

Court Tells Louboutin To Take A Hike. And He Does. To the Second Circuit.

January 31, 2012 by Charlotte Marie Petilla

On Tuesday, high-end shoe designer Christian Louboutin told the Second Circuit that District Court Judge Victor Marrero got it wrong when he <u>ruled</u> that Louboutin failed to make a preliminary showing that his hallmark red-soled <u>shoes</u> were entitled to trademark protection, basing that holding on the broad rule that a single color for fashion items could not be trademarked under the Lanham Act.

The dispute arose when Louboutin filed <u>suit</u> against Yves St. Laurent in April, 2010, asserting that several <u>monochrome shoes</u> featured in YSL's Cruise 2011 collection infringed and diluted Louboutin's <u>trademark</u> for red lacquered outsoles for high-end designer footwear.

YSL <u>counterclaimed</u> seeking cancellation of Louboutin's mark on the ground that the mark was functional, invoking the doctrine of aesthetic functionality. This complex doctrine (which perhaps seems less so only in the minds of <u>law professors</u> who weighed in as amici) prevents a would-be trademark holder from laying claim to a mark whose aesthetic features confer a non-reputational benefit that cannot be duplicated by alternative designs.

According to the district court, laying claim to a single color for a fashion item effectively forecloses other designers from using that color in the claimed way. The court likened extending trademark protection under those circumstances to giving Picasso the right to enjoin Monet from painting images of water in the blue hue that is the hallmark of Picasso's Blue Period. Such a result, the court reasoned, was as unacceptable in the fashion industry as it would be in the art context since "the greatest range for creative outlet exists...where every painter and designer in producing artful works enjoys equal freedom to pick and choose color from every streak of the rainbow."

Among the many issues raised on appeal by <u>Louboutin</u> and <u>YSL</u>, (not to mention amici <u>Tiffany & Co.</u> and <u>International Trademark Association</u>, the most interesting is whether the aesthetic functionality doctrine bars a single color from ever serving as a mark for a fashion item. Louboutin and INTA point out, for example, that the red tab has been recognized as a source indicator for Levi's apparel. However, that tab is a label affixed to the goods and is not an inextricable part of the goods themselves. It is interesting to consider whether courts would draw a distinction between color as used on a label and a color that is applied to the apparel itself, and whether it makes a difference if the color dominates the item in question.

Regardless of the outcome, current and future mark holders may be rewarded for Louboutin digging in his heels: Reports about oral argument suggest that the panel seems skeptical about the breadth of the district court's ruling. If the ruling is upheld, it seems likely to be on narrower grounds.

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