Intellectual Property Law



ARE Trademark Law Alert: Louboutin v. YSL: Second Circuit Allows Single Color as a Fashion Trademark

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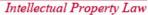
The eagerly awaited decision in the *Christian Louboutin v. Yves Saint Laurent* case was issued by the Second Circuit Court of Appeals on September 5, 2012 (*Christian Louboutin S.A. v. Yves Saint Laurent Am., Inc.*, 2012 U.S. App. LEXIS 18663 (2d Cir. Sept. 5, 2012)). The appellate court overturned the district court's ruling that a single-color on a product (or portion of a product) can never serve as a trademark in the fashion industry, and held that Louboutin's well-known "Red Sole" trademark is valid and enforceable. Louboutin's victory was substantial but not complete, as the Second Circuit held that the Red Sole mark only applied to shoe uppers of contrasting colors to the Red Sole. Thus, since YSL's use of a red sole was part of a monochromatic red shoe where both the upper shoe and the sole were the same red color, the Appellate Court held that the shoes at issue in this case do not infringe Louboutin's Red Sole mark.

The case was commenced in 2011 when Louboutin alleged that YSL's line of monochromatic shoes infringed the registered Red Sole mark. The District Judge denied Louboutin's request for a Preliminary Injunction, and instead held that despite the acknowledged renown of the Louboutin Red Sole, no designer should be able to monopolize a single color in fashion. The District Court held that the use of single colors on fashion products are "aesthetically functional" and thus cannot be monopolized by a single designer.

Perhaps of greatest legal controversy was the holding that different trademark rules apply to fashion. The Court wrote: "Placing off-limit signs on any given chromatic band by allowing one artist or designer to appropriate an entire shade ... would unduly hinder not just commerce and competition, but art as well." The District Court went on to opine that Louboutin's Red Sole trademark registration was likely invalid. This decision precipitated an interlocutory appeal by Louboutin to the Second Circuit.

The Second Circuit considered the history of single-color marks as well as the doctrine of "aesthetic functionality" and concluded that there is no reason why a single-color mark cannot, under appropriate facts, acquire secondary meaning and serve as a valid brand identifier. The court recognized that the Red Sole mark, at least in a limited manner of use, had acquired secondary meaning as a distinctive symbol identifying the Louboutin brand and, therefore, merits protection -- but only when the red sole contrasts with the rest of the shoe. Consequently, while the court held that the Red Sole mark is a valid and enforceable trademark, it modified the scope of the mark to limit it to a red sole that contrasts with the color







of the rest of the shoe, and specifically instructed the US Patent and Trademark Office to amend the federal Trademark Registration to add the limitation.

So while the fashion world has received an important decision upholding the potential validity of a single-color product mark, and Louboutin has the comfort of knowing that its Red Sole mark is valid and enforceable, the Court made clear that the scope of protection of single color claims is limited and Louboutin will not be able to stop sales of YSL's monochromatic red shoes.

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