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Katten

Letter From the Editor



In this Fall 2021 edition of *Kattwalk*, we introduce you to Ilana Lubin, a partner who this summer joined our Advertising, Marketing and Promotions practice in New

York. Ilana brings a global perspective to the group, representing clients in multiple retail and fashion industries, including apparel, footwear, and the accessory and beauty sectors.

Along with Ilana, this issue covers the state of our practices mid-pandemic, our thoughts on coming trends, and reflections on the evolution of fashion law as a distinct, but incredibly cross disciplinary practice area.

Karen Artz Ash

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Ilana Lubin

Advertising, Marketing and Promotions Partner Katten Muchin Rosenman LLP

Q&A

With

BACKGROUND

Tell us about your background.

I joined Katten in the summer of 2021 as part of the firm's Mergers & Acquisitions and Private Equity practice in New York where I advise companies on domestic and cross-border mergers and acquisitions, and divestiture and joint venture transactions.

Specifically, my practice focuses on transactions where intellectual property is the key asset – ranging from acquiring brands to structuring and negotiating joint ventures to establish celebrity product lines to supporting clients' worldwide brand expansion initiatives through licensing and distribution deals.

I grew up outside of New York City, in Westchester Country, and decided to pursue a career in law for a myriad of reasons, including possessing attributes that I believe make good counsel – perspective, judgment, and discipline.



EXPERIENCE

D

You've clearly found and are excelling in an M&A/Private Equity niche focused on the retail, apparel, footwear and beauty sectors. How did your practice evolve to focus on this sector?

As a junior associate, I gained exposure to a few different practice areas, but once I had the opportunity to play a significant role on a merger pertaining to the acquisition of a plastic utensil company, I was hooked. I wanted to build up a transactional skillset, and was industry agnostic.

Later, as an associate at a European law firm with a significant client base in the fashion industry, I was fortunate to have the opportunity to do a series of significant deals in the space, buying and selling brands and portfolios of license agreements.

In cutting my teeth on those deals, I simultaneously built up a fluency with respect to issues that arise in connection with the exploitation of intellectual property rights and started to negotiate license and endorsement agreements.

In time, I gained exposure to the host of legal challenges faced by companies in the sector – ranging from union and customs issues to a variety of employment, data privacy, advertising and consumer product safety issues, to name only a few.

I believe that the breadth and depth of this experience has been a value-add in working with clients to evaluate risk when issues arise, be it with respect to a transaction or in navigating day to day challenges.

VISION

Given the late pandemic retail boom and unpredictable future, do you have predictions you can share about your industry and practice areas?

Celebrity stakeholders. I think we will see even more of an increase of celebrities pivoting from the role of endorser to equity stakeholder, holding operational roles at fashion and beauty companies. This will be interesting coupled with the NCAA's recent decision to allow college athletes to earn money by endorsing products and services from companies. Taken together, the value placed on branding and IP will continue to grow.

On the technology front, I expect we'll see increased uses of augmented reality, especially as consumers rely on e-commerce.

We'll also see more consolidation and cross pollination. Companies and brands of all sizes, stages and vintages continue to compete over eyeballs in lieu of shelf space, resulting in consolidation, acquisitions out of distress, and cross pollination among sectors. For example, malls are becoming warehouses and are also being increasingly adopted and transformed into experiential venues.

CIVIC INVOLVEMENT

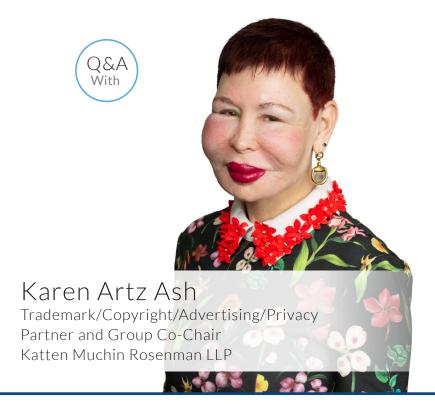
You are an active advocate for women and girls. What motivates you to volunteer your time for pro bono projects and civic work?

I most enjoy mentoring young women who seek professional advancement in the law or otherwise. In the past, I have been involved in book clubs with high school students where the books are used as a vehicle to discuss issues they face. I also regularly participate in Leadership Council on Legal Diversity to support diverse students navigating their first year in law school. This was especially rewarding last year, when 1L students had limited resources to cope and adjust to the remote nature of their first year in law school.

LIFESTYLE

What do you do for fun, when you're off the clock?

Outside of work, you can find me playing tennis, going for a run up the west side highway or on the beach in East Hampton. I also currently spend the majority of my free time with my new puppy, a Wheaten Terrier named Clover, and I am loving it.



FABRIC AND FOUNDATION OF PRACTICE

Tell us about your practice and day-to-day legal work

IMy primary focus is making sure that I am a knowledgeable, common sense resource for my clients on all matters touching their brands and businesses built on those brands. I represent a range of global fashion and beauty brands. I support these businesses in doing everything possible to safeguard and enforce their names and other proprietary rights, prepare and disseminate promotional and supporting materials that respects the integrity of third party rights and, among other things, develop and negotiate comprehensive agreements covering manufacturing, licensing, advertising, distribution, sponsorship, co-branding, collaborations, campaigns, and just about any form of arrangement that exploits a company's intellectual property.

After more than 30 years of practice, what are some of the more dramatic changes you've observed?

Certainly, the biggest change has been how quickly things move. Everything now requires immediate action, comment, up to the minute response. We have, in general, become an "on demand" society. This makes it harder for companies to make sure they are always doing the right thing, and it makes it more costly for them to do business in general. The creative process is fast and furious. Products and styles are expected to be developed, sourced and marketed with little lead time. From a legal perspective, this requires the ability to develop proper documentation, often with little time. This ultimately requires that attorneys and in-house staffs are prepared with appropriate templates and resources, and that their underlying intellectual property (e.g. trademark portfolios) are in good shape.

On a somewhat different note, one of the very good things I have seen over time is the way that companies have a social conscience, stepping up to support worthwhile causes such as protecting civil liberties, supporting social justice, promoting diversity, protecting LGBTQ rights, and recognizing the need for adaptive clothing for the physically disabled. Social media has played a strong role in creating the forum for companies to promote and support the greater good. Advertising has also changed a great deal. Conventional magazine advertising is now just a small part of the ways that fashion brands promote themselves and their products. They use influencers, develop social media campaigns, and show their products and trends on Instagram, Facebook, and Twitter. Things change almost hourly.

EVOLUTION OF FASHION LAW

You've helped shape how a successful fashion law practice operates. Can you talk about the evolution of the practice area?

I know we all talk about "fashion law" as a standalone discipline. In fact, I teach a law school class at New York Law School about Licensing in the Fashion Industry, and I have contributed to multiple books under the title of "Fashion Law." But, the reality is that the term really only reflects a knowledge of a unique (and incredibly varied) industry, and then applying individual disciplines to that knowledge. For example, I am an Intellectual Property lawyer, first and foremost. But, in understanding and learning how fashion businesses and the broader industry works, I apply my skillset to the scope of issues that these businesses might, and do, face. This also means that my practice has expanded to accommodate other knowledge areas, such as bankruptcy, banking, antitrust, and being able to recognize all of these issues. So, "fashion law" is really just a devoted knowledge base of a particular industry. It is now a recognized discipline only because the industry has grown so much, has become so sophisticated, and constitutes such a large part of the world's economy.

TODAY IN FASHION & LAW

Given the whirlwind of activity, pre- and midpandemic, what's your overarching assessment of the state of fashion and law?

These last 18 months have been so challenging and so informative at the same time. I watched as businesses appeared to stop in their tracks and implode, seemingly overnight; magnificent retail locations shuttered; and so many people no longer had the need to dress up. We were (and maybe still are) overwhelmed with just getting through the day, staying healthy, and protecting our families. Everything else seemed almost silly. But the reality is that the fashion industry supports city and suburban life, is a necessary part of our real estate industry, and provides tremendous employment opportunities. The inability of the fashion industry to thrive has a domino effect. Just walking around New York City over the last year and seeing the sheer number of abandoned storefronts, underscored the clear interrelationship between the fashion industry, the economy and our daily lives.

The industry has had to adapt, as we all have had to change. In the end, I think it will be a good thing. There is a true appreciation for individual needs, plus a flurry of creativity. A door has opened to new, less traditional approaches. We are seeing this with different types of designers entering the scene, the adoption of creative elements, and a prioritizing of the important things in life. People are embracing a new individuality when it comes to how they dress. I am confident we are all coming out of this as better people.

LIFESTYLE

What has changed for you during the pandemic in terms of how you work, play and serve others?

I have been working remotely for the last 18 months. I start every day by taking a dance lesson with my husband (we do Latin dancing at a ballroom studio). We have coffee together afterwards, and then begin our work day in separate rooms. The physicality and joy of dancing makes me feel ready to face the day. (Recently, my grown daughters and their husbands have taken up dancing, too.) The movement is subtle yet strong and precise – sometimes, requiring adjustment here and there to accommodate the things around you. This is how I face each day with the same skillset.

The pandemic focused a strong light on the difficulties so many others face, when they do not have opportunities or support, do not have equal access to resources, medical care, or employment. While I have always been devoted to pro bono work (and I serve as the NY Pro Bono committee chair at Katten), my role as chair of the pro bono services organization Volunteers of Legal Service (VOLS) has been uniquely rewarding this year. We did so much to support those impacted inordinately by circumstances beyond their control; and the advocacy for the greater good and for society as a whole has really kept everything in perspective.

Cautionary Tale: Commercializing 'Street Cred'

By David Halberstadter

Over the past year, I've carefully followed the increase in litigation brought by artists against retailers — clothing brands, automotive brands, and food and beverage chains — for the alleged copying of their distinctive artwork in fashion designs and marketing campaigns. So-called "street artists" — many of whom started out illegally "tagging" subway cars, bridges and overpasses but have since acquired a level of legitimacy — are largely responsible for this recent trend.

A growing list of retailers have found themselves ensnared in disputes with street artists. The list includes American Eagle Outfitters, Coach, Fiat, General Motors, H&M, Epic Records, McDonald's, MercedesBenz, Moschino, Roberto Cavali and Starbucks.

More often than not, the artists assert claims of copyright infringement, either because their works allegedly were incorporated into the design of apparel or other merchandise, or because photographs of their publicly viewable works were included in advertising materials.

One notable case involves Christophe Roberts, an established artist who also possesses a great deal of street credibility. In March, he filed suit against Puma North America claiming Puma infringed on his registered trademark.

Before an undisclosed settlement, Roberts claimed Puma used his distinctive "Roar" mark "in large national ad campaigns targeting its products to National Basketball League consumers." *Roberts v. Puma North America, Inc.,* Case No. 21-cv-2559 (S.D.N.Y. Filed March 25, 2021).

The Puma case is distinctive for two reasons. First, Roberts is not merely a tagger known only for street art. Rather, he is widely recognized as a "multidisciplinary" artist who works in sculpture, graphic design and painting. He has received commissions from a number of high-profile clients, and his works have been exhibited at numerous venues and events, including Lyons Wier Gallery in New York, NBA Allstar Week in Chicago, NBA Art Week in Vancouver, Widen+Kennedy in Portland, New Gallery of Modern Art in Charlotte, Long View Gallery in Washington, DC, Mocada Museum in Brooklyn, and Royal Ontario Museum in Toronto.

Roberts is particularly well-known for a series of sculptures he created using recycled Nike shoeboxes. He is featured on Nike's website and at the retailer's flagship store in New York City, as well as at Staples Center in Los Angeles. Because of this, Roberts is also renowned among "sneakerheads," or individuals who collect and trade sneakers as a hobby and who, typically, are knowledgeable about the history of athletic shoes. (For more information, visit https://en.wikipedia.org/wiki/Sneaker_collecting.)

Second, the Puma case is distinctive because Roberts did not assert a claim for copyright infringement of his work. Instead, he sued for trademark infringement.

Roberts maintained he uses his "Roar" mark as his "brand image" and "calling card." His mark consists of a hand-drawn outline of a set of jagged teeth and is registered with the United States Patent and Trademark Office. Roberts alleged that he uses this mark widely, not only in connection with his artwork and art installations but also on social media and in connection with the sale of branded t-shirts, jackets, hats, posters and pins.







More NEWS to KNOW

US: TTAB affirms USPTO's refusal of 'deceptively misdescriptive' applications for the word 'clear'

by Karen Artz Ash and Alexandra Caleca

In July 2019, Dolce Vita Footwear Inc (Dolce Vita) filed two intent-to-use based trademark applications with the US Patent and Trademark Office (USPTO) for the mark 'CLEAR' covering footwear, various items of apparel, bags and related accessories in international Classes 18 and 25.

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Counsel split on whether USPTO's TMA rules will deter bad guys [Managing IP]

Karen Artz Ash, partner at Katten in New York, says trademark owners that are truly using their marks and not merely warehousing them should not have any problem in satisfying this requirement.

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In-house counsel reveal how they protect suggestive trademarks [Managing IP]

Karen Artz Ash, partner at Katten in New York, says that a company cannot assume that it has the right to use a mark in the US just because it is well-known in another country.

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According to Roberts, beginning on or around June 2018, Puma started publicly using the Roar mark on merchandise and in the marketing and promotion of Puma merchandise. Specifically, Puma was alleged to have wrongfully appropriated Roberts' "Roar" mark by extensively incorporating a similar calligraphic ink outline and contoured depiction of teeth in various lines of its apparel and other goods.

Roberts sought, among other relief, a permanent injunction prohibiting Puma's use of the "Roar" mark, a court order that all of Puma's merchandise, signage, advertising, labels and packaging that bear the "Roar" mark be destroyed and unspecified damages, including the disgorgement by Puma of any profits attributable to its use of the "Roar" mark.

In April, Roberts filed a motion for a temporary restraining order and preliminary injunction to prohibit Puma's continued use of its allegedly infringing design on apparel and in marketing and advertising during the pendency of the litigation. Puma opposed the motion, arguing, among other things, that it developed its teeth designs as part of "a continued focus on feline imagery, which has become closely associated with the brand known by its world-famous leaping cat logo." According to Puma, the "designers involved in this project did not know Roberts, did not know of his art, and did not copy his work, but instead developed their own different and unique take on feline teeth."

Following arguments, the court on May 12 denied Roberts' request for a temporary restraining order and a preliminary injunction. It found that Roberts failed to demonstrate a likelihood of succeeding on the merits of his claims because Puma's use of its own teeth designs was unlikely to confuse consumers into believing that Puma's designs were produced by or affiliated with Roberts.

For all intents and purposes, the denial of a TRO and preliminary injunction took all of the air out of Roberts' lawsuit. Puma filed an answer and a counterclaim to Roberts' complaint, but shortly thereafter, the parties negotiated a confidential settlement agreement and stipulated to the dismissal of Roberts' action.

Without knowing the terms of settlement, it is difficult to assess how positive the outcome was for Puma. Nevertheless, the lawsuit is a reminder to all businesses that seek to generate "street cred" by incorporating contemporary imagery (such as graffiti-like elements) into their fashions and advertising campaigns that they should proceed with caution and have experienced counsel assess the legal risks before proceeding.

Also see:

"Gambling With Graffiti: Using Street Art on Goods in Advertising Comes With Significant Risks," *Kattison Avenue*, Summer 2020

"The North Face's 'FUTURELIGHT' Apparel Line is Alleged to Infringe Upon Graffiti Artist's Name and Distinctive 'Atom Design," *Kattison Avenue*, Spring 2021

Recognitions/Events

Katten Partner Recognized by *Managing Intellectual Property's* Top 250 Women in IP 2021

Managing IP reveals this year's leading female intellectual property practitioners in private practice.

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Katten Partner Recognized By Clients as 'Stand-Out' Attorney in Sharplegal Study

Karen Artz Ash was among those recognized as Acritas Stars in the annual Sharplegal study, with nominations coming from more than 2,300 senior legal buyers.

Katten Ranked Best in IP by Managing Intellectual Property's 2021 IP Stars

Katten was recognized nationally in three Intellectual Property areas and six IP attorneys were selected as part of *Managing Intellectual Property's* 2021 IP Stars.

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Katten Receives High Marks in Derivatives, M&A and Securitization in The Legal 500 United States 2021 Guide

Intellectual Property partners, including Roger P. Furey, Karen Artz Ash, Kristin J. Achterhof and Floyd A. Mandell, were among 90 Katten attorneys named to The Legal 500 United States 2021 guide.

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Katten Boosts Rankings in Chambers USA 2021

Katten's Intellectual Property practices and individual partners including **Floyd A. Mandell** and **Kristin J. Achterhof**, were recognized in the 2021 edition of *Chambers USA*.

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Katten is a full-service law firm with one of the most comprehensive fashion law practices in the nation. We provide innovative advice on the legal and business issues faced by national and international manufacturers, designers, marketers, licensors, licensees and retailers of fashion items including a full range of apparel, footwear, jewelry, cosmetics and luxury goods.

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