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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

Taylor Piscionere*

I. INTRODUCTION

“There is a difference between imitating a good man and counterfeiting him.”¹

The United States and the European Union have long recognized trademarks as an important component of intellectual property law and commerce. The main purposes of trademark law are to protect the public from confusion regarding the sources of goods and services and to protect businesses from the dilution of their brands through misrepresentation or misappropriation of one another.²

A trademark in the United States is understood as a distinctive mark, symbol, or emblem utilized by a manufacturer to identify and distinguish his particular goods from those of others.³ The statutory definition of a “trademark” is found in the

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³ Id.
Lanham Act, a collection of federal statutes that govern United States trademark law. According to 15 U.S.C.A. § 1127,

The term “trademark” includes any word, name, symbol, or device, or any combination thereof—(1) used by a person, or (2) which a person has a bona fide intention to use in commerce and applies to register on the principal register established by this chapter, to identify and distinguish his or her goods, including a unique product, from those manufactured or sold by others and to indicate the source of the goods, even if that source is unknown.⁴

Although the aforementioned statute seems to include a broad range of goods and services, there are exceptions that are not allotted trademark protection. One such exception is that of a “functional design.” Functional designs can never acquire trademark protection since the interest in avoiding confusion is outweighed by unfair competition strategies.⁵ The Restatement (Third) of Unfair Competition states, “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.”⁶ In other words, the mark cannot serve any other significant function apart from distinguishing a firm’s goods and identifying its source.⁷

Articles four through five of the European Union’s Council Regulation defines community trademarks (as they are termed in the European Union) as:

Any signs capable of being represented graphically (particularly words, designs, letters, numerals, the shape of goods or of their packaging) provided that such signs are capable of distinguishing the goods or services of one undertaking from those of other undertakings.

The following natural or legal persons, including authorities established under public law, may be proprietors of Community trade marks:

(a) nationals of the Member States; or

(b) nationals of other States which are parties to the Paris

⁵ RESTATEMENT (THIRD) OF UNFAIR COMPETITION § 17 (1995).
⁶ Id.
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Convention⁸ for the protection of industrial property . . . ; or
(c) nationals of States which are not parties to the Paris Con-
vention who are domiciled or have their seat . . . within the ter-
ritory of the Community or of a State which is party to the Par-
is Convention;
(d) nationals . . . of any State which is not party to the Paris
Convention and which, according to published findings, accords
to nationals of all the Member States the same protection for
trade marks as it accords to its own nationals and, if nationals
of the Member States are required to prove registration in the
country of origin, recognizes the registration of Community
trade marks as such proof.⁹

Excluded from the Council’s regulations are signs that are
not suitable to serve as trademarks; trademarks which are de-
void of any distinctive character; trademarks consisting of
signs or indications that have become customary in current
parlance or commercial practice; trademarks which are contra-
ry to public policy or to accepted principles of morality; and
trademarks which are of such a nature as to deceive the public,
as to the nature, quality, or geographical origin of the goods or
service.¹⁰ The Office for Harmonization in the Internal Market
(OHIM) regulates the trademarks that are registered in the
European Union under this statute and their legality is over-
seen by The Court of Justice of the European Union.¹¹

Both the United States and the European Union have re-
cently recognized nontraditional marks in keeping with modern
marketing and branding. Companies now employ branding
techniques that utilize nontraditional marks to distinguish
their products.¹² Among the most popular are color, sound, and

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⁸ Union created to protect industrial property (including trademarks) of
members of the treaty. Paris Convention for the Protection of Industrial
⁹ Council Regulation 40/94, arts. 4-5, 1993 O.J. (L 011) (EC) [hereinafter
Council Regulation 40/94].
¹⁰ Id.
¹¹ See Manual of Trademark Practice, OFF. FOR HARMONIZATION IN THE
legalReferences/guidelines/OHIMManual.en.do.
¹² Melissa E. Roth, Something Old, Something New, Something Bor-
rowed, Something Blue: A New Tradition in Nontraditional Trademark Regis-
even scent.\textsuperscript{13} The Lanham Act now includes provisions for protection of color trademarks, provided that color has acquired a secondary meaning.\textsuperscript{14} The European Union, through case law and recent treaties, has also recognized color as an integral part of trademark law.\textsuperscript{15}

This comment will focus on the way in which courts in the United States and the European Union have navigated the nontraditional waters of the relevant intellectual property statutes through their statutory interpretations, knowledge of common business administration, and their understanding of commerce. More specifically, this comment will focus on color trademarks, the threat of dilution, and how United States and European Union laws on this topic interact.

II. TRADEMARK AND UNFAIR COMPETITION UNDER THE LANHAM ACT

The Lanham Act codifies United States trademark law and further imposes restrictions on the types of subject matter eligible for trademark registration and protection. The Act always requires that the mark be distinctive in order to be afforded such protections.\textsuperscript{16} This requirement may be satisfied by showing that the mark is (1) inherently distinctive, or has acquired distinctiveness through secondary meaning and (2) is not functional.\textsuperscript{17} Registering one’s trademark provides constructive notice and protects registrant’s interests by preventing misappropriation of the mark.\textsuperscript{18} However, misappropriation occurs often, and when faced with such situations, the courts must decide if (1) the mark merits protection and (2) the infringer’s use of the same or sufficiently similar mark is likely

\textsuperscript{13} See id. at 460.
\textsuperscript{14} 15 U.S.C.A. § 1125.
\textsuperscript{15} See Council Regulation 40/94, supra note 9.
\textsuperscript{17} See id.
\textsuperscript{18} In re Int’l Flavors & Fragrances, 183 F.3d 1361, 1367 (Fed. Cir. 1999) (“Registration serves as constructive notice to the public of the registrant’s ownership of the mark, see 15 U.S.C. § 1072 (1946), and thus prevents another user of the mark from claiming innocent misappropriation as a trademark infringement defense”) (citation omitted).
to cause consumer confusion as to the origin or sponsorship of the infringer’s product.\textsuperscript{19} The first question directly deals with the statutory definition of a trademark.\textsuperscript{20} A court begins its analysis with the statutory presumption that the trademark is valid.\textsuperscript{21} That presumption of validity may be rebutted.\textsuperscript{22}

Regarding color, the seminal trademark case in the United States is Qualitex Co. v. Jacobson Products Co., Inc.\textsuperscript{23} Before the Court, the issue was whether the Lanham Act permitted the registration of a specific shade of green as a trademark.\textsuperscript{24} In Qualitex, the dry cleaning firm Qualitex registered the green-gold color it used on its press pads as a trademark.\textsuperscript{25} Jacobson Products, a Qualitex competitor and defendant in this matter, began manufacturing and distributing an inferior quality press pad in a very similar green-gold color, albeit before Qualitex registered its mark.\textsuperscript{26} In deciding whether or not trademark law should extend to color alone, the court analyzed the narrow issues of shade confusion and color depletion.\textsuperscript{27}

Defendant Jacobson’s main argument was that if the law permits a brand to trademark a color, it would produce irresolvable court disputes about which shade of color a competitor may use.\textsuperscript{28} Since lighting affects perceptions of color, competitors and courts would suffer from “shade confusion” in their analysis of whether the competitor color is too similar and thereby confuses consumers.\textsuperscript{29} The Qualitex court opined that courts have to make difficult determinations about sufficiently similar words, phrases, and symbols, which is no different than

\textsuperscript{19} See Starbucks Corp. v. Wolfe’s Borough Coffee, Inc., 588 F.3d 97, 114 (2d Cir. 2009); 15 U.S.C. §§ 1114(1), 1125(a).
\textsuperscript{21} See 15 U.S.C. § 1057(b); Lane Capital Mgmt., Inc. v. Lane Capital Mgmt., Inc., 192 F. 3d 337, 345 (2d Cir. 1999).
\textsuperscript{22} See Lane Capital Mgmt., 192 F.3d at 345.
\textsuperscript{23} See Qualitex, 514 U.S. at 159.
\textsuperscript{24} See id. at 161.
\textsuperscript{25} Jean Hayes Kearns, Qualitex Co. v. Jacobson Products Co.: Orange You Sorry The Supreme Court Protected Color?, 70 ST. JOHN’S L. REV. 337, 338 (1996).
\textsuperscript{26} Id. at 159.
\textsuperscript{27} Id. at 167, 169.
\textsuperscript{28} Id. at 167.
\textsuperscript{29} Id.
determining whether two colors are sufficiently similar.\textsuperscript{30} “[S]trong’ marks, with greater secondary meaning, receive broader protection than ‘weak’ marks.”\textsuperscript{31} The Court did not see why it would not be able to replicate lighting conditions under which a product is normally sold, if necessary, to aid in its determination.\textsuperscript{32}

Jacobson’s second argument concerned color depletion, claiming that color supply is limited and a competitor’s inability to find a suitable color would put that competitor at a significant disadvantage.\textsuperscript{33} The Qualitex court was not persuaded by this argument, stating, “It relies on an occasional problem to justify a blanket prohibition. When a color serves as a mark, normally alternative colors will likely be available for similar use by others.”\textsuperscript{34} This scarcity issue is defeated by the doctrine of “functionality,” which prevents anti-competitive consequences that defendant’s argument posits, thereby minimizing the argument’s practical force.\textsuperscript{35} The functionality doctrine forbids a product’s feature from being trademarked where the feature is “essential to the use or purpose of the article” or “affects its cost or quality,” thereby putting the competitor at a disadvantage.\textsuperscript{36} The Qualitex court, therefore, concluded that the functionality doctrine deters interference with current legitimate competition and potentially future competition.\textsuperscript{37}

Jacobson further attempted to point to older cases in support of its position, which prohibited trademark protection for color alone.\textsuperscript{38} Since these cases interpreted trademark law be-
fore 1946, when Congress enacted the Lanham Act, Jacobson’s argument held no merit in the modern courtroom. The Lanham Act extended protection to descriptive marks by making clear that “nothing . . . shall prevent the registration of a mark used by the applicant which has become distinctive of the applicant’s goods in commerce.” The language in this statute allows ordinary words normally used for a non-trademark purpose to act as a trademark where it has garnered a secondary meaning, so it would logically follow that the statute applies to colors as well.

Jacobson finally argued that color alone does not need trademark protection because it is already protected as “trade dress,” or use of a color as part of a trademark. The Court rejected this argument finding, in many instances, a firm may want to use a color, “pure and simple,” instead of color as part of a design. In addition, the Court posited that trademark law protects the holder of the mark in many ways that “trade dress” protection cannot; thus, the law provides trade dress protection in addition to trademark protection.

In summary, the Qualitex court held that “color alone, at least sometimes, can meet the basic legal requirements for use as a trademark. It can act as a symbol that distinguishes a firm’s goods and identifies their source, without serving any other significant function.” When “color is not essential to a product’s use or purpose and does not affect cost or quality . . . the doctrine of ‘functionality’ does not create an absolute bar to the use of color alone as a mark.” This decision was the first of its kind to carve out an opening in the Lanham Act for color trademarks and prompted other courts to consider other non-traditional marks such as sound and smell.

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39 See Qualitex, 514 U.S. at 171.
41 See Qualitex, 514 U.S. at 171-72.
42 Id. at 173.
43 Id. at 174.
44 See id. (addressing the ability to prevent importation of confusingly similar goods).
45 Id. at 166.
46 Id. at 165.
47 Roth, supra note 12, at 457.
Although Qualitex blazed the yellow brick road of color trademark recognition, one modern case reminds us that the Qualitex holding is not infallible. In the most recent color trademark case decided by the United States Court of Appeals for the Second Circuit, Christian Louboutin v. Yves Saint Laurent Christian, Louboutin sued Yves Saint Laurent (YSL) for trademark infringement and unfair competition under the Lanham Act. YSL asserted various counterclaims, seeking cancellation of Louboutin’s trademark registration and damages. Louboutin cleverly colored the outsoles of his shoes a glossy, vivid red, deviating from the industry custom to give his line of shoes “energy.” He chose a shade of red because he regarded it as “engaging, flirtatious, memorable, and the color of passion,” as well as “sexy.” The fashion industry responded to his bold divergence from the market and Louboutin now commands up to $1,000 a pair. The United States Patent and Trademark Office (PTO) approved registration of these red soles (Red Sole Mark).

Louboutin claimed that YSL, a fashion house, infringed on his trademark by using the same or a confusingly similar shade of red protected by the Red Sole Mark in its 2011 collection. “Each of the challenged models bears a bright red outsole as part of a monochromatic design in which the shoe is entirely red.” To succeed in its claims under the Lanham Act, Louboutin had to demonstrate that (1) its Red Sole Mark merits protection; and (2) YSL’s use of the same or a sufficiently similar mark is likely to cause consumer confusion as to the origin or sponsorship of YSL’s shoes.
Using the aforementioned definition of a trademark, the Second Circuit had to decide the narrow issue of whether the Lanham Act extends trademark protection to a single color used as “an expressive and defining quality of an article of wear produced in the fashion industry.” The district court’s whimsical analysis recognized the art of fashion, aesthetics, and creativity, and not just as products created to serve a commercial purpose.

Louboutin himself would probably feel his sense of honneur wounded if he were considered merely a cobbler, rather than an artiste . . . Color constitutes a critical attribute of the goods each form designs. Color depicts elemental properties. As it projects expression of the artist’s mental world, it captures the mutability, the fancy, the moods of the visual world, in both spheres working as a means to execute singular concepts born of imagination for which not just any other shade will do. Hence, color in this context plays a unique role. It is a feature purposely given to an article of art or design to depict the idea as the creator conceived it, and to evoke an effect intended. In ornamenting, it draws attention to itself, and to the object for which its tone forms a distinct expressive feature. From these perspectives, color in turn elementally performs a creative function; it aims to please or be useful, not to identify and advertise a commercial source.

Color, according to the district court, is the most crucial feature to fashion design, where every pigment of the spectrum is freely available for the creator to apply. The contrary, therefore, also applies. Allowing one artist to appropriate an entire shade and thus inhibiting ambiguous shades that may look like the appropriated shade “would unduly hinder not just commerce and competition, but art as well.” The court felt that the law should not condone such restraints that would in-

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59 “Any word, name, symbol, or device, or any combination thereof . . . [,] which a person has a bona fide intention to use in commerce and applies to register . . . , to identify and distinguish his or her goods . . . from those manufactured and sold by others and to indicate the source of the goods.” Id. (citing 15 U.S.C. § 1127).
60 Id. at 451.
61 Id.
62 Id. at 452-53
63 Id. at 453.
64 Id.
terfere with creativity and stifle competition by granting a monopoly of color to one designer engaged in the same trade or business.\textsuperscript{65}

The next question of functionality is paramount to the discussion of whether a single color in the fashion industry can constitute a valid mark.\textsuperscript{66} As outlined in Qualitex, the functionality doctrine determines whether or not a product’s feature may be trademarked.\textsuperscript{67} Use of a single color has been held functional in prior cases and is therefore, not protectable under the Lanham Act.\textsuperscript{68} The district court opined that even though the outsole of a shoe is a pedestrian and functional aspect, when coated in a bright and unexpected color in order to attract, stand out, or decorate, these attributes become non-trademark functions of color in fashion.\textsuperscript{69}

The color red and the lacquered red sole, two components of the mark, are serious threats to legitimate competition in the designer shoe market, according.\textsuperscript{70} Louboutin’s claim to “the color red” is overly broad and inconsistent with the purpose and scheme of the Lanham Act’s trademark registration.\textsuperscript{71} The southern district reasoned that granting a monopoly to one participant in the shoe market would be damaging to other designers who wish to express their creative and artistic work.\textsuperscript{72} If red were the primary color of the new season, Louboutin’s

\textsuperscript{65} Id.
\textsuperscript{66} Id.
\textsuperscript{67} Id. at 453 (citing Qualitex, 514 U.S. at 169) (“The functionality doctrine...forbids the use of a product’s feature as a trademark where doing so would put a competitor at a significant disadvantage because the feature is ‘essential to the use or purpose of the article’ or ‘affects [its] cost or quality.’”)
\textsuperscript{68} Id.; see, e.g., Brunswick Corp. v. British Seagull Ltd., 35 F.3d 1527, 1533 (Fed. Cir. 1994) (black for marine outboard engines held functional because it is “compatib[le] with a wide variety of boat colors and [can] make objects appear smaller”); Deere & Co. v. Farmhand, Inc., 560 F. Supp. 85, 98 (S.D. Iowa 1982) (green for farm equipment held functional because farmers “prefer to match their loaders to their tractor”), aff’d, 721 F.2d 253 (8th Cir. 1983).
\textsuperscript{69} Louboutin, 778 F. Supp. 2d at 454.
\textsuperscript{70} See id. (describing whether or not “granting the trademark rights for Louboutin’s brand would ‘significantly hinder competition,’ that is, ‘permit one competitor (or a group) to interfere with legitimate (non-trademark related) competition through actual or potential exclusive use of an important product ingredient’”).
\textsuperscript{71} See id.
\textsuperscript{72} Id.
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claim would cast a cloud over the entire industry, hindering other designers while allowing Louboutin a full palate from which to work.73 Competitors attempting to examine which color is actually registered by Louboutin would, therefore, be unable to precisely identify which shade is available for use or one that is confusingly too close.74 This uncertainty may very well breed a specter of fashion wars that courts will have to referee and set a bright line rule that will continuously be crossed and drawn again.75

Luckily, the Second Circuit cured the Southern District’s incorrect decision, as it was in direct conflict with the Qualitex decision, holding:

[T]he District Court’s conclusion that a single color can never serve as a trademark in the fashion industry was based on an incorrect understanding of the doctrine of aesthetic functionality and was therefore error. We further hold that the District Court’s holding, that Louboutin’s trademark has developed “secondary meaning” in the public eye, was firmly rooted in the evidence of record and was not clearly erroneous, and that the Red Sole Mark is therefore a valid and enforceable trademark. We limit the Red Sole Mark pursuant to Section 37 of the Lanham Act, 15 U.S.C. § 1119, to a red lacquered outsole that contrasts with the color of the adjoining “upper.”76

II. TRADEMARK AND UNFAIR COMPETITION UNDER EUROPEAN LAW

Trademark laws in the European Union are relatively young and therefore less centralized than those in the United States. There are two initiatives that combine to form European Union Trademark Law: the First Council Directive (The 1998 Directive),77 which requires European Union Member States78 to adapt or “harmonize” their trademark laws,79 and

73 Id.
74 Id.
75 Id. at 457.
76 Louboutin, 696 F.3d at 228.
78 Twenty-seven member countries or states make up the European Union: Austria, Belgium, Bulgaria, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania-
the Community Trade Mark Regulation.\textsuperscript{80}

To receive protection under the 1998 Directive, a design must be new and have individual character.\textsuperscript{81} A design is considered new if “no identical design has been made available to the public” prior to the application’s filing date and has individual character if the “overall impression” on the “informed user” differs from any preexisting design.\textsuperscript{82} The 1998 Directive “protects the design’s overall appearance as well as any part arising from the ‘lines, contours, colours, shape, texture and/or materials of the product itself and/or its ornamentation.’”\textsuperscript{83} If an article receives protection under this directive, it is protected for up to twenty-five years from the filing date.\textsuperscript{84}

The Community Trademark Regulation imposed a uniform trademark system in which a single registration with the Community Trade Mark\textsuperscript{85} grants exclusive protection and rights to the trademark holder in all EU countries.\textsuperscript{86} In 2002, a provision was enacted by the European Union Council that provided additional rights for designs with the European Regulation on Community Designs (“2002 Regulation”).\textsuperscript{87} The 2002 Regulation offers similar protections to those in the 1998 Directive.
rective, except it extends protection to unregistered trademarks as well as registered designs. The 2002 Regulation clarifies that since its purpose is to prevent copying, its protections would not prohibit works that were born of independent creation. Registered designs under the 2002 Regulation are also protected for twenty-five years, but unregistered designs are limited to a term of three years.

Although "theoretically, in the European Union, any mark, including sound, scent, or color mark, is registrable as long as it is capable of graphic representation and distinguishes the goods or services of one undertaking from the goods or services of another," the European Union has just recently recognized nontraditional trademarks and still treads cautiously about what nontraditional trademarks are registrable. Graphic representation is not simply a technical requirement for European Union registration, it exemplifies the "principle of precision." Graphic representation, a vital part of nontraditional trademark registration, ensures that the scope and nature of the mark are clearly defined and comprehensible so that those checking the registry can determine what has already been registered.

The European Court of Justice (ECJ), the highest court in the European Union, requires that graphic representation

89 Ellis, supra note 82, at 192 (citations omitted).
90 Id.
91 Roth, supra note 12, at 466 (citing Case C-283/01, Shield Mark BV v. Joost Kist H.O.D.N., 2004 E.T.M.R. 33, ¶ ¶ 34-41).
92 The Truth About Trade Marks, MANAGING INTELL. PROP., May 2004, at 32. Nearly eighty percent of in-house counsel surveyed stated that legal certainty was a very important aspect of the registration process.
93 Roth, supra note 12, at 466 (citing Case C-49/02, Heidelberger Bauchemie GmbH, 2004 E.T.M.R. 99, ¶ 13).
94 Id. (citing Sieko Hidaka et al., A Sign of the Times? A Review of Key Trade Mark Decisions of the European Court of Justice and Their Impact Upon National Trade Mark Jurisprudence in the EU, 94 TRADEMARK REP. 1105, 1124 (2004); see also Abida Chaudri, Graphically Speaking: Registering Smell, Colour and Sound Marks in the UK and Europe, 157 TRADEMARK WORLD 26 (May 2003)).
95 It interprets EU law to ensure that the law is applied uniformly in all EU countries. The E.C.J. is made up of twenty-seven judges, one judge per EU country. See Presentation, CVRIA, http://curia.europa.eu/jcms/jcms/Jo2_7024/ (last visited Oct. 2012).
must be “clear, precise, self-contained, easily accessible, intelligible, durable and objective.” The rationale of the ECJ is to enable precise definition of the mark so that the trademark holder, consumers, and competitors can ascertain the scope of the trademark protection. The graphic representation must be durable so that the mark is uniform and systematic, which will guarantee that the mark is an invariable indication of the source. Finally, the ECJ requires that the representation be unambiguous and objective, ensuring that registration, protection, and enforcement of the trademark is consistent.

The ECJ first addressed the issue of color marks in the European Union in Libertel Groep BV v. Benelux-Merkenbureau. In Libertel, the ECJ had to consider a number of questions relating to the registrability of single color marks. Libertel was referred to the ECJ by a Dutch court in relation to a trademark application for the color orange by Libertel. The ECJ began its analysis with the legal background of trademark law in the European Union, citing the Convention for the Protection of Industrial Property (“Paris Convention”) and the aforementioned Directive. According to the court, trademark law is governed at the international level by the Paris Convention, signed in Paris on March 20, 1883. It was last revised in Stockholm on July 14, 1967. All member states are signatories to the Convention. According to the court, Article 6(B)(2) provides that “trademarks may be de-
nied registration or invalidated when they are devoid of any distinctive character.”

Moreover, Article 6(C)(1) outlines the standard for determining if a mark is protectable: “In determining whether a mark is eligible for protection, all the factual circumstances must be taken into consideration, particularly the length of time the mark has been in use.”

Although the ECJ outlined the Paris Convention as the governing international law, it primarily used Article 2 and Article 6 of the Directive in determining its holding. A graphic representation within the meaning of Article 2 of the 1988 Directive must enable the sign to be represented visually, particularly by means of visual images, lines, or characters in order to be precisely identified. Article 6 of the 1988 Directive concerns the limits on the effects of a trademark once it has been registered; even though registration would result in color depletion for competitors, the court believes that the importance of trademarks outweighs this issue.

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107 Case C-104/01, Libertel Groep BV v. Benelux-Merkenbureau, 2003 E.C.R. I-03793, ¶ 4
108 Id. ¶ 5.
109 Id. Article 2 of the Directive, entitled “Signs of which a trade mark may consist,” provides as follows: “A trade mark may consist of any sign 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 goods or services of one undertaking from those of other undertakings.”
110 See id. ¶ 28.
111 Id. ¶ 58. Article 6 of the Directive, entitled “Limitations of the effects if a trade mark,” provides as follows:

1. The trade mark shall not entitle the proprietor to prohibit a third party from using, in the course of trade,
   (a) his own name or address;
   (b) indications concerning the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of the service, or other characteristics of goods or services;
   (c) the trade mark where it is necessary to indicate the intended purpose of a product or service, in particular as accessories or spare parts; provided he uses them in accordance with honest practices in industrial or commercial matters.

2. The trade mark shall not entitle the proprietor to prohibit a third party from using, in the course of trade, an earlier right which only applies in a particular locality if that right is recognized by the laws of the Member State in question and within the limits of the territory in
The court held that “to graphically represent a color mark, an applicant must submit a sample or swatch of the color and designate the color using an internationally recognized identification code.”\textsuperscript{112} The ECJ deemed the use of an internationally recognized color code an acceptable graphic representation, since it is precise, uniform, and stable.\textsuperscript{113} A color sample alone would be insufficient and a verbal description of the color failed to satisfy the requirements of clarity, precision, self-containment, easy accessibility, intelligibility, and objectivity, even though it would technically be a form of graphic representation.\textsuperscript{114}

A more recent application of European trademark law can be found in Heidelberger Bauchemie GmbH.\textsuperscript{115} In that case, the applicant of the color trademark, a company involved in the building trade, sought to register the color combination of blue and yellow “in every conceivable form.”\textsuperscript{116} The representation of the claimed mark consisted of a rectangle with the top half blue and the bottom half yellow and the applicant provided the appropriate color codes.\textsuperscript{117} The ECJ held that the graphic representation of color combinations could not be registered unless it portrayed the colors in a “systematic arrangement associating the colours concerned in a predetermined and uniform way.”\textsuperscript{118} This way, it would be easier to determine the source of the trademark and the scope of the trademark holder’s rights.\textsuperscript{119}

Such representations would allow numerous different combinations, which would not permit the consumer to perceive and recall a particular combination, thereby enabling him to repeat

\textsuperscript{112} Roth, supra note 12, at 477 (citing Id. ¶ 68). An applicant seeking to register the color orange, for example, must submit a swatch of the particular shade of orange it claims as a trademark and the corresponding color code from an internationally recognized color chart, such as a Pantone® Color Code, RGB Color Code or RAL Color Code.

\textsuperscript{113} See id.

\textsuperscript{114} See id.


\textsuperscript{116} Id. ¶ 8.

\textsuperscript{117} Id.

\textsuperscript{118} Roth, supra note 12, at 477 (citing Id. ¶ 35).

\textsuperscript{119} Id.
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with certainty the experience of a purchase, any more than they would allow the competent authorities and economic operators to know the scope of the protection afforded to the proprietor of the trade mark. Under the Directive, this decision implies that a non-systematic arrangement of a combination of colors cannot constitute a “sign.” The court was also concerned with color depletion, finding there is a public interest in not unduly restricting the availability of colors for other traders of goods or services of the same type. Therefore, the graphic representation must be so clear and precise that it would always be perceived unambiguously and uniformly. “Without this, the traders could not confidently identify the extent of third-party rights.”

Had the Louboutin case been decided in the European Union, the result would most likely mirror the Southern District’s decision in Louboutin. Since a color sample alone would be insufficient to satisfy the requirements of the Liberte court, Louboutin’s trademark would still be considered void.

IV. HOW LAWS MAY BE ALTERED TO BETTER ACCOMMODATE COMMERCE

It would be wise for the United States to adopt and require the European Union’s model of an internationally recognized color code in the process of trademark registration, rather than simply permitting the use of the color code. That way, uniformity may exist across the United States as well as the world. Globalization is a reality that courts must recognize, since commerce and commercialization now live in a broader realm than simply the United States. In an attempt to accomplish this goal, the United States entered into treaties with

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120 Heidelberger, ¶ 8.
121 Roth, supra note 12, at 477
122 Heidelberger, ¶ 41.
125 Either Pantone® Color Code, RGB Color Code, or RAL Color Code.
other countries, namely, the Madrid Protocol. The Madrid Protocol promotes efficiency and uniformity by ensuring trademark holders protection of their marks in multiple countries through the filing of one application with a single office, in one language, with one set of fees, in one currency.

While an International Registration may be issued, it remains the right of each country or contracting party designated for protection to determine whether or not protection for a mark may be granted. Once the trademark office in a designated country grants protection, the mark is protected in that country just as if that office had registered it. The Madrid Protocol also simplifies the subsequent management of the mark, since a simple, single procedural step serves to record subsequent changes in ownership or in the name or address of the holder with World Intellectual Property Organization's International Bureau. The International Bureau administers the Madrid System and coordinates the transmittal of requests for protection, renewals and other relevant documentation to all members.

Another international agreement entered into by the United States is the Paris Convention for the Protection of Intellectual Property, one of the first intellectual property treaties. It established a union for the protection of industrial property and attempted to harmonize trademark law and registration. The initial objective of the convention was "the creation of a union which, without encroaching on the municipal law of the contracting countries, would lay down a number of general principles securing the interests of industrial property in the interior of a country as well as abroad."

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127 *Id.*
128 *Id.*
129 See *Treaties and Contracting Parties, WORLD INTELL. PROP. ORG.*, http://www.wipo.int/treaties/en/ShowResults.jsp?country_id=ALL&start_year=ANY&end_year=ANY&search_what=C&treaty_all=ALL (last visited Dec. 1, 2012). The convention has 174 contracting parties, making it one of the most widely adopted treaties in the world. The Paris Convention is administered by the World Intellectual Property Association (WIPO).
131 *STEPHEN P. LADAS, PATENTS, TRADEMARKS, AND RELATED RIGHTS: NATIONAL AND INTERNATIONAL PROTECTION 63 (1975).*
The primary issue with the aforementioned treaties is even though they attempt to promote uniformity of registration, they do not achieve uniformity in the outcome of the law. The International Trademark Association (INTA), a not-for-profit membership organization, has sought to do just that. INTA was founded in 1878 by 17 merchants and manufacturers who saw a need for an organization “to protect and promote the rights of trademark owners, to secure useful legislation and to give aid and encouragement to all efforts for the advancement and observance of trademark rights.” Today, 5,900 trademark owners, professionals, and academics from over 190 countries comprise INTA’s powerful network. Headquartered in New York City, INTA has offices all over the world.

In 2005, INTA released the Model Free Trade Agreement (MFTA), which provides parties of Free Trade Agreements (FTA) with a set of baseline proposals to consider when negotiating trademark-related provisions, which has been revised in 2011 (2011 MFTA). The document attempts to “provide governments and their trade negotiators with guidance for incorporating desirable trademark provisions into FTAs.” As the trend for international trade negotiations continues, the “INTA, through its 2011 MFTA seeks to contribute to the harmonization of national laws with international treaties.” The provisions of the 2011 MFTA attempt to create “greater legal certainty as the level of protection of trademarks owners’ rights is raised.” As well, “trading partners will benefit equally as the new rights protection and enforcement mechanisms help create a more attractive investment climate for business, whether it is between two countries or within a regional mar-

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133 Id.
134 Id.
135 Id.
137 Id.
138 Id.
139 Id.
ket taking part in an FTA.” The 2011 MFTA seeks to unify member countries’ laws on the scope of trademark protection, registration procedures, notice of registration procedures, comparative advertising, licensing and assignment, automation of Trademark Office’s practice and procedures, term of trademark protection, Internet domain names, enforcement of trademark rights, administrative procedures and remedies, trademark owners’ right to access information, measures to cease transit of counterfeit goods, improvements in the international legal framework for criminal sanctions, and border measures taken.

Currently, there exist countless treaties that do not begin to cover the breadth of information and legal guidance that the 2011 MFTA seeks to include. Furthermore, nontraditional marks, such as color, constantly evolve with technological advances and the laws must keep up with the market. The 2011 MFTA addresses these issues. What the agreement does not address are the ways in which each member country would deal with these procedures. Even though a trademark is registrable according to the 2011 MFTA, that does not mean that each country will recognize the mark in the same way, or at all. For instance, would the European Union treat a color trademark case involving fashion differently than one involving a construction business? If Louboutin were decided in the European Union, would the result be the same? Perhaps, but perhaps not. This is the central issue regarding trademark law and the broader category of intellectual property law. Universal registration does not indicate or ensure uniform results, even though the treaties currently in place seek to create this consistency.

Trademark law is complicated. It forces courts to become arbiters of commercial industries in which, perhaps, they have no experience. In Louboutin, the Southern District of New York recognized that courts are routinely called upon to decide difficult questions in trademark disputes. Those questions may involve shades of differences in words, phrases, symbols,
or colors. With colors, distinctions in designs and ideas conveyed by single colors “represent not just matters of degree but much finer qualitative and aesthetic calls.”\textsuperscript{144} This logic not only applies to nontraditional marks, but to all trademarks for which knowledge of a particular market or industry is imperative to making a proper determination.

V. CONCLUSION

Intellectual property law has become a specialized and globalized area of law that requires substantive and procedural specialty.\textsuperscript{145} Additionally, emerging technological issues and the development of e-commerce may redefine the role of the judge in a wide range of intellectual property cases.\textsuperscript{146} Intellectual property is arguably one of the most rapidly evolving areas of law, and therefore, the need for a specialized system becomes increasingly urgent.\textsuperscript{147} Since focused courts will give judges the chance to deal mainly or exclusively with intellectual property disputes, they will create the opportunity to strengthen expert knowledge on the matter and, consequently, will shorten the length of the court’s procedure.\textsuperscript{148}

Perhaps it would be wise to introduce specialized courts to deal with intellectual property issues. Judges could receive training in intellectual property issues or consult with experts who understand the intricacies associated with these matters.

Another way to address this issue on a global level is to regulate intellectual property laws internationally. Although this proposal would probably take years to implement, this industry is rapidly globalizing and registration treaties are the first step in the process of international regulation. If a shoe designer cannot trademark his signature outsoles in the United States, he should not be allowed to trademark them in the European Union, a market where the product is also sold.

\textsuperscript{144} Id.
\textsuperscript{146} Id.
\textsuperscript{147} Id.
\textsuperscript{148} Id.
Brands live internationally and, therefore, the courts must find a way to streamline commerce so businesses can accurately predict if their trademark registrations will be upheld in various countries.

Yet another way to encourage uniformity of intellectual property laws is to resolve these disputes through Alternative Dispute Resolution (ADR). An international tribunal could be in charge of intellectual property disputes at the location where the mark or copyright holder has registered through an international treaty.