Fashion & Apparel Law Blog

Legal Issues Facing the Fashion, Apparel & Beauty Industry

Presented By SheppardMullin

Court Denies Louboutin Preliminary Injunction: Holds Fashion Blind to Single Color Marks

August 15, 2011 by Sheppard Mullin

On August 10, 2011, Judge Victor Marrero denied Christian Louboutin S.A.'s motion for a preliminary injunction to enforce its U.S. trademark (Registration No. 3,361,597) for "lacquered red soles on footwear" covering "Women's High Fashion Designer Footwear" in International Class 25. The Court held that "[b]ecause in the fashion industry color serves ornamental and aesthetic functions vital to robust competition, the Court finds that Louboutin is unlikely to be able to prove that its red outsole brand is entitled to trademark protection, even if it has gained enough public recognition in the market to have acquired secondary meaning." The decision not only concluded that the Lanham Act does not "exten[d] protection to a trademark composed of a single color used as an expressive and defining quality of an article of wear produced in the fashion industry," but also established a new precedent by concluding that trademark protection under the Lanham Act for the fashion industry differs from that in other industries.

In his thirty-two page decision, Judge Marrero compared fashion designers to painters and noted how creativity for both is dependant upon using color as "an indispensable medium" that "plays a unique role." The Court observed that: "The law should not countenance restraints that would interfere with creativity and stifle competition by one designer, while granting another a monopoly invested with the right to exclude use of an ornamental or functional medium necessary for freest and most productive artistic expression by all engaged in the same enterprise."

The Louboutin decision is remarkable in that it resurrects the doctrine of aesthetic functionality, which had been thought by some to be moribund. Similarly, the Court

embraced the previously defunct argument that the single color of a product is not capable of protection because of the risk of "shade confusion," which argument had been explicitly rejected by the Supreme Court in Qualitex Co. v. Jacobson Prod. Co., Inc., 514 U.S. 159, 167-168, 115 S. Ct. 1300, 131 L. Ed. 2d 248 (1995).

Interestingly, the Court spends little time discussing whether and to what extent the color red has a source-identifying effect for the sole of the Louboutin shoes. This analysis is critical to determining whether the color shade serves both a source-identifying and aesthetic function. The Court noted that the trademark registration failed to specify what color red was protected and that the difficulty of discerning the shade of red places an impossible burden on the Court. As such, the Court concluded this difficulty will lead to "fashion wars" notwithstanding the fact that no such wars have taken place since Qualitex was decided in 1995. Based upon these observations, the Court held a single color is not protectable in the fashion industry and, in consideration of its findings under federal law, the Court held Louboutin was unlikely to succeed on its state law claims.

The Court noted that the issue of the validity of the registered Louboutin trademark and the counterclaim to cancel the mark were central to the disposition of the action and commented that the ample record developed with respect to the preliminary injunction obviated the need for further discovery. As a result, the Court directed the parties to appear on August 17, 2011 and for Louboutin to show cause why the record, as it exists, should not be converted into a motion for partial summary judgment to cancel Louboutin's trademark at issue. There will no doubt be more to come and it is likely, under the circumstances, that Louboutin will appeal to the Second Circuit to protect its registered trademark.