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**WHY LOUBOUTIN MATTERS:
WHAT RED SOLES TEACH US ABOUT THE
STRATEGY OF TRADE DRESS PROTECTION**

By Anne H. Hocking and Anne Desmousseaux***

I. INTRODUCTION AND SUMMARY

This article is co-written by American and French-European counsel. The authors will explore the protection offered by trademark law in these respective jurisdictions for Louboutin's trademark in red soles for women's footwear. The paper will first analyze the U.S. registration strategy, how the trademark was enforced, and the reasons behind the U.S. court's decision. It will then explore the results of the mark's registration in France and the European Union, and the result of enforcement actions between the parties in France and the Benelux countries (in their aggregate, "Benelux"). The paper will also discuss the Second Board of Appeal Office for Harmonization in the Internal Market ("OHIM") decision and how the OHIM opinion does or does not inform decisions in specific E.U. jurisdictions, namely France and Benelux.

In the view of the authors, the registrant brought upon itself both the rulings against infringement and the invalidation of its mark as filed in certain formats. This is not, in the authors' view, because of the invalidity of the color red on the under sole of women's shoes, but rather, with respect to those cases that had outcomes against Louboutin, because of the choice of defendant and weakness of the underlying infringement claims. Moreover, Louboutin adopted a registration strategy that did not seek to protect the mark as used with the mark as applied for in certain applications.

Thus, the *Louboutin* cases should not be read as findings against the protectability of color as a mark, but rather as cautionary tales in how to register, and how *not* to protect, such rights.

The authors hope that this paper will provide a practical guideline to achieving design- and color-based registrations, a theoretical understanding of some of the underlying principles of protection for color marks, and strategies for enforcing such rights in the United States and Europe.

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The efforts of the shoe designer Christian Louboutin to enforce rights in the red sole of the LOUBOUTIN shoes has now played out in both the United States and Europe. The teachings from both sides of the Atlantic reveal key differences in approach in the United States and the European Union, both with respect to registration of trade dress color marks on items of clothing, and on their enforcement.

Decided in 2012, the U.S. Second Circuit's ruling *Christian Louboutin S.A. v. Yves Saint Laurent American Holding, Inc.*, 696 F.3d 206 (2d Cir. 2012), and the procedural history of the registration are a case study in how to obtain registration for trade dress protection for color on clothing. Its teachings go beyond merely clothing however, and apply as well to any sort of color-as-trade dress claim. Taking guidance from the Supreme Court's 1995 holding in *Qualitex*, which in protecting the overall "sungold" color of a dry cleaner's press pad, set the standard in the United States for trade dress protection of overall product color, the *Louboutin* decision underscores the continued relevance of trade dress in colors in the United States.

As will be seen from the following full discussion, Louboutin's current registration strategy arose from U.S. perspective and procedure, which requires specimens of use for trademarks showing the actual manner of use for such trademarks. This requirement under U.S. trademark law forced Louboutin to seek registration for a mark that was relatively narrowly drawn: a red sole contrasting with the upper of a woman's shoe, depicted in an appropriate format to reflect the position of the mark on the sole in relationship to the rest of the sole and a narrowly defined description of the underlying goods, namely, women's footwear.

The litigation involving the Louboutin color trademark in Europe over the past few years has reinforced the current registration strategy derived from the U.S. perspective and procedure as the preferred filing strategy in Europe as well. The 2011 French Court of Appeal decision in *Zara France, SARL v. Christian Louboutin S.A.* Cour d'Appel de Paris, Pôle 5, Chambre 9, No. 165, June 22, 2011, confirmed by the Supreme Court decision of May 30, 2012, and the 2014 Belgian District Court decision in *Louboutin v. Van Dalen Footwear*, Court of Appeal of Brussels, Judgment of 18 November 2014, set important precedents in the European Union. The French court invalidated an early format Louboutin red sole registration which did not depict the mark as a red sole contrasting with the upper portion of a woman's shoe.

Later, upon re-filing in 2011, the OHIM Second Board of Appeals classified the red color mark owned by Louboutin as

fanciful and unexpected, R 2272/2010-2 June 16, 2011, and thus permitted the mark to be registered. While this particular registration was not the subject of any successful infringement action, the OHIM holding is consistent, on different doctrinal grounds, with the United States Supreme Court ruling in *Qualitex*, namely that color marks paired with additional features (positioning, lettering, etc.) are per se registrable.

Subsequently, Louboutin registered in the European Union the mark in the same format as had been upheld in the *Yves Saint Laurent* litigation in the United States. Initially, a Belgian lower court invalidated the registration that the OHIM Second Court of Appeals held was registrable, but the Belgian Court of Appeals upheld the registration and found infringement.

This article examines the key distinctions between the cases, and offers a roadmap to pitfalls and advantages of trademark enforcement. Procedurally, the cases begin in similar fashion. On both sides of the Atlantic, the mark itself was challenged as to whether or not it could even function as a mark. In the United States, the answer was: yes, Louboutin has a mark, but no, Yves Saint Laurent has not infringed it with regard to the Red Sole Mark. In Europe, when the Benelux and French Courts reviewed the Red Sole Mark, the answer was, yes, Louboutin has a trademark and yes, the respective defendants infringed.

In Benelux and France, the only region of Europe to evaluate the format of the trademark registration that was upheld in the United States by the Second Circuit in the *Yves Saint Laurent* litigation, the Belgian and French courts enforced Louboutin's rights in the trademark. The rulings of the U.S. Second Circuit in the *Yves Saint Laurent* case and the Belgian Court of Appeal can easily be reconciled, with slight differences in the outcomes of the case turning on the features of the allegedly infringing product, namely a monochrome shoe with a red sole or a contrasting color-shoe with a red sole. As will be seen from the photographs of the infringing products set forth in the text, the Belgian Court of Appeal easily sustained the registrability of the mark, and found infringement, where the defendant's shoe shared the same distinctive feature of the LOUBOUTIN shoes: red soles contrasting with different-colored uppers.

In France, the question of infringement also arose: Louboutin's first trademark registration in France was canceled. Further, when evaluating the format of the trademark registration that was upheld in the United States by the Second Circuit court in the *Yves Saint Laurent* litigation that was filed a few years later, it sustained the registrability of the mark and enforced Louboutin's right in the trademark.

A pivotal question, therefore, is how a relatively harmonized global trademark system could yield such apparently different results. On closer examination, when the same marks were sought to be enforced (red sole with contrasting upper) against defendants who sold women's shoes with exactly these characteristics, the marks were enforced in all jurisdictions where tested. When the European courts evaluated the same mark that Louboutin registered in the United States, the outcomes are in fact harmonious.

Consider these questions in reading the following article:

1. How useful is proof of secondary meaning submitted at the prosecution stage when proving infringement in litigation?
2. How does care in defining the mark assist the mark owner during the prosecution process and during enforcement efforts?
3. Against whom should the trademark owner enforce its rights? Competitors who use the same color used by the trademark owner, but in a manner that only mimics the application of the owner's color mark on the product? Competitors who do not copy the color trademark in its exact application to the product, but are in the same niche of an industry?
4. What are the advantages in narrowly defining a trademark right (e.g., a color used in a specific part of a product (red soles of women's shoes with contrasting uppers) for a particular product (women's shoes)?
5. What is the lesson from the good news and bad news for Louboutin in the *Yves Saint Laurent* case? Why was Louboutin successful in Belgium against Van Dalen and not against Yves Saint Laurent in New York?

In the authors' view, one reason the U.S. registration was upheld is because of the filing protocol for trade dress marks in the United States. In order for color marks to be registered in the United States, the applicant must show the color has acquired "secondary meaning" in the mind of the consumer. That is, the applicant must show that consumers associate a particular color on the product as coming from a single source.

Acquired distinctiveness that is functioning as a mark must be proven in the United States Patent and Trademark Office ("USPTO") in order to achieve registration. Louboutin could have relied on a statement of five years' continuous use in commerce as *prima facie* evidence of acquired distinctiveness. Lanham Act, Section 2(f), 15 U.S.C. Section 1052(f). However, anticipating that mere reliance on five years' use would not sufficiently prove distinctiveness, the applicant

provided substantial proof of facts supporting the claim that the red under sole of women's shoes functioned as a mark. This gave Louboutin a head start in proving the validity of its mark in litigation against a formidable adversary, the international company Yves Saint Laurent.

By contrast, the European application process did not demand proof of an association by customers between the mark and Louboutin, the source-identifying function. The extensive evidence in the U.S. prosecution history for the trademark application, which then came before the courts, no doubt made a difference in the findings in the United States on the one hand, and the ruling in France and the Benelux lower court on the other. However, the extensive evidence showing customers' association by of the mark with its owner, Louboutin, had to be shown at the time the mark was being enforced and appreciated by the Court.

Another important factor is the registration strategy. As outlined in subsequent sections of this article, Louboutin initially applied to register the "red sole" mark in a format that did not show the mark as the red sole of a shoe and therefore could not be shown to function as a mark. This resulted in a ruling of invalidity by the French Court with respect to Louboutin's first type of trademark filing. However, in the second round of filings in Europe, Louboutin followed virtually the same application process as in the United States, depicting the mark as it is actually perceived by customers on women's shoes.

The depictions and descriptions of the mark as first filed in France were quite different from the mark as registered and litigated in the United States. If Louboutin had litigated based on the trademark as depicted in the most recently granted trademark registration, representing a shape and a specific color described as Pantone No. 18-1663TP, the outcome would have been different. Based on the appellate court ruling in the Benelux, which upheld the trademark after the District Court initially cancelled it, the answer is: "yes."

II. THE U.S. STORY

A. Registration History in the United States

These are photographs of a typical LOUBOUTIN shoe featuring a red under sole and of the overall red shoe released by Yves Saint Laurent:



Any female anywhere in the world with any awareness of fashion will immediately know that the shoe on the left is a CHRISTIAN LOUBOUTIN shoe. But the shoe on the right?

Christian Louboutin adopted the red color for all of his women's footwear under soles in 1992. Almost ten years later, in 2001, the first application to register in the United States was filed based on a French registration. (U.S. Ser. No. 76,261,832 under Section 44(d). French Reg. No. 3,067,674) ("Application One").

The drawing of the mark looked like this, filed in color:



The mark was described as: "shoe sole color of red."

The goods were identified as: "shoes."

The mark was registered, but was subsequently attacked in France by Zara in *Louboutin v. Zara*, discussed in Part III of this paper. In any event, the U.S. application was abandoned. The second filing in the United States, in 2006, Ser. No. 79,030,715, Reg. No. 3,376,197 (2008), was also based on a French registration, 063414903 (priority filing date of March 8, 2006, and extended under the Madrid Protocol) ("Application Two").

The drawing of the mark looked like this, filed in color:



The application was the subject of several Office Actions requiring clarification of the mark. Initially, the mark was described as claiming the color “red,” nothing else. The first Office Action required a description of where the color appears in the mark, as well as the color itself. As registered, the mark was defined as “the color red appears in the design, representing a stylized red sole.”

The initial description of goods in the French Registration covered multiple classes, namely, Classes 14, 18, 25 and 26. The Class 25 application started as “Clothing and underclothing (clothing), footwear (except orthopaedic footwear), headgear; gloves (clothing), belts (clothing); scarves.” Upon registration, the public description of the goods covered in Class 25 were limited to: footwear, headwear; gloves, belts; scarves in Class 25.

The registration issued without a substantive refusal based on the inherent unregistrability of such a mark.

A maintenance affidavit under Section 15 of the Lanham Act and Section 71 of the Madrid Protocol was subsequently filed, describing the mark as follows: “[t]he color red appears in the design representing a stylized red sole. The color(s) red is/are claimed as a feature of the mark.” The goods were in Class 18, for which a specimen of a change purse was submitted, showing a zipper pull in the shape of the mark as drawn. No specimen was submitted for “footwear, headwear; gloves, belts; scarves.”

Both of these registrations are puzzling to U.S. trademark owners. U.S. trademark counsel are accustomed to drawings that depict the mark as it actually appears on the product, and to identifying in an application only those goods on which a mark is used.

One need not be conversant in women’s fashion to conclude that neither of the above “marks,” shown in the drawings, were ever used on footwear, or any of the other items listed in the United States applications at the time the applications were filed. Under U.S. law, what is protected is the trademark as presented in the drawing submitted with the application – literally this shape:



To the authors' best knowledge, the depicted trademark does not appear on advertising for the goods or shoeboxes, nor does Louboutin use it in any other way in association with shoes. However, a zipper pull was fashioned in this shape and used on change purses. This 3-D use of this "little red sole" was use of the mark as registered at least in Class 18.

What to French counsel seemed a perfectly logical way to register the mark in France, and extend its protection to the United States, must have appeared as anything but logical to U.S. trademark counsel. Given the requirement of *use* of the mark as a source identifier, it does not appear that the registration of the mark provided a U.S. registration for the mark as actually used.¹ The differences between the French and U.S. systems cannot be stressed enough. In other words, except for the intended use on shoes, one could reasonably conclude the client had a "perfectly good" registration in the United States for the depicted mark, based on extension of the French registration in the United States. The problem was, as U.S. counsel presumably recognized, it was not enforceable for the intended use.²

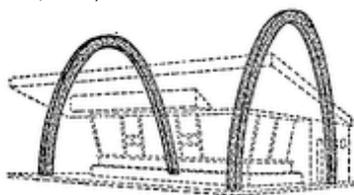
The particular problem raised by the red sole shoe mark depicted in Application Two is that it is not used as a mark on shoes and could not function as a mark in the United States for shoes or any other products, unless the mark is depicted on these products. In other words, the literal drawing of the odd geometric shape, which is meant to depict the shape of a red sole of high-heeled women's shoes shown in the drawing, would have to be used on labels, shoeboxes, bottles of perfume, scarves, mobile phone cases and so forth in order to create the connection between the mark and the goods in the mind of the

1. The authors have not consulted with U.S. prosecution counsel Susan Upton Douglass of Fross Zelnick Lehrman & Zissu in New York City. The comments are the authors' own, based on the record. Note that Louboutin continues to extend similar French registrations into the United States, although the image depicted apparently is not used as a mark in the United States. *See, e.g.*, Reg. No. 4,430,996.

2. It should be noted that Louboutin continues to extend similar French registrations into the United States although the image depicted apparently is not used as a mark in the United States. *See* Registration No. 4,430,996, filed August 10, 2012.

consumer so that the red color and sole design functions as a mark.

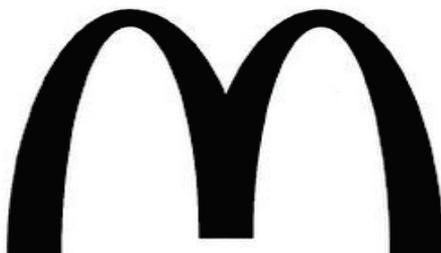
There is certainly no inherent reason why such a shape, in the color red, could not function as a mark, if properly used. One example is the use of the stylized “Golden Arches” on all sorts of merchandise, when the mark began as a registration of an architectural element of a restaurant, consisting of yellow decorative supports that started on the ground in front of the McDonalds’ restaurant, spanned up through the roof and ended on the ground in the back of the restaurant. (See U.S. Registration No. 764,838).



This image was taken from website url:

<http://www.signs.com/blog/logo-series-mcdonalds-golden-arches/>. Credited as: by Alan Hess, “Ultramodern Roadside Architecture,” Chronicle Books 2004.

And U.S. Registration Nos. 2,709,442; 4,260,257; 2,895,568; 3,955,508; 3,467,606; 2,393,485; 2,393,485; 1,753,026; 1,749,107; and 1,665,929.





Similarly, the overall color red of the Tab Device on LEVI'S jeans has long been registered and enforced. The mark consists of the shape of a rectangular label that is sewn into a feature of clothing. It was first used and registered on the back pocket of jeans, but subsequently extended to the tab alone, regardless of its position on clothing and regardless of whether the word mark LEVI'S appears. (See U.S. Reg. Nos. 577,490; 356,701; and 1,157,306.³)



Accordingly, given the job of protecting the color red on the underside of women's high-heeled shoe soles, U.S. counsel (we assume) drafted an entirely different application, showing the mark as follows:

3. Enforcement of all rights in a "Tab Device," no matter where located, has not been uniform. The Ninth Circuit in *Levi Strauss & Co. v. Blue Bell, Inc.*, 778 F.2d 1352 (1985) held that the pocket tab had acquired secondary meaning on pants, but that finding did not necessarily extend to a finding of secondary meaning on shirts. Likelihood of confusion was not proven as between Levi Strauss's use of Tab Device as a "folded cloth ribbon sewn in the vertical seam of a 'garment patch pocket'" and Blue Bell's use of a horizontal red tab on its shirts with the marks WRANGLER or MAVERICK. A reading of this case with the *Louboutin* case provides helpful guidelines on which defendants to select when seeking to enforce rights in a color trademark.



Ser. No. 77/141,789, Reg. No. 3,361,597,
referred to as “the Red Sole Mark” application
(also, “Application Three”).

This mark is described as: “The mark consists of a lacquered red sole on footwear.” The goods are very narrowly described as: “Women’s high fashion designer footwear.”

Following the Second Circuit opinion, and after extensive comments by both parties to the litigation and the government, the mark was amended to: “The mark consists of a red lacquered outsole on footwear that contrasts with the color of the adjoining (“upper”) portion of the shoe. The dotted lines are not part of the mark but are intended only to show placement of the mark.”

The significant difference between Applications One and Two, as each is compared with Application Three, is that the color red is clearly depicted in its position of use on the under sole in Application Three. The mark appears in the drawing in the same manner Louboutin uses it on the goods. This approach with the drawing for Application Three is very different from the approach taken with the first two drawings in Applications One and Two; the first one being the subject of litigation in France in which the registration was qualified as void by the Court.

As will be seen from further discussion, the actual “mark” was the color red on the sole of women’s shoes in contrast to the rest of the shoe itself. Since the mark is tied to the product, the notion of a “red under sole,” as described in Application One and Application Two in the United States simply cannot function as a mark on any other products.

B. The LOUBOUTIN Red Sole Mark in the United States—Prosecution and Enforcement

1. Application Standards—Product Color Marks

The United States Trademark Office (“USPTO”) views applications to register product design marks consisting of

product design features and color elements as inherently non-distinctive and requires specific facts proving “secondary meaning” to support any such application.⁴ There is a statutory presumption of secondary meaning if a mark has been used for more than five years (15 U.S.C. Section 1052(f), Lanham Act Section 2(f)), but the presumption is not always considered sufficient evidence of secondary meaning. The Trademark Examiner is required to examine proposed design and color marks for functionality⁵ and distinctiveness.⁶ Therefore, when seeking registration of product design trade dress or an overall color mark, the applicant must provide evidence that the proposed mark has secondary meaning.⁷

2. Examination of Louboutin Application Reg. No. 3,361,597 (“Red Sole Mark”)

The Red Sole Mark application was filed as a special form application, as were all prior applications.⁸ Because the mark includes elements of both design and color, the applicant had to comply with the special guidelines set out in the Trademark Manual of Examining Procedure (TMEP) Section 807.

The special form drawing clearly shows a dashed line drawing of a women’s high-heeled shoe with a red under sole.⁹ The dashed lines are significant because it clearly indicates to the Examiner that the claimed mark is only in the red-colored under sole and does not extend to any part of the shoe that is dashed. This allows for the trademark to function in any variety of women’s high-design fashion footwear produced by Louboutin and does not limit the mark to protection for that specific style of women’s shoe.

4. TMEP § 1202. Color marks and product design marks are never inherently distinctive and the examiner must refuse a registration without evidence of secondary meaning.

5. TMEP § 1202.05. The functionality test generally centers around whether the element is essential for effective competition within a particular market, however the specifics of functionality will be discussed further in subsequent sections.

6. Trade dress and color both constitute a symbol or device under *Wal-Mart Stores, Inc. v. Samara Bros.*, 529 U.S. 205, 209-210 (2000), and may be registered with the United States Patent and Trademark Office (USPTO). TMEP § 1202. However, while product design trade dress and color may only be registered after achieving secondary meaning, TMEP § 1202.02(b)(i), product packaging trade dress may be inherently distinctive. TMEP § 1202.02(b)(ii). The legal principles guiding this distinction will be discussed in subsequent sections.

7. For marks that are never inherently distinctive, demonstrating five years of continuous use is not sufficient to prove secondary meaning. The applicant must provide actual evidence that the mark is perceived as an identification of the source for the relevant goods or services. TMEP § 1212.05(a).

8. See Trademark Application Serial No. 77141789.

9. See <https://tsdrsec.uspto.gov/ts/cd/casedoc/sn77141789/APP20070330100754/2/webcontent>.

The description of the mark in the original application states: “The mark consists of a lacquered red sole on footwear.”¹⁰ The only amendment to the application was to the description of the mark. By the Examiner’s amendment, the description of the drawing was amended to: “The mark consists of a lacquered red sole on footwear. The dotted lines are not part of the mark but are intended only to show placement of the mark.”

The Examiner simply clarified that the dotted lines on the drawing were not intended to be a feature of the mark. The Examiner was able to use an amendment¹¹ to clarify the claims of the mark, rather than to issue an office action delaying the registration. The drawing submitted in a trade dress application as noted above is terribly important to the scope of the mark, its registrability and enforceability.

The application claimed acquired distinctiveness based on fairly extensive evidence submitted with the application.¹² The evidence submitted with the original application consists of a six-page declaration by Christian Louboutin¹³ accompanied by exhibits¹⁴ providing third-party evidence of the red under sole color serving as a source identifier, including editorial exposure, blog posts, photographs, and media articles. Key to proving distinctiveness, the applicant testified that all Christian Louboutin shoes since 1992 have used the Red Sole Mark,¹⁵ and that this feature was completely arbitrary—the designer adopted this feature on all of his products to serve as a source identifier.

The declaration goes on to claim that numerous famous persons wear shoes with the Red Sole Mark, and that the shoes bearing the Red Sole Mark have received significant media exposure.¹⁶ Additionally, the declaration included an exhibit

10. See Trademark Application Serial No. 77141789.

11. An examiner may choose to amend an application without issuing an office action, but an amendment may not extend the scope of the proposed mark. TMEP § 1402.07(e).

12. The language used is: “the mark has become distinctive of the goods/services, as demonstrated by the attached evidence.”

13. See Declaration in Support of Acquired Distinctiveness Under Section 2(f): https://tsdrsec.uspto.gov/ts/cd/pdfs?f=/BAS/2007/03/27/20070327172648554077-77141789-001_001/e2f-3-631381729-164606906_-_Red_Soles_Design_Signed_2_f_Declaration_F0031429_.PDF.

14. The exhibits that are claimed to have been attached are not available through U.S. Trademark Electronic Search System (TESS); however, all statements made in the declaration are assumed to be true.

15. See Declaration in Support of Acquired Distinctiveness Under Section 2(f) at paragraph 3.

16. *Id.* at paragraphs 4 and 5.

detailing the volume of sales enjoyed by Christian Louboutin.¹⁷ When this evidence is taken as a whole, it shows that a large number of people have viewed the Red Sole Mark as an identifier of the source of the goods, Christian Louboutin.

Notably, the applicant did not feel the need to submit survey evidence supporting the claim that an appreciable percentage of consumers would recognize a red under sole as identifying a Christian Louboutin shoe, but such evidence is not a requirement.¹⁸ The amount and quality of the evidence provided via the designer's own declaration as well as exhibits was sufficient to convince the Trademark Examiner that the Red Sole Mark had achieved secondary meaning. The point to note here is that while the Red Sole Mark had been in use since 1992 and had clearly been recognized as a source identifying mark in various media outlets, the applicant was required to submit careful and substantial evidence that the mark functioned as a trademark by achieving secondary meaning. Mere long years of continuous use was not sufficient.

Rather than use the standard language for Class 25 "footwear," the applicant carefully narrowed the description of goods to "women's high fashion designer footwear."¹⁹ Although this description limits the potential breadth of protection afforded the mark, a narrower description may aid the applicant in securing the registration on the Principal Register. If the applicant had used the general description for Class 25,²⁰ it is likely that the registration would not have been granted. The proof of distinctiveness did not relate to footwear in general, or even to women's footwear. It related to the specific, high-heeled, high fashion women's shoes on which the mark had been used. This tailoring of the description of the goods for which secondary meaning can be demonstrated is key to providing acquired distinctiveness and achieving registration. Note that the drawing and description of the mark did not limit the mark to "high-heeled" shoes, but did show the red sole as used on a high-heeled shoe, no doubt because all of the evidence showed the mark used in this way.

As part of the examination of Louboutin's application, the Trademark Examiner also had to determine whether the color of the under sole was functional.²¹ The declaration states in some length the process by which the Red Sole Mark was

17. *Id.* at paragraph 9.

18. *LeSportsac, Inc. v. K mart Corp.*, 745 F.2d 71, 78 (2d Cir. 1985).

19. *Id.*

20. The general language for describing Class 25 is "clothing, footwear, headgear."

21. The discussion of the legal principles of functionality will be discussed below. For our purposes here it is enough to say that the exclusive use of a red under sole does not significantly foreclose the market to competitors.

created. The declaration claims that the incorporation of the Red Sole Mark happened by accident, serving no functional purpose other than to attract the eye, and to identify to the public the source of the shoe.²² These declarations in conjunction with the exhibits²³ established that Christian Louboutin used the Red Sole Mark as a non-functional product feature. To support the evidence that the red color sole was identified as a source indicator, the feature was also referred to in written communications as a metaphor for the product.²⁴ This is akin to “look for” advertising, which is a key feature in proving the use of color as a source identifier.²⁵

The application was not opposed, and the mark was registered on January 1, 2008.²⁶ In fact, without the subsequent enforcement action initiated by Christian Louboutin against Yves Saint Laurent, the registration of this design and color mark is rather routine. However, Christian Louboutin’s enforcement of the Red Sole Mark created a unique opportunity for the Second Circuit to explore the edges of the legal principles supporting trade dress protection for color under U.S. law.

C. U.S. Legal Principles Protecting Product Design and Color in the United States

This section will discuss the development of the legal principles of functionality and distinctiveness primarily through the lens of the Supreme Court in *Qualitex* and the Second Circuit *Louboutin* decision. Understanding *Qualitex v. Jacobson Products* (514 U.S. 159 (1995)) and its lessons, particularly how it distinguished prior cases, and the Court’s ultimate conclusions, is key to understanding the U.S. framework and the approaches to take when applying its principles to clients’ registrations.

The Qualitex case was the first case to establish whether the Lanham Act permits the registration of a trademark that

22. See Declaration in Support of Acquired Distinctiveness Under Section 2(f) at paragraph 2.

23. The Exhibits are referenced but not all are available in the Trademark Office record.

24. *Id.* at paragraph 12. Claiming that business documents feature a logo of a red sole as a trademark.

25. See *In re Owens-Corning Fiberglas Corp.*, 774 F.2d 1116 (Fed. Cir. 1985) (In this case the court determined that the Trademark Trial and Appeal Board’s finding that the color pink for insulation does not serve as a trademark was clearly erroneous. In essence the Court held that a color that does not give a distinct functional advantage can serve as a trademark.); and *Owens Corning Intellectual Capital LLC v. Kingspan Insulation Ltd.*, Civ. No. 1:11-cv 02597 (N.D. Ga. 2011).

26. Red sole on women’s footwear mark, Registration No. 3,361,597.

consists purely of color. The Supreme Court held that a color alone may serve as a trademark.²⁷ While the Court's ultimate conclusion is of great significance, it is the Court's discussion of the underlying legal principles that is the most helpful in guiding trademark practitioners and trademark owners as to the potential protection available for color marks either as an overall color of a product or as part of a product design mark. As with any discussion, it is important to first understand the facts specific to the case.

Since the 1950s, Qualitex had been using a special shade of green-gold color, which it called "Sungold" on a type of dry cleaning and press pad that it made and sold to dry cleaning firms.²⁸ Then in 1989, Jacobson began to market and sell its own type of dry cleaning press pad using a similarly colored green-gold press pad.²⁹ In 1991, Qualitex received a registration with the USPTO for the special green-gold color on press pads.³⁰ Qualitex then brought an action against Jacobson for unfair competition and trademark infringement for their use of the green-gold color on press pads.³¹ The Supreme Court case arose out of the subsequent decision of the Ninth Circuit Court of Appeals.



Qualitex won the lawsuit in the District Court, but on appeal, the Ninth Circuit set aside the judgment for Qualitex on the trademark claim because in that circuit's view the Lanham Act did not permit anyone to register "color alone" as a trademark.³² Qualitex then appealed to the Supreme Court and was granted certiorari, because in its view, the Court of Appeals had differed as to whether or not the law recognized

27. *Qualitex Co. v. Jacobson Prods. Co., Inc.*, 514 U.S. 159, 159 (1995).

28. *Id.* at 161.

29. *Id.*

30. Qualitex, Registration No. 1633711.

31. *Qualitex*, 514 U.S. at 161.

32. *Id.*, citing *Qualitex Co. v. Jacobson Products Co., Inc.*, 13 F.3d 1297, 1300, 1302 (1994).

the use of color alone as a trademark and the Court wished to settle that split in the circuits.³³

1. Language of the Trademark Act

The Court began its discussion by stating that “[b]oth the language of the Act and the basic underlying principles of trademark law would seem to include color within the universe of things that can qualify as a trademark.”³⁴ The Court supported this rather bold statement by pointing out that the trademark legislation broadly defines what may serve as a trademark to “include any word, name, symbol or device, or any combination thereof.”³⁵ When read literally, the Court found that the specific language of the act is unrestrictive, most notably because almost anything may be used as a “symbol” or “device.”³⁶

The Court contrasted the broad language of the statute with prior decisions of the Supreme Court.³⁷ The Court was very clear to note that the decisions prior to the enactment of the Lanham Act were based on the common-law definition of trademark.³⁸ But *Qualitex* found that earlier Supreme Court rulings interpreted the common law definition of trademark broadly, and that lower courts misinterpreted prior dicta so as to preclude the protection of color alone.³⁹

In the Court’s opinion, Congress “*significantly* changed and *liberalized* the common law” (emphasis added) with the passage of the Lanham Act in 1946.⁴⁰ Looking at the legislative history the court took note that the Trademark Commissioner recommended that “the terms ‘symbol, or device’ . . . not be deleted or narrowed to preclude registration of such things as a color, shape, smell, sound or configuration which functions as a mark.”⁴¹ The Court found this recommendation and Congress’s subsequent inclusion of the terms “symbol” and “device” strongly suggestive that Congress intended for color alone to be able to serve a trademark function.⁴² The Court also noted that

33. *Qualitex*, 514 U.S. at 161.

34. *Id.* at 162.

35. *Id.* at 162, citing 15 U.S.C. § 1127.

36. *Qualitex*, 514 U.S. at 162.

37. *Qualitex* discusses cases where color could not be a mark because it was not a “technical trademark” or failed as a mark under the color depletion theory.

38. *Id.* at 170.

39. *Id.*

40. *Id.* at 171, *emphasis added*.

41. *Id.*

42. *Id.* Also noting that Congress retained the language providing that “no trademark by which the goods of the of the applicant may be distinguished from the

the Patent and Trademark Office adopted a consistent and continuous policy allowing the registration of color as a trademark.⁴³

The Court found that the legislative history and enactment of the 1988 version of the Lanham Act “embodied crucial legal changes that liberalized the law to permit the use of color alone as a trademark.”⁴⁴ The Court ultimately concluded that at the very least, the reenactment of the Lanham Act including the terms “symbol or device” left the courts free to “reevaluate the preexisting legal precedents⁴⁵ which had forbidden the use of color alone as a trademark.”⁴⁶

By interpreting the Lanham Act’s language broadly, the Court opened the door to further expansion of what may and may not serve as a trademark. The Court was able to expertly weave the legislative history and practical application of the Lanham Act together with the primary purpose of trademark, the source-distinguishing ability of a mark, to ultimately expand the universe of available trademarks.⁴⁷ The Court did not simply evaluate the language and history of the Lanham Act—it continued to bolster support for a broadening of trademark protection through an examination of secondary meaning and functionality.⁴⁸

2. Secondary Meaning

In *Qualitex*, the Court analyzed how a mark could attain “secondary meaning,” thereby allowing an overall color of a product to function as a trademark. The Court began this investigation with a rhetorical question asking “[i]f a shape, a

goods of others shall be refused registration . . . on account of its nature” (except for certain specified reasons not relevant here).” 15 U.S.C. § 1052 (1988 ed., Supp. V).

43. *Qualitex*, 514 U.S. at 172.

44. *Id.* at 173.

45. It is worth noting that prior to the decision in *Qualitex* there was an emerging trend of decisions finding color and design marks as valid trademarks. See *LeSportsac, Inc. v. K mart Corp.*, 754 F.2d 71 (1985) (Held that design of the LeSportsac bag consisting of the LeSportsac logo and solid color circle had attained “secondary meaning” and was eligible for trademark protection.); *In re Owens-Corning Fiberglas Corp.*, 774 F.2d 1116 (1985) (Found registration of the color pink for fiberglass insulation to be valid); *Villeroy & Boch Keramische Werke K.G. v. THC Systems, Inc.*, 999 F.2d 619 (1993) (Held that China patterns which do not unduly limit competition are not functional as a matter of law); and *Master Distributors, Inc. v. Pako Corp.*, 986 F.2d 219 (1993) (Found no per se prohibition against protecting color alone as a trademark).

46. *Qualitex*, 514 U.S. at 173.

47. *Id.* at 164 (with the court noting “It would seem then, that color alone . . . can meet the basic legal requirements for use as a trademark.”)

48. *Qualitex*, 514 U.S. at 164-165.

sound, and a fragrance can act as symbols why . . . can a color not do the same?”⁴⁹

Taking the above question as a starting point, the Court turned to a core requirement of U.S. trademark law, namely that a trademark owner use or intend to use the mark as a unique identification of source, and for no other reason.⁵⁰ The Court then used this core trademark principle, pertaining to use as a source identifier, to inform its subsequent analysis of the availability of color as a trademark, if used in this manner.

At the outset, the Court found that, unlike a standard word mark, a product’s color cannot be “fanciful,” “arbitrary,” or “suggestive.”⁵¹ Despite a color’s inability to be inherently distinctive, the Court found that a color may, over time, come to be associated with a particular source of goods.⁵² Not only this, but a color may be a preferred method of communicating the source of the goods if, for example, one was unable to see a standard word or logo mark because of the unique nature of the goods, such as a color on a large industrial bolt.⁵³ The Court likened this process by which a consumer comes to associate a particular color to the source of the goods to a descriptive word mark attaining secondary meaning.⁵⁴

In the view of the *Qualitex* Court, there is no “obvious theoretical objection to the use of color alone as a trademark, where that color has attained “secondary meaning” and therefore identifies and distinguishes a particular brand.⁵⁵ Further, the Court found that “[i]t is the source-distinguishing ability of a mark—not its ontological status as color, shape, fragrance, word, or sign—that permits it to serve “as a trademark.”⁵⁶ This reasoning suggests that not only may a

49. The shape, sound and fragrance refer to the shape of a Coca-Cola bottle, Registration No. 696,147, NBC’s three chimes, Registration No. 523,616, and plumeria blossoms on sewing thread, Registration No. 916,522, respectively. *Qualitex*, 514 U.S. at 162.

50. *Id.* at 162.

51. *Id.* at 163. (Citing the *Abercrombie* Scale for trademark protection which finds that standard work marks that are fanciful, arbitrary, and suggestive are immediately protectable trademarks, while descriptive marks must first achieve secondary meaning.) See also *Abercrombie & Fitch Co. v. Hunting World, Inc.*, 537 F.2d 4, 9-10 (1976).

52. *Qualitex*, 514 U.S. at 163.

53. *Id.* at 173-174.

54. “To establish secondary meaning, a manufacturer must show that, in the minds of the public, the primary significance of a product feature or term is to identify the source of the product rather than the product itself.” *Inwood Labs., Inc. v. Ives Labs., Inc.*, 456 U.S. 844, n.2 (1982) (citing *Kellogg Co. v. Nat’l Biscuit Co.*, 305 U.S. 111, 118 (1938)).

55. *Qualitex*, 514 U.S. at 163.

56. *Id.* at 164.

color serve as a trademark, but anything that is able to distinguish the source of a product in the minds of a consumer may serve as a valid trademark, provided that it has attained “secondary meaning.” After determining that a color alone may serve as a trademark provided there is “secondary meaning,” the Court considered whether color is functional.

3. Functionality Doctrine

The Court began its analysis of the functionality doctrine by plainly stating that it could find no “principled objection to the use of color as a mark in the important “functionality” doctrine of trademark law.”⁵⁷ In general terms, a product feature is functional, “if exclusive use of the feature would put competitors at a significant non-reputation related disadvantage.”⁵⁸ However, the Court reasoned that:

Although sometimes color plays an important role (unrelated to source identification) in making a product more desirable, sometimes it does not. And, this latter fact—the fact that sometimes color is not essential to a product’s use or purpose and does not affect cost or quality—indicates that the doctrine of “functionality” does not create an absolute bar to the use of color alone as a mark.⁵⁹

The Court found that while there will be instances in which color is functional, such as in *Inwood*, there will be other instances where color serves no purpose at all and still others where color identifies the source of the goods.⁶⁰ Therefore, the fact-specific nature of functionality is unable categorically to preclude trademark protection of color, and must be determined on a case-by-case basis with regard to the facts of the mark and particular product and market at issue.

4. Application of the Legal Principles

Finally, after finding that color alone could serve as a trademark and further that the use of color was not *de facto* functional, the Court then applied its reasoning to the *Qualitex*

57. *Id.* at 164. The functionality doctrine prevents trademark law from inhibiting legitimate competition by allowing a producer to control a useful product feature.

58. *Id.* at 165 (citing *Inwood*, at n.10).

59. *Qualitex*, 514 U.S. at 163.

60. *Qualitex*, 514 U.S. at 169-170. (Looking to the multiple instances where colors did or did not confer competitive advantages due to the unique facts presented in each case before the court.) See *Deere & Co. v. Farmhand, Inc.*, 560 F. Supp. 85 (S.D. Iowa 1982) (finding the color green on farm machinery to be functional); *Brunswick Corp. v. British Seagull Ltd.*, 35 F.3d 1527 (CA. Fed. 1994) (finding black on motors to be functional because it hides grease).

facts to dispense with the defendant Jacobson's concerns regarding registration of color alone as a trademark.

First, the Court found that Jacobson was mistaken to believe that the courts would be unable to determine whether there is confusion resulting from the similarity between the various shades of colors. The Court concluded this concern was unfounded, because courts routinely deal with similar word marks and there was no reason to believe that the same analysis could not be applied to colors.⁶¹

Second, the Court found that the functionality doctrine as applied to the particular market in question dispensed with Jacobson's fear that there are too few alternative colors. Other colors for press pads were indeed available, not limited by the use of the "sungold" color.⁶² The facts did not support the need for this color by both parties, which, if the court found otherwise, could raise a functional, anti-competitive bar on use. In this case, however, there was no "color scarcity."

Third, the Court stated that Jacobson's reliance on previous decisions that prohibit the registration of a color mark was improper. As discussed above, the Court determined that Congress's reenactment of the Lanham Act in 1988 liberalized and broadened the possibilities of what indicia could serve as a trademark.⁶³ The Court was therefore able to reexamine prior decisions and conclude that color alone may be a registered trademark so long as it has attained the requisite secondary meaning.⁶⁴

Fourth, the Court was unmoved by Jacobson's final argument that there was no need to permit protection of color alone because color may already make up part of trade dress protection.⁶⁵ The Court concluded that there are many reasons to provide trademark protection to color alone because trademark protection affords protections that trade dress simply does not.⁶⁶

The *Qualitex* Court was able to conclude that nearly anything may serve as a trademark, so long as it serves trademark law's fundamental principle: that the mark, whatever it may be, serves to identify the source of the goods or

61. *Qualitex*, 514 U.S. at 167.

62. *Id.* at 168.

63. *Id.* at 171.

64. *Id.* at 173.

65. *Id.* at 173.

66. *Id.* at 174. Referring to a trademark owner's right to prevent importation of confusingly similar goods, (U.S.C. § 1124), right to constructive notice of ownership, (U.S.C. § 1072), right to incontestable status (U.S.C. § 1065), and right to prima facie evidence of validity and ownership (U.S.C. § 1057(b)).

services.⁶⁷ This guiding belief paved the way for future courts to find protectable trademark rights under U.S. law in color marks, including the Louboutin Red Sole Mark. It was thought that “overall color” could function as a mark in an industrial context (dry cleaner’s press pads), but skeptics questioned whether in a fashion product, where color is arguably “aesthetically functional,” protection for color in any way shape or form could be protected.

D. Enforcement of the Louboutin Red Sole Mark— Louboutin v. Yves Saint Laurent

This section discusses how the Second Circuit applied the legal principles of *Qualitex* to the *Louboutin* facts as well as the Court’s ultimate conclusions regarding design and color marks as applied to women’s footwear. The seemingly logical concern was raised that since “color” is obviously “functional” in clothing items—consumers want colors in clothes and competitors should not be excluded from using color—how could the color red function as a trademark?

1. Louboutin vs. Yves Saint Laurent Facts

Christian Louboutin adopted the practice of using bright red on the soles of its fashion women’s shoes in 1992. For many years, no protection in the form of registrations was sought, and, apparently, Louboutin did not feel the need to enforce rights against competitors.

This changed in 2001, as noted above, when Louboutin applied to register the first form of the mark as “shoe sole color of red” (Ser. No. 76/261,832), Application One. The second application described the mark as “the color red appears in the design representing a stylized red sole” (Reg. No. 3,376,197), Application Two. Finally, in 2007, U.S. counsel apparently fashioned the familiar application discussed above (Ser. No. 77/141,789, Reg. No. 3,361,597), Application Three.⁶⁸

67. “It is the source-distinguishing ability of a mark—not its ontological status . . . that permits it to serve” as a mark. *Qualitex*, 514 U.S. at 164.

68. Note that the U.S. application subsequently became the subject of a U.K. registration, which in turn became the subject of an international registration, IR 1,031,242, registration (March 2, 2010). The mark in the U.K. registration featured the same drawing but was described as “the mark consists of the colour red applied to the sole of a shoe as shown in the representation (the outline of the shoe is not part of the mark but is intended only to show the placement of the mark).” The goods are defined as “ladies footwear.” Protection was granted in Norway, Russia, Australia, and Singapore, and refused in Japan, China, and Switzerland. This shows again the importance of using different standards in different jurisdictions to obtain proper protection for a given trade dress mark. It also shows the importance of multiple filings (in this case two basic mark configurations with two different descriptions of the mark), registered in various countries as enforcement standards and needs.

As discussed above, in January 2008, Christian Louboutin had registered the trademark for “a lacquered red sole on footwear” used on “women’s high fashion designer footwear.”⁶⁹ In 2011, Yves Saint Laurent brought to market a line of women’s footwear with exclusively monochromatic color schemes, extending from the uppers of the footwear to the under soles and heels.⁷⁰ Notably, Yves Saint Laurent produced a version of the monochrome shoe in the color red, so that the entire shoe including the insole, heel, upper, and under sole were all entirely red.⁷¹ Louboutin discovered that Yves Saint Laurent was marketing and selling the red monochrome shoes and ultimately brought suit in the Southern District of New York, for, among other causes of action, trademark infringement.⁷² Yves Saint Laurent then counterclaimed, seeking cancellation of the Red Sole Mark, claiming that: (1) the mark was not distinctive, (2) the mark was functional, and (3) the registration was secured by fraud on the USPTO.⁷³

On August 10, 2011, the District Court, interpreting *Qualitex*, found that “color is protectable as a trademark only if it “acts as a symbol that distinguishes a firm’s goods and identifies their source, *without serving any other significant function.*” (emphasis added)⁷⁴ This flawed understanding of *Qualitex* led the District Court to hold that “in the fashion industry, single-color marks are inherently ‘functional’ and that any such registered trademark would likely be held invalid” and denied Louboutin’s motion.⁷⁵ Louboutin appealed the District Court’s ruling, leading to the case at hand.

2. Discussion of Legal Principles

Following case precedent, the Second Circuit set out the analytical framework for a trademark infringement claim in *Louboutin*. First, the court must determine whether the

69. Red Sole Mark, Registration No. 3,361,597.

70. This is to say that the tops, bottoms and sides of the shoe were entirely the same color. Yves Saint Laurent produced shoes in purple, green, yellow, and red. *Louboutin*, 696 F.3d at 213.

71. *Louboutin*, 696 F.3d at 213.

72. Louboutin filed its action against Yves Saint Laurent on April 7, 2011, for (1) trademark infringement and counterfeiting, (2) false designation of origin and unfair competition, and (3) trademark dilution, as well as state law claims for trademark infringement, (5) trademark dilution, (6) unfair competition, and (7) unlawful deceptive acts and practices. *Id.* at 213.

73. *Id.* at 214.

74. *Id.* at 214 (quoting *Qualitex*, 514 U.S. at 166) (emphasis included in *Louboutin*).

75. *Louboutin*, 696 F.3d at 214.

plaintiff's mark merits protection.⁷⁶ If the mark merits protection, then the court must consider whether the defendant's use of a similar mark is likely to cause consumer confusion.⁷⁷ Even if there is a likelihood of consumer confusion, the defendant may still raise the doctrine of functionality. If proven by the defendant, a finding of functionality would nullify plaintiff's mark.⁷⁸

a. Language of the Trademark Act

Here, similarly to the *Qualitex* court, the Second Circuit in *Louboutin* began its inquiry by first describing a brief history of color marks, both prior to and since the adoption of the Lanham Act.⁷⁹ The court paid particular attention to how the adoption of the Lanham Act broadened the universe of possible source identifiers, allowing for the acceptance and protection of single colors serving as trademarks.⁸⁰ The court concluded that *Qualitex* ultimately resolved the question of whether color can be protected as a trademark or trade dress: "Color alone may serve as a trademark where the color has acquired the requisite secondary meaning."⁸¹

b. Functionality Doctrine

The court then shifted from the Trademark Act to a discussion of the functionality doctrine. First, the court found that functionality is an *affirmative defense* to infringement that may take two distinct forms: utilitarian functionality and aesthetic functionality.⁸² Interestingly, the court then merged the elements of the tests previously associated with evaluating the two forms of functionality into a single three-pronged test.⁸³ According to the *Louboutin* court the functionality inquiry begins by considering whether the design feature is

76. A trademark is protectable if it is distinctive. The mark must be either inherently distinctive, or have acquired distinction through secondary meaning. *Louboutin*, 696 F.3d at 216.

77. *Id.* at 217. A likelihood of consumer confusion is generally determined through an examination of the *Sleekcraft* factors, however since the court resolves this matter without determining a likelihood of confusion a discussion of *Sleekcraft* is beyond the scope of the article. The Ninth Circuit applies the *Sleekcraft* factors from *AMF Inc. v. Sleekcraft Boats*, 599 F.2d 341, 348-349 (9th Cir. 1979). The Second Circuit applies the *Polaroid* factors, *Polaroid Corp. v. Polarad Elecs.*, 287 F.2d 492, 495 (2d Cir. 1961). These are the leading cases, although each circuit may formulate its own test.

78. *Louboutin*, 696 F.3d at 217.

79. *Id.* at 217.

80. *Id.* at 217.

81. *Id.* at 218.

82. *Id.* at 219.

83. *Id.* at 220.

essential to the use or purpose of the article, or affects its cost or quality.⁸⁴ If the answer is yes, then the feature is functional and the inquiry stops.⁸⁵ If the answer is no, the inquiry continues and it must be shown that the feature does not have a significant effect on competition to be found non-functional.⁸⁶ However, rather than determine whether the Red Sole Mark itself is functional, the court chose to address whether there is a per se rule prohibiting color alone for serving as a mark in a particular industry: fashion.

The court's analysis began by noting that the concept of aesthetic functionality was proposed as early as 1938, however it was not adopted until 1952 in *Pagliero v. Wallace China Co.*, 198 F.2d 339 (9th Cir. 1952).⁸⁷ The "important ingredient" test proposed in *Pagliero* was rejected by the Second Circuit because its circular reasoning ultimately penalized mark holders for their own success in marketing their products.⁸⁸ Ultimately, *Pagliero* gave way to the test proposed in *Qualitex* and was echoed by *TrafFix*. In short, the *Louboutin* court found substantial precedent to hold that an inquiry into aesthetic functionality requires a *case-specific* inquiry into the facts around the registered mark as well as the market within which the mark is used.⁸⁹ The court then used these precedents to address the propriety of the District Court's per se rule of functionality for color marks in the fashion industry.

The court quickly dispensed with this question by looking to *Qualitex* for guidance. The court found that the "Supreme Court specifically forbade the implementation of a per se rule that would deny protection for the use of a single color as a trademark in a particular industrial context."⁹⁰

The court determined that despite the difficulties that may arise in the context of color marks in fashion, where color "can serve as a tool in the palette of a designer," *Qualitex* demands a fact-based inquiry into the nature of the mark, and cannot be understood to allow an industry-based per se rule.⁹¹ The court ultimately concluded that:

84. *Id.*

85. *Id.*

86. *Id.*

87. *Pagliero* held that where a particular feature is an important ingredient to its commercial success then the element is functional and may not serve as a trademark. *Pagliero*, at 343.

88. *Louboutin*, 696 F.3d at 221.

89. *Id.* at 222.

90. *Id.* at 223.

91. *Id.*

By focusing upon hindrances to legitimate competition, the [aesthetic] functionality test, *carefully applied*, can accommodate consumers' somewhat conflicting interests in being assured enough product differentiation to avoid confusion as to source and in being afforded the benefits of competition among producers.⁹²

c. Distinctiveness

The court began the discussion of distinctiveness by briefly noting that a mark may either be inherently distinctive, or may become distinctive by acquiring secondary meaning.⁹³ However, the court further noted that a single-color mark can almost never be inherently distinctive and therefore must generally be proved by demonstrating that the mark has acquired secondary meaning.⁹⁴

The court then stated that when determining questions of secondary meaning, the critical inquiry is always whether the public is moved in any degree to buy an article because of its source.⁹⁵ While *Qualitex* focused more generally on identifying the source of the goods, the *Louboutin* court applied a test from other legal precedent that allowed the use of empirical evidence in an attempt to determine whether a mark has attained secondary meaning.⁹⁶ The court unambiguously stated that “[w]hether a mark has acquired distinctiveness is an inherently factual inquiry.”⁹⁷

The *Louboutin* court then proceeded to apply these criteria for determining the distinctiveness of the Red Sole Mark to reach the court's ultimate holding in the matter.

3. Application of the Legal Principles

The *Louboutin* court addressed the question of whether the Red Sole Mark had attained secondary meaning. The court noted that the District Court included extensive evidence of Louboutin's advertising expenditures, media coverage, and

92. *Id.* at 224 (quoting *Stormy Clime Ltd. v. ProGroup, Inc.*, 809 F.2d 971, 978-979 (2d Cir. 1987)).

93. *Louboutin*, 696 F.3d at 225.

94. *Id.* at 225-226.

95. *Id.* at 226 (quoting *Genesee Brewing Co. v. Stroh Brewing Co.*, 124 F.3d 137, 143 (2d Cir. 1997)).

96. *Louboutin*, 696 F.3d at 226. Court notes that the relevant factors in determining secondary meaning include (1) advertising expenditures, (2) consumer studies, (3) unsolicited media coverage, (4) sales success, (5) attempts to plagiarize the mark, and (6) length and exclusivity of the mark's use. *Genessee*, at 143 (quoting *Cenaur Commc'ns, Ltd. v. A/S/M Commc'ns, Inc.*, 830 F.2d 990, 993 (2d Cir. 1987)).

97. *Louboutin*, 696 F.3d at 226.

sales success, which demonstrated that the Red Sole Mark, was a symbol that had acquired secondary meaning.⁹⁸ However, even after finding that the Red Sole Mark was a symbol with secondary meaning, the Second Circuit went on to modify the trademark under 15 U.S.C. Section 1119.

According to the *Louboutin* court, the source-identifying element that acquired secondary meaning was created by the *contrast* between the sole and the upper that causes the sole to “pop” and to distinguish its creator.⁹⁹ To support this opinion, the Second Circuit observed that in the hundreds of pictures provided by Louboutin to show secondary meaning, only four were monochrome red.¹⁰⁰ Therefore, the court held that the Red Sole Mark as registered was ineligible for protection as it was overbroad and prohibited monochrome use.

The Second Circuit reached this common sense solution based on the reality of the appearance of the footwear in question, namely that the mark was represented by a red sole on a shoe only where there was a contrasting upper. It is not only the red as the under sole that is key, but the contrast of the red sole with the remainder of the shoe. In other words, based on the evidence of actual use, unless the red sole contrasts with the upper, the sole color is perceived like the upper, as mere ornamentation.

Thus as part of the Court’s ruling, it ordered that the description of the mark be modified consistent with its holding as follows: “The mark consists of a red lacquered outsole on footwear that *contrasts* with the color of the adjoining (“upper”) portion of the shoe. The dotted lines are not part of the mark but are intended only to show placement of the mark.”¹⁰¹ (Emphasis added.) In reaching this conclusion, the Court found that there was no need to determine if there was a likelihood of confusion, as Yves Saint Laurent’s use could no longer be considered infringing.¹⁰²

By balancing the competing interests, the court parsed through an overly broad trademark registration and rather than invalidate the mark as a whole, the court used the powers granted to it in the Lanham Act to continue to protect the

98. *Id.*

99. *Id.* at 227.

100. *Id.* at 228. Additionally, the articles and media exposure portrayed a red sole contrasted with a different colored upper.

101. The court used 15 U.S.C. § 1119 to modify the Red Sole Mark to provide protection only in situations where the red lacquered under sole contrasts in color with the adjoining upper of the shoe. *Louboutin*, 696 F.3d at 228.

102. *Id.* at 225.

source identifying elements.¹⁰³ The *Louboutin* court reached a conclusion that was able to skillfully find and protect the unique elements of the mark while continuing to allow effective competition within the market place, and to remain true to the core tenets of trademark law.

E. Considerations Post- Louboutin v. Yves Saint Laurent

In the post-*Louboutin* world it is important to consider the various ways in which the legal principles and the manner in which they were applied in *Louboutin* will continue to affect trademark law and practice.

First, when strategizing about the registration of a product configuration trade dress mark with color in the United States, and, as discussed later, in Europe, the trademark owner should consider narrowly tailoring both the description of the mark and its classification to the specific features that identify the source, as well as narrowly defining the precise goods. Note, that as part of the *Louboutin* ruling, the description of the mark was revised to narrow it. Extensive comments were made by counsel for Louboutin, Yves Saint Laurent, and the Trademark Office as to the required specificity of the description of the goods. The identification of goods was narrowed to align the description of the mark with the mark as it actually was used. The color mark applicant must also prove secondary meaning. *Louboutin* teaches that a narrow description: “women’s high fashion designer footwear” is a smart choice to obtain registration and have a defensible color mark. With respect to the drawing and the description, the trademark owner should think of most color applications as “color plus.” That is, color, plus shape, plus location on the product.

Second, nearly anything that identifies the source of the goods may acquire secondary meaning; however what, precisely, is required to prove secondary meaning is not black and white. When seeking to prove secondary meaning, it is essential to provide empirical evidence demonstrating that consumers of the particular market associate the mark with the trademark owner’s goods. Gather evidence, then more evidence. Support the application with as extensive an evidentiary record as can be produced.

103. 15 U.S.C. § 1119 states “the court may determine the right to registration, order the cancelation of registrations, in whole or in part, restore canceled registrations, and otherwise rectify the register with respect to the registrations of any party to the action.” Essentially, this language specifically allows the court to alter or amend registrations when necessary to coincide with the Lanham Act.

Third, a trademark owner must be strategic in picking target defendants. In the U.S. litigation, Louboutin chose a competitor who didn't use a contrasting sole, but rather produced an overall red shoe. Consider whether, had Louboutin chosen a knock-off type of defendant in the fashion industry (see the Van Dalen shoe below), it would have fared better with its infringement claim. One must also wonder whether the plaintiff wanted to stake out rights in its core market – luxury high fashion, designer footwear. If so, Yves Saint Laurent was clearly a “competitor” for high-priced footwear, which may well have been a factor in its choice. The perceived siphoning off of sales based on luxury red-soled women's footwear had to have been balanced against the risk of a finding of non-infringement since the Yves Saint Laurent product had a monochrome red color scheme, including the upper and under sole, and was not a product with a contrasting red sole.

A potential trademark owner must thoroughly consider the competitor's product to determine which aspects of that product are at issue and may infringe that owner's trademark. Louboutin's claim was that consumers identified the color red on the sole of women's shoes with Louboutin. However, in its registration and evidence, Louboutin never claimed that consumers associate a red monochrome shoe with Louboutin. While Louboutin arguably over-reached by filing the suit against Yves Saint Laurent over a dispute as to the use of the color red on a sole as part of a monochrome red shoe, Louboutin may have been motivated to litigate with Yves Saint Laurent because both fashion houses offer luxury footwear products and appeal to the same sophisticated, female customer.

The arbitrary and continuous use of the color red on the sole by Louboutin, contrasting with the color of the rest of a women's shoe was the real LOUBOUTIN mark, as determined by the Second Circuit. By suing a defendant whose product did not have this characteristic, Louboutin could not show likely confusion and lost its case against Yves Saint Laurent.

Fourth, if a trademark owner wishes to have trademark rights in a mark that has acquired secondary meaning in one context—the red under sole of women's shoes, the trademark owner must adapt the mark as used on one product to use on another. One technique would be to create a graphic based on the red sole of a woman's high-heeled shoe and use that on other products. Another application of the “red under sole” to other products would be to adopt a consist application of “red on the bottom” of all products. What started as a mark that was just the red under sole of shoes could be extended to the red bottom of a perfume bottle, or women's purses, or a red backing of a scarf, or a red backing on a cell phone case.

The rights that Louboutin has acquired and enforced in the Red Sole Mark (Application Three) are linked to its appearance on women's shoes. It cannot function as a mark for any other products (for which there are several registrations on the U.S. register based on European registrations, as use of the mark on other products has not been made consistent with the drawings on file in these other registrations. Unless the mark as depicted in the drawing of Application Three, the Red Sole Mark, is actually applied as a mark to other products—scarves, clothing, phone cases, perfumes, etc.—rights in the Red Sole Mark will not attach to the extension products. Eventually, after sufficient “red bottom” marks were used and registered a trademark right could be argued in any product with a red bottom. On balance, the Second Circuit's careful weighing of the facts and clear thinking about the appropriate commercial parameters of the mark at issue resulted in an excellent decision for trademark owners. Without judges who strive to maintain a robust trademark system it is likely that cases like *Louboutin* will result in invalidated trademarks rather than modifications that continue to protect the source-identifying elements.

III. THE LOUBOUTIN RED SOLE IN EUROPE

The second part of this analysis will explore the color red protection acquired by Christian Louboutin for the under sole of women's footwear in Europe. The authors will discuss the protection strategy in European jurisdictions starting with France, Christian Louboutin's homeland. While, at the time, it was fairly routine to file for and register the trademark in the color red as used on the under sole of footwear, Louboutin and its legal advisors had to modify their filing strategy over several years, before acquiring trademark protection for the color red that would pave the way for more successful enforcement against third-party infringers. In retrospect, it was a long process before Louboutin obtained protection for the color red in a registrable format that would, more likely than not, withstand legal challenge. It is one thing to own a trademark registration, but the enforcement of those perceived rights in the registration can be much more difficult. Indeed, the early trademark registrations were challenged in a number of European countries by defendants to litigations pursued by Louboutin, and many of these defendants were able to show weaknesses in Louboutin's registered trademark rights.

The first litigation over the red under sole was filed in France, by Louboutin in 2008. It was based on the very first trademark filed by Christian Louboutin. Learning from this litigation, which resulted in a decision of invalidity in

Louboutin's trademark as then-filed, other attempts to obtain registered trademark protection were made by Louboutin. This initial litigation in France and later litigation further refined the filing strategies in Europe as Louboutin pursued registered trademark protection that would more likely than not overcome future invalidity claims and function as a mark. The Red Sole mark corresponded to the U.S. registration Application Three, which was enforced by Louboutin against Yves Saint Laurent in the *Louboutin v. Yves Saint Laurent* case in the United States and was also scrutinized as part of litigation and prosecution attempts in Benelux,¹⁰⁴ by OHIM,¹⁰⁵ and very recently in France.¹⁰⁶

Across the different jurisdictions that have recently reviewed Louboutin's trademark registrations, whether through the trademark prosecution history or as part of litigation, arguments in favor of finding valid protection for Louboutin's red trademark have varied, with both the protection of color and 3-D mark formats influencing the discussion. The fact that Louboutin has not obtained uniform decisions across Europe with respect to the validity of its perceived trademark rights in the color red shows how enforcement strategies, including the choice of defendant and the choice of targeted products, can jeopardize a trademark registration. Owning a trademark registration does not guarantee the validity of that trademark. It is only after its validity is challenged, with the trademark rights subsequently sustained by the Court, that the true strength of its right is known.

Contrary to the United States, within the European Union, which is to say within the 28 countries member states making up the European Union,¹⁰⁷ trademark rights are acquired through registration, not through use. The rule of acquiring trademark protection through filing instead of use has been a long tradition in France, pre-dating the formation of the European Union, in the Trademark Statutes of 1964.¹⁰⁸ Nowadays, throughout the European Union, a trademark

104. Commercial Court of Brussels, A.R. 2013-6154, March 20, 2014, and Court of Appeal of Brussels, Judgment of Nov. 18, 2014.

105. OHIM 2nd Chambre des Recours R2272/2010-2, June 16, 2011.

106. 1st Instance Court of Paris—TGI Paris, Judgment of Oct. 16, 2014.

107. European Union member states: Austria, Belgium, Bulgaria, Cyprus, Croatia, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, and United Kingdom.

108. Loi No. 64-1360 of Decembre 31, 1964, *sur les marques de fabrique, de commerce ou de service article 4 and subsequent Statutes* of 1991 Loi No. 91-7 of January 4, 1991, *relative aux marques de fabrique, de commerce ou de service—article 5*.

registration conveys to its owner a right on the trademark starting at the date of filing. This principle was adopted in the European Union for (a) the Community Trademark¹⁰⁹ and (b) within all member states of the European Union.¹¹⁰As a result, a trademark is registered when the Trademark Office¹¹¹ is convinced of its distinctive character in relation to the goods or services applied for by the applicant, regardless of its use in the trade. When the mark is registered, the owner benefits from a five-year period to use it. In other words, when the legal aspect of the protection is secured, the owner can start planning for and investing in the use of the mark. Once the mark is registered it must be used in the course of trade within a five-year period. When the mark has not been used for a consecutive five-year period without a legitimate excuse for not doing so, the owner puts its trademark at risk as anyone can request its cancellation at any time. Notably, Europe does not have incontestability proceedings; distinction of the trademark is not recognized through registration alone in Europe.

A. Application Standards—Trade Dress Marks

In principle, given the broad definition of a trademark in the European Union, as well as within its member states, nothing prevents the registrability of colors as trademarks. In fact, the Community Trade Mark Regulation 2017/2009, Article 4 and the Trade Mark Directive 2008/95/EC, Article 2 defines the trademark as “any signs capable of being represented graphically, particularly words, including personal names, designs, letters, numerals, the shape of goods or of their packaging, provided that such signs are capable of distinguishing the good and services of one undertaking from those of other undertakings.”

When trademarks became part of the European Union’s policy for harmonization of the internal market, the trademark legislation previously passed by each E.U. member state required domestic amendment by the individual E.U. member states to comply with the E.U. regulations pertaining to registration and use of trademarks. The Community Trademark was established in 1996 in parallel with the national systems of the E.U. member states. Then, following

109. Council Regulation (EC) No 207/2009 of 26 February 2009 on the Community trade mark.

110. Directive No. 2008/95/EC of the European Parliament and of the Council of October 22, 2008, to approximate the laws of the Member States relating to trade marks (Codified version).

111. By Trademark Office the author refers either to the OHIM (Office for Harmonization in the Internal Market established in Alicante, Spain) or to the national Trademark Office of the European Union member states.

compliance with the E.U. regulations by each E.U. member state, the European principle that a color may be registered as a national trademark was unified across the E.U. in all E.U. member states, resulting in the harmonization of the national trademarks of the 28 E.U. member states and the Community trademark.

1. Foundational Legal Principles for Protecting Product Design and Color

In line with European Union law (European Trademarks Directive 2008/95/CE & EC No. 207/2009), colors and shapes can be registered as a trademark. The French law (Intellectual Property Code), in Article 711-1, defines trademarks in a broad manner: “A trade mark or service mark is a sign capable of a graphical representation which serves to distinguish the goods or services of an individual or a company.”

According to the legal definition of a trademark in the European Union (Directive No. 2008/95/SEC), a mark may consist of any signs capable of graphic representation which, in a non-exhaustive list, includes the shapes and shades of colors listed among signs entitled to trade mark protection. Also, the sign must be capable of representation to be eligible as a trademark. Further, as defined, a mark serves to distinguish goods or services of an individual or a company. The function of a mark is its capacity to inform consumers of the origin of a product or service.

2. An Additional Principle for Protecting Product Design and Color

Concerning non-conventional trademarks, an additional condition was added by the Court of Justice of the European Union (“CJEU”; formerly called European Court of Justice or “ECJ”), when it was consulted regarding an application for a scent-based trademark as part of the *Sieckmann v. Deutsche Patent und Markenamt* case (2002, Case C-273/00).¹¹² In the preliminary ruling for *Sieckmann*, the European judges held that, to fulfill its function, “a trademark may consist of a sign which is not in itself capable of being perceived visually, provided that it can be represented graphically, particularly by means of images, lines or characters and that representation is clear, precise, self-contained, easily accessible, intelligible, durable and objective.”

With regard to the registration of a color as a trademark, the ECJ applied its “*Sieckmann*” test for the first time in

112. Judgment of Dec. 12, 2002 – Case C-273/00.

Libertel Groep v. Benelux-Merkenbureau (2003 Case C-104/01¹¹³). It was consulted on whether a color could be considered as a valid trademark capable of fulfilling the function of origin.

The telecommunications company Libertel was seeking registration for the color orange in relation to both goods and services in Benelux.¹¹⁴ The Netherlands court referred the matter to the ECJ for a preliminary ruling on whether a color had a distinctive character. The ECJ based its decision on the “*Sieckmann*” test in conjunction with the broad definition of Trademark Regulation (EC) No. 40/94 and decided that, even though an individual color doesn’t possess the feature of distinguishing different goods and services by itself, it may still be the subject of registration as long as it has developed a secondary meaning—a distinctive character acknowledged by consumers and acquired through its prior commercial use.

The *Libertel Groep v. Benelux-Merkenbureau* decision of 2003 rendered by the ECJ is in line with the earlier decision rendered in 1995 by the United States Supreme Court in the *Qualitex v. Jacobson Products* decision. In the United States, a trademark is viewed as a “*source identifier*” capable of informing the consumer of its source, while the European refers to “*the origin of the goods or services*” (emphasis added). In both cases, the trademark must indicate to the public the provenance of the goods or services associated with the trademark. Through the *Libertel* decision, the ECJ introduced the concept of “secondary meaning” which, when applied to the overall color of a product, could signify the ability of the color to function as a trademark, so long as the color could be seen as having distinctive character in the eye of the public.

A parallel can be made with the *Qualitex* decision when stating there is no “*obvious theoretical objection to the use of color alone as a trademark* where that color has attained *secondary meaning*;” both legal regimes infer that the mark identifies and distinguishes the goods in the eyes of the consumers.

The second requirement for registration of a single color trademark set by the ECJ was with regard to the color’s precision and durability. The color had to meet the *Sieckmann* criteria if graphically represented; referencing for instance, an

113. Judgment of May 6, 2003 – Case C-104/01.

114. On August 27, 1996 Libertel filed with the Benelux trademark Office (BTMO) an orange color as a trademark for telecommunications goods and services comprising, as regards goods in Class 9, “telecommunications equipment” and, in respect of services in Classes 35 to 38, the “telecommunications services and physical, financial and technical management of telecommunications systems.”

internationally recognized color code, such as Pantone, RGB, HEX or RAL.

The scope of protection granted by single-color marks is limited because colors possess little inherent capacity to communicate specific information as to the origin of a product or service. In *Libertel Groep v. Benelux-Merkenbureau*, the Court proclaimed that a color is not normally inherently capable of distinguishing the goods of a particular undertaking.¹¹⁵ Therefore, single colors are not distinctive for any goods and services except under very special circumstances.

To meet the special circumstances, an applicant must demonstrate that the mark is absolutely unusual or striking, due to the specific goods and services offered in relation with such single color to obtain protection *per se*. If the single color is found to be commonly used in the relevant sectors and/or has a decorative or functional purpose, it will be denied. Colors that are essential to the use or purpose of the goods, or that affect the cost or quality of the goods, are not entitled to trademark protection.

Preserving the public interest in the non-exclusive use of any color to identify a particular good or service, to the exclusion of other goods or services in the same registration classification, is an added factor. In 2010, a judgment of the Court held that the public interest is an obstacle to the monopolization of a single color, irrespective of whether the relevant field of interest belongs to a very specific market segment.¹¹⁶

Finally, when the use of a color as a trademark has acquired recognition from the consumer and appears capable of identifying the source of the product or service, such color is likely to have acquired sufficient distinctive character to be perceived by the public (consumers) as “clear, precise, self-contained, easily accessible, intelligible, durable and objective.” Thus, the use of the color as a trademark in this regard would meet the *Sieckmann* test.

The grant of trademark protection to colors that have passed the foregoing test for acquiring a distinctive character through prior commercial use implies that the sign must have been used in a manner that has developed a secondary meaning. Such status will not be possible for all trademark owners and only a very few will benefit from this rule as it diverges from the European Union principle of acquisition of a trademark right through filing.

115. Paragraph 65—Judgment of May 6, 2003 – Case C-104/01.

116. Judgment of Sept. 13, 2010 – Case T-97/08 “Shade of orange.”

***B. Examination of Louboutin's
First Registration in France***

The red under sole appeared on Louboutin's shoes in 1992. The French footwear designer Christian Louboutin first applied for trademark protection in the color red as applied to the under sole on November 29, 2000, in France. This was Louboutin's very first attempt of trademark protection in the world for the color red as applied to the under sole of his footwear products.

This first version of the color red trademark applied to the under sole was awarded trademark registration No. 3067674 from the French Trademark Office for "shoes." The trademark was filed in color. The description of the mark in the registration states "shoe sole of red color." The mark is depicted as shown below:



The trademark for the color red, as applied to the under sole, in this initial application was deemed to meet the requirements of validity and matured to registration without any difficulty. The protection obtained included elements of both design and color.

The granting of the registration suggests that the French Trademark Office was convinced of the distinctive character of the sign in respect of the underlying goods as described in the application. However, as mentioned earlier, it is one thing to own a trademark registration, and another to own an enforceable one.

1. Enforcement of the Color Red as a Trademark on the Under Sole by Louboutin

In 2011, the fate of Louboutin's French trademark No. 3067674 came before the Paris Court of Appeal and then went to the French Supreme Court (Cour de Cassation) in *Christian Louboutin v. Zara France*.



Louboutin attempted to enforce its trademark against Zara over Zara's sale of footwear with red soles. Louboutin claimed both infringement and unfair competition (the Zara style depicted in the photograph above is an example only and may not have been the exact style at issue in the infringement claim). When facing the trademark infringement claim of Louboutin, which was based on trademark registration No. 3067674 as shown above in Louboutin's YoYo shoe style, Zara responded by counterclaiming for cancellation of the trademark registration. As a means of defense, Zara claimed Louboutin's trademark was invalid. Zara argued that the graphic representation of the trademark for the color red on the under sole was not clear, precise, self-contained, easily accessible, intelligible, durable and objective. In short, Zara argued that Louboutin's trademark did not satisfy the *Sieckmann* test.

While both French courts reviewing this matter, including the appellate court, acknowledged that a color can be protected as a trademark, each ultimately determined that cancellation of this version of the trademark was appropriate for failure to represent the trademark in a "clear, precise, self-contained, easily accessible, intelligible, durable and objective" manner.

*a. Court of First Instance—
Protection of a Single Color within a Complex Mark*

The Court of First Instance,¹¹⁷ the initial judicial forum in France, analyzed the protectability of a single color trademark in France when reviewing the issues presented in *Christian Louboutin v. Zara France*. Initially, the registration was maintained and Zara's counterclaim was dismissed. To maintain the trademark registration in force, the Court of First Instance explained that the representation of the Louboutin trademark was valid because the drawing clearly represented a red sole, further supported by the description statement "shoe sole of red color." The Court also indicated that the drawing and description of the registered mark immediately allowed identification of the mark as a sole in which other elements were incorporated: a red color and some textual elements.

In issuing its opinion, the Court of First Instance noted that the generic name of a color without an indication of the exact shade of color could *not* be protected, such as, perhaps, a color without further context or limitation to an exact Pantone shade for such color; however, the generic name of a color could be entitled protection if protection is sought for such color within a *complex* trademark.

The Court concluded that the Louboutin trademark in Application One was a "complex mark" composed of a sole, in which other elements were incorporated: (1) a red color, (2) Christian Louboutin's signature stamp, and (3) the inscriptions "VERO CUOIO," and "made in Italy."



Enlargement of the representation of the
French Trademark No. 3067674.

At this stage, the trademark withstood the cancellation challenges by Zara due to the additional written content made

117. First Instance: TGI Paris, R2272/2010-2, November 4, 2008.

part of the visual representation of the red sole registration. Instead of considering the trademark as made up of a mere red color applied to the under sole of women's shoes, the Court qualified the mark as "complex" consisting of several individual elements. Under such circumstances the trademark was valid according to the Court of First Instance.

In the authors' opinion, the Court should have analyzed the distinctive character of each individual element separately and then weighed their distinctiveness in relation to the underlying goods to evaluate if the sign as a whole was distinctive. It seems the Court of First instance did not undertake this analytical process.

b. The Cancellation of the Red Sole Mark

The Court of First Instance decision was appealed by Zara. The Paris Court of Appeal¹¹⁸ discussed the red trademark as applied to the under sole and reversed the decision by the Court of First Instance by cancelling Louboutin's trademark. The Court of Appeal ruling was later upheld by the French Supreme Court.

In its decision rendered on June 22, 2011, the Court of Appeal of Paris explained its decision to reverse the Court of First Instance and to cancel the Louboutin's trademark by noting the drawing of the trademark forming the basis of the registration could not be immediately identified as a representation of a shoe sole. The Court of Appeal felt the interpretation of the drawing as a shoe sole was possible only when one reads the accompanying descriptive statement ("shoe sole of red color.") Further, the judge held that the representation of the trademark was not clear, precise, self-contained, easily accessible, intelligible, durable and objective as required under the *Sieckmann* test.

In addition to noting that the drawing did not meet the *Sieckmann* test, the Court noted the color was not uniformly presented as a single shade of red in that there were different shades of red presented in the drawing of the mark, with some parts of the drawing displaying darker shades of red and other parts displaying lighter shades of red. Therefore, the color "red" was not sufficiently precise in and of itself.

At the next level of review,¹¹⁹ the French Supreme Court affirmed the Court of Appeal's approach in considering whether the trademark was clear, precise, self-contained, easily accessible, intelligible, durable and objective. It found that the mark that Louboutin sought protection for could only be

118. Appeal: Cour d'Appel de Paris, Pôle 5, Chambre 1, No. 165, June 22, 2011.

119. Supreme Court: Cour de Cassation Arrêt No. 620 F-D, May 30, 2008.

represented through a 3-D format, to ensure the appropriate perspective, but the drawing that was submitted with the registration was a mere two-dimensional (2-D) picture. The color described as “red,” based on the judicial findings, was not precise enough to merit protection as a registered trademark. Furthermore, it was not clear from the submitted trademark drawing whether the shape of the shoe sole represented the inside or the outside of the shoe sole. In any event, it was the mere representation of the sole which was functional, in the Court’s view. The Court of Appeal conducted a global analysis of the mark, which indicated that the sign, if tied to the visual representation of the shoe sole, was lacking a distinctive character and thus required cancellation.

While the trial court justified the validity of the trademark by finding it was a complex mark composed of several elements (color, shape and text), the Court of Appeal, then followed by the Supreme Court, placed the debate on the appropriateness of representing a shoe sole as a trademark by way of a drawing that was incapable of conveying the shape and perspective (e.g., 3-D) at first sight. The Supreme Court furthered its arguments against the continued registration of the trademark by introducing the concept of the functionality of the trademark. At issue between the various reviewing courts was the type of trademark that Louboutin sought to register and whether the mark as filed consisted of a 2-D or three-dimensional (3-D) sign. Basically, a figurative mark is a mark consisting of (i) exclusively figurative elements, (ii) a combination of verbal and figurative elements or (iii) otherwise graphical elements. According to case law, a figurative trademark can also consist of verbal elements in non-standard fonts, verbal elements in color, verbal elements appearing on more than one line, letters from non-E.U. alphabets, signs that cannot be reproduced by a keyboard, and/or a combination of any of the above. By comparison, a three-dimensional 3-D mark is a mark consisting of a 3-D shape (including containers, packaging and the product itself).

Notably, had the Supreme Court found the 2-D representation of the trademark in the drawing acceptable, it would have faced a lower level of scrutiny under European law. Two-dimensional or figurative trademarks under European law do not require evidence of secondary meaning, namely, the distinctive character of the trademark as acknowledged by consumers and acquired through commercial use.

In the *Louboutin v. Zara France* case, the Court of Appeal found that the red trademark as drawn in the first trademark application was not capable of being visually perceived by the public as a 3-D shape, but rather thought it would be perceived

as a two-dimensional representation. The drawing submitted with the first trademark application did not clearly capture the three dimensional aspect of the shoe sole.

To that end, aspects of the underlying products as represented in the shape-based trademark contributed to the discussion of functionality as applied to the entire trademark, both for the shape and the color, by the Supreme Court, namely, (i) the shape of the goods themselves, resulting from the very nature of the footwear products, (ii) the shape of the goods as required by the need to obtain a technical result in form and fit; and (iii) the shape of the goods, if such shape gives substantial value to the goods.

While the functional aspects of the shape as pertaining to the footwear, as asserted by the Supreme Court, contributed to a cancellation finding, settled case law precedent does not automatically rule out “figurative” marks from protectability. The Court of Justice and the General Court have held that the case law developed in respect of 3-D marks which take the appearance of the product also applies to ‘figurative’ marks that consist of two-dimensional representations of products (Judgment of 6/22/2006, C-5/25 P, ‘Sweet wrapper,’ para. 29; Judgment of 10/4/2007, C-144/06, ‘Tabs,’ para. 38).

From the French Supreme Court’s decision as applied to the initial Application One filing format for Louboutin’s color red trademark, we learn that a generic color cannot be registered per se, particularly if that color is not uniformly represented in the drawing or otherwise lacks additional contextual supporting matter. If an applicant seeks trademark protection for a single color, that applicant, at a minimum, needs to specify a particular shade of color to obtain protection by using a reference to an international color code such as the Pantone. Where the color trademark is represented in a drawing that includes a shape component, the applicant should further consider submission of a drawing that includes a 3-D representation of the shape to qualify as a figurative trademark and to ensure that the drawing correctly signifies the shape of the product for which the mark is used and to lessen any implication that the shape and color trademark has a technical function.

C. Subsequent Applications by Louboutin for the Color Red on the Under Sole

The difficulties encountered in attempting to enforce its first registration led Louboutin to file a new trademark application in France. (Discussed above in Part II as “Application Two.”)

1. Louboutin's Application Two

On June 25, 2007, Christian Louboutin filed an application for a color mark in relation to shoes under Class 25. The trademark was filed in color. The mark is depicted in the application as shown below:



The protection was extended to the European Union. Both the French trademark and the Community trademark were granted (respectively French trademark No. 3414903 on March 3, 2006 and Community Trade Mark (CTM) No. 5,282,322 on August 29, 2006).

Neither of these trademarks were at issue in litigation and thus remain unchallenged and their real strength is unknown. This iteration of the registration as shown in Application Two remains untested in Europe and the United States.

2. Louboutin's Application Three

Enlightened by the French Supreme Court decision in the *Zara* case involving the previous registration for Application One, Christian Louboutin sought another registration for his red trademark and filed for protection in the Benelux on December 28, 2009, which was granted registration No. 874,489.

The Benelux trademark registration consisted of the color “Rouge (Pantone 18-1663TP),” for shoes in Class 25 and included an indication regarding the placement of the mark: “The mark consists of the color red (Pantone No. 18-1663TP) applied to the sole of a shoe as shown (the outline of the shoe is therefore not part of the trademark but serves to show the positioning of the trademark).”

A French application No. 3869379 was filed later in time, on October 25, 2011, for goods in Class 25, namely, “high heeled shoes (except orthopaedic footwear).” The trademark was filed in 3-D and in color. The application listed the following description: “The mark consists of the color red (pantone No. 18-663TP) applied to the sole of a shoe as shown

(the outline of the shoe is therefore not part of the trademark but serves to show the positioning of the trademark).”

The mark, identical to the U.S. registration (or “Application Three”), is depicted as shown below:



The Red Sole was deemed to meet the requirements of validity and was registered without any difficulty in the Benelux and in France.

Corresponding applications were previously filed in Benelux and in the European Union (respectively, as Benelux registration 874,489, filed on December 28, 2009, and Community Trade Mark (CTM) No. 8,845,539, filed on January 29, 2010.)

D. Protection and Enforcement of the Red Sole in the European Union—Application Three

This section will discuss the distinctive character of the Red Sole, as applied to a woman’s shoe, through a review of the trademark prosecution and the examination of the Community trademark application, as initially refused by OHIM. Further discussion of the Red Sole in this section will review the subsequent enforcement actions initiated by Christian Louboutin using the Red Sole registrations in Benelux against Van Dalen, and later, in France, against Mrs. Ngami.

1. The Distinctive Character of the Red Sole Applied to a Woman’s Shoe

On January 29, 2010, Louboutin filed for protection of the Red Sole, using the Application Three format and drawing, in the European Union.

The application for the Red Sole trademark in the European Union, following the Application Three drawing format depicted above, was first refused by the assigned Examiner(s). This refusal led Christian Louboutin to file an appeal against the OHIM decision. The Second Board of

Appeal¹²⁰ declared the trademark application to be acceptable (decision rendered on June 16, 2011). In this matter, the Board reasoned “that based on general practical experience the sole of high-heeled shoes are generally black, brown or beige. Therefore the color red in question applied to the sole of a high-heeled shoe departs significantly from the norms or customs of the sector. This distinctive character of the sign applied for is corroborated by evidence of use filed, such as cuttings from international press, which demonstrate that the sign is in fact perceived in the market as indicating a commercial origin.”

The application was then published in the Community Trade Marks Bulletin of August 10, 2011, with registration to take effect retroactively to January 29, 2010.

2. Red Sole Applied to a Woman’s Shoe: Color Trademark or 3-Dimensional Trademark— The Benelux Case?

In August 2013, Louboutin became aware that the Dutch retailer, Van Dalen Footwear BV, was selling red-soled high-heeled women’s shoes. Louboutin initiated a proceeding based on his Benelux trademark registration and requested an order from the Commercial Court of Brussels directed at Van Dalen requiring the cessation of the sale of the allegedly offending shoes. In response, Van Dalen filed a counterclaim challenging the validity of Louboutin's trademark.¹²¹

Louboutin claimed that Van Dalen infringed his Red Sole Mark and sought a preliminary injunction to prevent Van Dalen from using a red under sole for its high-heeled shoes. In line with the decision of the ECJ ruling under the *Libertel* case (2003 Case C-104/01, ECJ May 6, 2003), Van Dalen argued that the Red Sole Mark was a color trademark for which high standards applied, namely, the color trademark must be represented graphically and must be capable of informing the public (clientele) of the origin of the goods or services applied for by meeting the *Sieckmann* test. In response, Louboutin claimed that the Red Sole Mark was not a shape or a color trademark but rather a figurative trademark. Assessing the trademark type was of great importance since higher criteria of registrability applies to 3-D shape marks and color marks as compared to figurative (2-D) trademarks. To be granted registration for a 3-D mark or a color mark, the mark must have developed a secondary meaning. Such distinctive character acknowledged by consumers and acquired through commercial use is not required for figurative marks.

120. 2nd Chambre des Recours R2272/2010-2, June 16, 2011.

121. Commercial Court of Brussels, A.R. 2013-6154, March 20, 2014.

The judge held that the trademark should be considered as a shape mark (3-D). On this basis, the red under sole provided the shoe its substantial value (*i.e.*, consumers were purchasing the shoe for its red sole and were willing to pay extra for it) and the design of the under sole operated as a very important purchase criteria for consumers. Due to the qualification of the Red Sole Mark as a “shape mark” by the Benelux Court, the trademark was successfully challenged by Van Dalen and was invalidated in Belgium, Luxembourg and the Netherlands.

In a decision rendered on November 18, 2014, the Court of Appeal of Brussels¹²² overruled the previous decision in *Van Dalen* on the basis that the Red Sole Mark should not be regarded as a shape mark but as a figurative mark, in which the red color is an element of the figurative mark, among others. Within the application of the mark, the sign was considered to be described in a sufficiently detailed and accurate manner, referencing the internationally recognized color code (Pantone No. 18-1663TP). The judge also considered that the shoe differed significantly from industry standards. Moreover, the red sole trademark had acquired distinctiveness through the consistent use of the trademark by Louboutin on the underlying goods in commerce. Because the trademark was not regarded as a shape mark by the Court of Appeal of Brussels, the initial absolute ground for exclusion rendered by the Commercial Court of Brussels (*i.e.*, a shape that gives the product substantial value) was not relevant.

Ultimately, the Court of Appeal of Brussels determined that the Van Dalen shoe was indeed an infringement of the LOUBOUTIN red sole trademark. The Court found sufficient similarity between the shades of red used by the parties in the footwear products, to consider it likely that the consumer would confuse the Van Dalen shoe products with Louboutin’s shoe products (depicted below on the left) or would associate the Van Dalen shoes (depicted below on the right) with Louboutin’s shoes.

122. Court of Appeal of Brussels, Judgment of November 18, 2014.



Louboutin



3. Enforcement of the LOUBOUTIN Red Sole Mark in France

More recently, the validity of the Red Sole Mark was tested when Christian Louboutin opted to enforce its rights against the proprietor of the e-commerce website hosted at the domain name, LakenShopMode.com, and sought to stop it from selling and offering on its website high-heeled shoes for women with red under soles.



LOUBOUTIN - ZOULOU line www.lakenshopmode.com

The judicial action was brought in front of the Paris Court of First Instance in a case known as *Christian Louboutin v.*

Laken Ngami.¹²³ Among the requests filed, Christian Louboutin claimed infringement of the Red Sole Mark 3869379 (Application Three). Mrs. Ngami responded by filing a counterclaim seeking cancellation of the trademark registration.

In the authors' opinion, the Judge took appropriate steps to consider the Red Sole Mark and the infringement issues. He first considered the representation of the trademark as filed, which consisted of "a dashed drawing of a shoe heel, under which the Red Sole which represents the mark is placed. The dashed drawing of the shoe allows to illustrate the mark. . . . It also allows to graphically represents the trademark as the outside of the shoe sole, then the color code determine the exact red color shade of the mark."

Then, the Court examined the distinctive character of the mark, pointing out that such character depends upon the goods and services in relation with which the mark is filed, as well as the perception the concerned public has of the mark. When addressing Mrs. Ngami's objection suggesting that red was a common color choice for shoe soles, the Court considered the objection, but determined that the fact was not established. The defendant did not provide the Court with sufficient materials demonstrating that the use of the color red shoe on under soles for high heel shoes was widespread.

On the other hand, the materials submitted by Louboutin showed that applying "a particular shade of red to the external part of a sole for a high-heeled shoe is apprehended like a revealing sign of the origin of the product."

The Court went further in its analysis by considering that LOUBOUTIN shoes were "consistently associating a specific red color with shoe sole that distinguishes from others in such a manner it was a signature and revealed the origin of the shoes." The court also introduced the fact that Louboutin has notoriety for producing high-heeled shoes.

In its finding, the Court strictly applied the rule developed by the French courts by verifying whether the mark (whether deemed a shape or color mark), has developed a secondary meaning. As well, the decision issued by the Court confirmed that the material submitted by Louboutin as secondary meaning evidence successfully established the distinctive character acknowledged by consumers through prior commercial use and enabled such consumers to associate the Red Sole Mark with its owner, Louboutin.

Regarding the notoriety referred to by the Court as applied to Louboutin's high-heeled shoes, such claim of notoriety is not

123. First Instance: TGI Paris, RG13/08301, October 16, 2014.

supported by the Court in its decision by any fact findings or other statements. It is neither clear whether the Court felt the shoes themselves (and perhaps the height of the heels) were notorious or if it was the brand that was notorious. The Court found Louboutin's Red Sole Mark distinctive and affirmed its validity and, thus, its enforceability against third-party infringers.

With trademark protection in place for the Red Sole Mark (Application Three), Christian Louboutin has finally emerged victorious in its battles against alleged infringers who have sold high-heeled shoes with red under soles. While the first registration for the trademark in the color red as applied to the under sole of a shoe did not withstand legal challenge, the latest registrations granted in the European Union, using the Application Three format, as of now – to our knowledge – are and remain enforceable against copiers. These litigations involving the LOUBOUTIN color mark and under sole in Europe have revealed that it is paramount, when dealing with color and/or shape marks to determine the appropriate classification of the mark as either a figurative (2-D) mark or a non-figurative mark (e.g., Shape, Color). Under current European case law, color per se registrations as well as 3-D registrations, which might have been granted without a showing of acquired distinctiveness, are strongly suspect and most likely invalid. Even though the trademark owners have been granted registrations without evidence of a true distinctive character, to successfully enforce the registrations against third parties, the owners will have to provide evidence that the trademark has acquired distinctiveness, as recognized by consumers through commercial use of the trademark applied to the underlying goods or services.

E. Reconciling the Louboutin Litigations in Europe

When reconciling all of the Louboutin litigation to date in Europe over the validity of the trademark registrations held by Louboutin for the color red applied to the under sole, it becomes clear that harmonization of trademark practice is progressing. The convergence toward one single practice between all E.U. member states and OHIM will happen in due course. Since Louboutin's first filing in 2008, the definition of trademarks has been refined by the Courts. At first, according to the law, a trademark was "any signs capable of being represented graphically, [. . .], provided that such signs are capable of distinguishing the goods and services of one undertaking from those of other undertakings." Subsequently, the court specified in *Steikmann* that the sign had to be "clear,

precise, self-contained, easily accessible, intelligible, durable and objective.”

Certain signs, such as a 3-D mark or single color mark or even olfactory signs and sounds have been thoroughly discussed in Europe. These non-traditional marks may be the subject of registration provided they fulfill the condition of having developed a secondary meaning, which is a distinctive character acknowledged by consumers and acquired through its prior commercial use.

Applicants in Europe now know that to fulfill the requirements for registration, they have to identify within the application the elements of the trademark that will enable the public to perceive the mark for which the trademark owner seeks protection. To this end, trademark applicants in Europe should evaluate if the putative trademark is figurative, 3-D or color, and should indicate the precise shape (if applicable) for which protection is sought, indicate the precise shade of color, for any color that makes up the trademark sought, using an international code, and should be able to demonstrate if the mark is absolutely unusual or striking in relation with the goods and services, with acquisition of a distinctive character, as acknowledged by consumers.

This last requirement is a major change in European practice. As mentioned in the introduction of Part III, trademark rights in Europe are acquired through registration, not use. The trademark is filed, then it is registered after examination by the relevant Trademark Office. When enforcing the trademark through litigation, defendants often challenges the validity of the registration. The Court will have the privilege of the final word regarding validity of the trademark, including issuing rules that have been applied by European Trademark Offices in member states and by OHIM.

The *Louboutin* litigations have shown that not only must the applicant be wise in its strategy toward obtaining trademark protection, but must also selectively choose the reviewing jurisdiction and adverse parties when initially seeking to enforce the trademark. Using the mark and obtaining recognition by the consumer will be a key factor in assessing the validity of the mark. The need to use the trademark and the requirement for acquisition of secondary meaning, as acquired through consumer recognition, is creating a gap in Europe between the mere rule of acquiring a right through filing and having an enforceable trademark right derived from use thereof in the course of trade.

IV. CONCLUSION

When viewed together, consistent treatment of the validity of the Red Sole Mark in its Application Three format has emerged across the United States and Europe as evidenced by the decisions handed down in the United States, in *Louboutin* and in Europe by the OHIM Appeal Board, R2272/2010-2, the Brussels appellate court in *Van Dalen*, and the Paris Court of First Instance in *Ngami*. In each of those cases, the deciding authority reviewed the Red Sole Mark in its third iteration, Application Three. The evolution of the drawing submitted with each of Louboutin's trademark applications, spanning the first-used format through to the current format found in Application Three, in both the United States and Europe shows the increased attention reviewing bodies are paying to the specifics of the trademark's source-identifying function. The evolution of Louboutin's prosecution for its red color trademark on the under sole has changed and the trademark is no longer purely "red" on the sole, but a specific Pantone shade of red at a specific location, the under sole, of a specific item of clothing, women's footwear.

Louboutin's cross-jurisdictional applications for its color trademark and the related enforcement litigations have revealed pertinent details that practitioners should consider when seeking registration of color trademarks. Paying attention to the details of the trademark, both in terms of its description, drawing and application to goods and/or services, is vital and the applicant must pre-determine: (1) the exact product feature that comprises the mark; (2) the exact product offered under such mark; and (3) the exact evidence, if any, that demonstrates that the use of the color, even as a product feature, does in fact function as a mark and source-identifier.

The Louboutin filing history in the United States likely includes evidence showing secondary meaning and acquired distinctiveness that compares to the evidence submitted in the European court cases. Thus, a review of this Court evidence, readily available in published Court documents, is a roadmap for applicants as to the types of evidence to gather to prove both the parameters of the mark and the types of products sold under such mark. Applicants and trademark practitioners should use specific wording in the description of the mark and should specifically identify the product. The evidence in the U.S.-based *Louboutin* case supported only the narrow description of the mark, as modified by the court with party and governmental input, with that narrow description applied to a narrow band of products. Thereafter, Louboutin adopted a prosecution strategy that used narrowly tailored descriptions and identification of goods throughout the European Union.

Looking beyond registration strategy, trademark owners must also carefully evaluate where to sue to test the enforceability of marks, particularly when dealing with color marks as outlined in this Article, the business reputation of the defendant, and whether the goods or services offered by the defendant actually infringe the mark, when viewing the reach of the registration, as narrowly defined. By example, consider that one well-known French designer—Christian Louboutin—sued another well-known French designer—the house of Yves Saint Laurent—not in France, where both are domiciled, but in Federal Court in New York. In the authors' view, Louboutin presumably was well aware of the U.S. Supreme Court's *Qualitex* ruling and the Second Circuit's history of litigation in the fashion world, including familiarity with enforcement of shoe trade dress claims.¹²⁴ Furthermore, the high-profile French companies did not need to slug it out on home turf. No doubt, several additional factors dictated the choice of forum by Louboutin in filing its first major litigation involving its red color trademark in the District Court for the Southern District of New York. However, the successful European litigations, such as the *Van Dalen* case, involved both obvious knock-off products and "knock-off" (or "fast-fashion") retailers, and helped to create a firm foundation for further successful enforcement of the mark throughout Europe.

While the recent litigation has supported the validity of the Red Sole Mark in the Application Three format, this litigation has also shown that when Louboutin attempted to go beyond the factual parameters set forth in its registrations and attempted to enforce its perceived rights against a shoe product with a red monochrome color scheme—its infringement claims were defeated.

Reflecting on the early enforcement efforts in the European Union, Louboutin suffered setbacks in securing valid and enforceable trademark rights in the color red until the mark was clearly identified as the Red Sole Mark, following the prosecution strategies developed through Application Three. The initial registration, Application One, was invalidated when tested, as shown in the French case of *Louboutin v. Zara*.

Finally, with respect to the per se registrability of color as a trademark, we can see that the OHIM decision in Recourse R2272/2010-2 is consistent with the U.S. Supreme Court precedent in *Qualitex*. Both uphold the notion that color alone can function as a mark—there is no per se rule against it. However, the facts must show that the color claimed as a mark does indeed function as a mark. Further, in enforcement

124. See, e.g., *Mushroom Makers, Inc. v. R.G. Barry Corp.*, 580 F. 2d 44 (2d Cir. 1978).

actions on both sides of the Atlantic, courts look to the specifics of the infringing use and compare it against the mark. When all the features of the mark are present in the alleged infringing product—in this case the color red applied to an under sole with contrasting upper in women's shoes—the decision will in favor of the trademark owner.
