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INTELLECTUAL PROPERTY

Luxury Designer Red-Faced After Failing to Monopolize Shoe Color

Judge Rules Color Trademark 'Unlikely' To Be Proven Valid

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Special to the Legal

Christian Louboutin, famed creator of well-heeled shoes for well-heeled women, is seeing scarlet since a Manhattan judge recently denied his motion for a preliminary injunction that sought to prevent fashion house Yves Saint Laurent from using the color red on the soles of the shoes in its 2011 "Cruise Collection." *Christian Louboutin S.A. et al. v. Yves Saint Laurent America Inc. et al.*

Despite the fact that Louboutin had obtained a trademark for red-soled shoes from the U.S. Patent and Trademark Office in 2008, Federal Judge Victor Marrero of the U.S. District Court for the Southern District of New York held that the trademark was "unlikely" to be proven valid, even if it had acquired secondary meaning in the minds of consumers, due to the anti-competitive effects of such a monopoly of on a single color.

Louboutin and his company sued YSL in April of this year, alleging trademark infringement of the company's "Red Sole Mark," as well as trademark dilution and related claims, because of YSL's use of allegedly "confusingly similar" red soles in certain shoe models. Louboutin argued that his red sole design, on shoes that cost as much as $1,000 per pair, is "engaging, flirtatious, memorable and the color of passion," and serves as a source-identifier with consumers, to which YSL responded that Louboutin's ideas were copied from King Louis XIV's red-heeled dancing shoes or Dorothy's ruby slippers in the film "The Wizard of Oz," if not YSL's own previous designs.

The Southern District Court noted, initially, that the U.S. Supreme Court has held that color can "sometimes" be protectable as a trademark where the color "identifies and distinguishes a particular brand," and thus has acquired "secondary meaning" in the minds of consumers with respect to a product's source, but not when that color is functional nor when it hinders competition. For example, in an industrial setting, where the "design, shape and general composition of the goods are relatively uniform, so as to conform to industry-wide standards," the court observed that color as applied to dry cleaning pads could be the basis for a valid trademark. Such pads are not seen by consumers, thus neither the attractiveness of the product nor its color gives one company an advantage over another.

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Similarly, Owens Corning Fiberglass Corp. was able to trademark its pink fiberglass insulation. There again, "the application of color to the product can be isolated to a single purpose: to change the article's external appearance so as to distinguish one source from another." In that instance, too, no other fiberglass company had used or was using the pink color, so there was no anti-competitive effect.

In the fashion industry, however, where "creativity, aesthetics, taste and seasonal change" define articles of clothing and consumer fashion, color "serves not solely to identify sponsorship or source, but is used in designs primarily to advance expressive, ornamental and aesthetic purposes," the court found. Historically, only trademarks that have displayed a "uniquely identifiable mark embedded in the goods," such as Louis Vuitton's "LV" monogram or Burberry's check pattern, have been given trademark protection.

Comparing fashion design to painting, two creative endeavors which combine commerce and art, Marrero found that both "share a dependence on color as an indispensible medium." Marrero further observed that "no one would argue that a painter should be barred from employing a color intended to convey a basic concept because another painter, while using that shade as an expressive feature of a similar work, also staked out a claim to it as a trademark in that context."

The court also questioned whether the use of a single color may be considered "functional," and thus non-trademarkable, in the context of fashion. Observing that the functionality doctrine "forbids the use of a product's feature as a trademark where doing so will put a competitor at a significant disadvantage," the court noted that non-trademark functions of the red soles, such as "giving the right touch of beauty," demonstrating "energy" and "attract[ing] men to the women who wear [the] shoes," should not be given as a monopoly to a single company.

Finally, the court found that Louboutin's claim to "the color red" was "overly broad and inconsistent with the scheme of trademark registration established by the Lanham Act." For example, YSL would have many reasons and "stylistic goals" to use red in its designs. The court did not find persuasive the idea that Louboutin's choice of a specific Pantone textile tone of red limited the claims, as competitors would be unable to ascertain how other similar tones would not be "confusingly similar," and held that it "could not conceive that the Lanham Act could serve as the source of the broad spectrum of absurdities that would follow recognition of a trademark for the use of a single color for fashion items."

An appeal to the U.S. Court of Appeals for the Second Circuit was filed by Louboutin almost immediately. Should the Second Circuit agree with Marrero's ruling, the U.S. Supreme Court could very well agree to hear a further appeal by Louboutin, as it has been almost seventeen years since the high court has specifically addressed the issue of colors serving as trademarks. •