 454.

¹³⁵ The issue of aesthetic functionality certainly turns on whether we are considering the color red, which is necessary for competition in any industry, or the color red as applied to an outsole, which is an unnecessary element. One scholar breaks down this distinction even further, asking whether others can compete without using red soles “as an accent color distinct from the color of the upper portion of the shoe.” LaLonde, *supra* note 118, at 4.

¹³⁶ On appeal, Louboutin argues that protection of the red sole does not hinder competition, since designers such as Jimmy Choo and Manolo Blahnik compete effectively against Louboutin without using red outsoles. Brief of Appellant, *supra* note 5, at 30, 35.

unprotectable, with the presumption that a visually appealing mark is necessary for free competition since fashion is premised on aesthetic beauty. This would be a “death knell”¹³⁷ for trademark protection, which the Ninth Circuit recognized in a 1981 case where it rejected the contention that Louis Vuitton’s mark was aesthetically functional merely because it appealed to consumers.¹³⁸

Scholars have long argued against such a broad construal of aesthetic functionality. Thomas McCarthy, author of the leading treatise on trademark law, contends that “[t]he notion of ‘aesthetic functionality’ is an unwarranted and illogical expansion of the functionality policy, carrying it far outside the utilitarian rationale that created the policy.”¹³⁹ He posits that the policy aesthetic functionality purports to serve would be performed better by the “merely ornamental” rule, which hinges on whether consumers perceive the mark “as mere attractive ornamentation or also as a symbol that identifies and distinguishes a single source.”¹⁴⁰ Others note that it is contradictory to deny trademark protection to marks on the basis of their consumer appeal and demand, because “creation of this demand is a recognized trademark function.”¹⁴¹ Many are wary of the doctrine simply because there is no clear standard or unity among the courts.¹⁴² Moreover, the potential scope of a broad aesthetic functionality standard is inconsistent with the legislative intent and expansion of the Lanham Act, which seeks to provide protection to strong trademarks.¹⁴³

By viewing Louboutin’s trademark as a claim to the color red in general, the district court was able to make sweeping arguments about the mark’s inherent functionality. Regardless of whether the court’s focus was skewed, the language of its decision may be invoked in the future to find nearly any appealing trademark in fashion aesthetically functional.

In sum, the most common theories used to deny protection to single color marks are intrinsically flawed and act as front-end filtering mechanisms for what would otherwise be legitimate and

¹³⁷ *Au-Tomotive Gold, Inc. v. Volkswagen of Am., Inc.*, 457 F.3d 1062, 1064 (9th Cir. 2006) (“Accepting Auto Gold’s position would be the death knell for trademark protection. It would mean that simply because a consumer likes a trademark, or finds it aesthetically pleasing, a competitor could adopt and use the mark on its own products. Thus, a competitor could adopt the distinctive Mercedes circle and tri-point star or the well-known golden arches of McDonald’s, all under the rubric of aesthetic functionality.”).

¹³⁸ *See Vuitton et Fils S.A. v. J. Young Enter., Inc.*, 644 F.2d 769, 774 (9th Cir. 1981).

¹³⁹ MCCARTHY, *supra* note 32, § 7:81.

¹⁴⁰ *Id.*

¹⁴¹ Deborah J. Krieger, *The Broad Sweep of Aesthetic Functionality: A Threat to Trademark Protection of Aesthetic Product Features*, 51 *FORDHAM L. REV.* 345, 348 (1982).

¹⁴² *See generally* Thurmon, *supra* note 119.

¹⁴³ *See infra* III.B.

protectable trademarks. Therefore, in considering the protectability of single color marks in fashion, courts should not begin their analyses with these hypothetical *per se* bars to protection; rather, the inquiry should begin with an exploration of the reasons for granting protection to such marks.

III. SINGLE COLOR MARKS IN FASHION WARRANT PROTECTION

There are various rationales that would support an expansion of trademark protection to include single color marks in fashion akin to the Red Sole Mark. Foremost, the goals of modern trademark law, premised on economic efficiency and the protection of consumers, align with granting protection to marks that act as strong source identifiers. Second, allowing single color marks in fashion fits within the “expansion trajectory” of protections afforded under the Lanham Act since its inception. Third, the federal government has acknowledged that fashion has insufficient IP protections; allowing single color marks in fashion would be an immediate and inexpensive first step towards the goal of affording fashion designers greater legal recourse in response to issues of infringement and counterfeiting.

A. *The Goals of Trademark Law*¹⁴⁴

Since its inception, American society has been characterized by consumption.¹⁴⁵ Moreover, modern markets have placed an increased emphasis on the consumer, as evidenced by record levels of marketing, advertising, and public relations expenditures.¹⁴⁶ The rise of this “consumer society” necessitates greater protection for consumers, as they are consistently targeted for purchases, and demands greater efficiency in the marketplace, since it is saturated with a countless number of products. Trademark law has grown explicitly to promote the interests of consumers and economic efficiency.¹⁴⁷ Allowing single color

¹⁴⁴ This Note only addresses the modern objectives of trademark law, considering the time period during and after the passage of the Lanham Act of 1946. For a brief consideration of the historical aims of trademark law, see MCCARTHY, *supra* note 35, § 2:1. See also Edward S. Rogers, *The Lanham Act and the Social Function of Trademarks*, 14 L. & CONTEMP. PROBS. 173 (1949) (discussing the objectives of trademark law from ancient Egyptian times through the Lanham Act).

¹⁴⁵ See, e.g., LAWRENCE B. GLICKMAN, *CONSUMER SOCIETY IN AMERICAN HISTORY: A READER* 1–2 (1999) (“Consumption has long been central to American identity, culture, economic development, and politics. More than one commentator has called consumption the ‘national pastime’ of the United States”) (citations omitted).

¹⁴⁶ “[T]he 1990s witness new levels of consumer spending, marketing, and advertising” *Id.* at 7.

¹⁴⁷ Trademark law initially sought to prevent confusion in the marketplace on the basis of unfair competition law. See MCCARTHY, *supra* note 32, § 2:7 (“Trademark infringement is a type of unfair competition.”). Today, trademark law serves the dual goals of “protect[ing] both consumers from deception and confusion over trade symbols and . . . protect[ing] the plaintiff’s infringed trademark as property.” *Id.* § 2:2. See also Paul L.

marks in fashion would align with and further these two important goals.¹⁴⁸

1. Economic Efficiency

Leading scholars have argued that “trademark law . . . can best be explained on the hypothesis that the law is trying to promote economic efficiency.”¹⁴⁹ At the core of this theory is the premise that trademarks, when acting as source identifiers, reduce consumer search costs.¹⁵⁰ Strong trademarks “save consumers time and effort by providing useful shorthand for information about a product’s characteristics. Confusing trademarks decrease efficiency by impeding consumers from locating desired goods.”¹⁵¹ A benefit of this reduction of consumer search costs is that the producer must then maintain a consistency in its goods, so that consumers can continue to buy that which they previously found favorable.¹⁵² If there were no trademarks to identify the source of goods, producers would have little incentive to improve their products, and the market would encourage a race to the bottom, which is economically inefficient.¹⁵³ By creating an association with a single producer and thereby assigning accountability, trademarks allow consumers to quickly locate quality products and also “desirably promote competition and the maintenance of product quality.”¹⁵⁴

The counterargument posits that trademarks are “monopolies” and act as unnatural barriers to entry in the marketplace—theories that are certainly at odds with the ideal of economic efficiency. However, leading scholars, judges, and politicians have rejected these arguments and “misnomers.”¹⁵⁵

Bonewitz, *Beyond Confusion: Reexamining Trademark Law’s Goals in the World of Online Advertising*, 81 ST. JOHN’S L. REV. 899, 899–900 (2007) (discussing trademark law’s objective of achieving economic efficiency).

¹⁴⁸ An additional goal of trademark law is to protect the investment of the trademark owner in his or her mark from its misappropriation by others.

¹⁴⁹ William M. Landes & Richard A. Posner, *The Economics of Trademark Law*, 78 TRADEMARK REP. 267, 265–66 (1988).

¹⁵⁰ Landes and Posner describe the reduction of consumer search costs as the “essential economic function of trademarks.” *Id.* at 275.

¹⁵¹ Bonewitz, *supra* note 147, at 902. See also Andrew W. Coleman, *Color as Trademarks: Breaking Down the Barriers of the Mere Color Rule*, 74 J. PAT. & TRADEMARK OFF. SOC’Y 345, 348 (1992) (explaining the market functions of trademarks and noting that certain goods have qualities that would otherwise be costly to discover).

¹⁵² Landes & Posner, *supra* note 149, at 271.

¹⁵³ MCCARTHY, *supra* note 32, § 2:4 (“Consumers would be unable to recognize high-or low-quality brands, so sales would tend to go to manufacturers who reduced their price by cutting corners on quality.”) (citations omitted).

¹⁵⁴ *Park ‘N Fly, Inc. v. Dollar Park & Fly, Inc.* 469 U.S. 189, 193 (1985).

¹⁵⁵ McCarthy believes there has been “semantic confusion” regarding use of the word “monopoly” to describe trademarks, as the word has a different connotation when it is used by economists as compared to antitrust regulators. See MCCARTHY, *supra* note 32 § 2:10. For an overview of the judicial rejection of referring to a trademark as a monopoly, see *id.* § 2:11 (“[T]rademarks are by their nature non-exclusionary. A trademark, unlike

Single color marks, where those marks serve trademark functions akin to that of Louboutin's red sole, promote economic efficiency. The Red Sole Mark surely acts as a strong source indicator and does so instantaneously, and thus more efficiently, than would the word mark "LOUBOUTIN" printed on the outsole. According to one news reporter: "Even non-fashionistas can spot a Louboutin because of its tell-tale glossy red outer sole."¹⁵⁶ Affording protection to a trademark that serves as a strong source identifier only furthers the reduction of consumer search costs while bolstering that producer's commitment to quality. "It is the source-distinguishing ability of a mark—not its ontological status as color . . .—that permits it to serve [the goals of trademark law]."¹⁵⁷ Thus, marks should not be denied protection at the outset simply because they are a color.

2. Protection of Consumers

One purpose of the Lanham Act is "to protect the public so it may be confident that, in purchasing a product bearing a particular trade-mark which it favorably knows, it will get the product which it asks for and wants to get."¹⁵⁸ By conveying accurate information to the consumer, trademarks protect individuals from losses due to misunderstanding and deceit, thereby allowing them to "maximize their own welfare."¹⁵⁹ Even where a consumer suffers no financial harm as a result of his or her misunderstanding, the Supreme Court has held that the consumer still has the inherent right to be told the truth and to receive what he or she wants.¹⁶⁰ Likewise, consumers are to be protected in their buying decisions even though those decisions may seem irrational.¹⁶¹

other intellectual property rights, does not confer a legal monopoly on any good or idea . . .") (quoting *Clorox v. Sterling Winthrop, Inc.*, 117 F.3d 50, 56 (2d Cir. 1997)). Moreover, McCarthy suggests that any "barriers to entry" that exist are actually created by consumers, not by trademark law. MCCARTHY, *supra* note 32 § 2:12.

¹⁵⁶ Cindy E. Rodriguez, *Louboutin Says Yves Saint Laurent Stole Red-Sole Design* (April 8, 2011), <http://abcnews.go.com/US/louboutin-sues-ysl-yves-saint-laurent-red-sole-shoe/story?id=13329514>. See also LaLonde, *supra* note 118, at 1 ("In short, the red sole accent identifies a shoe as a Louboutin.").

¹⁵⁷ *Qualitex v. Jacobson Prods. Co.*, 514 U.S. 159, 164 (1995).

¹⁵⁸ Rogers, *supra* note 144, at 181.

¹⁵⁹ *Falcon Rice Mill, Inc. v. Cmty. Rice Mill, Inc.*, 725 F.2d 336, 348 (5th Cir. 1984) ("By ensuring correct information in the marketplace, the laws reduce losses caused by misunderstanding and deceit and thus permit consumers and merchants to maximize their own welfare confident that the information presented is truthful.").

¹⁶⁰ See, e.g., *Fed. Trade Comm'n v. Algoma Lumber Co.*, 291 U.S. 67, 78 (1934) ("The public is entitled to get what it chooses, even though the choice may be dictated by caprice or by fashion or perhaps by ignorance."); *Fed. Trade Comm'n v. Royal Milling Co.*, 288 U.S. 212, 216 (1933) ("If consumers or dealers prefer to purchase a given article because it was made by a particular manufacturer or class of manufacturers, they have a right to do so, and this right cannot be satisfied by imposing upon them an exactly similar article, or one equally good, but having a different origin.").

¹⁶¹ See, e.g., *Fed. Trade Comm'n v. Colgate-Palmolive Co.*, 380 U.S. 374, 374 (1965)

The more protection we grant for various trademarks, the more trademark law is able to achieve its objective of consumer protection. “[T]he protection of trade-marks is merely protection . . . of the public against deception, [so] a sound public policy requires that trade-marks . . . receive nationally the greatest protection that can be given them.”¹⁶² Under this rationale, trademarks that identify a brand and convey useful information to consumers should be afforded federal protection in order to protect the public from misrepresentation, confusion, and deceit. Extending protection to single color marks in fashion furthers this objective of creating an accurate marketplace for consumers. The Red Sole Mark conveys to consumers the origin of the product as well as related information about the quality of the shoe. If this mark goes unprotected and competitors begin to manufacture shoes with red soles, it is not just Louboutin that loses—it is the consumer.

Protecting single color marks like the Red Sole may also benefit consumers by protecting the element of the product that they value most. In the case of Louboutin’s, what consumers actually seek to purchase is the red outsole itself.¹⁶³ An appealing trademark that performs source-identifying functions is not rendered unprotectable simply because it is the element of value itself.¹⁶⁴ “[T]he mere fact that the mark is the ‘benefit that the consumer wishes to purchase’ will not override trademark protection if the mark is source-identifying.”¹⁶⁵ To hold otherwise “would mean that simply because a consumer likes a trademark, or finds it aesthetically pleasing, a competitor could adopt and use the mark on its own products.”¹⁶⁶ This would erode the source-identifying ability of the original mark and result in consumer confusion. Therefore, deeming source-identifying single color marks in fashion unprotectable based on their aesthetic appeal

(“[T]he seller has used a misrepresentation to break down what he regards to be an annoying or irrational habit of the buying public . . . [A] misrepresentation for such an end is not permitted.”). See also MCCARTHY, *supra* note 32 at § 2:36 (discussing the psychological effect of advertising on consumers’ buying decisions and suggesting that the law should not decide which of these motivations are legitimate and which are not).

¹⁶² H.R. REP. NO. 79-219-RES. 219, at 5 (1945).

¹⁶³ Much like Chanel’s interlocking Cs or Louis Vuitton’s LV monogram, the red sole immediately alerts onlookers to the appeal of the brand.

¹⁶⁴ Where one party asserts that the opposing party’s visually appealing trademark is aesthetically functional, courts have upheld the mark as nonfunctional where the “alleged aesthetic function is indistinguishable from and tied to the mark’s source-identifying nature.” *Au-Tomotive Gold, Inc. v. Volkswagen of Am., Inc.*, 457 F.3d 1062, 1074 (9th Cir. 2006). See also *Vuitton et Fils S.A. v. J. Young Enter., Inc.*, 644 F.2d 769, 775 (9th Cir. 1981) (rejecting defendant’s argument that Louis Vuitton’s LV monogram was functional simply because it appealed to consumers) (“[A] trademark which identifies the source of goods and incidentally serves another function may still be entitled to protection.”).

¹⁶⁵ *Au-Tomotive Gold*, 457 F.3d at 1069 (quoting *Vuitton*, 644 F.2d at 774 (9th Cir. 1981)).

¹⁶⁶ *Au-Tomotive Gold*, 457 F.3d at 1064.

and value to consumers would cut against trademark law's ultimate goal of consumer protection. Here, there is an interest in both preventing consumer confusion as well as protecting the aspect of the product that consumers value the most.

B. *The Expansion of the Lanham Act*

Since its inception, the Lanham Act has grown to afford trademark protection to an increasingly wider variety of marks.¹⁶⁷ Before the Act was passed, the Senate Committee on Patents reported: "The purpose of this bill is to . . . simplify registration and to make it stronger and more liberal . . ." ¹⁶⁸ Considering the "Intent of Act" explicitly laid out in the Lanham Act itself,¹⁶⁹ Edward S. Rogers wrote: "The purpose of the Act is, in brief, to protect trade-marks [I]t is heartening that all the implications of the new statute are to encourage the use of trade-marks and thus to recognize their social value."¹⁷⁰ The Act's initial objective of increased use and protection of trademarks has thus been the basis for over five decades of expansionary protections. This growth is the result of Congressional action as well as judicial interpretation.

Congress began to afford trademarks greater legal protection with the passage of the Lanham Act itself. While the Act is often described as a codification of common law, the Act created substantive legal rights¹⁷¹ such as "incontestability."¹⁷²

¹⁶⁷ See Port, *supra* note 29, at 476, 478 ("Trademark jurisprudence in the United States has inextricably expanded since the inception of the Lanham Act in 1947 Congress has known only one direction in trademark law: expansion.").

¹⁶⁸ S. Res. 1333, 79th Cong. (1946) (enacted).

¹⁶⁹ See 15 U.S.C. § 1127 ("The intent of this Act is to . . . mak[e] actionable the deceptive and misleading use of marks in such commerce; to protect registered marks used in such commerce from interference by State, or territorial legislation; to protect persons engaged in such commerce against unfair competition; to prevent fraud and deception in such commerce by the use of reproductions, copies, counterfeits, or colorable imitations of registered marks; and to provide rights and remedies stipulated by treaties and conventions respecting trademarks, trade names, and unfair competition entered into between the United States and foreign nations.").

¹⁷⁰ Edward S. Rogers, *Introduction* to DAPHNE ROBERT, *THE NEW TRADE-MARK MANUAL*, at xiv (1947). "Mr. Rogers . . . was a member of the ABA Committee appointed to investigate alternatives to trademark legislation existing in the 1930s." Joseph D. Garon, *The Lanham Act: A Living Thing*, 7 *FORDHAM INTELL. PROP. MEDIA & ENT. L.J.* 55, 55 n.2 (1996).

¹⁷¹ Other rights created by federal registration under the Lanham Act that did not exist at common law include nationwide constructive notice of the registrant's claim of ownership (15 U.S.C. § 1072), prima facie evidence of the validity of the registered mark (15 U.S.C. § 1115(a)), and a prohibition on the importation of goods bearing similar, infringing marks (15 U.S.C. § 1124). In 1996, the Act was amended to allow an owner of a famous mark to seek an injunction against another person's subsequent use of a mark that caused dilution of the distinctive quality of the original mark (15 U.S.C. § 1125(c)) and in 1999 was amended to establish a cause of action for "cybersquatting" (15 U.S.C. § 1125(d)). In these ways, the Lanham Act has created a greater ambit of protection for trademarks than has common law.

¹⁷² See Port, *supra* note 29, at 478–81 ("Congress made choices in 1946 when it included the notion of incontestability in the Lanham Act. The only source or jurisdiction that

Incontestability acts as “conclusive evidence of the validity of the registered mark . . . and of the registrant’s exclusive right to use the registered mark in commerce.”¹⁷³ This was “a serious expansion of the trademark law as it existed in the United States in 1946” and “a valuable encouragement for firms to register trademarks.”¹⁷⁴

In the past twenty-five years, Congress has also enacted several pieces of legislation that broaden the rights of trademark owners. In 1988, Congress instituted the Intent-to-Use (ITU) system, which allows an applicant to register a mark based on his or her bona fide intention to use it in commerce, and gives that applicant three years in which to make actual use of the mark.¹⁷⁵ The ITU system promotes trademark registration and protection by giving ITU claimants an earlier date of constructive use and by acting as a “significant deterrent” to other firms contemplating similar marks during that three-year period.¹⁷⁶ In 1995, Congress passed the Federal Trademark Dilution Act,¹⁷⁷ which allows the owner of a famous mark to enjoin the use of other marks likely to cause “dilution,”¹⁷⁸ regardless of whether there is actually any confusion, competition, or economic injury. This was expansionary because “[u]nder traditional trademark jurisprudence, before a cause of action . . . will lie, the defendant has to be in competition with the plaintiff, or within the natural zone of expansion of the plaintiff.”¹⁷⁹ Most recently, the Anticybersquatting Consumer Protection Act (1999) created *in rem* jurisdiction to allow a trademark owner to sue a domain name that is the same or similar to its own trademark. “In expanding trademark law in such a way, Congress . . . [has] given more control to the holder of the trademark.”¹⁸⁰

Congress’ expansionary intent has been echoed by the courts in their broadening interpretations of what may be protected by federal trademark law. “Once interpreted as prohibiting only

included a notion of incontestability was the UK.”).

¹⁷³ 15 U.S.C. § 1115(b).

¹⁷⁴ Port, *supra* note 29, at 481.

¹⁷⁵ See 15 U.S.C. § 1051(b). Previously, one could only gain rights in a mark through its actual use in commerce. The ITU system broadened the scope of protection to marks that had not yet even entered the marketplace.

¹⁷⁶ See Port, *supra* note 29, at 481–82.

¹⁷⁷ Federal Trademark Dilution Act of 1995, Pub. L. No. 104-98, 109 Stat. 985 (codified at 15 U.S.C. § 1125(c)) (2000) (amended 2006)).

¹⁷⁸ “‘Dilution by blurring’ is association arising from the similarity between a mark or trade name and a famous mark that impairs the distinctiveness of the famous mark,” while “‘[d]ilution by tarnishment’ is association arising from the similarity between a mark or trade name and a famous mark that harms the reputation of the famous mark.” 15 U.S.C. § 1125(c) (2).

¹⁷⁹ Port, *supra* note 29, at 482–83.

¹⁸⁰ Port, *supra* note 29, at 484.

'passing-off,'¹⁸¹ [Lanham Act] section 43(a) . . . has increased in scope to include infringement of common law marks, trade dress infringement, and false advertising— including trade libel and product disparagement."¹⁸² Moreover, courts have more broadly construed what may classify as a trademark under Lanham Act § 43(a).¹⁸³ In *Qualitex*, the "court relied on the word 'device' to conclude that even the smell or color of a product could be a trademark if it indicated the source of that good."¹⁸⁴ In reaching its decision, the Court noted that other courts and the Patent and Trademark Office had already approved "a mark [of] a particular shape (of a Coca-Cola bottle), a particular sound (of NBC's three chimes), and even a particular scent (of plumeria blossoms on sewing thread)."¹⁸⁵ Since *Qualitex*, nontraditional trademark applications have increased exponentially and may protect anything from a human voice yodeling "Yahoo!"¹⁸⁶ to "the vertically opening motion of a Lamborghini car door."¹⁸⁷ This increasingly broad grant of rights, invoked by *Qualitex*'s observation "that the universe of things that are capable of serving a trademark purpose is broad indeed,"¹⁸⁸ led trademark scholar Thomas McCarthy to conclude: "[A]nything that can be detected by one of the human senses should be eligible for protection as a trademark if it is used to identify and distinguish a source of goods or services."¹⁸⁹

Congress and the courts, through amendment, legislation, or judicial interpretation, have construed the Lanham Act more broadly over the years in order to protect trademark owners and to encourage the use of trademarks for the benefit of consumers. Allowing registrability of single color marks in fashion would comport with this broadening and strengthening of trademark protections. Moreover, denying protection to single color marks in fashion is counterintuitive, as fashion designers are already an especially unprotected population, and doing so may lead to

¹⁸¹ See Ethan Horwitz and Benjamin Levi, *Half a Century of Federal Trademark Protection: The Lanham Act Turns Fifty: Fifty Years of the Lanham Act: A Retrospective of Section 43(a)*, 7 FORDHAM INTELL. PROP. MEDIA & ENT. L.J. 49, 50 n.4 (1996).

¹⁸² *Id.* at 72. See also Beverly W. Pattishal, *The Lanham Trademark Act – Its Impact Over Four Decades*, 76 TRADEMARK REP. 193, 202 (1986) (discussing the advent of registrability of service marks, certification marks, and collective marks).

¹⁸³ See 15 U.S.C. § 1125(a), which provides protection for "any word, term, name, symbol, or device, or any combination thereof . . ."

¹⁸⁴ Port, *supra* note 29, at 484.

¹⁸⁵ *Qualitex v. Jacobson Prods. Co.*, 514 U.S. 159, 162 (1995).

¹⁸⁶ Registration No. 2442140 (registering the Yahoo yodel for computer services by Yahoo, Inc.). See also Registration No. 2469364 (registering the Looney Tunes Theme Song for use in animated films); Registration No. 3288274 (registering the six notes used by Nokia for computer software and communication devices).

¹⁸⁷ Port, *supra* note 29, at 484–85.

¹⁸⁸ MCCARTHY, *supra* note 35, § 7:105.

¹⁸⁹ *Id.*

further losses of protection.

C. Fashion Has Few Alternative Intellectual Property Protections

IP protection in the fashion industry is necessary for cultural and economic reasons.¹⁹⁰ From a cultural perspective, fashion has become an art form. Traditional art museums now house exhibits dedicated to designers, such as the 2011 Alexander McQueen exhibit at the Metropolitan Museum of Art.¹⁹¹ Louboutin himself will be the subject of an exhibit in London's Design Museum from May 1 to July 9, 2012.¹⁹² Many fashion designers also collaborate with traditional artists to create a final product, such as the partnership between Takashi Murakami and designer Marc Jacobs to produce a line of Louis Vuitton handbags.¹⁹³ Moreover, society recognizes that designers possess many of the same skills as traditional artists, including "an eye for color and detail, a sense of balance and proportion, and an appreciation for beauty."¹⁹⁴ What results is a cultural contradiction: modern society accepts and treats fashion as art,¹⁹⁵ but fashion does not classify as such under

¹⁹⁰ The counter-argument is that piracy does not harm and may actually benefit the fashion industry, making formal IP protection unnecessary. See, e.g., Anya Jenkins Ferris, *Real Art Calls for Real Legislation: An Argument Against Adoption of the Design Piracy Prohibition Act*, 26 CARDOZO ARTS & ENT. L.J. 559, 579–82 (2008) (describing several "piracy paradox" theories).

¹⁹¹ See, e.g., Diane Cardwell, *Waiting Hours to See the McQueen Exhibit, in a Line Not Unlike the Runway*, N.Y. TIMES (Aug. 7, 2011), <http://www.nytimes.com/2011/08/08/nyregion/alexander-mcqueen-exhibition-at-metropolitan-museum-of-art-draws-thousands.html>. See also Julie P. Tsai, *Fashioning Protection: A Note on the Protection of Fashion Designs in the United States*, 9 LEWIS & CLARK L. REV. 447, 461 (2005) ("The Guggenheim Museum in New York had an exhibit displaying designs by Giorgio Armani.").

¹⁹² See DESIGN MUSEUM, <http://designmuseum.org/exhibitions/future-exhibitions> (last visited Mar. 29, 2012). See also Toni Jones, *20 Years of Louboutins*, THE SUN (Oct. 9, 2011), <http://www.thesun.co.uk/sol/homepage/woman/fashion/3860833/High-art-Louboutins-hit-design-museum.html> ("And now the iconic stiletto has gone beyond just being an item of lust for fashionistas—it has become a work of art.").

¹⁹³ See *Louis Vuitton Malletier v. Dooney & Bourke, Inc.*, 454 F.3d 108, 112 (2d Cir. 2006) ("[P]laintiff launched a series of handbags featuring 'new signature designs' created by Marc Jacobs and Japanese artist Takashi Murakami. The new bags . . . [were] printed in 33 bright colors (Murakami colors) on a white or black background."). Christian Louboutin recently worked with photographer Peter Lippman to create Louboutin's Fall/Winter 2011 lookbook, which incorporates Louboutin heels into traditional works of art. See, e.g., *Christian Louboutin's Fall 2011 Lookbook Merges High Art and High Fashion*, LA MODA DUBAI (June 19, 2011), <http://www.lamodadubai.com/2011/06/christian-louboutin-fall-2011-lookbook-merges-high-art-high-fashion/?pid=924>.

¹⁹⁴ Fashion Designers, MYPLAN.COM, <http://www.myplan.com/careers/fashion-designers/articles-27-1022.00.html?art=5&sid=47804ca7c144f697363f7bb91623f956> (last visited Mar. 30, 2012) (citing BUREAU OF LABOR STATISTICS, U.S. DEPARTMENT OF LABOR, OCCUPATIONAL OUTLOOK HANDBOOK (2006–07 Edition)).

¹⁹⁵ See Ferris, *supra* note 190, at 577–79 (arguing that fashion's creative process and public perception reveals that it is "art."). See also Sara R. Ellis, *Copyrighting Couture: An Examination of Fashion Design and Why the DPPA and IPPPA Are a Step Towards the Solution to Counterfeit Chic*, 78 TENN. L. REV. 163, 186–87 (2010) (arguing that "fashion is a form of art and should receive protection equivalent to the traditional fine arts."); SUSAN SCAFIDI, *Intellectual Property and Fashion Design*, in 1 INTELLECTUAL PROPERTY AND INFORMATION WEALTH 115, 126 (Peter K. Yu ed., 2006) ("[G]reater cultural recognition of fashion as a

the Copyright Act and is therefore precluded from IP protections that other forms of art, such as paintings, sculptures, and photographs, regularly enjoy.¹⁹⁶ From an economic perspective, protection is necessary simply because fashion is big business, worth about \$500 billion worldwide.¹⁹⁷ Design piracy results in lost tax revenues,¹⁹⁸ lost jobs,¹⁹⁹ and a potential loss of domestic talent and productivity if designers go abroad to receive greater IP protections.²⁰⁰ For these reasons, fashion should receive much greater IP protection than it is currently afforded; prohibiting single color marks in fashion only perpetuates the problem.

Congress recognizes the need for greater IP rights in fashion and has been working toward passing legislation in this realm for the past five years,²⁰¹ although the “fight to gain recognition for

form of creative expression . . . ha[s] increased sympathy toward fashion designers.”); Brittany West, *A New Look for the Fashion Industry: Redesigning Copyright Law with the Innovative Design Protection and Piracy Prevention Act (IDPPPA)*, 5 J. BUS. ENTREPRENEURSHIP & L. 57, 86 (2011) (“the view of fashion in the United States is changing toward accepting fashion as an art form.”).

¹⁹⁶ See 17 U.S.C. § 102(a)(5) (extending copyright protection to such things as “pictorial, graphic, and sculptural works.”). Copyright protection also applies to other types of works, such as musical and literary works, listed under § 102(a), but if fashion were to be afforded protection it would necessarily have to be construed under § 102(a)(5).

¹⁹⁷ See Edward Helmore, *Google Targets Fashion Market*, THE GUARDIAN (Nov. 15, 2010), <http://www.guardian.co.uk/technology/2010/nov/15/google-targets-fashion-market-boutique>.

¹⁹⁸ See, e.g., Emily S. Day, *Double-Edged Scissor: Legal Protection for Fashion Design*, 86 N.C.L. REV. 237, 238–39 (2007) (“New York alone estimates its losses due to counterfeiting total more than \$1 billion in tax revenue annually.”). See also INTERNATIONAL ANTI-COUNTERFEITING COALITION, *The Truth About Counterfeiting*, <http://www.iacc.org/about-counterfeiting/the-truth-about-counterfeiting.php> (last visited Mar. 29, 2012) (“Counterfeiting costs U.S. businesses \$200 billion to \$250 billion annually. Counterfeit merchandise is directly responsible for the loss of more than 750,000 American jobs.”).

¹⁹⁹ See, e.g., Ellis, *supra* note 195, at 185 (“The industry . . . includes over four million fabric manufacturers, retailers, models, seamstresses, sales persons, publicists, tailors, and various support staff like truck drivers. According to Arie Kopelman, vice chairperson and past president of Chanel Inc., design piracy places these jobs at risk.”).

²⁰⁰ See 157 CONG. REC. E1314-02 (daily ed. July 13, 2011) (statement of Rep. Goodlatte), 157 Cong. Rec. E 1314, at *1314 (LEXIS) (“Most industrialized nations provide legal protection for fashion designs. However, in the United States . . . fashion designs are not protected by traditional intellectual property regimes.”). See also SCAFIDI *supra* note 195, at 126 (“In addition to the protection that countries like France and Britain already afforded designers, the European Union in 2002 established community-wide protection for original designs, including apparel and accessories. All original designs now receive three years of automatic, unregistered protection. Moreover, since 2003, creators may register their designs in order to receive a five-year term of protection, renewable for up to twenty-five years.”).

²⁰¹ In March 2006, Virginia Rep. Bob Goodlatte introduced H.R. 5055 to amend Chapter 13 of Title 17 of the United States Code to allow for copyright protection of fashion design. The bill never made it out of the Committee. In April 2007, Massachusetts Rep. Bill Delahunt introduced an identical bill, H.R. 2033, the Design Piracy Prohibition Act, which had the same fate. New York Senator Charles Schumer introduced the bill in the Senate that August, but hearings were never held. Delahunt reintroduced the bill in April 2009 under the same title; the bill (H.R. 2196) gained more support than previous versions, but ultimately failed again. See H.R. 5055, 109th Cong. (2006); H.R. 2033, 110th Cong. (2007); S. 1957, 110th Cong. (2007); H.R. 2196, 111th Cong. (2009). See also Ellis, *supra* note 195, at 182–84; Ferris, *supra* note 190, at 567–68 (describing the history of H.R. 5055, 2033, and 2196).

original fashion designs is not a new one.”²⁰² Most recently, New York Senator Charles Schumer introduced the Innovative Design Protection and Piracy Prevention Act (IDPPPA) to the Senate on August 5, 2010.²⁰³ The IDPPPA, based on the Design Piracy Prohibition Act,²⁰⁴ provides for a three-year term of copyright protection for original and novel fashion designs.²⁰⁵ Although the bill progressed further than any of its earlier counterparts,²⁰⁶ Congress adjourned before the Act or its proposed substitute²⁰⁷ ever came to a vote, necessitating its July 2011 reintroduction in the 112th Congress.²⁰⁸ The bill will undoubtedly face further opposition²⁰⁹ and bureaucratic delay.

Change is needed—from the legislature, judiciary, or elsewhere—because there are few existing IP protections in the fashion industry, and even fewer that could apply to Louboutin’s Red Sole Mark.

1. Copyright

Copyright law protects “original works of authorship fixed in any tangible medium” that fall within any of several specific categories.²¹⁰ The category most relevant to fashion protects “pictorial, graphic, and sculptural works,”²¹¹ but courts often deny protection to fashion designs by deeming them “useful articles”²¹² to which copyright does not extend. Shoes, like clothing, fall

²⁰² Ellis, *supra* note 195, at 179–82 (describing the work of the Design Registration League from 1914–17 to draft a bill providing for design registration, as well as the work of the Fashion Originators’ Guild of America in the 1930s and 1940s to prevent piracy of its members’ designs).

²⁰³ See S. 3728, 111th Cong. (2010).

²⁰⁴ See *supra* note 201 (chronicling the Design Piracy Prohibition Act as H.R. 2033 and H.R. 2196).

²⁰⁵ See *supra* text accompanying note 203. See also Susan Scafidi, *IDPPPA: Introducing the Innovative Design Protection and Piracy Prevention Act, a.k.a. Fashion Copyright* (Aug. 6, 2010), <http://www.counterfeitchic.com/2010/08/introducing-the-innovative-design-protection-and-piracy-prevention-act.html>.

²⁰⁶ See Ellis, *supra* note 195, at 184.

²⁰⁷ See 156 CONG. REC. S 8554 (daily ed. Dec. 6, 2010) (report of Rep. Leahy), 156 Cong Rec S 8554, at *S 3728 (LEXIS).

²⁰⁸ See H.R. 2511, 112th Cong. (2011). See also 157 CONG. REC. E1314-02, *supra* note 200.

²⁰⁹ See, e.g., Innovative Design and Piracy Prevention Act: Hearing Before the Subcomm. on Intellectual Property, Competition, and the Internet, H.R. 2511, 112th Cong. (2011) (comments of Prof. Kal Raustiala and Prof. Christopher Sprigman) (arguing that IDPPPA is unnecessary and creates too much legal liability).

²¹⁰ 17 U.S.C. § 102(a) (allowing copyright for literary, musical, dramatic, choreographic, audiovisual, and architectural works).

²¹¹ *Id.* Under this prong, designers have attempted—with little success—to classify their designs as “soft sculpture.” See generally Laura C. Marshall, *Catwalk Copycats: Why Congress Should Adopt a Modified Version of the Design Piracy Prohibition Act*, 14 J. INTEL. PROP. L. 305, 317 (2007).

²¹² 17 U.S.C. § 101 (“A ‘useful article’ is an article having an intrinsic utilitarian function that is not merely to portray the appearance of the article or to convey information.”). See also *Knitwaves, Inc. v. Lollytogs, Ltd.*, 71 F.3d 996, 1002 (2d Cir. 1995) (“As ‘useful articles’ . . . clothes are not copyrightable.”) (citations omitted).

within this utilitarian standard.²¹³ Design elements may be eligible for copyright protection if they are physically separable from the useful features of the product²¹⁴ or if the “artistic aspects of [the] article can be conceptualized as existing independently of their utilitarian function.”²¹⁵ However, most fashion designs do not qualify under these exceptions.²¹⁶ Likewise, the Red Sole cannot be physically separated and sold apart from the shoe it adorns. It is also unlikely to be conceptually separable, as its fame derives exclusively from its placement on the utilitarian shoe.²¹⁷ The specific advantage that copyright law *does* provide to fashion—protection of fabric designs²¹⁸—is inapplicable to many items in fashion, especially shoes. Short of an amendment to the Copyright Act under legislation similar to the IDPPPA,²¹⁹ copyright law remains inadequate for the protection of apparel and accessories.

²¹³ Which “brings us to the fashion Catch-22 that the red sole throws into relief: Trademark law does not protect design features that are ‘functional,’ the meaning of which, it turns out, encompasses even aesthetic appeal. But in copyright law it is precisely the utilitarian and non-aesthetic aspect of apparel and shoes that leaves fashion design unprotected from copying. Fashion design is caught between opposing demands and exclusions, and snubbed from both ends.” Jeannie Suk, *Little Red (Litigious) Shoes*, N.Y. TIMES (Jan. 21, 2012), http://www.nytimes.com/2012/01/22/opinion/sunday/louboutin-and-the-little-red-litigious-shoes.html?_r=1.

²¹⁴ *Chosun Int'l, Inc. v. Chrisha Creations, Ltd.*, 413 F.3d 324, 329 (2d Cir. 2005) (“[W]hen a component of a useful article can actually be removed from the original item and separately sold, without adversely impacting the article's functionality, [it] may be copyrighted.”). See also *Celebration Int'l, Inc. v. Chosun Int'l, Inc.*, 234 F. Supp. 2d 905, 914 (S.D. Ind. 2002) (asking “whether the feature to be copyrighted could be sliced off for separate display.”) (citation omitted).

²¹⁵ 17 U.S.C. § 101. See also *Chosun*, 413 F.3d at 329 (“[D]esign elements that can be conceptualized as existing independently of their utilitarian function are eligible for copyright protection.”).

²¹⁶ See, e.g., Kal Raustiala & Christopher Springman, *The Piracy Paradox: Innovation and Intellectual Property in Fashion Design*, 92 VA. L. REV. 1687, 1700 (2006) (“[V]ery few fashion designs are separable in this way; the expressive elements in most garments . . . are instilled into the form of the garment itself . . .”). See also Day, *supra* note 198, at 247 (“[M]ost often the design itself, such as the cut of a sleeve, simultaneously serves its function as clothing to ‘cover the wearer's body and protect the wearer from the elements.”) (citations omitted).

²¹⁷ Moreover, the Second Circuit has never established a clear test for judging conceptual separability. See *Jovani Fashion, Ltd. v. Cinderella Divine, Inc.*, No. 10-7085, 2011 U.S. Dist. LEXIS 73248, at *12–14 (S.D.N.Y. July 7, 2011) (describing the various tests used to describe conceptual separability, none of which have been established by the Second Circuit as the exclusive test).

²¹⁸ See, e.g., *Peter Pan Fabrics, Inc. v. Brenda Fabrics, Inc.*, 169 F. Supp. 142, 143 (S.D.N.Y. 1959) (finding fabric design “a proper subject of copyright both as a work of art and as a print.”); *Knitwaves, Inc. v. Lollytogs, Ltd.*, 71 F.3d 996, 1002 (2d Cir. 1995) (considering fabric designs as “writings” for copyright purposes and thus protectable). See also 17 U.S.C. § 101 (defining “pictorial, graphic, and sculptural works” to include “prints”). Drawings and photographs of fashion designs are also protectable, but these protections have little practical benefit to the fashion designer.

²¹⁹ See generally Aya Eguchi, *Curtailling Copycat Couture: The Merits of the Innovative Design Protection and Piracy Prevention Act and a Licensing Scheme for the Fashion Industry*, 97 CORNELL L. REV. 131 (2011) (arguing that the IDPPPA should ideally be combined with a licensing scheme akin to those used in the recording industry).

2. Design Patent

Fashion designers may apply for a design patent, which protects “any new, original and ornamental design for an article of manufacture” for a term of fourteen years,²²⁰ so long as the article “discloses a high degree of uniqueness, ingenuity, and inventiveness” and is not functional.²²¹ However, design patents are generally incompatible with the realities of the fashion industry. Fashion is cyclical by nature and most designs are a variation of some previous design.²²² This results in very few sufficiently novel products that are able to meet the required patent law standards.²²³ Additionally, the lengthy patent application process “often exceed[s] the commercial life of the design,”²²⁴ and the expense of prosecuting a patent may place it beyond the means of new fashion designers.²²⁵ Moreover, courts have displayed hostility toward upholding design patents for fashion works.²²⁶ Although shoes are more readily protectable under design patents than is clothing,²²⁷ the same practical concerns exist. Thus, design patents protect fashion works in very narrow circumstances.

²²⁰ 35 U.S.C. §§ 171, 173.

²²¹ Day, *supra* note 198, at 250 (citation omitted).

²²² See Day, *supra* note 198, at 251 (“[C]lothing rarely meets the criteria of patentability.’ This is due to fashion’s inherently cyclical nature, which results in very few sufficiently novel and original designs.”) (citation omitted).

²²³ See Alissandra Burack, *Is Fashion an Art Form that Should be Protected or Merely a Constantly Changing Media Encouraging Replication of Popular Trends?*, 17 VILL. SPORTS & ENT. L.J. 605, 613 (2010) (“[P]atents within the fashion industry are rare, as many apparel designs are re-workings of original designs and unable to meet the ‘new’ standard that is required by patent law.”). See also Ellis, *supra* note 195, at 179 (“The main hurdle for fashion designs . . . is the nonobviousness requirement [which] requires more than a trivial advance over what has been done before from the perspective of someone skilled in the relevant art.”).

²²⁴ Burack, *supra* note 223, at 614 (internal quotations omitted). See also Day, *supra* note 198, at 251 (“Design patents take approximately eighteen months to obtain as compared to the short lifespan - one season or three to six months - of most fashion designs. Thus, a typical fashion design would be revealed on the runway, sold to the public, copied extensively, and buried before a design patent could issue.”).

²²⁵ See, e.g., Ellis, *supra* note 195, at 179 (“The cost . . . is \$740 per application, plus attorney fees. This becomes a hefty fee when a designer has multiple pieces in each season’s collection . . .”).

²²⁶ See Tsai, *supra* note 191, at 457 (“Even if the application is approved, courts will often find patents invalid, or if valid, they will only find infringement in about half of the cases.”).

²²⁷ See Sunila Sreepada, *The New Black: Trademark Protection for Color Marks*, 19 FORDHAM INTELL. PROP. MEDIA & ENT. L.J. 1131, 1136–37 (2009) (“[C]lothing has been held to be inherently functional, thus barring the issue of design patents, though they are still available for accessories and shoes.”).

3. Trade Dress²²⁸

Trade dress is a subset of trademark law that protects the “total image of a product and may include features such as size, shape, color or color combinations, texture, graphics, or even particular sales techniques.”²²⁹ Whereas “[t]his broad definition suggests that trade dress may be used to protect the entirety of a garment, handbag, or shoe,”²³⁰ the reality is that most fashion designs are unable to obtain the secondary meaning²³¹ required for trade dress protection of a product design.²³² An additional hurdle is establishing the nonfunctionality of the design feature under tests of both utilitarian and aesthetic functionality.²³³ As in trademark law more broadly, very few nontraditional marks in fashion will be able to meet both the secondary meaning and nonfunctionality requirements, especially if aesthetic functionality is to be construed as broadly as it was in *Louboutin*.

It is clear that copyright and design patent do not provide sufficient alternative protection to fashion works, and *Louboutin* leaves unsettled the scope of trademark and trade dress protection for such items. Naturally, there is much literature detailing this problem and suggesting ways for the fashion industry to enhance its IP rights. One such note, proposing that designers “push the boundaries of the available protection by utilizing new strategies rooted in existing intellectual property law,” suggests that designers make use of “source-identifying color marks.”²³⁴ It is ironic that this proposal, necessitated by the lack of IP protection in the fashion industry, may now be unfeasible if the *Louboutin*

²²⁸ See generally Karina K. Terakura, *Insufficiency of Trade Dress Protection: Lack of Guidance for Trade Dress Infringement Litigation in the Fashion Design Industry*, 22 HAWAII L. REV. 569 (2000) (arguing that traditional trade dress law, “which is frequently used in ordinary product infringement cases,” needs clearer standards in order to apply “to the complex world of fashion.”).

²²⁹ *Two Pesos, Inc. v. Taco Cabana, Inc.*, 505 U.S. 763, 765 n.1 (1992) (internal quotations omitted). See also RESTATEMENT (THIRD) OF UNFAIR COMPETITION: CONFIGURATIONS OF PACKAGING AND PRODUCTS: TRADE DRESS AND PRODUCT DESIGNS § 16 (1995).

²³⁰ Sreepada, *supra* note 227, at 1138.

²³¹ See, e.g., Ellis, *supra* note 195, at 177 (“[I]t takes time to establish secondary meaning, and in the meantime, designers are vulnerable to copyists The presence of copies on the market makes it even harder to establish secondary meaning—it is difficult for a company to establish itself as the sole source of a good if there are competitors selling exactly the same product.”).

²³² See also *Wal-Mart Stores v. Samara Bros.*, 529 U.S. 205, 213 (2000) (holding that product design, as opposed to product packaging, must acquire secondary meaning to qualify for trade dress protection because “consumer predisposition to equate the [product design] with the source does not exist.”).

²³³ See *id.* at 214 (The party seeking trade dress protection “would have to establish the nonfunctionality of the design feature—a showing that may involve consideration of its esthetic appeal”). See also Ellis, *supra* note 195, at 178 (describing the two tests used by courts to determine functionality). See also Tsai, *supra* note 191, at 454 (“Although every element of the trade dress does not have to be nonfunctional, the end result must be nonfunctional when considered as a whole.”).

²³⁴ Sreepada, *supra* note 227, at 1133.

opinion is left to stand.

IV. THE GAME IS WORTH THE CANDLE

A *per se* rule against single color marks in fashion is inappropriate, as there is potential for such marks to meet all of the ordinary trademark requirements, including distinctiveness and nonfunctionality. If such is the case, denying the mark protection based on its “ontological status” conflicts with the Lanham Act and perpetuates the acknowledged lack of IP protections available for fashion. This situation differs from that in *Wal-Mart v. Samara Bros.*, where the Court established a *per se* rule that product design must acquire secondary meaning in order to be eligible for trademark protection. Justice Scalia wrote, “the game of allowing suit based upon alleged inherent distinctiveness seems to us not worth the candle,” given the availability of other IP protections and “the unlikelihood of inherently source-identifying design.”²³⁵ Here, however, there are no sufficient alternative protections for source-identifying single color marks; judicial review of the validity of such marks is therefore a necessity.

Much as there should not be a *per se* rule against single color marks in fashion, there also should not be an absolute grant of protectability. It goes without saying that a trademark claim for “the color red applied to a dress” would be unduly broad and anti-competitive. Dresses come in infinite variations, based on differences in length, cut, fabric, and style. A claim for “the color red applied to a dress” would presumably apply to every type of dress, which begins to look like the “monopoly” feared by *Louboutin*. Dresses are also items that are traditionally colored, and quite frequently red. A claim to the color red on dresses would thus preclude designers from doing what they have done all along. By comparison, shoe outsoles are not of the same limitless variety as dresses—if they are of any variety at all—and are infrequently any color other than black or beige. Allowing a claim to the color red for outsoles is inherently less problematic than allowing a claim to the color red for dresses. However, in facilitating the protection of single color marks in fashion akin to the Red Sole, any proposal must consider this “red dress” dilemma. While certain distinctive, non-functional single color marks do merit protection, any such grant must also preclude the “red dress” from gaining federal trademark rights.

The only way to strike this precise balance is by considering each claim on its facts, paying particular attention to the exact wording of the mark’s registration. In deciding whether to afford

²³⁵ *Wal-Mart*, 529 U.S. at 214.

protection to a single color trademark, courts should consider: (1) the strength of its secondary meaning; (2) its use as a trademark, as evidenced by its public recognition as a source identifier; (3) its aesthetic functionality, based on the material ramifications for competition within the same market, including consideration of whether adequate alternative designs exist; (4) its utilitarian functionality, limited to whether the element in question makes the product less costly to produce or of higher quality; and (5) the novelty of the mark.²³⁶ Each of these factors should be considered using the definition of the mark set forth by the claimant in its registration. This will incentivize claimants to craft their registrations more narrowly, especially if courts emphasize factor (3), which should ease the concerns about competition set forth in *Louboutin*. These factors minimize the weight placed on the unpredictable aesthetic functionality consideration, reducing the doctrine to a competitive necessity analysis that may be explored by courts in conjunction with other considerations. The hypothetical “red dress” would likely be filtered out under factor (3), as such a broad claim would negatively affect almost every dress manufacturer, and in factor (5), since red dresses are far from unique. In comparison, the Red Sole should pass this test, as most shoe manufacturers do not utilize red outsoles and the concept is highly innovative. Although judges will have discretion in their construal of each factor, as they do in likelihood of confusion determinations, this specific list of considerations provides judges with guidance and boundaries in order to prevent reliance on theoretical arguments, and to instead keep the analysis closely tied to the facts at hand.

The shortcomings of this proposal are its lack of efficiency and the uncertainty it provides to mark holders and their competitors. Foremost, such a holistic, individualized review of each contended color mark certainly creates more work for judges and may lead to administrative delay. However, this is no different than the fact-specific review that courts must undergo in order to assess the many factors of likelihood of confusion. Moreover, the issue of the color mark’s validity and the issue of likelihood of confusion will presumably come before the court simultaneously.

²³⁶ Although “novelty” is a patent law concept and no such requirement exists in the realm of trademark law, it is an appropriate consideration in cases such as *Louboutin* where the court is particularly wary of anti-competitive effects. The novelty requirement in patent law is premised on the ideals of free competition and an expansive public domain, and should thus be considered in trademark law to address these concerns. When a mark is novel—not “already available to the public”—it should be regarded as less of a threat to competition, and therefore, a better candidate for federal trademark protection. See *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*, 489 U.S. 141, 150 (1989) (describing patent law’s novelty requirement and the legislative intent of the Patent Clause).

Therefore, there should not be any work required of the court in addition to what it has already undertaken to consider. Second, this multi-factor analysis would provide mark holders with less certainty as to the protectability of their marks, and their competitors with less notice as to what may be fairly appropriated, than would a bright-line rule. However, yet again, these determinations would be similar to any likelihood of confusion analysis, which ultimately turn on how the judge interprets each factor and the way in which he or she selectively applies the facts of the case to those factors. Although this proposal is not ideal for the sake of efficiency, the considerations set forth above place no greater uncertainty on mark holders or competitors regarding the status of a trademark than already exists.

Additionally, the United States Patent and Trademark Office (“USPTO”) should take prophylactic steps to ensure that registrations for such marks are as precise as possible in the first place. The current registration requirement for a mark consisting solely of one or more colors used on a particular object²³⁷ is that a “drawing must show the mark in color, and the applicant must name the color(s), describe where the color(s) appear on the mark, and submit a claim that the color(s) is a feature of the mark.”²³⁸ Though Louboutin’s registration met these requirements, much trouble may have been avoided had Louboutin included a specific Pantone number in its application. The Pantone Matching System is a standardized, “international reference for selecting, specifying, matching and controlling ink colors.”²³⁹ While Louboutin’s decision not to include the Pantone number may have been strategic, in order to make possible more claims of infringement against others, such a strategy clearly risks cancellation of the mark if the claim is found to be overbroad. Going forward, the USPTO should require every registration for marks consisting solely of one or more colors to list the Pantone number(s) claimed, in addition to the current requirements. This would allow the USPTO to preliminarily identify and advise of confusingly similar overlaps in color marks registered within the same class. While registration of a specific Pantone number should not automatically preclude a second-comer from using the same or a similar color on a comparable product, the second-comer’s choice to proceed to do so may risk later failure of the

²³⁷ TMEP 1202.05, *supra* note 43 (defining “color marks”).

²³⁸ Rules of Practice in Trademark Cases, 37 C.F.R. § 2.52(b)(1) (2012).

²³⁹ See *supra* note 107. Sephora, a major chain cosmetic store, recently partnered with Pantone, “the global color authority,” to offer a “Color of the Year beauty collection.” See *Coming to Sephora Spring 2012*, SEPHORA.COM, <https://www.sephora.com/secure/pantone/index.jhtml?searchString=panton> (last visited Mar. 29, 2012).

mark on factor (5), as the mark would not be novel. Thus, providing a Pantone number may provide junior users with sufficient notice without actually prohibiting their use of the color. The European Union already has such a requirement in place.²⁴⁰ Although courts will still have to make likelihood of confusion determinations between similar shades, requiring Pantone numbers will prevent registrants from making boundless claims to color, and should thereby create more space for competitors.

Initial specificity in a color mark's registration as required by the USPTO, as well as defined considerations for assessing the validity of such a mark should it be contested, will facilitate the protection of distinctive, non-functional, source-identifying single color marks. These proposals preclude courts from relying upon broad construals of aesthetic functionality, color depletion, and shade confusion, and instead compel a competitive necessity analysis that accounts for the realities of the situation at hand.

CONCLUSION

The Second Circuit should vacate and remand the district court opinion.²⁴¹ The district court's erroneous characterization of Louboutin's registration as a "claim 'to the color red'" rather than a claim for "a lacquered red sole on footwear," as well as its broad construals of functionality, aesthetic functionality, color depletion, and shade confusion establishes a poor precedent for analyzing the protectability of single color trademarks in the future. Rather than invoke generalizations and criticized theories in order to forego a more specific competitive necessity analysis, courts should examine contested trademarks on a fact-specific basis.

In considering YSL's counterclaim for cancellation of the Red Sole Mark on remand, the district court should consider Louboutin's trademark as it is set forth in its 2008 registration, and specifically ask whether Louboutin's lacquered, red outsoles are a competitive necessity. Although it is probable that the court will ultimately find no likelihood of confusion between Louboutin's heels and the YSL heels that prompted this infringement suit—

²⁴⁰ The European Court of Justice, the highest court in the European Union, requires that trademark applicants designate the color using an internationally recognized identification code. See Melissa E. Roth, *Something Old, Something New, Something Borrowed, Something Blue: A New Tradition in Nontraditional Trademark Registrations*, 27 CARDOZO L. REV. 457, 477 (2005).

²⁴¹ In its brief to the Second Circuit, YSL argues that "Louboutin cannot overcome the 'formidable hurdle' necessary to obtain reversal of a denial of a motion for preliminary injunction." Brief of Appellee at 15, *Louboutin S.A. v. Yves Saint Laurent Am., Inc.*, No. 11-cv-3303 (2d Cir. Dec. 27, 2011), ECF No. 89. This Note argues for a revised opinion from the district court, not necessarily a grant of Louboutin's motion for preliminary injunction.

and thus no likelihood of success on the merits to warrant a preliminary injunction for Louboutin—the opinion of the district court must be revised in order to allow for the possibility of protecting distinctive, non-functional single color marks in fashion in the future.

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