

5-1-2016

A Passion for Fashion: The International Trade Commission Should “Step Up” Its Role in the Enforcement of Design Patents

Nikki Rigl

Follow this and additional works at: <http://repository.law.miami.edu/umiclr>



Part of the [Intellectual Property Law Commons](#)

Recommended Citation

Nikki Rigl, *A Passion for Fashion: The International Trade Commission Should “Step Up” Its Role in the Enforcement of Design Patents*, 23 U. Miami Int’l & Comp. L. Rev. 801 ()
Available at: <http://repository.law.miami.edu/umiclr/vol23/iss2/7>

This Article is brought to you for free and open access by Institutional Repository. It has been accepted for inclusion in University of Miami International and Comparative Law Review by an authorized administrator of Institutional Repository. For more information, please contact library@law.miami.edu.

A PASSION FOR FASHION: THE INTERNATIONAL TRADE
COMMISSION SHOULD “STEP UP” ITS ROLE IN THE
ENFORCEMENT OF DESIGN PATENTS

The usefulness of the International Trade Commission as a forum for fashion design patents due to the confusion of United States Patent and Trademark Office-based and federal court-based intellectual property protections, looking at the Louboutin case as the guiding exemplar.

Nikki Rigl

I.	INTRODUCTION	802
II.	CHRISTIAN LOUBOUTIN S.A. V. YVES SAINT LAURENT AM. HOLDING, INC.	805
III.	POSSIBLE PROTECTIONS FOR FASHION DESIGNS UNDER UNITED STATES INTELLECTUAL PROPERTY LAW	807
A.	TRADEMARKS.....	807
1.	CONFUSING STANDARDS IN TRADEMARK LAW	808
B.	DESIGN PATENTS.....	812
1.	CONFUSING STANDARDS IN PATENT LAW	813

Executive Editor Elect, *University of Miami International and Comparative Law Review*, J.D. Candidate 2017, University of Miami School of Law; B.A., 2014, Duke University. I would like to thank Professor Andres Sawicki for providing me with positive encouragement and scholarly assistance throughout the writing process, and for bolstering my passion for intellectual property law as it relates to different artistic mediums. I would also like to thank all the members of the *International and Comparative Law Review* for their dedication and diligence in helping me to prepare this case note for publication, and for making my first year on the law review such a rewarding and enlightening experience. My family and friends have been there for me every step of the way through my educational endeavors and otherwise, and for that I am eternally grateful. I hope you enjoy reading this piece as much as I enjoyed writing it.

a) NOVELTY.....	814
i) ORDINARY OBSERVER TEST.....	815
b) NONOBVIOUSNESS.....	816
c) FUNCTIONALITY.....	819
IV. INTERNATIONAL TRADE COMMISSION.....	820
A. THE PURPOSE OF THE INTERNATIONAL TRADE COMMISSION.....	820
B. THE LOUBOUTIN CASE MEETS THE DOMESTIC INDUSTRY REQUIREMENT, ASSUMING LOUBOUTIN TAKES THE NECESSARY STEPS TO ACQUIRE A DESIGN PATENT	823
1. LOUBOUTIN MEETS ECONOMIC PRONG.....	824
2. LOUBOUTIN MEETS TECHNICAL PRONG.....	826
V. SECTION 337 PROCEEDINGS	827
VI. EU DESIGN RIGHT FRAMEWORK	830
A. APPLYING EU DESIGN RIGHTS TO THE LOUBOUTIN CASE 832	
B. LOUBOUTIN'S TRADEMARK WOULD LIKELY NOT HAVE RECEIVED MORE PROTECTION IN EUROPE THAN WHAT WAS GRANTED TO IT BY THE DISTRICT COURT IN THE UNITED STATES . . . OR PERHAPS NOT ANY PROTECTION AT ALL.....	833
VII. CONCLUSION	834
I. INTRODUCTION	

“Cinderella is proof that a new pair of shoes can change your life.”¹ Similarly, recent fashion law cases are

¹ Author unknown, “Cinderella is proof that a new pair of shoes can change your life,” <http://www.scrapbook.com/quotes/doc/27219.html> (last visited Dec. 22, 2015).

proof that a new forum can change a fashion designer's intellectual property rights. One recent case, *Christian Louboutin v. Yves Saint Laurent*, brought to light a very important notion: there is a severe danger and disadvantage to the realm of fashion design when one designer holds a monopoly over a color, absent an acquired secondary meaning.² Although the Federal District Court regarded Louboutin's Chinese red shoe soles as "overly broad" and likely not protectable, the appeals courts gave Louboutin excessive intellectual property protection to its red-soled design.³ While it is important for designers to safeguard their new designs, thereby distinguishing their brand in order to draw consumer attention and create new business, intellectual property law, in general, must ensure that creativity is not being stifled by the monopolization of the creative works and styles of one designer.⁴ This dichotomy has engendered much fluidity with respect to decisions of fashion-related infringement cases.⁵

A part of this fluidity arises from the confusing and interpretation-heavy, ambiguous standards necessary to satisfy infringement. This confusion exists for all forms of intellectual property, but most importantly for this case, for

² Julie Zerbo, *Louboutin v. YSL Is Officially Over*, THE FASHION LAW (Dec. 28, 2012), <http://www.thefashionlaw.com/archive/louboutin-v-ysl-is-officially-over?rq=louboutin>.

³ *Id.* (citing *Christian Louboutin S.A. v. Yves St. Laurent Am. Holdings, Inc.*, 696 F.3d 206 (2012); *Christian Louboutin S.A. v. Yves St. Laurent Am., Inc.* 778 F. Supp. 2d 445 (2011)).

⁴ See Darrell G. Mottley, *The Tools for Protecting Fashion Law Clients*, 2012 WL 167353 *1, *1 (2012).

⁵ *Id.*

trademarks and patents.⁶ This note will explore the unaccountable trademark standards relied upon in deciding the *Louboutin* case and proposes, instead, how the *Louboutin* case could have been better interpreted as a design patent case.⁷ From there, the note will analyze how Louboutin's red-soled design might have prevailed as a design patent under federal patent standards versus the standards of the International Trade Commission ("ITC").⁸ Such an analysis will bring to light the fact that the ITC is the most advantageous and suitable forum for this particular fashion design litigation.⁹ The note will then analyze what protection would have been afforded to Louboutin in a European jurisdiction.¹⁰

⁶ See Justin Hughes, *Cognitive and Aesthetic Functionality in Trademark Law*, 36 CARDOZO L. REV. 1227 (2014); see also Marta Kowalczyk, *Design Patent Infringement: Post-Egyptian Goddess*, 2010 U. ILL. J. OF L. TECH. & POL'Y 239 (2010).

⁷ See generally Hughes, *supra* note 6; see generally Kowalczyk, *supra* note 6; see generally Mottley, *supra* note 4; see generally Debra D. Peterson, *Seizing Infringing Imports of Cinderella's Slippers: How Egyptian Goddess Supports U.S. Customs and Border Protection's Enforcement of Design Patents*, 90 J. PAT. & TRADEMARK OFF. SOC'Y 888 (2008); see generally Sarah Burstein, *Moving Beyond the Standard Criticisms of Design Patents*, 17 STAN. TECH. L. REV. 305 (2013).

⁸ See generally Kowalczyk, *supra* note 6; see generally Robert E. Bugg, *The International Trade Commission and Changes to United States Patent Law*, 76 BROOK L. REV. 1093 (2011); see generally Peterson, *supra* note 7.

⁹ See generally Mottley, *supra* note 4.

¹⁰ See generally Susanna Monseau, *European Design Rights: A Model for the Protection of all Designers From Piracy*, 48 AM. BUS. L.J. 27 (2011); Tiffany Mahmood, *Design Law in the United States as Compared to the European Community Design System: What Do We Need to Fix*, 24 FORDHAM INTELL. PROP. MEDIA & ENT. L.J. 555 (2014); see generally Sarah Burstein, *supra* note 7.

II. CHRISTIAN LOUBOUTIN S.A. V. YVES SAINT LAURENT
AM. HOLDING, INC.

Christian Louboutin is best known for his use of a contrasting, bright red coloration on the outsole of his heels.¹¹ In fact, the “‘flash of a red sole’ is today ‘instantly’ recognizable, to ‘those in the know,’” as Louboutin’s handiwork.”¹² Contention recently arose when Yves Saint Laurent began to conceptualize and market a line of monochromatic pumps, including a red shoe, which featured a red insole, heel, upper, and outsole.¹³ Despite initial negotiations to try to avoid litigation, Louboutin ultimately filed an action under the Lanham Act on April 7, 2011, claiming “(1) trademark infringement and counterfeiting, (2) false designation of origin and unfair competition, and (3) trademark dilution, as well as state claims for (4) trademark infringement, (5) trademark dilution, (6) and unfair competition, and unlawful deceptive acts and practices.”¹⁴ Louboutin also tried to obtain a preliminary injunction, which would prevent Yves Saint Laurent from marketing any shoes bearing a similar red outsole, or in any similar red shade, which might cause confusion among consumers.¹⁵ The District Court held that, with respect to the fashion industry, “single-color marks are inherently ‘functional’ and that any such registered

¹¹ *Christian Louboutin S.A. v. Yves Saint Laurent America Holdings, Inc.*, 696 F.3d 206, 213 (2012).

¹² *Id.* (quoting *Christian Louboutin S.A. v. Yves Saint Laurent America, Inc.*, 778 F. Supp. 2d 445, 447 (S.D.N.Y. 2011)).

¹³ *Id.*

¹⁴ *Id.*

¹⁵ *Id.*

trademark would likely be held invalid.”¹⁶ “[T]rademark law is not intended to ‘protect[] innovation by giving the innovator a monopoly’ over a useful product feature” – because fashion relies more on allure and appearance than other utility industries, the district court was wary of setting a precedent allowing single-color trademarks because this might ultimately hinder competition and creativity among designers.¹⁷

On appeal, Louboutin’s red soles were held to be protectable under the theory that the color was used in such a way that Louboutin had acquired a secondary meaning, thereby establishing the red soles as a distinctive symbol of the Louboutin brand.¹⁸ Pursuant to the Lanham Act, “the law provides the owner of a mark with the ‘enforceable right to exclude others from using [the mark].’”¹⁹ However, Louboutin’s protection was limited to just the contrasting red sole, and accordingly, Yves Saint Laurent was legally permitted to use the red sole on its monochromatic red pump.²⁰ As such, the appellate court affirmed the District Court’s order permitting Yves Saint Laurent to use the red lacquered outsole on its monochrome red shoe, but reversed

¹⁶ *Id.* at 214 (citing *Louboutin*, 778 F. Supp. 2d. at 457); *see also* *Qualitex Co. v. Jacobson Products Co.*, 514 U.S. 159, 162, 115 S. Ct. 1300, 131 L.Ed.2d. 248 (1995) (holding that color can be protected 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”).

¹⁷ *Id.* (quoting *Fabrication Enters., Inc. v. Hygenic Corp.*, 64 F.3d 53, 59 n.4 (2d Cir. 1995)); Kaitlin Powers, *Saving Soles: The Limited Practical Application of Christian Louboutin S.A. v. Yves Saint Laurent America Holding, Inc.*, 14 N.C. J.L. & TECH. ON. 335, 361 (2013).

¹⁸ *Id.* at 225.

¹⁹ *Id.* at 216 (quoting *La Societe Anonyme des Parfums le Galion v. Jean Patou, Inc.*, 495 F.2d 1265, 1271 (2d Cir. 1974)).

²⁰ *Id.* at 228.

the District Court's order denying trademark protection to Louboutin's contrasting red lacquered outsole.²¹

III. POSSIBLE PROTECTIONS FOR FASHION DESIGNS UNDER UNITED STATES INTELLECTUAL PROPERTY LAW

As U.S. intellectual property laws have evolved, uncertainty has arisen as to what basis must be relied upon in order to protect intellectual property rights most effectively and thoroughly.²² Two of the main sectors relied upon by fashion designers are trademark law and patent law.

A. TRADEMARKS

Christian Louboutin relied upon trademark law for protection in an effort to estop Yves Saint Laurent's marketing of what Louboutin deemed to be a confusingly similar exploitation of his signature red-soled heels.²³ While Louboutin was granted a trademark for his red soles, that trademark did not inhibit Yves Saint Laurent's use of the red soles on its monochromatic shoes—the product at issue.²⁴ The ambiguity of trademark law standards likely contributed to this somewhat inadequate win on Louboutin's part.

²¹ *Id.* at 229.

²² Peterson, *supra* note 7, at 892 (citing R. CARL MOY, 1 MOY'S WALKER ON PATENTS §5:41 (4th ed. 2007)).

²³ See generally *Louboutin*, 696 F.3d at 206.

²⁴ See generally *id.*

1. CONFUSING STANDARDS IN TRADEMARK LAW

Currently, trademark law incorporates—and thereby permits registration for—marks that are used in commerce, which are inherently distinctive or have acquired distinctiveness through the acquisition of secondary meaning, so long as the mark is nonfunctional.²⁵ Trademark law application and precedent entertains a tendentious reading of functionality.

a) FUNCTIONALITY

The Lanham Act defines a trademark as “any word, name, symbol, or device, or any combination thereof, used by a person to identify and distinguish his or her goods . . . and to indicate the source of the goods”²⁶ This definition grants quite broad protection, especially in the realm of fashion, because one designer can claim exclusive trademark ownership over even the slightest detail, thus creating a monopoly on a simple design that becomes an of-the-moment trend; this is a major underlying reason for the excessive prices certain brands are capable of charging their customers.²⁷ One limit that the Lanham Act imposes on this seemingly overbroad definition is the functionality doctrine,

²⁵ Rohini Roy, *Louboutin v. Yves Saint Laurent: The Second Circuit's Functionality Faux Pas*, 33 ST. LOUIS U. PUB. L. REV. 519, 540 (2014) (citing *Abercrombie and Fitch, Co. v. Hunting World, Inc.*, 537 F.2d 4, 9-11 (2d Cir. 1976); Lanham Act §45, 15 U.S.C. § 1127 (2006)).

²⁶ *Id.* at 520 (quoting Lanham Act §45, 15 U.S.C. § 1127 (2006)).

²⁷ *Id.* at 521. *Louboutin's* red-colored soles are “capable of carrying meaning” and the Lanham Act is broad enough to “include color within the universe of things that can qualify as a trademark.” *Id.* (quoting *Qualitex Co. v. Jacobson Prod. Co.*, 514 U.S. 159, 162 (1995)).

whereby product features that are “essential to the use or purpose of the article” or “[affect] the cost or quality of the article” are denied trademark protection.²⁸ There are two categories of functionality: utilitarian and aesthetic.²⁹ Because the utilitarian functionality doctrine is aimed more towards technical or mechanical functionality, aesthetic functionality is a more relevant sector to analyze with respect to fashion design.³⁰ Aesthetic functionality incorporates the basic tenets of utilitarian law, but the main focus is more fact-specific and looks to the design’s impact on competition.³¹

i. AESTHETIC FUNCTIONALITY APPLICATION

When reviewing Louboutin’s trademark infringement allegations against Yves Saint Laurent, the New York Southern District Court (“District Court”) held that the red color used by Louboutin on the soles of its shoes was aesthetically functional and that no single designer had the right to keep other designers from using such a critical and desired hue on their footwear.³² Controversially, the Second Circuit reversed the District Court’s ruling, instead

²⁸ *Id.* (citing Lanham Act §§2(e)(5), 43 (a)(1)(3), 14(3) (2006); quoting *Inwood Labs, Inc. v. Ives Labs.*, 456 U.S. 844, 850 n.10 (1982)).

²⁹ Roy, *supra* note 25, at 526 (citing Amy B. Cohen, *Following the Direction of Traffix: Trade Dress Law and Functionality Revisited*, 50 IDEA 593, 597 (2010)).

³⁰ See Hughes, *supra* note 6, at 1247 (citing Mark A. Lemley & Mark P. McKenna, *Is Pepsi Really a Substitute for Coke? Market Definition in Antitrust and IP*, 100 GEO L.L. 2055, 2063 (2012)).

³¹ Ashley E. Green, *Red Touches Black: The First Application of Maker’s Mark and Louboutin in the Context of Color Trademarks*, 22 AM. U. J. GENDER SOC. POL’Y. & L. 981, 987 (2014).

³² Roy, *supra* note 25, at 533 (citing *Louboutin*, 778 F. Supp. 2d at 454).

maintaining that Louboutin did in fact have a valid trademark in the red sole of its heels because of the “pop” engendered by the contrasting nature of the shoe’s colored exterior and its ruby-red sole.³³ However, the Second Circuit failed to address the aesthetic functionality of Louboutin’s red-soled shoes, generally concluding that not all single color marks are aesthetically functional when within the realm of the fashion industry.³⁴ It relied on Louboutin’s acquisition of secondary meaning for its red-soled heels (a design aspect that, through advertising, media coverage, and sale volume, created one of the “most revered shoes around the globe”³⁵) to solidify Louboutin’s enforceable trademark and created a balancing test between “‘the competitive benefits of protecting source-identifying aspects’ of a mark [and] the ‘competitive costs of precluding competitors from using the feature’” to overcome the need for a functionality analysis of the red soles.³⁶ The Second Circuit found that

³³ *Id.* at 534 (citing *Louboutin*, 696 F.3d at 229; Scott Flaherty, *How They Won It: McCarter Saves Louboutin’s Soles*, LAW360 (Oct. 23, 2012), <http://www.jdsupra.com/legalnews/how-they-won-it-mccarter-saves-louboutin-98617/>; Benjamin Weiser, *Shoe Designer Can Protect Its ‘Pop’ of Red, Court Says*, N.Y. TIMES (Sept. 6, 2012), http://www.nytimes.com/2012/09/06/nyregion/court-rules-louboutin-can-enforce-a-trademark-on-its-red-outsoles.html?_r=0).

³⁴ *Id.* (citing *Louboutin*, 696 F.3d at 223).

³⁵ *Id.* at 532 (quoting Danielle E. Gorman, *Protecting Single color Trademarks in Fashion After Louboutin*, 30 CARDOZO ARTS & ENT. L.J. 369, 370 (2012)).

³⁶ *Id.* at 535 (citing *Louboutin*, 696 F.3d at 222-228); see also Ashley E. Green, *Red Touches Black: The First Application of Maker’s Mark and Louboutin in the Context of Color Trademarks*, 22 AM. U.J. GENDER SOC. POL’Y & L. 981, 990 (2014) (citing *Louboutin*, 696 F.3d at 226 (describing the six part test relied upon in *Louboutin* in determining whether a design feature has secondary meaning: “(1) advertising expenses; (2) consumer studies linking the purported mark to the source; (3) media coverage of

giving Louboutin a trademark for its popping red soles would not “significantly [undermine] competitors’ ability to compete in the relevant market,” which was evident by the fact that Yves Saint Laurent could still utilize red soles on its monochromatic, non-popping heel design.³⁷

“Sometimes color plays an important role . . . in making a product more desirable.”³⁸ This is the more traditional functionality approach, which was relied upon by the District Court in its conclusion that Louboutin’s red shoe soles were aesthetically functional and, accordingly, were not capable of trademark registration or protection.³⁹ The red lacquered soles of the Louboutin heels certainly appeal to the aesthetic values of consumers, but “[a] design is functional because of its aesthetic value only if it confers a *significant* benefit that cannot practically be duplicated by the use of alternative designs.”⁴⁰ In the fashion industry especially, it is important to navigate a balanced path through the murky waters of innovative design protection and healthy design competition—the murkiness of that balance, and the disparate applications of the relevant aspects of such a balance, is what has caused so much controversy over whether a design feature is merely

the product; (4) sales success; (5) attempts at plagiarism; and (6) length of time the mark has been used”).

³⁷ Hughes, *supra* note 6, at 1240 (citing *Christian Louboutin S.A. v. Yves Saint Laurent Am. Holding, Inc.*, 696 F.3d 206, 222 (2012)).

³⁸ *Id.* at 1242 (citing *Qualitex Co. v. Jacobson Products Co.*, 514 U.S. 159, 165 (1995) (holding that “the right touch of beauty” given “to common and necessary things” might “interfere with legitimate (nontrademark-related) competition through actual or potential exclusive use of an important product [feature]”).

³⁹ See generally *Louboutin*, 778 F. Supp. 2d.

⁴⁰ *Id.* (quoting RESTATEMENT (THIRD) OF UNFAIR COMPETITION §17, cmt. c (1995) (emphasis added)).

aesthetically functional (and therefore not protectable) or distinct, yet not sufficiently inhibiting of future potential designs to qualify as aesthetically functional.⁴¹ This imbalance seems to insinuate that trademark is perhaps not the most suitable legal framework to rely upon in fashion design infringement cases.

B. DESIGN PATENTS

Patent law is a blossoming arena of intellectual property protection that is acquiring more attention from fashion designers.⁴² Design patents “serve to promote decorative arts: ‘those arts which are made to serve a practical purpose but are nevertheless prized for the quality of their workmanship and the beauty of their appearance’”⁴³ Designers who create any nonfunctional, “new, original, and ornamental” design for an article of manufacture are eligible to receive a design patent from the United States Patent and Trademark Office (USPTO).⁴⁴ Such an article of manufacture is broadly construed to encompass “anything made by the hands of a man from raw materials, whether literally by hand or by machinery or art.”⁴⁵ Given these

⁴¹ See generally Green, *supra* note 31, at 1005.

⁴² See Mottley, *supra* note 4, at 5.

⁴³ Christina Phillips, *The Real Cinderella Story: Protecting the Inherent Artistry of the Glass Slipper Using Industrial Design*, 48 VAL. U.L. REV. 1177, 1198 (2014).

⁴⁴ *Id.* (citing 35 U.S.C. § 71 (2006)).

⁴⁵ *Id.* at 1199 (citing Daniel H. Brean, *Enough is Enough: Time to Eliminate Design Patents and Rely on More Appropriate Copyright and Trademark Protection for Product Designs*, 16 TEX. INTELL. PROP. L.J. 325, 336 (2008) (quoting Application of Hruby, 373 F.2d 997, 1000 (C.C.P.A. 1967) (quoting Riter-Conley Mfg. Co. v. Aiken, 203 F. 699, 703 (3d Cir. 1913))).

characterizations, it seems as though Louboutin's red-soled shoes would meet the requirements for design patent acquisition. Presently, Louboutin would be unable to acquire a design patent given the statutory bar imposed by 35 U.S.C. §102, which bars application for design patents after a year from the public offering of the product. The following, therefore, is essentially a thought experiment: Could Louboutin have met the requisite standards for a design patent, and would this form of intellectual property have afforded a more effective and comprehensive protection?⁴⁶

1. CONFUSING STANDARDS IN PATENT LAW

In order to acquire patent protection, designs must satisfy the general requirements of novelty and nonobviousness, although there have been modifications to both of these standards over time and there will likely be future revisions to better identify and protect ornamental features that the design patent enactment originally set out to preserve.⁴⁷ Functionality is an affirmative defense to design patent registration.⁴⁸

⁴⁶ Doug Johnson, *At The Intersection of Copyrights and Design Patents*, MILLER & MARTIN PLLC, <https://www.millermartin.com/sites/default/files/documents/Copyright%20&%20Design%20Patent%201%20pager%20v2.pdf> (last visited Feb. 28, 2016).

⁴⁷ Burstein, *supra* note 7, at 309 (citing 35 U.S.C. §§ 102, 103 (2011)).

⁴⁸ Margot E. Parmenter, *Louboutins and Legal Loopholes: Aesthetic Functionality and Fashion*, 40 PEPP. L. REV. 1039, 1079 n.249 (2013) (citing *Louboutin*, 696 F.3d at 216-17).

a) NOVELTY

The point of novelty test was first set forth in *Litton Systems, Inc. v. Whirlpool Corp.*⁴⁹ The fundamental crux of this test was whether the accused design appropriated the novelty in the patented design.⁵⁰ The point of novelty test, however, was abolished recently in the case *Egyptian Goddess Inc. v. Swisa, Inc.* in favor of the more pliable ordinary observer standard addressed below.⁵¹ There, the point of novelty test was deemed inadequate because: (1) it focused on individual aspects of designs rather than the designs in their entirety; (2) it was difficult to apply to more novel designs; and (3) there was always ambiguity as to the extent to which prior art elements constituted a point of novelty.⁵² As such, the ordinary observer test alone seemed to be a better fit because it incorporated the important aspects of the point of novelty test without as much confusion.

⁴⁹ See generally 728 F.2d 1423, 1984 U.S. App. LEXIS 14850, 221 U.S.P.Q. (BNA) 97 (Fed. Cir. 1984).

⁵⁰ David A. Kalow and Milton Springut, *Distinct Point-of-Novelty Test for Design Patents Ends*, 240 (No.86) N.Y. L. J. (Oct. 31, 2008), http://springutlaw.com/wp-content/uploads/2011/05/NYLJ_-Distinct-of-Novelty-Test-For-Design-Patents-Ends.pdf.

⁵¹ Eva Szarenski, *Egyptian Goddess, Inc. v. Swisa, Inc.: A Dramatic Change in the Law of Design Patents?*, 8 PIERCE L. REV. 89, 90 (2009) (citing *Egyptian Goddess, Inc. v. Swisa, Inc.*, 543 F.3d 655, 678 (Fed. Cir. 2008) (holding that the point of novelty test no longer stood alone as a second and freestanding requirement for proof of design patent infringement)).

⁵² *Id.* at 106-07 (citing *Egyptian Goddess, Inc.*, 543 F.3d 655, 678 (Fed. Cir. 2008)).

i. ORDINARY OBSERVER TEST

The “ordinary observer” test, now deemed sufficient to guard against sweeping assertions of patent rights to an extent that hurts innovation and competition, was set forth in *Gorham Co. v. White*, where the court looked to whether the patented design and the product at issue were so similar that an ordinary observer would be motivated to purchase the accused product under the assumption that it was the patented design.⁵³ Using the ordinary observer standard ensures that the measurement of the relative value and importance of the design feature is analyzed in the way that the designers intended: through the eyes of an ordinary consumer in a store.⁵⁴ One alteration to the original ordinary observer standard is that now, the test asks that the court take into account the prior art, should the patented and accused designs not appear plainly dissimilar on direct comparison.⁵⁵

With respect to the *Louboutin* case, the standard would be whether observers of ordinary acuteness, “who are the principal purchasers of the articles to which designs have given novel appearances” (the buyers of red-soled Louboutin heels), would be confused, misled, or induced to purchase the other article (Yves Saint Laurent’s red-soled monochromatic shoe) because the consumers mistakenly assumed it was either the same article or was created by the

⁵³ Mottley, *supra* note 4, at 7 (citing *Gorham Co. v. White*, 81 U.S. 511 (1872)).

⁵⁴ See Janice M. Mueller and Daniel Harris Brean, *Overcoming the “Impossible Issue” of Nonobviousness in Design Patents*, 99 KY. L. J. 419, 472 (2010-2011).

⁵⁵ See Szarenski, *supra* note 49, at 108 (citing *Egyptian Goddess, Inc.*, 543 F.3d at 678).

same designer.⁵⁶ It would then be left up to the discretion of the court to establish whether the red soles of both Louboutin's and Yves Saint Laurent's heels would be so substantially similar as to deceive an ordinary consumer, giving the attention that a typical consumer would give in the shoe-purchasing process.⁵⁷

b) NONOBVIOUSNESS

Nonobviousness is often regarded as a requirement that, although somewhat reasonable when analyzing utility patents, is unsuitable, subjective, impractical, and, some argue, even impossible with respect to designs.⁵⁸ Only time will tell what alterations will be made to these design patent standards to ultimately extend a more evolved and thorough protection to designs.

In addition to being new, a patentable fashion design "must meet the difficult requirement of nonobvious," which means that the "design must not be obvious to another fashion designer [(one of ordinary skill who designs articles of the type involved)] in light of all similar articles previously created."⁵⁹ This standard is seemingly

⁵⁶ See *Gorham Co.*, 81 U.S. 511, 528 (1872).

⁵⁷ *Id.*

⁵⁸ Mueller and Brean, *supra* note 42, at 420.

⁵⁹ Phillips, *supra* note 42, at 1199 (citing 35 U.S.C. § 103(a) (2006) ("A patent may not be obtained . . . if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains."); Thomas B. Lindgren, *The Sanctity of the Design Patent: Illusion or Reality? Twenty Years of Design Patent Litigation Since Compro v. Day-Brite Lighting, Inc., and Sears, Roebuck & Co. v. Stiffel Co.*, 10 OKLA. CITY U. L. REV. 195, 223 (1985) ("To resolve the question of

unconquerable, especially given the communicative and borrowing nature of the fashion industry: In order to compete with domestic and foreign markets, fashion designers are constantly adopting and adapting new trends in order to stay afloat.⁶⁰ Nonobviousness seems contrary to the customary routines and strategies of the well-established field of fashion design.

Further, when reviewing a design, one must consider the design as a whole, rather than looking at the design element-by-element.⁶¹ Essentially, the question at issue in this regard is whether the qualitative aspects sought to be combined are “so related that the appearance of certain ornamental features in one would suggest the application of those features in another.”⁶² The design must also be “different enough from prior art to warrant a patent” (a

obviousness, the court must first view the prior art as disclosed by previous patents and then, using expert testimony if needed, decide whether the new design claimed represents more than the product of a person ordinarily skilled in the trade, having knowledge of the prior art.” (quoting *Durling v. Spectrum Furniture Co.*, 101 F.3d 100, 103 (Fed. Cir. 1996)).

⁶⁰ See Phillips, *supra* note 42, at 1218.

⁶¹ Dennis Crouch, *Fleshing-Out Design Patent Infringement Doctrine*, PATENTLYO, <http://patentlyo.com/patent/2010/03/crocs-inc-v-us-international-trade-commission-itc-fed-cir-2010-in-the-matter-of-certain-foam-footware-in-2006-t.html> (last visited Dec. 28, 2015); *but see* Mottley, *supra* note 4, at 5 (noting that, in design patent cases, ornamental features or combinations of features can be separated out from the rest of a fashion garment in drawings so that only the important design aspects aspiring for protection are highlighted).

⁶² Jason J. Du Mont, *A Non-Obvious Design: Reexamining the Origins of the Design Patent Standard*, 45 GONZ. L. REV. 531, 605 (quoting Application of Glavas, 230 F.2d 447, 450 (C.C.P.A. 1956)).

standard that is somewhat assessed within the novelty test mentioned above).⁶³

Louboutin uses the sole of heels, a known element, in a novel manner by giving the sole a contrasting color pop using a bright, candy-apple red coloration which stands in stark contrast to the darkened or loud-patterned hue of the outer shoe.⁶⁴ Whether Louboutin's design patent might inhibit Yves Saint Laurent's use of the red coloration on its heel soles meets a similar burden as was faced by the trademark analysis undergone in the case. Louboutin might be able to assert that the red sole in general, and not just the contrast of the sole to the outer coloration of the shoe, is a part of its patent and that Yves Saint Laurent's adoption of the red sole in their monochromatic shoe is a simulation of Louboutin's signature embellishment, putting Yves Saint Laurent in violation of Louboutin's design patent.⁶⁵ Conversely, Yves Saint Laurent could argue that the use of a single color for the entirety of its heels serves a different and distinct ornamental purpose, which stands apart from the contrasting pop of the Louboutin heels. Granting a shoe color monopoly to Louboutin because of a single ornamental design innovation would be a disgrace to fashion designers everywhere.⁶⁶

⁶³ *Id.* at 598 (citing *In re Bartlett*, 300 F.2d 942, 944 (C.C.P.A. 1962)).

⁶⁴ See Phillips, *supra* note 42, at 1199 (citing Lindgren, *supra* note 57, at 224).

⁶⁵ See Mottley, *supra* note 4, at 5 ("Design patents are essential tools in protecting against clone and simulation-type products made by third parties.").

⁶⁶ See Phillips, *supra* note 42, at 1227 (asserting that the inherent artistry and creativity of high fashion deserves protection, and that the current state of intellectual property protections are not adequate to provide that

c) FUNCTIONALITY

Design patent law, like trademark law, prohibits protection for functional elements; however, ornamental aspects not solely dictated by functionality are protected.⁶⁷ Utilitarian aspects of design are not incorporated into the design patent definition.⁶⁸ In this regard, it is likely that the trademark standard of utilitarian functionality, rather than the trademark standard of aesthetic functionality, is the type excluded from protection here. Functionality is not at issue in the *Louboutin* case because the red-colored soles are ornamental aspects of the shoe's design. Although the sole of the shoe is at issue, which is a functional aspect of the heel design, the color—a decorative aspect—is the alleged infringing content and, accordingly, functionality is not present in this context.

sort of safeguarding, especially in the reproductive, competitive market in which these fashion design creations lie).

⁶⁷ Maggie Diamond, *A Defense of Industrial Design Rights in the United States*, 5 N.Y.U. J. OF INTELL. PROP. & ENT. LAW 1, 13 (2015) (citing *Rosco Inc. v. Mirror Lite Co.*, 304 F.3d 1373, 1378 (Fed. Cir. 2002); Graeme B. Dinwoodie, *The Protection of Designs Under U.S. Law*, 4/2008 IPRINFO 1, 10 (2008); Orit Fischman Afori, *The Role of the Non-functionality Requirement in Design Law*, 20 FORDHAM INTELL. PROP. MED. & ENT. L.J. 847, 853-54 (2010)).

⁶⁸ *Id.*

IV. INTERNATIONAL TRADE COMMISSION

A. THE PURPOSE OF THE INTERNATIONAL TRADE COMMISSION

The ITC was created in 1974 to govern international trade laws, thereby promoting the United States as a contender in the competitive global commercial marketplace.⁶⁹ Because the ITC is granted jurisdiction to address import patent infringement and patent validity disputes, it is essentially an alternative venue to federal court for litigating patent disputes.⁷⁰

The ITC is an appealing alternative to federal court for complainants because it offers a faster resolution for patent infringement claims.⁷¹ However, ITC litigation is often accompanied by simultaneous litigation in federal court because ITC proceedings only afford complainants exclusion orders, while federal courts can provide

⁶⁹ Bugg, *supra* note 8, at 1094 (citing *About the USITC*, U.S. INT'L TRADE COMM'N, http://www.usitc.gov/press_room/about_usitc.htm (last visited Dec. 29, 2015)).

⁷⁰ *Id.* (citing Sapna Kumar, *The Other Patent Agency: Congressional Regulation of the ITC*, 61 FLA. L. REV. 529, 544 (2009); Douglas P. Martin, *Preclusive Effect of Factual Determinations of the International Trade Commission with Regard to Patent Matters*, 62 U. CHI. L. REV. 885-86 (1995)).

⁷¹ Joshua D. Furman, *Reports of Section 337's Death Have Been Greatly Exaggerated: The ITC's Importance in an Evolving Patent Enforcement Environment*, 30 BERKELEY TECH. L. J. 489, 491 (2015) ("Section 337 investigations are typically completed within eighteen months, while federal court proceedings may take as long as several years." (citing PETER S. MENELL ET AL., SECTION 337 PATENT INVESTIGATION MANAGEMENT GUIDE §1.4 (Matthew Bender & Co., Inc. eds., 2012))).

complainants with monetary damages and injunctions.⁷² If a complainant is more invested in stopping the importation of allegedly infringing goods, rather than acquiring some form of monetary compensation—which seemed to be the crux of Louboutin’s desire in its confrontation with Yves Saint Laurent—the ITC would likely be a better forum for handling a design patent dispute. The ITC has the power to order the U.S. Customs and Border Protection to exclude imported products that infringe upon valid U.S. design patents at the border, and it does so at a faster rate than that typically accorded by the District Court.⁷³

The ITC is “well equipped to handle patent and trademark disputes and has the governmental power to enforce the exclusions of infringing products into the US from any source” within the global sphere, pursuant to a Section 337 investigation.⁷⁴ The ITC has *in rem* jurisdiction over articles imported into the United States, and it can

⁷² *Id.* (citing Menell, *supra* note 1, at 1-24); see also Harv. L. Rev. Ass’n, *Recasting the U.S. International Trade Commission’s Role in the Patent System*, 126 HARV. L. REV. 2337, 2345 (2013) (citing *Section 337 Investigations: Answers to Frequently Asked Questions*, U.S. INT’L TRADE COMM’N, PUB. NO. 4105 1, 3 (2009), http://www.usitc.gov/intellectual_property/documents/337_faqs.pdf; 19 U.S.C. § 1337(d) (“Injunctive relief typically takes the form of an exclusion order that bars importation of the infringing products and that is enforced by the U.S. Customs and Border Protection.”)).

⁷³ Mottley, *supra* note 4, at 7.

⁷⁴ *Id.*; see also Colleen V. Chien, *Patently Protectionist? An Empirical Analysis of Patent Cases at the International Trade Commission*, 50 WM. & MARY L. REV. 63, 71 (2008) (citing 19 U.S.C. § 1337(a)(1)(A)-(B); Omnibus Trade and Competitiveness Act of 1988, Pub. L. 100-418, §1342(a)(1) (“Section 337 provides relief from unfair methods of competition and unfair acts in the importation of articles into the United States, or in their sale, if the effect or tendency of such actions is to destroy or substantially injure a U.S. industry.”)).

bring charges against an alleged infringer even when it lacks personal jurisdiction.⁷⁵ “A Section 337 investigation begins with a complainant alleging that one or more parties ‘imports . . . injure[s] a domestic industry or violate[s] U.S. intellectual property rights.’”⁷⁶ The domestic industry requirement of Section 337 is satisfied by a two-prong analysis: 1) the economic prong, which can be satisfied by showing that the complainant has made a substantial investment in domestic activities; and 2) the technical prong, which can be satisfied by showing that the complainant has a domestic product (usually established via evidence of manufactured goods).⁷⁷ A weak showing of one prong can be bolstered by a stronger showing of the other prong.⁷⁸

⁷⁵ Bugg, *supra* note 8, at 1094.

⁷⁶ Furman, *supra* note 69, at 489, 493 (citing *Mission Statement*, USITC, http://www.usitc.gov/press_room/mission_statement.htm; the comparison chart in Menell, *supra* note 1, at §1.2.3 (making clear that, unlike federal court proceedings, Section 337 investigations require a showing of both patent infringement and a trade violation)); *see also Intellectual Property Infringement and Other Unfair Acts*, USITC, https://www.usitc.gov/intellectual_property.htm (last visited Dec. 20, 2015).

⁷⁷ *Id.* at 494 (citing Wei Wang, *Non-practicing Complainants at the ITC: Domestic Industry or Not?*, 27 BERKELEY TECH. L. J. 409, 414-16 (2012); FAQs, INTERNATIONAL TRADE COMMISSION TRIAL LAWYERS ASSOCIATION, <http://www.itcsla.org/resources/faqs> (last visited Dec. 21, 2015)).

⁷⁸ Anders Fernstom, *Exploiting the ITC's Domestic Industry Requirement Through Licensing*, 41 AIPLA Q.J. 107, 116 (2013).

B. THE LOUBOUTIN CASE MEETS THE DOMESTIC INDUSTRY REQUIREMENT, ASSUMING LOUBOUTIN TAKES THE NECESSARY STEPS TO ACQUIRE A DESIGN PATENT

Past decisions indicate that trade dress—which we can assume extends to trademark as well—and design patent protection can co-exist when the “shape of the product is ornamental and also serves to distinguish the source of the goods and services.”⁷⁹ These are distinct protections that offer the owner of the intellectual property different spectrums of security for varied amounts of time.⁸⁰ In Louboutin’s case, acquiring a design patent for its red-soled heels would protect the non-functional, ornamental, red-hued soles for fourteen years from intentional substantial copying, while the trademark it establishes will serve to protect the Louboutin brand from other brands’ products that might create a likelihood of confusion in the eyes of consumers for as long as Louboutin uses the mark in

⁷⁹ Julia Anne Matheson, *Combine and Conquer: How the Synthesis of Design Patent and Trade Dress Achieve Maximum Protection for your Product Design*, FINNEGAN (2009), <http://www.finnegan.com/resources/articles/articlesdetail.aspx?news=74f843be-c63a-40cc-8ae0-007bc50fdd99> (last visited Feb. 14, 2016) (citing THOMAS MCCARTHY, MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 7:91 (4th ed. 2008)); see also Robert S. Katz and Helen Hill Minsker, *Trademarks by Design: Combining Design Patents and Trademarks to Protect Your Intellectual Property*, NAT. L. J. (May 1, 2000), http://bannerwitcoff.com/_docs/library/articles/bydesign.pdf (referencing examples of well-known design trademarks that also have design patents: DUSTBUSTER® vacuum cleaner, PEPSI®bottle, and the HONEYWELL® round thermostat).

⁸⁰ *Id.* (referencing *In re Mogen David Wine Corp.*, 140 USPQ 575, 579 (C.C.P.A. 1964) (patent and trademark rights “exist independently of, under different law and for different reasons”)).

commerce.⁸¹ The following explains how Louboutin meets the domestic industry requirement, should it desire to extend the protection over its popping red-soled heels.

1. LOUBOUTIN MEETS ECONOMIC PRONG

In order to satisfy the economic prong of the Section 337's domestic industry requirement, Louboutin would need to prove: "(A) significant investment in plant and equipment relating to the domestic articles, (B) significant employment of labor or capital relating to the domestic articles; or (C) substantial investment in exploitation of the patent, including engineering, research and development or licensing."⁸² To satisfy this prong, Louboutin would likely rely on Option C, because it provides the greatest flexibility to complainants: foreign entities that have principal locations outside of the United States are not automatically disqualified from meeting the economic prong based upon their investments in the United States market.⁸³ From a fashion design perspective, research development and new style-experimentation is done via fashion shows and catwalks.⁸⁴ These presentations highlight the in-vogue styles

⁸¹ See and compare *id.*

⁸² Charles Sanders, *Domestic Industry Continued to Evolve at ITC in 2014*, Law360 (Jan. 8, 2015), <http://www.goodwinprocter.com/~media/Files/Publications/Attorney%20Articles/2015/Domestic%20Industry%20Continued%20To%20Evolve%20At%20ITC%20In%202014.pdf> (citing 19 U.S.C. §1337(a)(3)).

⁸³ See *id.*

⁸⁴ See Susannah Frankel, *The Big Question: What is the point of fashion shows, and how do they influence the high street?*, INDEPENDENT (Jan. 24, 2007), <http://www.independent.co.uk/news/world/europe/the-big-question-what-is-the-point-of-fashion-shows-and-how-do-they-influence-the-high-street-433529.html>.

of the coming season, inherently advertising and collecting reactionary responses to the new trends worn by the models.⁸⁵ Christian Louboutin participates in several fashion shows, putting its lacquered, red-soled heels on the models at events like Paris Fashion Week, London Fashion Week, and, most importantly, New York Fashion Week.⁸⁶ Louboutin practices quality control by ensuring, even on its globally-reaching website, that consumers are aware of so called “Cheap Louboutin” or “Louboutin Outlet” shoes; Louboutin demands, for the protection of its brand and its consumers, that consumers buy via authorized retailers, directed to through its website.⁸⁷ Louboutin also houses a search engine check on its website where consumers can confirm that the search engine they plan on using to purchase a pair of Louboutin’s signature heels is not actually selling infringing products.⁸⁸

Furthermore, Louboutin’s shoes might be manufactured in Paris, but they are likely composed of products imported from China, and are likely packaged and somewhat retrofitted by the retail stores who carry Louboutin’s red-soled heels in the United States, among other countries who advertise and offer Louboutin’s shoe-

⁸⁵ *Id.*

⁸⁶ *Christian Louboutin Adds Some Sole to New York Fashion Week*, LOUBOUTIN (Sept. 23, 2015), http://us.christianlouboutin.com/us_en/news/en_christian-louboutin-adds-some-sole-to-nyfw-ss-2016.

⁸⁷ *Stopfake*, LOUBOUTIN, http://us.christianlouboutin.com/us_en/stopfake (last visited Jan. 2, 2015).

⁸⁸ *Id.*

wear for sale.⁸⁹ Taken together, these factors point toward Louboutin's satisfaction of the requisite factors under the economic prong of the domestic industry requirement.⁹⁰

2. LOUBOUTIN MEETS TECHNICAL PRONG

Section 337's technical prong analysis is the same as that for patent infringements: "a complainant must show by a preponderance of the evidence that an article practices one or more claims of the patent at issue either literally or under the doctrine of equivalents."⁹¹ Simply put, Louboutin would need to discern "domestic articles" that practice or exploit its red-soled shoe design patent.⁹² Louboutin has nineteen stores in the United States, which advertise, stock, and sell the exclusive popping red-soled pumps: two in West Hollywood, one in Santa Monica, one in San Francisco, five in New York, two in Miami, three in Las Vegas, one in Dallas, one in Costa Mesa, two in Chicago, and one in

⁸⁹ See generally Thomas Stiebel, *ITC Proceedings Offer Growing Market Protections*, in TOP LAWYERS ON TRENDS AND KEY STRATEGIES FOR THE UPCOMING YEAR (2015).

⁹⁰ See *id.* ("For example, research and development activities characterized as pre-manufacturing, field engineering, testing, quality control, repair, retro-fitting, and/or packaging have been sufficient to constitute domestic industry in prior investigations.").

⁹¹ S. Alex Lasher, *The Evolution of the Domestic Industry Requirement in Section 337 Investigations Before the United States International Trade Commission*, 18 U. BAL. INTELL. PROP. L.J. 157, 171 (2010) (citing *Certain Display Controllers and Products Containing Same*, Inv. No. 337-TA-481, at 5253 (Feb. 2005) (citing *Certain Doxorubicin and Preparations Containing Same*, Inv. No. 337-TA-300, Initial Determination at 109 (May 1990))).

⁹² See Sanders, *supra* note 80.

Atlanta.⁹³ These nineteen stores necessitate domestic investment and employment on Louboutin's part and, accordingly, Louboutin likely also meets the technical prong requirements.⁹⁴

V. SECTION 337 PROCEEDINGS

Because Louboutin appears to meet the domestic industry requirement, the ITC would have proper jurisdiction to carry forward a Section 337 proceeding, whereby Louboutin could attempt to effectively exclude Yves Saint Laurent's allegedly infringing red-soled monochromatic shoes from importation into the United States.⁹⁵ Section 337 "provides relief from unfair methods and unfair acts in the importation of articles into the United States, or in their sale, if the effect or tendency of such actions is to destroy or substantially injure a U.S. industry."⁹⁶ The Omnibus Trade and Competitiveness Act of 1988 relaxed the requirement of proof of injury, mandating only sufficient proof of injury via a finding of intellectual property infringement.⁹⁷ The overall decisional process incorporates a determination on such proof of injury, along

⁹³ *Store Locator*, LOUBOUTIN, http://us.christianlouboutin.com/us_en/storelocator/north-america/united-states (last visited Jan. 1, 2015).

⁹⁴ Crouch, *supra* note 59 (fleshing out how a complainant can prove that it practices its own patent in the domestic industry).

⁹⁵ See Bugg, *supra* note 8, at 1098-99.

⁹⁶ Chien, *supra* note 72 (citing 19 U.S.C. § 1337(a)(1)(A) (2007); 19 U.S.C. § 1337(a)(1)(B) *et seq.*).

⁹⁷ *Id.* at 75-76.

with a determination of the public policy implications of the decision.⁹⁸

On appeal, Louboutin's popping, candy-red-soled heels were deemed to be a part of its trademark (and, based on the above analysis, Louboutin's red soles would also meet the requirements of a design patent).⁹⁹ While the District Court and the appellate court found no trademark infringement on the part of Yves Saint Laurent, this does not conclusively mean that the ITC would reach the same result. This is especially true because of the public policy implications that the administrative law judge, and, subsequently the ITC, can integrate into its decision-making—the ITC's administrative statute directs the forum to consider the public interest when issuing a remedy.¹⁰⁰ Fashion design is an area of innovation and creation that might be examined differently by the ITC. Although granting one fashion designer a monopoly over the color of a shoe sole seems, at face value, like a major inhibition to other creators in the fashion industry, allowing such a mark to be unfairly usurped by another designer—essentially advantaging another designer via the confusion of consumers as to the true brand of the red-soled shoes

⁹⁸ See Robert G. Krupka, Philip C. Swain, and Russell E. Levine, *Section 337 And the GATT: The Problem or the Solution?*, 42 AM. U. L. REV. 799 (1993).

⁹⁹ See generally *Louboutin S.A. v. Yves Saint Laurent America Holdings, Inc.*, 696 F.3d 206 (2012).

¹⁰⁰ See Krupka, Swain, & Levine, *supra* note 96, at 799; see also 19 U.S.C. § 1337(d)(1) (2006) (setting forth the policy consideration to be made by the Commission of the effect on “competitive conditions in the US economy, the production of like or directly competitive articles in the US, and US consumers” when deciding whether articles should be excluded from entry”); see also Colleen v. Chien & Mark A. Lemley, *Patent Holdup, The ITC, and the Public Interest*, 98 CORNELL L. REV. 19 (2012).

advertised—violates the tenets by which intellectual property law abides. Depending upon which policy rationale sways the ITC, Louboutin might actually succeed on its unfair trade infringement claim, and Yves Saint Laurent's monochromatic red heels would no longer be allowed importation into the United States.

While I personally value creative expression and think that trends in fashion often necessitate duplication or, at the very least, inspiration in order for designers to effectively compete in the market place, it seems unfair to short-change individual creative innovations by permitting their exploitation by other designers just for the sake of economic competition and livelihood. Other forms of protectable intellectual property, like music, screenplays, or brand names, limit the use of certain note compilations, story plots, and wordplays within catchy titles, yet these are deemed deserving of protection. I fail to see how fashion should be treated differently—a popping red-soled heel is just as artistic and worthy of brand protection as a Nike swoosh at the base of a pair of basketball shorts or a musical sequence inherent in an original song.¹⁰¹

Even after the ITC finalizes a Section 337 violation, the decision must then undergo presidential review.¹⁰² The President can either approve the decision, or veto it based

¹⁰¹ See *Nike Logo*, FAMOUS LOGOS, <http://famouslogos.net/nike-logo/> (last visited Feb. 12, 2016) (describing the design elements and history of the Nike logo); see also Kory Grow, *Robin Thicke, Pharrell Lose Multi-Million Dollar 'Blurred Lines' Lawsuit*, ROLLING STONE, <http://www.rollingstone.com/music/news/robin-thicke-and-pharrell-lose-blurred-lines-lawsuit-20150310?page=2> (last visited Feb. 12, 2016) (explaining the alleged infringement lawsuit between Marvin Gaye's "Got to Give it Up" and Robin Thicke's "Blurred Lines").

¹⁰² *Id.*

upon his or her own considerations of related policy and practices and, especially, foreign policy violations.¹⁰³ Cases at the ITC are adjudged and decided on a case-by-case basis and, accordingly, it would be merely speculative to presuppose the ITC's and the President's overall settlement of a case like the *Louboutin* case. However, it is possible that Louboutin could have been granted relief more in line with what it desired, had it brought its case to the ITC, because this forum considers more than just a product-to-product comparison and would prohibit future importation of Yves Saint Laurent's allegedly infringing shoes into the U.S.

VI. EU DESIGN RIGHT FRAMEWORK

The European Union's ("EU") two-tiered system of legal design protection takes a more rational approach to the safeguarding of fashion designs, recognizing that fashion designers collaborate with and are influenced by other designers as a common practice.¹⁰⁴ Unlike the U.S., design protection in the EU does not require a patent standard of originality (like the U.S.' novelty and nonobviousness standards) and designs are not dissected into ornamental and functional parts, which, under U.S. law, require separate protections.¹⁰⁵ Furthermore, the EU recognizes different remedies for works of varied-inventive strength: there are

¹⁰³ *Id.*

¹⁰⁴ See generally Monseau, *supra* note 10, at 27; see also Erika Myers, *Justice in Fashion: Cheap Chic and the IP Equilibrium in the United Kingdom and the United States*, 37 *AIPLA Q. J.* 47, 58 (2009) ("copying occurs between all layers of the fashion industry.").

¹⁰⁵ *Id.* at 57-58 (citing 35 U.S.C. §171, §101 (2006)); see also Phillips, *supra* note 42, at 1198.

stronger remedies for unique, original designs, and weaker remedies for works that possess minimal inventiveness.¹⁰⁶

The most notable and influential of the EU's design right statutes is the Design Regulation.¹⁰⁷ Under this regulation, designs are "automatically protected at the time of their public release under the Unregistered Community Design ("UCD")," and this protection lasts for three years from the date of public release in the EU.¹⁰⁸ This innovative strategy protects fashion designs from exploitation, imitation, and other forgery for free for the allotted three-year span before design protection registration is obtained. The U.S. has no such easily-obtained, short-term protection for inventive new designs in the high consumer demand world of fashion, but it seems to be an intriguing aspect of the EU law to implement in the U.S. intellectual property realm. It is important to note, however, that the only protection provided for UCDs is against designs that are regarded as intentional copies – this coincides with the EU's overarching theme of wanting to promote creative design and to uphold the customary dealings within the fashion industry.¹⁰⁹ It is possible that the strong intellectual property protections already in place in the U.S. would not mesh well with this somewhat lenient unregistered right shield.

Registered Community Designs ("RCDs") are the lesser-used tier of design protection in the EU.¹¹⁰ RCDs offer 25 years of protection from the date of filing and provide protection for both intentional infringement, and even

¹⁰⁶ *Id.* at 76.

¹⁰⁷ *Id.* (referencing Council Regulation 6/2002, 2002 O.J. (L3) 1 (EC) [hereinafter Design Regulation]).

¹⁰⁸ Diamond, *supra* note 65, at 22.

¹⁰⁹ See Monseau, *supra* note 10, at 27.

¹¹⁰ See *id.* at 60.

infringement done in good faith.¹¹¹ Facially, the RCD system seems very similar to U.S. design patents. However, the most important nuance to the EU Design Regulation is that “designs are only prohibited where an informed user can find virtually no difference between the design and an earlier design”¹¹² The EU’s “new” and “individual character” standards are much more relaxed than the U.S.’s nonobvious and novelty standards.¹¹³

A. APPLYING EU DESIGN RIGHTS TO THE LOUBOUTIN CASE

The *Louboutin* case would have been resolved in a manner more in line with the initial district court decision, should the EU’s Design Regulation standards have been applied to the case. The EU would likely have regarded Louboutin’s claim of ownership over the red-hued sole of its heels as unconvincing. Regardless of the innovation incorporated into the design of the red-soled pumps, it would be too restricting, especially in the domain of fashion design, to give one designer ultimate control over a single color. Furthermore, Yves Saint Laurent’s use of monochromatic colors for the entirety of its heels, including the sole of the shoe, would likely be interpreted in the EU as a “new” design with “individual character,” distinct enough from the overall impression of Louboutin’s contrasting

¹¹¹ Diamond, *supra* note 65, at 22.

¹¹² Monseau, *supra* note 10, at 59; *see, e.g.*, Jimmy Choo Ltd. V. Towerstone Ltd., EWHC (Ch) 346 (2008) (holding that the minor differences between Towerstone’s bag and Jimmy Choo’s Ramona did not influence the overall impression given by the bag and, because the bag was seemingly identical to the Choo design, an informed user would confusingly regard the two bags as coming from the same brand).

¹¹³ *Id.* at 58-59; *but see* Phillips, *supra* note 42, at 1198.

colored-soled heels so as to not constitute intentional copying.¹¹⁴

B. LOUBOUTIN'S TRADEMARK WOULD LIKELY NOT HAVE RECEIVED MORE PROTECTION IN EUROPE THAN WHAT WAS GRANTED TO IT BY THE DISTRICT COURT IN THE UNITED STATES . . . OR PERHAPS NOT ANY PROTECTION AT ALL

Louboutin chose not to sue Yves Saint Laurent in Europe, even under a trademark theory, and, based upon precedential case law and future decisions made abroad, its choice not to do so appears to be in its interest. Earlier cases demonstrated that colors had to be portrayed in a "systematic arrangement associating the colours concerned in a predetermined and uniform way."¹¹⁵ Accordingly, Louboutin's use of bright red coloration solely on the soles of its designer heels, paired with the stark contrasting color of the overall shoe color, might meet such standards to suffice the acquisition of a trademark, but that trademark would not extend to a monopoly over the color red, thus barring Yves Saint Laurent's use of red on the entirety of its shoe, including the sole.¹¹⁶

¹¹⁴ Compare *id.*

¹¹⁵ See Taylor Piscionere, *Imitation May Not Always Be The Sincerest Form of Flattery: Why Color Wars in the United States and Europe May Result in Brand Dilution and Color Depletion*, 25 PACE INT'L L. REV. 43, 58 (2013) (quoting Melissa E. Roth, *Something Old, Something New, Something Borrowed, Something Blue: A New Tradition in Nontraditional Trademark Registration*, 27 CARDOZO L. REV. 457, 477 (2005) (citing Case C-49/02, Heidelberg Bauchemie GmbH, 2004 E.C.R. I-06129 ¶35)).

¹¹⁶ *Id.*

A more recent case in Europe—the Netherlands, specifically—suggests that Louboutin may not have intellectual property protection over its red soles at all. A Belgian Court invalidated Louboutin’s registered trademark because European law does not permit trademark registration for “signs consisting of shapes that give substantial value to goods.”¹¹⁷ The Benelux region has now affirmatively set precedent that limits a single trademark holder from acquiring exclusive control over a “technical, functional, or aesthetic” product quality.¹¹⁸ Furthermore, the judge made mention of the fact that red soles are more commonplace in the fashion market than Louboutin alleges, and that Louboutin’s red soles are not necessarily distinctive enough to serve as a brand indicator.¹¹⁹ In this respect, European intellectual property frameworks may further limit the protection afforded to fashion brands, like Louboutin, than the less-than-desired protection afforded by the District Court in the U.S.

VII. CONCLUSION

Although utilizing the ITC for a case like Louboutin runs slightly counter to the original intentions of the ITC, the powers of the ITC have been so greatly expanded by the loosening of the Section 337 domestic industry requirements that a foreign company, like Louboutin, can more easily

¹¹⁷ Jeff Sistrunk, *Belgian Court Invalidates Louboutin Red Sole Trademark*, LAW360 (2014), <http://www.law360.com/articles/523464/belgian-court-invalidates-louboutin-red-sole-trademark> (last visited Feb. 12, 2016) (referencing *Christian Louboutin v. Van Dalen Footwear BV*, AR 2013-6154 (2014)).

¹¹⁸ *Id.*

¹¹⁹ *Id.*

bring suit to protect its national industry, albeit in a previously domestic-heavy forum.¹²⁰ While the determinations made by the ITC do not hold the same finality and preclusive effect as determinations made in district courts, the protections provided by the ITC do meet the immediate needs of certain patent holders, like those that Louboutin held in this case.¹²¹ Furthermore, even if a party is technically allowed to bring a case previously resolved at the ITC to a U.S. district court for subsequent litigation, these actions are not always carried out due to the time, energy, and expense required for dual litigation (especially if there is a possibility of failure based on the litigation experience at the ITC).¹²²

Should Louboutin have acquired a design patent for its popping red soles, which seems appropriate given the nonfunctional and “new, original, [and] ornamental” design of the stylized heel embellishment, then using the ITC as a forum might have provided Louboutin with a more favorable outcome, thus ousting Yves Saint Laurent’s red sole lookalikes from importation into and competition within the U.S.¹²³ Other intellectual property protection routes, including the European design right model, do not seem to afford Louboutin the same hopes of desired, comprehensive shielding from unfair competition and deceptive imitation as does the ITC. Fashion designers like Louboutin should think twice about which intellectual

¹²⁰ See Bugg, *supra* note 8, at 1098-99.

¹²¹ See Krupka, Swain, and Levine, *supra* note 96, at 799.

¹²² Note that this does not preclude the ability of a party to bring an infringement case to the ITC and district court simultaneously in hopes of acquiring the different remedies provided at each forum: namely, importation prohibition and monetary rewards, respectively.

¹²³ Phillips, *supra* note 42, at 1198.

protections to acquire for their products and, if necessary, within which forum to employ those protections in the unfortunate event of infringement or unfair competition.