Challenges and Strategies in Protecting Single-Colour Trademarks within the Fashion Industry

Wenxuan Guo *

School of Law, University of Nottingham, Nottingham, NG7 2RD, United Kingdom

* Corresponding author: geng19840114@hhu.edu.cn

Abstract. This paper examines the complexities of registering and protecting single-colour trademarks within the fashion industry, with a special focus on high-profile cases such as Christian Louboutin's iconic red soles. It investigates the unique legal challenges faced by brands in establishing trademark protection for colours, which lack inherent distinctiveness but can acquire significant brand identity through secondary meaning. Through a detailed examination of various international court cases, the study reveals how judicial systems manage to uphold the integrity of distinctive brand elements while fostering a fair and competitive market environment. Additionally, this research discusses strategic approaches that brands can adopt to effectively secure and defend their unique colour trademarks in diverse legal jurisdictions. The findings shed light on the dynamic evolution of trademark law, underscore the significant impact of judicial decisions on brand protection strategies, and explore the broader implications these have on global market competition. By integrating theoretical frameworks with case study analysis, this paper provides valuable insights into the intersection of law, commerce, and brand identity in the global fashion industry.

Keywords: Single-colour trademarks, intellectual property law, Christian Louboutin, brand identity, trademark registration.

1. Introduction

In the rapidly evolving fashion industry, trademarks are not just legal tools but also critical elements of brand identity that differentiate products in a crowded marketplace. The use of single-colour trademarks has become increasingly popular, exemplified by high-profile cases such as Christian Louboutin's red soles. These cases have highlighted the challenges of registering and protecting what is essentially a universal attribute—colour—as a unique brand identifier. The complexities involved in these legal battles underscore the intricate interplay between intellectual property law and market competition, particularly in jurisdictions with varying legal standards.

This paper aims to investigate the legal challenges and strategies associated with registering and protecting single-colour trademarks. It seeks to understand how courts balance the need for brand distinction with the necessity of maintaining a healthy competitive environment. The study is significant as it provides insights into the evolving jurisprudence and practical approaches that shape trademark law globally. These insights are crucial for businesses aiming to safeguard their brand elements effectively while adhering to the legal frameworks in different international markets.

2. Theoretical Framework and Practical Challenges

2.1. Foundational Principles of Trademark Law

The Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS), which applies to all WTO members, defines a trade mark as ‘any sign or any combination of signs capable of distinguishing the goods or services of one enterprise from those of other enterprises may constitute a trade mark’. Eligible signs include words, personal names, letters, numerals, graphic elements and colour combinations. This framework establishes the broad eligibility criteria for what can constitute a trademark, including the unique challenges posed by colour trademarks [1].

2.2. Distinctiveness in Trademark Registration

A trade mark must consist of a sign, and according to Article 3(1)(a) of the European Directive, a sign which does not constitute a trade mark cannot be registered [2]. This principle presents a notable challenge when attempting to register monochrome marks, particularly because colours are not traditionally associated with specific signs. The principal challenge in registering a monochrome mark lies in proving its distinctiveness, which is essential because a trade mark fundamentally serves to distinguish goods or services in the market. There are two main types of distinctiveness: inherent distinctiveness and acquired distinctiveness.

Inherent distinctiveness means that the goods are distinctive from the moment they appear. This is stated in terms of the association between the trade mark sign and the goods and services it serves. For example, the Coca-Cola bottle is designed and produced to hold Coke, so the Coca-Cola bottle is naturally inherently distinctive. In terms of inherent distinctiveness, the law generally takes a positive approach to what qualifies as distinctive and a negative approach to what cannot be required to be distinctive. The law generally takes a positive approach to specifying what qualifies as inherently distinctive and a negative approach to specifying what cannot be required to be distinctive in order to exclude those that do not [3]. Different countries and regions have different rules on whether colours are inherently distinctive. In the European Union, for instance, there is recognition that colours can be inherently distinctive, but this comes with stringent conditions: the colour must be used consistently and distinctly in a specific location on the product [4].

Acquired distinctiveness, according to Article 15(1) of TRIPS, allows a sign that is not distinctive in itself to be registered based on the distinctiveness it has acquired through extensive use. A trade mark attains acquired distinctiveness when it becomes well known to the consuming public over time, thus enabling consumers to associate the trade mark with specific goods or services. An exemplary case is Tiffany Blue, a colour that has become synonymous with Tiffany & Co. through widespread and consistent use.

2.3. Challenges of Acquired Distinctiveness

Evaluating acquired distinctiveness requires a holistic consideration of several factors beyond mere consumer recognition. Trade mark examiners are tasked with conducting a comprehensive assessment of the evidence presented. This includes evaluating the market share held by the trade mark; the intensity, geographical scope and long-term use of the trade mark; the amount of money invested by the enterprise to promote the trade mark; the proportion of the relevant class of people who identify the goods as originating from a particular enterprise because of the trade mark; and the statements of chambers of commerce and industry or other trade and professional associations.

In this evaluation process, each element is crucial because it contributes to a tapestry of evidence demonstrating that a trade mark has embedded itself in the minds of consumers as a distinctive identifier of goods or services.

3. Case Study: Louboutin's Red-Sole Trade Mark Disputes

3.1. Introduction to Louboutin's Red-Sole Trade Mark

Christian Louboutin's use of a distinctive red lacquer on the soles of his high-heeled shoes has become not only a signature design element but also a pivotal example of non-conventional trade mark use in the fashion industry. Louboutin first introduced this striking feature in 1992, which quickly became synonymous with his brand's identity and luxury aesthetic. The red sole was designed to provide an unexpected pop of colour, and it was this unique characteristic that Louboutin sought to protect as a trade mark.

Recognising the potential for such a distinctive feature to be copied, Louboutin began the process of registering the red sole as a trade mark in various jurisdictions. This was not without challenges; the process of trade mark registration for a colour applied to a specific place on a product was unprecedented in many regions. Across different countries, the reception to Louboutin's applications varied significantly. Some countries granted the trade mark, acknowledging the distinctiveness and association of the red sole exclusively with Louboutin's products. Other jurisdictions were hesitant or outright refused to register the colour as a trade mark, citing concerns over granting a monopoly on a functional element of fashion products like shoe soles.

In the regions where Louboutin successfully registered his trade mark, a key finding was that colours that are liked and recognisable by users can indeed be registered as trademarks, provided they meet certain criteria of distinctiveness and association with a single source.

3.2. Louboutin Cases in China & the EU

In 2009, Mr. Louboutin submitted a trademark registration to the Benelux Intellectual Property Office. He applied to register one of his designs for a red-soled shoe as a trademark [5]. In the application for registration, the mark in question is described as follows: "The mark consists of a red colour (Pantone 18-1663TP) applied to the sole of the shoe shown (the outline of the shoe is not part of the transaction)". In the Louboutin case, the question arose as to whether "a symbol consisting of a red colour painted on the sole of a high-heeled shoe", which had been submitted for registration, could be considered a trade mark. The Court of Justice of the European Union (CJEU) said that the symbol did not constitute a shape and that the key to the successful registration of the mark was whether the colour red could be registered as a trade mark.

In addition to his application in the EU, Mr. Louboutin also pursued legal action in China, filing a case against the Beijing Administration for Industry and Commerce at the Beijing Intellectual Property Court. The case concluded in 2018 with Beijing Intellectual Property Court in favour of Mr. Louboutin [6]. In the judgment, the Beijing court did not make a discussion in terms of the validity of the trademark, but rather in terms of an unwarranted competitive relationship. The court found that there was a stable association between the red soles and the Louboutin brand, recognizable among consumers, which implied that the decorative use of the red soles and the brand name involved were significant enough to influence market behaviour.

The judgment established that Louboutin's "red-soled shoes" and red-soled decoration had achieved a high level of market recognition and had established a stable connection with the public. These features were distinct enough to trace the origin of the goods directly to Louboutin's brand. Therefore, Christie's trade name of "red-soled shoes" and the red colour of the shoe soles belonged to "influential" trade names and decorative marks within the meaning of Article 6(1) of the Anti-Unfair Competition Law of the People's Republic of China. This law states that using, without authorization, any mark identical or similar to the name, packaging, or decoration of another business entity’s goods, which has a certain reputation, constitutes unfair competition [7].

The unauthorized use of the same or similar logo as Christie's influential "red-soled shoes" trade name and red sole decoration was sufficient to cause a misunderstanding that it had some specific connection with Christie's, which constituted unfair competition in violation of Article 6(1) of the Anti-Unfair Competition Law.

3.3. Louboutin's US Legal Battle Against YSL

The legal conflict between Christian Louboutin and Yves Saint Laurent (YSL) arose from the distinctive use of a red lacquered outsole. The dispute arose from YSL's plans to launch a monochrome shoe collection that would include completely red shoes and red outsoles, prompting Louboutin to claim that YSL's design infringed on its trade mark rights for the red outsoles [8].

The main legal issue in the case was whether the use of a particular colour on the soles of high fashion women's shoes could be protected under trademark law. The Southern District of New York preliminarily addressed this issue and denied Louboutin's motion for a preliminary injunction against YSL. The court's decision was based on the principle of aesthetic functionality, i.e., that trade mark law should not monopolise features that are essential to competition in the marketplace, not just brand identity. The court held that colour, as a trademark in the fashion industry, would hinder competition rather than serve to identify the source of the goods.

Louboutin then appealed. The Court of Appeal referred to the Supreme Court Judge's view that, under certain conditions, a colour can indeed be a trade mark if it acquires a secondary meaning and is thus distinctive, and that Louboutin's red outsoles had already acquired this secondary meaning through the use of red soles over many years.

Subsequently, the Second Circuit refined the scope of Louboutin's trade mark to specify that the trade mark is only protected if the red outsole contrasts with the colour of the upper. This modification meant that YSL's monochrome red shoes did not infringe Louboutin's trade mark as they did not have the contrasting colours required by the court. The Court of Appeal therefore partially upheld the District Court's decision not to prohibit YSL from using a large amount of red on the soles of its shoes, and partially overturned the District Court's decision recognising Louboutin's trade mark rights in the contrasting red outsole.

4. Insights from Cases: How to Effectively Protect Single-Color Trademarks

4.1. The Relationship Between Legal Provisions and Practical Case Applications

In trademark law, the interplay between jurisprudence and practical application creates a complex relationship. Written legal texts and real-life case practice interact with each other, with legal texts regulating trademarks in different ways to guide real-life cases. In turn, societal practice influences the law with new amendments to address emerging societal case practice.

The guiding role of legal provisions in societal practice is multifaceted. On the one hand, legal provisions clarify the uniqueness. Indeed, such distinctiveness is essential to help consumers quickly identify the source of a product. For example, Louboutin's red-soled shoes were recognised as distinctive not only because of their aesthetic appeal, but also because, over time, the secondary meaning attached to the red-soled shoes clearly linked them to the Louboutin brand.

On the other hand, the legal provisions clarify the scope of protection of the trade mark [9]. Judicial decisions have meticulously outlined the conditions under which a trade mark is protected and the circumstances in which it may be infringed. This clarity helps practitioners to define the legal boundaries of their business activities without infringing the trademark rights of others. For example, the nuanced limitation of the Louboutin trade mark to situations where the red sole contrasts with the upper exemplifies how jurisprudence can precisely guide the practical application of trade mark law.

Feedback from real-world cases significantly enriches legal theories. First, Practical Cases Improve the Legal Provisions. Cases such as Louboutin vs. YSL have prompted people to critically re-examine the existing legal theories so as to improve and adjust them. These cases have provided valuable feedback that has deepened the legal community's understanding of how trademarks function in a wide range of industries and have the potential to influence legislative adjustments or modifications to the legal framework.

Second, the practice cases are working towards global consistency in trade mark law. The international nature of cases such as the registration of the Louboutin trade mark has exposed differences in the interpretation of trade mark law in different jurisdictions. This feedback has fostered discussions aimed at potentially harmonising trade mark regulations globally, reflecting the international nature of commerce and the interconnectedness of the fashion industry.

Third, emphasising consumer perception and market impact. The case results emphasise the importance of consumer perception in assessing the strength and validity of a trade mark. The recognition that Louboutin's red soled shoes are associated with high quality luxury footwear has influenced the marketing strategies of other companies and has informed the current legal debate on the role of trade marks in influencing consumer choice and competitive dynamics.

Fourth, evolving jurisprudence through case law. Each judicial decision contributes to the body of case law, continually refining legal theory to adapt it to the contemporary environment and market conditions. These cases provide a repository of insights for legal scholars and practitioners that help jurisprudential theory to evolve in tandem with technological advances and changing market practices.

4.2. How Courts Handle Single-Colour Trademark Cases

Courts dealing with complex trade mark issues, particularly in the fashion industry, conduct meticulous assessments to strike a balance between protecting distinctive brand elements and promoting a competitive environment in the marketplace.

First, recognising distinctiveness and secondary meaning. A fundamental aspect considered by the courts is whether certain design elements, such as particular colours, shapes or configurations, have acquired distinctiveness so as to be recognised by the public as the identity of a particular brand. This is determined by the concept of ‘secondary meaning,’ which occurs when a design element that was originally merely decorative grows in the minds of consumers to become the identity of a brand. For example, in Christian Louboutin, the court found that the distinctive red sole was eligible for trademark protection because, over time, the red sole had become an iconic symbol unique to Louboutin, thanks to extensive use and marketing.

Second, Application of the Aesthetic Function Doctrine. The doctrine of aesthetic function is of paramount importance in trade mark law, particularly in industries where design is a key component of the product. The doctrine holds that if a design feature, such as a colour used on a product, is also functional because it provides a competitive advantage or is essential to the use of the product, it should not be monopolised through trade mark protection. This ensures that essential functional elements are available to all competitors and promotes innovation and diversity in the market. In the dispute between Louboutin and YSL, the court's first instance decision explored whether there would be an unfair restriction on other brands by granting a trade mark for a colour.

Third, defining the scope of trade mark protection. When a trade mark is upheld, the scope of its protection is carefully defined so that an overly broad application does not impede competition. Courts typically delineate the conditions under which a trade mark may be infringed. In Louboutin, the United States Court of Appeals for the Second Circuit expressly limited Louboutin's trademark protection for red soles to situations where the colour of the sole contrasts with the upper portion of the shoe. This decision maintains the balance between trade mark protection and competitive fairness by allowing reasonable use of the colour red in other contexts, such as in the case of the monochrome red shoes designed by YSL.

Fourth, the challenge of trade mark protection in a global jurisdiction. Trade mark protection varies from country to country depending on the national laws of each country. For example, the European Court of Justice ruled that colours do not constitute shapes and can be registered as a trade mark provided that they are proven to be distinctive, while the Beijing IP Court focused on the high level of acceptance of red-soled shoes in the Chinese market and the established association with Louboutin. These differing views highlight the challenges of maintaining consistency of trade mark rights across borders.

Fifth, differences in consumer perception and market influence. Courts should also consider how a trade mark affects consumer perception as well as market recognition. Courts assess whether other entities using similar trademarks are likely to confuse consumers as to the source of the goods, or whether such use would be seen as unfairly lessening competition. This is evident in the Beijing court's decision, which emphasised that the unauthorised use of the red sole could lead consumers to believe that there was a specific association with Louboutin, and therefore constituted unfair competition under Chinese law.

In summary, when dealing with trade mark issues, courts must carefully assess a number of factors to ensure that IP rights are protected without inhibiting competition in the market. This includes a detailed assessment of whether design elements are inherently distinctive, a consideration of functionality and essentiality, a precise definition of the scope of protection, and the impact of such protection on consumer understanding and market dynamics.

4.3. How Brands Register and Protect Single-Colour Trade Marks

Following the examination of high-profile legal battles involving Christian Louboutin's single-color trademark, it becomes evident that registering and protecting monochrome trademarks presents unique challenges.

One primary issue is proving distinctiveness, which is crucial since colour, being a universal attribute, is not inherently distinctive. Demonstrating that a single colour can sufficiently identify the source of goods to merit trademark protection is often a daunting legal hurdle.

This challenge is compounded by inconsistencies across different jurisdictions in dealing with the registration of single-colour trademarks. Some legal systems allow the registration of a colour as a trademark under specific conditions, while others impose more stringent requirements or do not permit it at all. Such inconsistencies can complicate the process of obtaining international trade mark protection.

Additionally, creating a strong consumer association between a single-colour trademark and a brand can be challenging. Unlike more complex trademarks or designs, a single colour may not be immediately recognisable as a brand identity without extensive marketing and consistent use across different platforms and products. There will also be inconsistent perceptions of a particular brand by consumers in different regions. This undoubtedly places more stringent requirements on the registration of such super brands.

To solve those challenges, brands can adopt multiple strategies:

Firstly, brands can document and prove the distinctiveness of their brand acquisition. The key to overcoming the inherent non-distinctiveness of a colour is to document and prove its acquired distinctiveness. This includes providing evidence of extensive use over a long period of time, significant advertising expenditure against the colour, consumer surveys showing the relevance of the colour to the brand, and any media coverage that specifically mentions the colour in relation to the brand.

Second, endeavour to seek international protection in various jurisdictions. Given the differences between jurisdictions, ensuring full international protection for monochrome trademarks requires a tailored approach. It is advisable to understand and comply with the specific legal requirements of each jurisdiction in which trademark protection is sought. Working with a local trade mark attorney to navigate these different legal environments can maximise the chances of a successful registration.

Third, Gaining Brand Recognition Among Consumers. In order to strengthen the association of the monochrome with the brand, a consistent and strategic marketing campaign should be implemented. The use of consistent colours across all products, packaging and advertising can help strengthen consumer perception and provide stronger support for trademark protection. Again, different marketing strategies are needed for different regions, but all aim to give consumers a sense of brand identity as soon as possible.

Fourth, brands should strengthen legal monitoring and enforcement. Regularly monitor the market for any unauthorised use of the trade mark's colours and actively enforce trade mark rights. Prompt legal action against infringement. This will go some way to stopping misuse of the trade mark and support the argument that the colour deserves trade mark protection as a powerful brand identity.

By employing these strategies, brands can navigate the complexities of protecting single-colour trademarks, ensuring that these unique elements are both recognisable to consumers and legally safeguarded in competitive markets worldwide.

5. Conclusion

This paper has explored the complexities of trademark law, focusing on the challenges of registering and protecting single-colour trademarks. The analysis of high-profile cases, particularly those involving Christian Louboutin, has highlighted the delicate balance courts must strike between protecting distinctive brand elements and fostering market competition. The discussion revealed that achieving secondary meaning is crucial for the distinctiveness required for single-colour trademarks, which are not inherently unique but can become powerful identifiers through widespread and recognized use.

In addressing these challenges, brands must adopt robust strategies for effective trademark protection. This involves documenting extensive use and consumer recognition, navigating diverse international legal landscapes, and rigorously enforcing rights to maintain a trademark's integrity. As the global market continues to evolve, so too will the legal frameworks governing trademarks, necessitating ongoing adaptation and dialogue between legal theory and practical application to ensure the protection of unique brand identities in a competitive and dynamic marketplace.

References

[1] The Agreement on Trade-Related Aspects of Intellectual Property Rights.

[2] the European Directive.

[3] Paul Torremans, Holyoak and Torremans Intellectual Property Law. (Oxford Univ Press 2019).

[4] Fhima, Ilanah. "Consumer value as the key to trade mark functionality." The Modern Law Review 85.3 (2022): 661 - 696.

[5] Judgment of the Court (Grand Chamber) of 12 June 2018.

[6] Christian Louboutin and Christian Louboutin Sas v van Haren Schoenen BV. https://eur-lex.europa.eu/legal-content/en/TXT/?uri=CELEX:62016CJ0163.

[7] Wan C, '5 million in Damages! The Beijing Intellectual Property Court Held at First Instance That "Red-Soled Shoes" Constituted an Influential Trade Name and Packaging Decoration'(bjzcfy.bjcourt.gov.cn2022).

[8] Anti-Unfair Competition Law of the People's Republic of China 1993.

[9] CHRISTIAN LOUBOUTIN v. XYZ 10 (2012), https://caselaw.findlaw.com/court/us-2nd-circuit/1611250.html.

[10] Heath, Davidson, and Christopher Mace. "The strategic effects of trademark protection." The Review of Financial Studies 33.4 (2020): 1848 - 1877.

[11] Oh, Travis Tae, et al. "The past, present, and future of brand research." Marketing Letters 31 (2020): 151 - 162.