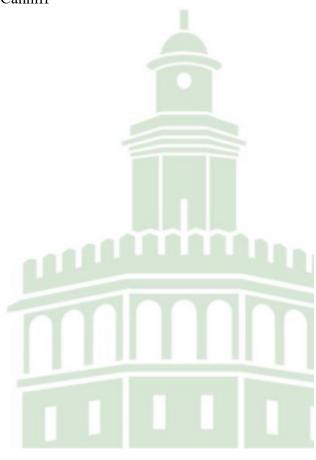
STETSON BUSINESS LAW REVIEW

THREADS OF DISTINCTION: NAVIGATING THE DIVERGENCE IN TRADEMARK LAW BETWEEN THE UNITED STATES AND EUROPE AND ITS IMPLICATIONS FOR FASHION DESIGNERS

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I. INTRODUCTION

The fashion industry is a rapidly growing and lucrative business in the United States and internationally, which was valued at \$1.79 trillion in 2024, accounting for 1.63% of the world's gross domestic product.¹ The gross domestic product of the fashion industry would represent the seventh-largest economy in the world.² The fashion industry operates within a hierarchical framework to classify brands by market position, encompassing five ascending levels: Mass Market, Bridge Fashion, Diffusion, Ready-to-Wear, and, at the highest tier, Haute Couture.³

Only select fashion firms, such as Chanel and Hermès, produce at the top of the food chain and these designs are referred to as "haute couture" or, in direct translation from French, "high dressmaking." Haute Couture includes expensive, handcrafted, custom-fitting, luxury designs.⁴

Ready-to-Wear pieces are produced by high-quality designer firms. Some designer fashion firms such as Chanel, Givenchy, Saint Laurent, Dior, and Louis Vuitton call France "home."⁵

https://www.uniformmarket.com/statistics/global-apparel-industry-statistics.

¹ Global Apparel Industry Statistics (2025), UNIFORM MARKET (Feb. 3, 2025),

² Global Fashion Industry Statistics, FASHION UNITED, https://fashionunited.com/global-fashion-industry-statistics (last visited Apr. 28, 2025).

³ The Fashion Pyramid of Brands (2024 Edition), RETAILBOSS (Apr. 18, 2024) https://retailboss.co/the-fashion-pyramid-of-brands/.

⁴ Everything You Need to Know About Haute-Couture, EXPLORE FRANCE (Jan. 11, 2021) https://www.france.fr/en/article/everything-you-need-to-know-about-haute-couture/.

⁵ Francesco Travagli, *Fashion & Luxury*, CHOOSE PARIS REGION https://www.chooseparisregion.org/industries/fashion-luxury (last visited Apr. 28, 2025).

Whereas other designers such as Prada, Dolce & Gabbana, Valentino, and Gucci are housed in Italy.⁶ These designer firms continuously produce new apparel designs that are showcased annually at the Spring and Autumn fashion shows in New York, Paris, Milan, and London.⁷ These fashion firms often produce ready-to-wear pieces in standard sizing at affordable price points.

Diffusion, sometimes referred to as Accessible Luxury, refers to brands such as Marc by Marc Jacobs and Tory Burch. These brands produce more casual and widely produced designs that are inspired by ready-to-wear pieces but at a more affordable price point.

Bridge Fashion brands refer to the bridge these brands create by connecting the high-end and mass-market brands. Bridge Fashion brands produce good quality pieces at higher price points than mass-market brands. An example of a Bridge Brand is Coach.

Mass Market brands are often referred to as fast fashion. Fast fashion is a term used to describe the rapid production of garments in bulk to keep up with the changing seasons and trends.⁸ Fast fashion designs are often inspired by, and sometimes outright copied from haute couture looks

⁶ Kamal Nishantha, *Top 10 Italian Fashion Brands in 2023*, BRANDIXIT (Oct. 4, 2019) https://brandix.it/top-10-italian-fashion-brands/.

⁷ Esmee Blaazer, *The Fashion System: The Fashion Seasons Explained*, FASHIONUNITED (Jan. 22, 2024), https://fashionunited.com/news/background/the-fashion-system-the-fashion-seasons-explained/2024012257967.

⁸ Amaya McDonald & Taylor Nicioli, *What Is Fast Fashion, and Why Is It So Controversial?*, CNN STYLE (Nov. 24, 2023, 11:28 AM), https://www.cnn.com/style/what-is-fast-fashion-sustainable-fashion/index.html.

showcased on runways. Fast fashion is a \$150.82 billion industry and is estimated to reach \$291.1 billion by 2031. Shein, a large fast fashion company, generated \$32.2 billion in sales worldwide in 2023. Inditex, the parent company of fast fashion brands including Zara, Pull&Bear, Bershka, and Stradivarius, among others, reported net sales of €35.9 billion. These online fashion retailers have a global impact and can reach consumers all over the world; Shein, for example, serves over 150 countries. The rise of social media and the quick access to online trends have led to the heightened popularity of these fast fashion companies. Consumers fear repeating outfits or falling behind on popular trends causing them to purchase more clothing at a rapid pace, thus relying on fast fashion brands. Which, in turn, has led to an increase in these fast fashion brands "ripping off" designers for the sake of keeping up with trends. Designers, big and small, new and old, need to

https://www.inditex.com/itxcomweb/us/en/press/news-detail/10da 31b 6-0c 12-43e 4-9e 33-103766d 27821/fy 2023-results.

⁹ *Id*.

¹⁰ Environmental Impact of Fast Fashion Statistics (2025), UNIFORM MARKET (Feb. 3, 2025), https://www.uniformmarket.com/statistics/fast-fashion-statistics.

¹¹ Shein Revenue and Usage Stats, BACKLINKO (Jan. 30, 2025), https://backlinko.com/shein-stats#.

¹² FY2023 Results, INDITEX (Mar. 13, 2024),

¹³ Our Global Presence, SHEIN, https://www.sheingroup.com/about-us/our-global-presence/ (last visited Apr. 28, 2025).

Aimee Picchi, Shein Lawsuit Accuses Fast-Fashion Site of RICO Violations, CBS NEWS (July
 17, 2023), https://www.cbsnews.com/news/shein-lawsuit-rico-sued-case/ (three designers filed

be aware of fast fashion brands that have the resources and power to be able to infringe upon their designs, which ultimately damages their reputation.

By comparing fashion trademark law and protections provided within the United States and the European Union, specifically Italy and France, designers and brands will understand that seeking trademark protection in more than just the United States will afford them more legal rights to protect their creations. The United States' intellectual property laws, specifically those created to protect trademarks, may be inadequate to fully protect fashion designs when compared to the robust and comprehensive rights available to fashion designers in the European Union.

II. HISTORICAL BACKGROUND OF FASHION TRADEMARK LAW

A. United States

1. Development

Early American trademark law was predominantly a product of judicial decisions. An early United States court decision recognizing trademark rights is from a 1845 decision from a New York Court. The Court then stated that a person is not allowed to imitate the product of another and "thereby attract to himself the patronage that without such deceptive use of such names . . . would have enured to the benefit of that person . ."¹⁵

2. Key Legislative Acts

Before the Act of 1870, statutory protection was at the state level and often protected highly specific trades. In 1870, the first federal trademark statute was enacted but was ultimately held

suit against Shein, for selling exact copies of their designs). *See also, Coach Servs., Inc. v. Top Star, Inc.*, No. 8:09-CV-2014, 2010 BL 39088 (M.D. Fla. Feb. 24, 2010) (counterfeiters enjoined from selling any product that "originat[es] from Plaintiff.").

¹⁵ Coats v. Holbrook, Nelson & Co., 7 N.Y. Ch. Ann. 713, 717 (1845).

unconstitutional by the United States Supreme Court because the law was premised on the Patent and Copyright Clause of the Constitution, which the Supreme Court determined did not extend to trademark protection. Congress enacted a subsequent federal law in 1881, but registration under this law was limited to marks used in commerce with foreign nations and the Native American tribes. The subsequent federal laws also excluded criminal penalties, which were once included in the Act of 1870. In 1887, the United States joined the new Paris Convention for the Protection of Industrial Property, which strengthened the protection of trademark holders internationally. In 1905, the United States enacted a federal trademark law that protected against domestic infringement. And in this same year, trademark registrations doubled. The Trademark Act of 1905 was grounded on the commerce clause which limited liability under the statute was limited to cases where the infringing trademark was used in commerce, which in turn created confusion as to what activities were within the meaning of the commerce clause.

¹⁶ In re Trade-Mark Cases, 100 U.S. 82, 94-94 (1879).

¹⁷ Act of Mar. 3, 1881, ch. 138, 21 Stat. 502 (repealed 1946).

¹⁸ Paris Convention for the Protection of Industrial Property, WORLD INT'L PROP. ORG., https://www.wipo.int/treaties/en/ip/paris/ (last visited Apr. 28, 2025) (follow "Contacting parties" hyperlink; then follow "Paris Convention" hyperlink).

¹⁹ Act of Feb. 20, 1905, ch. 592, 33 Stat. 724 (repealed 1946).

²⁰ Zvi S. Rosen, Federal Trademark Law: From Its Beginnings, 11 LANDSLIDE 34 (2019).

²¹ Richard R. Dailey, Constitutional Law – Commerce Clause – Federal Jurisdiction in Trade-Mark Infringement Proceedings Under the Lanham Act, 53 Mich. L. Rev. 745, 746 (1955).

To clarify congressional control, the 1905 Act was ultimately replaced by the Trademark Act of 1946, commonly known as the Lanham Act.²² The Lanham Act is generally declarative of existing law and incorporates the principal features of common law trademark protection. "The Lanham Act's two primary goals are to protect [designers] from unfair competition and consumers from deception."²³ The Lanham Act defines a trademark as "any word, name, symbol, or device, or any combination thereof," used "to identify and distinguish . . . goods . . . from those manufactured or sold by others and to indicate the source of the goods."²⁴ A word can be "Chanel," a name can be "Christian Louboutin," and a symbol can be the overlapping "LV" arrangement to symbolize Louis Vuitton. Today, trademarks may only be protected if they meet three separate requirements; namely, marks must be: distinctive, used in commerce,²⁵ and nonfunctional.²⁶ The Lanham Act provides penalties for counterfeiting.²⁷ Federal registration is not required to establish

²² Trademark Act of 1946 ("Lanham Act"), ch. 540, 60 Stat. 427 (codified as 15 U.S.C. §§ 1051-1141n (2023)).

²³ The Devil Wears Trademark: How the Fashion Industry Has Expanded Trademark Doctrine to Its Detriment, 127 HARV. L. REV. 995, 1001 (2014).

²⁴ 15 U.S.C. § 1127 (2023).

²⁵ *Id*.

²⁶ Qualitex Co. v. Jacobson Products Co., 514 U.S. 159, 165 (1995).

²⁷ 15 U.S.C. § 1117 (2023).

a valid trademark, but it provides additional rights to owners.²⁸ Federal registration lasts for ten years, and the registration is perpetually renewable as long as the mark is distinctive and continues to be used in commerce.²⁹ Overall, the Lanham Act enhances protections for fashion designs by expanding trademark protection to encompass elements of a product, such as its design, shape, color, or size.³⁰

3. Notable Historical Cases

Early landmark cases, such as *Hanover Star Milling Co. v. Metcalf*³¹ and *Coca-Cola Co. v. Koke Co. of America*, ³² helped shape the principles of trademark protection, emphasizing the need to prevent consumer confusion and protect the goodwill associated with established brands.

In *Hanover Star Milling Co. v. Metcalf*, Hanover Star Milling Co. and Allen & Wheeler Co. both used the trademark "Tea Rose" for their flour products.³³ Hanover began using the "Tea Rose" trademark for its flour in 1872 and primarily operated in the midwestern United States.

https://www.uspto.gov/trademarks/basics/why-register-your-trademark (last visited Apr. 28, 2025).

https://www.uspto.gov/trademarks/maintain/keeping-your-registration-alive (last visited Apr. 28, 2025).

 $^{^{28}\ \}mathit{Why}\ \mathit{Register}\ \mathit{Your}\ \mathit{Trademark?},\ U.S.\ Pat.\ and\ Trademark\ Off.,$

 $^{^{29}\ \}textit{Keeping Your Registration Alive, U.S. Pat.}$ and Trademark Off.,

³⁰ See Wal-Mart Stores v. Samara Brothers, 529 U.S. 205 (2000).

³¹ Handover Star Milling Co. v. Metcalf, 240 U.S. 403 (1916).

³² Coca-Cola Co. v. Koke Co. of America, 254 U.S. 143 (1920).

³³ *Hanover*, 240 U.S. at 405-07.

Allen & Wheeler started using the "Tea Rose" trademark in 1875, but mainly in the southern United States. Neither company had registered its trademark with the federal government, which meant both could only rely on their respective common law rights. Hanover then began to sell flour in the southern United States. In addressing their dispute over their respective rights to the mark, the court reasoned that the priority of trademark rights is determined by the first actual user in a particular geographic area. The Court held that Hanover's prior use in the midwestern United States did not automatically grant it exclusive rights in the southern United States. The decision underscored that unregistered trademarks do not have inherent territorial rights beyond the area of actual use and reputation. This case, along with the subsequent decision in *United Drug Co. v.* Theodore Rectanus Co.,34 formed the basis of what is known as the "Tea Rose-Rectanus Doctrine." This doctrine established key principles for resolving trademark disputes in the United States, particularly priority based on actual use as well as good faith concurrent use.³⁵ Under the common law, trademark rights are established through actual use in commerce, and the scope of these rights is geographically limited to areas where the mark has been used and has acquired a reputation. Good faith concurrent use allows two parties to independently adopt the same trademark as long as the use is in good faith and the parties use it in different geographic areas without knowledge of each other's use. This idea allows both parties to have legitimate rights to the mark in their respective areas. The Hanover Star Milling Co. v. Metcalf case remains a foundational decision in United States trademark law, illustrating the principle that trademark rights are based on the actual

³⁴ 248 U.S. 90 (1918).

³⁵ *Id*.

use of the mark in commerce and that such rights are territorially limited to the areas where the mark has been used.³⁶

In Coca-Cola Co. v. Koke Co. of America, 37 the Coca-Cola Company had established its "Coca-Cola" trademark for a popular soft drink. Prior to the litigation, Koke Co. of America was using names such as "Koke" and "Dope" for their beverages. Coca-Cola subsequently filed a lawsuit seeking to enjoin the defendants from using these names, alleging trademark infringement and unfair competition. In addressing whether a term that was descriptive of the goods at issue, the Court reasoned that the "Coca-Cola" trademark was protectable despite its descriptive origins because it had acquired a secondary meaning, signifying not just the ingredients but the specific product made by Coca-Cola. In other words, because of the extensive use of the mark by the Coca-Cola Company, the relevant consuming public had come to associate the phrase with the product sold, as opposed to its descriptive meaning. The Court then reasoned that the similarity in sound and appearance between "Koke" and "Coca-Cola" was likely to confuse consumers, leading them to believe that the defendants' products were associated with or endorsed by Coca-Cola. This secondary meaning transformed the descriptive term into a trademark. The Court held that the use of the term "Koke" by the defendants was found to be an infringement of the "Coca-Cola" trademark. The Court emphasized that trademark law aims to protect the goodwill associated with a brand and prevent consumer confusion. This case remains influential in trademark law as it reinforced the doctrine of secondary meaning and protection for brand owners against confusingly similar marks.

³⁶ Hanover, 240 U.S. 403 (1916).

³⁷ Coca-Cola, 254 U.S. 143 (1920).

Modern case law has been influential in American trademark law. Most prominently, in *Abercrombie & Fitch Co. v. Hunting World, Inc.*, the court established a spectrum of distinctiveness, one of the requirements under the Lanham Act. ³⁸ The court explained that trademarks can be either generic, suggestive, descriptive, or arbitrary. Generic trademarks refer to, or have come to refer to, the genus of which the particular product is a species. ³⁹ Generic trademarks can never be protected and are thus not trademarks at all. Generic "marks" can be born generic, or they can lose their source distinctiveness through a process of "genericide." ⁴⁰ Genericide refers to a brand losing its trademark rights because the trademark no longer refers to a specific brand but rather a word for the product. ⁴¹ Suggestive trademarks require imagination, thought, and perception to reach a conclusion as to the nature of the goods, and these are protected immediately. ⁴² Arbitrary trademarks are also immediately protected. Descriptive trademarks convey an immediate idea of the ingredients, qualities, or characteristics of the goods, and these

³⁸ Abercrombie & Fitch Co. v. Hunting World, Inc., 537 F.2d 4, 10 (2d Cir. 1976).

³⁹ *Id.* at 9.

⁴⁰ Andrew Picket, *The Death of Genericide? A Call for a Return to the Text of the Lanham Act*, 9 Tul. J. Tech. & Intell. Prop. 329, 330 (2007).

⁴¹ See Haughton Elevator Co. v. Seeberger, 85 U.S.P.Q. 80 (Com'r Pat. & Trademarks), 1950 WL 4178 (holding that there was no trademark on the term "escalator" because the term had become too generic, referring to any moving stairs).

⁴² Strong Trademarks, USPTO, https://www.uspto.gov/trademarks/basics/strong-trademarks (last visited Apr. 28, 2025).

can be protected upon a showing of acquired distinctiveness.⁴³ Acquired distinctiveness is a synonym for secondary meaning, which in turn means that the consuming public primarily associates the term with the source of the product, as opposed to identifying the product itself.⁴⁴ For example, American Airlines describes an airline that operates in America. But today, the consuming public identifies the term with a particular provider of airline services. To the extent designers and fashion firms select trademarks that are descriptive in nature, they will need to devote resources to educating the consuming public to associate such descriptive identifiers with the fashion producers themselves, as opposed to their descriptive meanings.

B. Italy

1. Development

The origins of trademark protection in Italy can be traced back to ancient Rome, which recognized the importance of distinguishing marks (signa) on goods.⁴⁵ These early protections, however, were rudimentary and not codified in a way that reflects modern trademark law. During the medieval and Renaissance periods, guilds played a crucial role in regulating crafts and trades, including textiles and fashion. Guilds used distinctive marks to indicate the origin and quality of goods. These marks served as early forms of trademarks, helping to protect the reputation of craftsmen and their products.⁴⁶

⁴³ *Id*.

⁴⁴ Japan Telecom, Inc. v. Japan Telecom Am., Inc., 287 F.3d 866, 873 (9th Cir. 2002).

⁴⁵ Edward S. Rogers, *Some Historical Matter Concerning Trade-Marks*, 9 MICH. L. REV. 29, 43 (1910).

⁴⁶ *Id.* at 38.

The unification of Italy in 1861 paved the way for more standardized laws across the newly formed nation. This period saw the first attempts to create unified intellectual property laws, including trademark protection. In Italy, the first trademark law dates back to 1868.⁴⁷ Italy was inspired by France's 1857 Act.⁴⁸ Italy's 1868 Act, however, did not consider the renewal of registration of trademarks nor the classification of specific goods.

The first comprehensive Italian law, Royal Decree No. 929 in 1942, provided a more structured framework for trademark registration and protection, reflecting the growing importance of industrial and commercial branding, including in the fashion sector. ⁴⁹ The Italian Trademark Law of 1942 was a key milestone, providing detailed regulations for trademark registration and enforcement.

The most recent significant update to Italian trademark law came with Legislative Decree No. 30 of 2005, also known as the new Italian Industrial Code.⁵⁰ This decree consolidated and updated various IP laws, ensuring compliance with European Union directives and international treaties.

⁴⁷ Olivier Pierre, *International Trademark Systems Talks: Transcript of Episode 6*, WIPO (2023), https://www.wipo.int/podcasts/en/madrid/transcripts/madrid-system-international-trademark-talks-episode6.html.

⁴⁸ *Id*.

⁴⁹ D.lgs. 10 febbraio 2005, n.30, Codice della proprietá industrial (It.).

⁵⁰ Stefano Macchi di Cellere, *The New Italian Industrial Property Code*, JONES DAY, (May 2005), at 1.

2. Legal Framework

Italian trademark law is deeply integrated with European Union regulations and directives,⁵¹ such as the European Union Trademark Regulation (2017/1001)⁵² and the Trademark Directive (2015/2436).⁵³ These laws provide a unified system for trademark registration and enforcement across the European Union, benefiting Italian fashion brands seeking protection in multiple markets.⁵⁴

⁵¹ See Società Italiana Brevetti S.P.A, Information / Fags,

https://www.sib.it/en/trademarks/insights-trademarks-and-domain-names/italian-trademark-frequently-asked-

questions/#:~:text=European%20Union%20trademark%20registration%20is,the%20Netherlands %2C%20Latvia%2C%20Lithuania%2C (last visited Apr. 28, 2025) (explaining that European Union trademark registration provides trademark protection in all European Union member states, including Italy).

- ⁵² Commission Regulation 2017/1001 of the European Parliament and of the Council of 14 June 2017 on the European Union Trade Mark, O.J. (L 154) 1, 7 (EU).
- ⁵³ Directive 2015/2436 of the European Parliament and of the Council of 16 December 2015 to Approximate the Laws of the Member States Relating to Trade Marks, O.J. (L 336) 1, 6 (EU).
- ⁵⁴ Directive 2008/95/EC of the European Parliament and of the Council of 22 October 2008 to Approximate the Laws of the Member States Relating to Trade Marks, O.J. (L 299) 25, 26 (EU).

Italy is known for its "Made in Italy" products⁵⁵ as well as being the home to many fashion houses, thus fueling its legislation to afford more protection to designers. Italian law has three requirements for registering a trademark: novelty, distinctive function, and lawfulness.⁵⁶

C. France

1. Development

Before the French Revolution, trademark usage was largely informal, with no standardized legal framework for protection. However, the importance of distinctive marks in commerce was well recognized. Design protection has existed in France since the 15th century when the French King granted exclusive rights for the "fabrication of textiles." ⁵⁷ The French have been protective

⁵⁵ Made in Italy, FITCHBURG STATE, https://www.fitchburgstate.edu/resources/our-community/center-italian-culture/made-italy (last visited Apr. 28, 2025). See also Made in Italy, ITPI, http://www.madeinitaly.org/index_en.php (last visited Apr. 28, 2025) (describing the "Made in Italy" label and the certification process that is required in order to have a "Made in Italy" certification issued).

⁵⁶ CODICE DELLA PROPRIETÀ INDUSTRIALE, a norma dell'articolo 15 della legge Dec. 12, 2002, n.273 (It.).

⁵⁷ Judyta Kasperkiewicz, *Fashion Design Protection in European Union: Unregistered Community Design*, FORDHAM INTELL. PROP, MEDIA, & ENT. L. J. (Feb. 22, 2017), http://www.fordhamiplj.org/2017/02/22/fashion-design-protection-european-union-unregistered-community-design/.

of fashion since the reign of King Louis XIV.⁵⁸ King Louis XIV supported laws that protected the local textile industry and restricted the importation of foreign textiles.⁵⁹

The Decree of the National Convention of July 19, 1793, codified design protection in French law. ⁶⁰ France further refined these laws by adding the Special Design Laws of 1806 and 1901, which provide French designers with significant levels of protection. ⁶¹ Notably, in 1857, France established the "Manufacture and Goods Mark Act." ⁶² This law allowed for the registration

 $https://www.wipo.int/wipo_magazine/en/2018/04/article_0006.html\#: \sim :text=Design\%2D specific \%20 protection\%20 was\%20 confirmed, with\%20 significant\%20 levels\%20 of\%20 protection.$

⁵⁸ Valerie Steele, *The History and Significance of Haute Couture*, L'OFFICIEL (July 24, 2019), https://www.lofficielusa.com/fashion/history-of-haute-couture-2019.

⁵⁹ *Id*.

⁶⁰ French Literary and Artistic Property Act, Paris (1793), COPYRIGHTHISTORY, https://www.copyrighthistory.org/cam/tools/request/showRecord.php?id=record_f_1793 (last visited Apr. 28, 2025).

⁶¹ John Zarocostas, *The Role of IP Rights in the Fashion Business: A U.S. Perspective*, WORLD INTELL. PROP. ORG. MAGAZINE (Aug. 3, 2018),

⁶² Olivier Pierre, International Trademark Systems Talks: Transcript of Episode 5, WORLD INTELL. PROP. ORG. (2023),

https://www.wipo.int/en/web/podcasts/madrid/transcripts/international_trademark_system_talk _05#:~:text=On%20June%2023%2C%201857%20France,examination%20based%20trademark % 20registration%20systems.

of trademarks and provided legal protection against infringement. It marked the beginning of a formalized trademark system in France, essential for the burgeoning fashion industry.

Additionally, France was a founding member of the Paris Convention for the Protection of Industrial Property, which established international standards for trademark protection in 1883.⁶³ This international agreement facilitated the global protection of French fashion brands. Subsequently, a significant update to French trademark law occurred in 1909, further refining the registration process and enforcement mechanisms.⁶⁴

2. Legal Framework

Today, the French Intellectual Property Code protects "the creation of the seasonal industries of dress and articles." This code states that to register a trademark, the design must be distinctive, lawful, and available. More specifically, this law affords protection to the "appearance a product, or part of a product, characterized in particular by its lines, contours, colors, shape, texture, or materials" so long as it is "new and has its own character."

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⁶³ Paris Convention for the Protection of Industrial Property, WORLD INTELL. PROP. ORG., https://www.wipo.int/treaties/en/ip/paris/ (last visited Apr. 28, 2025).

⁶⁴ Law of March 17, 1909 relating to the sale and pledge of businesses, RÉPUBLIQUE FRANÇAISE (Aug. 8, 2015), https://www.legifrance.gouv.fr/loda/id/LEGISCTA000006092480.

⁶⁵ Francesca Montalvo Witzburg, *Protecting Fashion: A Comparative Analysis of Fashion Design Protection in the US. and Europe*, CARDOZO ARTS & ENT. L.J. (Sept. 19, 2014), https://larc.cardozo.yu.edu/cgi/viewcontent.cgi?article=1050&context=aelj-blog.

⁶⁶ CODE DE LA PROPRIETE INTELLEECTUELLE, art. 711-2, 3 (Fr.).

⁶⁷ CODE DE LA PROPRIETE INTELLEECTUELLE, art. 511-1, 522-2 (Fr.).

The Law of 1991 was enacted to align French trademark law with the European Trademark Directive (89/104/EEC).⁶⁸ It introduced important changes, such as the definition of what constitutes a trademark, the grounds for refusal, and the rights conferred by a trademark.

In 1992, the French Intellectual Property Code was established, consolidating all IP laws, including trademark laws, into a single comprehensive code.⁶⁹ France has continued to update its trademark laws to comply with the latest European Union Trademark Regulation (2017/1001)⁷⁰ and the Trademark Directive (2015/2436).⁷¹ Once again, these laws provide a unified system for trademarks across the European Union.

⁶⁸ Alain Berthet, et al. *France: Trademark Procedures and Strategies*, WORLD TRADEMARK REVIEW (Oct. 21, 2022), https://www.worldtrademarkreview.com/guide/the-wtr-yearbook/2022/article/france#:~:text=French%20trademarks%20are%20governed%20mainly,20 04%2F48%2FEC.

⁶⁹ Law No. 92-597 of July 1, 1992, WORLD INTELL. PROP. ORG.,
https://www.wipo.int/wipolex/en/legislation/details/12766 (last visited Apr. 28, 2025).

70 Claude-Étienne Armingaud, *Implementation of the EU "Trademark Package" In France*,
K&L GATES (June 3, 2019), https://www.klgates.com/Implementation-of-the-EU-TrademarkPackage-in-France-05-31-2019. *See also* Regulation (EU) 2017/1001 of the European Parliament
and of the Council of 14 June 2017 on the European Union Trade Mark, O.J. (L 154 1, EU).

71 Directive No. 2015/2436 of the European Parliament and of the Council of 16 December 2015
to Approximate the Laws of the Member States Relating to Trade Marks, O.J. (L 336) 1, 1-2
(EU).

III. REGISTRATION PROCESS

The United States requires "use in commerce" to register a trademark, whereas the European Union uses the "first to file" system.⁷² In the United States, trademark rights are generally acquired through actual use of the mark in commerce, emphasizing the importance of demonstrating that the mark is actively used in connection with goods or services. In contrast, the European Union's system grants trademark rights to the first party to file an application, regardless of whether the mark has been used in commerce.⁷³ This fundamental difference highlights the United States' focus on consumer recognition versus the European Union's emphasis on the priority of registration.

A. United States

To register a federal trademark in the United States, the trademark must be distinctive of the goods or services, non-functional, and used in commerce.⁷⁴ Federal registration is not required to establish a valid trademark, but it provides additional rights to owners.⁷⁵ Federal registration lasts ten years, and the trademark is perpetually renewable as long as the mark is distinctive and

⁷² Igor Demcak, *4 Differences Between Trademark Registration in the US and the EU*, LEXOLOGY (Mar. 22, 2023), https://www.lexology.com/library/detail.aspx?g=74731da8-0f4f-45c9-9c33-9bcec5e65024.

⁷³ *Id*.

⁷⁴ 15 U.S.C. § 1127.

⁷⁵ USPTO, *supra* note 28.

continues to be used in commerce.⁷⁶ A registration certificate issued on the Principal Register⁷⁷ is prima facie evidence of its validity, ownership, and the registrant's exclusive rights to the mark in association with the identified goods or services.⁷⁸

First, registration of the mark on the Principal Register confers on the registrant nationwide priority in the mark as of the date of the application, except for other pre-existing common law users. ⁷⁹ Second, once a trademark is registered on the Principal Register, it becomes incontestable after five years. ⁸⁰ The means by which an opposing party can attack the validity of a registration are limited once that registration obtains incontestable status. ⁸¹ Incontestable status for a trademark acts as a shield for that trademark. For example, a registration with incontestable status cannot be invalidated on the basis that the protected mark is descriptive. Instead, incontestable registrations may only be challenged on the grounds that they are generic, functional, or were fraudulently

⁷⁶ USPTO, *supra* note 29.

⁷⁷ But see 15 U.S.C. §§ 1091-1096. The Supplemental Register allows mark holders to register a mark that may not be eligible for registration on the Principal Register, particularly when a mark, namely those marks considered to be "descriptive," where the mark is used in interstate commerce, can potentially identify goods and/or services with a particular source, and/or has not yet acquired distinctiveness at the time of registration.

⁷⁸ 15 U.S. Code § 1057(b).

⁷⁹ 15 U.S. Code § 1057(c).

⁸⁰ 15 U.S. Code § 1065.

⁸¹ Park 'N Fly, Inc. v. Dollar Park & Fly, Inc., 469 U.S. 189 (1985).

obtained.⁸² Third, registration on the Principal Register also provides statutory damages against counterfeiters,⁸³ and owners of such marks enjoy the right to request customs officials to bar the importation of goods bearing infringing trademarks under the Lanham Act.⁸⁴

There are three primary bases on which applicants can file a trademark application. First is a use-based application, which may be filed if the applicant is using the mark in United States commerce at the time the application is filed.⁸⁵ Second is an intent-to-use application, which may be filed if the applicant has a bona fide intent to use the mark in commerce in the United States; however, the mark will not be registered until the applicant proves use.⁸⁶ An intent-to-use application may be filed by any applicant, including a foreign applicant, so long as they have a bona fide intention to use the mark in commerce.⁸⁷ The third basis for registration is an international application filed pursuant to the Madrid Protocol administered by the World Intellectual Property Organization.⁸⁸ This registration process allows an applicant to file one

https://www.wipo.int/madrid/en/members/ (last visited Apr. 28, 2025).

⁸² *Id*.

⁸³ 15 U.S.C. § 1117.

^{84 19} U.S.C. § 1595a (c)(2)(C).

⁸⁵ 15 U.S.C. § 1051(a).

⁸⁶ 15 U.S.C. § 1051(b).

⁸⁷ 15 U.S.C. § 1126.

⁸⁸ Members of the Madrid Union, WORLD INTELL. PROP. ORG.,

application to register their trademark in multiple countries, including the United States, France, and Italy.⁸⁹

B. France

"French trademark law confers no exclusive right to the owner of an unregistered mark." Code de la Propriete Intellectuelle states that to register a trademark, the design must be distinctive, lawful, and available. As a member of the Madrid Protocol, France is designated for the extension of an international trademark registration under the Madrid System.

C. Italy

Registration is not mandatory to obtain trademark rights, as extensive prior use of a trademark can be recognized.⁹³ Trademark registration is valid for ten years and may be renewed indefinitely in ten-year increments.⁹⁴ Italian law has three requirements to register a trademark:

https://www.wipo.int/treaties/en/docs/pdf/madrid marks.pdf (last visited Apr. 28, 2025).

⁸⁹ Madrid Agreement Concerning the International Registration of Marks and Protocol Relating to the Madrid Agreement, WORLD INTELL. PROP. ORG.,

⁹⁰ Berthet, *supra* note 68.

 $^{^{91}}$ Code de la Propriete Intelleectuelle, art. 711-2,3 (Fr.).

⁹² WORLD INTELL. PROP. ORG., *supra* note 89.

⁹³ *Trademarks*, UFFICIO BREVETTI, https://ufficiobrevetti.it/en/trademarks/#unregistered_marks (last visited Apr. 28, 2025).

⁹⁴ Ministry of Enterprises and Made In Italy, *Trade Marks and Community Design Protection*, GOVERNO ITALIANO (Oct. 18, 2023), https://uibm.mise.gov.it/index.php/en/202-news-english/2036588-trade-marks-and-community-design-protection.

novelty, distinctive function, and lawfulness.⁹⁵ An applicant can file locally with Ufficio Italiano Brevetti e Marchi (UIBM)⁹⁶ or with the European Union Trademarks (EUTM),⁹⁷ which grants protection throughout the whole European Union. Since Italy is a member of the Madrid Protocol, extension of an international registration of a trademark via the Madrid System is possible for this country.⁹⁸

D. European Union

European Union trademark registration may be granted through a single procedure and confers protection in all European Union member states, including France and Italy, as a whole and indivisibly. Registration is handled by the European Union Intellectual Property Office (EUIPO), and no actions before national industrial property offices are necessary. In applicant prefers; however, the applicant may pursue individual nationalized applications in each EU country. The EU trademark system coexists with European Union member states' national

⁹⁵ CODICE DELLA PROPRIETÀ INDUSTRIALE, a norma dell'articolo 15 della legge Dec. 12, 2002, n.
273 (It.).

⁹⁶ Ministry of Enterprises and Made In Italy, *supra* note 94.

⁹⁷ Why a European Union Trademark?, EUIPO, https://www.euipo.europa.eu/en/the-office/help-centre/tm/faq-basic-questions# (last visited Apr. 28, 2025).

⁹⁸ WORLD INTELL. PROP. ORG., supra note 89.

⁹⁹ *Trade Mark Protection in the EU*, EUROPEAN COMMISSION, https://single-market-economy.ec.europa.eu/industry/strategy/intellectual-property/trade-mark-protection-eu_en (last visited Apr. 28, 20205).

¹⁰⁰ *Id*.

registration systems. This means that earlier national trademarks filed in individual European Union countries can take precedence over subsequent trademarks filed within the international European Union registration system and vice versa.¹⁰¹

IV. SCOPE OF UNITED STATES TRADEMARK PROTECTIONS OR LACK OF

The difference between European Union and United States laws governing protection of fashion designs may be due to Europe's reputation as a fashion hub and the home of several haute couture fashion houses. Laws in the United States are more based on the utilitarian perspective than on the European natural rights perspective.¹⁰²

The United States does not have comprehensive intellectual property laws specifically aimed at fashion brands. States, such as New York, have tried to pass legislation that ensures more rights to designers but have not yet been successful. Even if successful, these laws would be limited to the state where the owner registers its trademark, not necessarily the entire United States.

https://www.nysenate.gov/legislation/bills/2023/S4746/amendment/B (last visited Apr. 28, 2025); See also *S.4213 – FABRIC Act*, CONGRESS.GOV, https://www.congress.gov/bill/117th-congress/senate-bill/4213 (last visited Apr. 28, 2025).

¹⁰¹ European Trademark, UFFICIO BREVETTI, https://ufficiobrevetti.it/en/trademarks/european-trademark/ (last visited Apr. 28, 2025).

¹⁰² Margaret E. Wade, Comment, *The Sartorial Dilemma of Knockoffs: Protecting Moral Rights* without Disturbing the Fashion Dynamic, 390 MINN L. REV. 336, 354 (2011).

¹⁰³ Senate Bill S4746B, The New York State Senate,

A. Acquired Distinctiveness

As described above, one of the requirements of United States trademark law is that the mark at issue must be distinctive. Thus, to obtain trademark protection in the United States, designers and fashion houses must select trademarks that satisfy this distinctiveness requirement. A trademark can be either inherently distinctive or may acquire distinctiveness. Using the *Abercrombie* distinctiveness scale discussed above, a trademark that is arbitrary, fanciful, or suggestive is inherently distinctive. Descriptive marks are not inherently distinctive and can only satisfy trademark law's distinctiveness requirement upon the showing of acquired distinctiveness. Acquired distinctiveness may be demonstrated by showing that the consuming public associates the mark with a producer of goods or services. 104 Acquired distinctiveness means that consumers can recognize and identify the trademark's source, as many of us may be able to recognize the iconic Burberry plaid design and associate it with Burberry; that is secondary meaning. 105

A single color cannot be inherently distinctive but can acquire secondary meaning. ¹⁰⁶ In *Christian Louboutin S.A. v. Yves Saint Laurent Am. Holdings, Inc.*, ¹⁰⁷ the court found that Louboutin's red sole has acquired secondary meaning and is therefore a valid and enforceable trademark. The court reasoned that the red sole was used consistently and prominently by Christian Louboutin to the point that the red sole has become a symbol, "the primary significance" of which

¹⁰⁴ Wal-Mart Stores, Inc. v. Samara Bros., Inc., 529 U.S. 205, 210–11 (2000).

¹⁰⁵ See U.S. Trademark Reg. No. 3,529,814.

¹⁰⁶ See Qualitex Co. v. Jacobson Products Co., 514 U.S. 159 (1995).

¹⁰⁷ 696 F.3d 206 (2d Cir. 2012).

is to "identify the source of the product rather than the product itself." The court further reasoned that the symbol has gained secondary meaning because consumers uniquely associate the red sole with Christian Louboutin. The court ultimately held that the lacquered red sole has secondary meaning when it is applied to a shoe with a different colored upper area. Louboutin's trademark rights, however, did not extend to a monochromatic shoe, meaning a red sole with a red upper area.

B. Trade Dress

Trade dress protects "the total image of a product," and it "may include features such as size, shape, color or color combinations, texture, graphics or even particular sales techniques." Because a distinctive appearance has the same effect as a trademark, it also has the same protections under the Lanham Act as an unregistered mark. This broad definition sounds promising for designers that trade dress may be used to protect the entirety of a garment, handbag, or shoe, but there are limitations to the scope of trade dress that may present difficulties for fashion designers in some cases. To prevail in a trade dress infringement action, a plaintiff must show three elements: (1) distinctiveness; (2) non-functionality; and (3) a likelihood of confusion. Regarding

¹⁰⁸ *Id.* at 216. (citing Inwood Laboratories v. Ives Laboratories, 456 U.S. 844, 851 n. 11 (1982)).

¹⁰⁹ John H. Harland Co. v. Clarke Checks, Inc., 711 F.2d 966, 980 (11th Cir. 1983).

¹¹⁰ Fun-Damental Too, Ltd. v. Gemmy Indus. Corp., 111 F.3d 993, 999 (2d Cir. 1997) ("The statutory protection of unregistered trademarks extends to trade dress.") (citing 15 U.S.C. § 1125 and Two Pesos, Inc. v. Taco Cabana, Inc., 505 U.S. 763, 773 (1992)).

¹¹¹ Two Pesos, 505 U.S. at 764.

distinctiveness, garments can never be inherently distinctive and must develop secondary meaning, as discussed above, to qualify for trade dress protection.¹¹²

The "functionality" of a mark can be demonstrated by, *inter alia*, showing that the mark has either traditional "utilitarian" functionality or "aesthetic" functionality.¹¹³ If the mark is either utilitarianly functional or aesthetically functional, it cannot serve as a trademark.¹¹⁴ Aesthetic functionality is particularly relevant in the context of fashion design, where the elements that fashion firms seek to protect often provide no utilitarian benefit but instead confer a competitive advantage in the marketplace.¹¹⁵ The Supreme Court has stated that "the ultimate test of aesthetic functionality . . . is whether the recognition of trademark rights would significantly hinder competition."¹¹⁶ Thus, to determine if a mark is functional, courts will consider if (1) the design feature is "essential to the use or purpose of the article;" and (2) "it affects the cost or quality."¹¹⁷ If the answer is affirmative to either one of the first two prongs, then the design feature is utilitarian and ineligible for trademark protection.¹¹⁸ If the design feature is not deemed to be utilitarianly

¹¹² Wal-Mart Stores v. Samara Brothers, 529 U.S. 205 (2000).

¹¹³ New Colt Holding Corp. v. RJG Holdings of Fla., Inc., 312 F. Supp. 2d 195, 212 (D. Conn. 2004).

¹¹⁴ Qualitex, 514 U.S. at 165.

¹¹⁵ Brunswick Corp. v. British Seagull Ltd., 35 F.3d 1527, 1531 (Fed. Cir. 1994), cert. denied,514 U.S. 1050 (1995).

¹¹⁶ Qualitex, 514 U.S. at 170 (quotations removed).

¹¹⁷ Inwood Laboratories v. Ives Laboratories, 456 U.S. 844, 850 (1982).

¹¹⁸ TrafFix Devices, Inc. v. Marketing Displays, Inc., 532 U.S. 23, 33 (2001).

functional, then the court will consider one last prong: (3) whether the recognition of trademark rights in an aesthetic design feature would significantly hinder competition. A mark may be functional if giving the mark holder exclusive rights "would put competitors at a significant non-reputation-related disadvantage." This remains true even if there is "no indication that [the mark has] any bearing on the use or purpose of the product or its cost or quality." Therefore, if the design feature does hinder competition, it is aesthetically functional and cannot be awarded trademark protection.

Lastly, to determine likelihood of confusion, courts frequently use a multifactor test. The court will look at factors such as the "strength of the plaintiff's mark, the degree of similarity between the two marks, the proximity of the products, the likelihood that the prior owner will

¹¹⁹ Christian Louboutin S.A. v. Yves Saint Laurent Am. Holdings, Inc., 696 F.3d 206, 219 (2d Cir. 2012).

¹²⁰ Qualitex, 514 U.S. at 165.

¹²¹ TrafFix, *532 U.S. at 33; see* Landscape Forms, Inc. v. Colum. Cascade Co., 70 F.3d 251, 253 (2d Cir. 1995).

¹²² See Yurman Design, Inc. v. PAJ, Inc., 262 F.3d 101, 116 (2d Cir. 2001) (confirming, five months after the *TrafFix* decision, that a putative design trademark is "aesthetic[ally] functional[]," and therefore barred from trademark protection, if granting "the right to use [the mark] exclusively 'would put competitors at a significant non-reputation related disadvantage" (quoting TrafFix, 532 U.S. at 32)).

bridge the gap, [evidence of] actual confusion, . . . defendant's good faith in adopting its own mark, the quality of defendant's product or service, and the sophistication of buyers."¹²³

The district court in *Christian Louboutin S.A. v. Yves Saint Laurent Am. Holdings, Inc.* held that the single-color sole could not be an enforceable trademark based on the aesthetic functionality doctrine. The court of appeals reversed this holding and further discussed the doctrine of aesthetic functionality. The court of appeals reasoned that courts must weigh the "competitive benefits of protecting the source-identifying aspects of a mark against the competitive costs of precluding competitors from using that feature." Courts also have the difficult task to distinguish the feature's successful source indication from the feature's aesthetic function, if any. The court reasoned that this analysis is highly fact-specific and other courts must avoid jumping to the conclusion that an aesthetic feature is functional merely because it denotes the product's desirable source. The court did not analyze the doctrine of aesthetic functionality because Yves Saint Laurent's shoe did not ultimately infringe upon Christian Louboutin's mark. Ultimately, the court reversed the district court's conclusion that a single color can never serve as a trademark because the district court incorrectly applied the aesthetic functionality doctrine.

¹²³ Polaroid Co. v. Polarad Elecs. Co., 287 F.2d 492, 495 (2d Cir. 1961).

¹²⁴ Christian Louboutin S.A. v. Yves Saint Laurent Am., Inc., 778 F. Supp. 2d 445 (S.D.N.Y.

^{2011),} aff'd in part, rev'd in part and remanded sub nom. Christian Louboutin S.A. v. Yves Saint Laurent Am. Holdings, Inc., 696 F.3d 206 (2d Cir. 2012).

¹²⁵ Christian Louboutin S.A. v. Yves Saint Laurent Am. Holdings, Inc., 696 F.3d 206 (2d Cir. 2012).

¹²⁶ Id. at 222 (quoting Fabrication Enters., Inc. v. Hygenic Corp., 64 F.3d 53 (2d Cir. 1995)).

C. Copy-Cats

As described above, fast fashion brands often copy haute couture and other ready to wear looks. This is possible because trademark law can have difficulties guarding against "copy-cat" designers who copy a design.¹²⁷ Under trademark law, only the trademark itself is protected, and a designer's ability to protect an entire product design under trademark law is difficult. Therefore, as long as the copy-cat does not use the source identifying features of another designer, the copy-cat can essentially duplicate every other aspect of the clothing, purse, or shoe design.¹²⁸

A Bridge Brand that is notorious for this is Steve Madden. A quick Internet search of "Steve Madden lawsuit" will bring up dozens of articles discussing various brands suing Steve Madden. Steve Madden is infamous for copying fashion firm's designers, such as Balenciaga, Cult Gia, and Hermès, as well as other mass market brands such as Ugg, Sketchers, and AllBirds. Some brands are seeking legal action against Steve Madden, but have been largely unsuccessful due to

¹²⁷ Robert E. Pfeffer, *Who's Fooling Whom: An Economic Analysis of Expressive Trademark Use*, 6 Wake Forest Intell. Prop. L. J. 69, 76 (2006).

¹²⁸ Brandon Scruggs, Comment, *Should Fashion Design Be Copyrightable?*, 6 Nw. J. of Tech. AND INTELL. Prop. 122, 133 (2007).

¹²⁹ Balenciaga v. Steven Madden Ltd. et al., U.S. District Court, Southern District of New York, No. 14-03627 (S.D.N.U. May 20, 2014); Steven Madden, Ltd. v. Jasmin Larian, LLC, No. 18 Civ. 2043 (S.D.N.Y. Jan. 22, 2019); Deckers Outdoor Corp. v. Steven Madden Ltd. et al., No. 2:22-cv-05722, (C.D. Cal. Jan. 30, 2023); Skechers U.S.A. Inc v. Steven Madden Ltd. et al., No. 2:23-cv-04869, (C.D. Cal. June 20, 2023); Allbirds, Inc. v. Steve Madden, Ltd., 5:17-cv-07067, (N.D. Cal. Mar. 1, 2018).

trademark law's difficulty in protecting an entire product design. For example, in 2019, Yves Saint Laurent ("YSL") sued Steve Madden for trade dress infringement.¹³⁰ YSL alleged that Steve Madden's "Sicily flat" violated YSL's trade dress rights for the high-heeled Tribute sandal. YSL asserted three trade dresses: (1) the toe-bed design of the Tribute sandal; (2) the overall design of the high-heeled Tribute sandal; and (3) the overall design of the Tribute flat sandal.¹³¹ The court ultimately dismissed YSL's trade dress infringement claims and both parties jointly filed to dismiss the remaining causes of action in the case, settling out of court.¹³² This is one of the many cases that end this way because it is difficult for designers to protect their entire design.

D. Counterfeiters

Counterfeiters are different than copy-cats in the sense they do attempt to use the designer's protected logo and pass the counterfeit product off as the real thing. A counterfeit product is when a designer replicates an authentic product and attempts to sell it as if it were authentic.¹³³ Counterfeits appear to be identical to the authentic product by featuring a brand's label, trademark, or trade dress.¹³⁴ It is nearly impossible to quantify the impact of the counterfeit market due to limited data, but it is estimated that the cost of counterfeiting on the United States economy is

¹³⁰ Steven Madden, Ltd. v. Yves Saint Laurent, No. 18-CV-7592 (VEC), at 12 (S.D.N.Y. May. 8, 2019).

¹³¹ *Id.* at *2.

¹³² *Id.* at *10.

About Counterfeiting, INTERNATIONAL ANTICOUNTERFEITING COALITION,
 https://www.iacc.org/resources/about/what-is-counterfeiting (last visited Apr. 28, 2025).
 134 Id.

around \$29 billion a year.¹³⁵ Canal Street in New York City, New York, is notorious for its numerous street merchants selling counterfeit goods.¹³⁶ On the street, merchants sell anything from "Louis Vuitton" purses to "Chanel" sunglasses, and anything in between, all laid out on a towel on the street. These merchants take over the public sidewalks to draw vulnerable tourists in. These merchants are seldom caught, fined, or prosecuted due to their ability to evade police and move locations in a blink of an eye. The New York Police Department, however, was able to seize over \$10 million in high-end counterfeit goods in 2022.¹³⁷

To combat these counterfeiters, trademark owners frequently target third parties who facilitate and profit from the infringement, particularly when these parties are more readily identifiable than the counterfeiters themselves. For example, 375 Canal LLC, leased a property on Canal Street that was subsequently rented to a merchant selling counterfeit goods and using the property as a storage space. Specifically, the merchant was selling faux Omega watches. The

¹³⁵ Vera Bharadwaj, et al., *U.S. Intellectual Property and Counterfeit Goods – Landscape Review of Existing/Emerging Research*, LIBRARY OF CONGRESS (Feb. 2020)

https://www.uspto.gov/sites/default/files/documents/USPTO-Counterfeit.pdf.

¹³⁶ Eyewitness News, *Police seize \$35M in counterfeit goods, arrest 18 in Lower Manhattan*, ABC7NY.COM (Sept. 13, 2023) https://abc7ny.com/nyc-crime-lower-manhattan-counterfeit-goods-bust/13779776/.

¹³⁷ Haley Brown & Craig McCarthy, *More than \$10M in 'high-end' knock-offs seized in Lower Manhattan*, NYPOST.COM (Nov. 28, 2022) https://nypost.com/2022/11/28/more-than-10m-in-high-end-knock-offs-seized-in-lower-manhattan/.

¹³⁸ Omega SA v. 375 Canal LLC, No. 12 Civ. 6979 (PAC), at *1 (S.D.N.Y. Jun. 12, 2019). ¹³⁹ *Id*.

Court ultimately found the landlord liable for contributory trademark infringement of four of Omega's registered trademarks at a specified location, 375 Canal Street. 140 The court reasoned that the landlord failed to take remedial steps to prevent trademark infringement after it knew or had reason to know that counterfeit goods were being sold at its property. 141 Further, Omega was granted a permanent injunction against the landlord and its affiliates, prohibiting 375 Canal LLC from allowing the premises at 375 Canal Street to be used to promote the sale of merchandise that infringes Omega's trademarks. 142 The sale of counterfeit goods poses an economic threat to fashion designers themselves, as well as resellers and the secondhand luxury goods market.

E. Resellers

As fashion re-sale becomes more prominent, brands must be weary of how third parties use their trademarks as there is a delicate balance between permitted resale of genuine products and protection of a brand's intellectual property. Around 30 percent of Gen-Z consumers purchase Ready-to-Wear pieces from major fashion firms second hand. For most younger generations, second-hand retail is an accessible way to engage with higher-priced items that may be out of reach

¹⁴⁰ *Id*.

¹⁴¹ *Id.* at *2.

¹⁴² *Id*.

¹⁴³ Nidhi Pandurangi, *Gen Z isn't letting the economy stop them from living their most luxurious lives. They're just buying stuff secondhand instead.*, BUSINESS INSIDER (Apr. 12, 2023) https://www.businessinsider.com/gen-z-secondhand-shopping-luxury-high-end-preloved-items-report-2023-4.

at full price.¹⁴⁴ Platforms such as The RealReal, Rebag, and ThredUp have processes to determine an item's authenticity before relling it.¹⁴⁵ Resellers must ensure authenticity before reselling a product with a trademark to ensure compliance with the First Sale Doctrine.¹⁴⁶ The First Sale Doctrine provides that once a genuine product has been sold, the purchaser may resell the product without recourse from the intellectual property owner.¹⁴⁷ Resale, however, is not lawful if the goods are not genuine or are materially different from the goods that were originally authorized for sale by the trademark owner.¹⁴⁸ A reseller must also avoid misleading consumers into believing the brand is endorsing, sponsoring, or affiliated with the reseller.¹⁴⁹

Chanel, a major fashion firm, sought legal action against What Goes Around Comes Around ("WGACA"). WGACA is a fashion resale platform that was accused of selling

¹⁴⁴ Laurel Deppen, *Legal Fight Between Chanel and What Goes Around Comes Around Continues*, FASHION DIVE (Jan. 8, 2024) https://www.fashiondive.com/news/chanel-what-goes-around-comes-around-lawsuit/703933/.

¹⁴⁵ *Id*.

¹⁴⁶ First Sale Doctrine Limitations: Key Trademark Law Considerations for Businesses, GRSM (Jan. 2025), https://www.grsm.com/insight/first-sale-doctrine-limitations-key-trademark-law-considerations-for-businesses/,

¹⁴⁷ Coty Inc. v. Cosmopolitan Cosms. Inc., 432 F. Supp. 3d 345, 349 (S.D.N.Y. 2020).

¹⁴⁸ Zino Davidoff SA v. CVS Corp., 571 F.3d 238, 243 (2d Cir. 2009).

¹⁴⁹ Laatz v. Zazzle, Inc., 682 F. Supp. 3d 791, 815 (N.D. Cal. 2023).

¹⁵⁰ Chanel, Inc. v. WGACA, LLC, No. 18 Civ. 2253 (LLS), 2022 WL 902931, at *1 (S.D.N.Y. Mar. 28, 2022).

counterfeit Chanel products that were never authorized for sale by Chanel despite its claim online that the products it sold were "guaranteed authentic." Chanel also accused WGACA of misleading consumers into believing a formal relationship between Chanel and WGACA existed based on WGACA's use of Chanel's marketing materials including images of Chanel products, trademarks, and specifically the use of the hashtag "#WGACACHANEL." The court granted Chanel's motion for summary judgment on its trademark infringement claim. Chanel's success in this case ensured its resale products are authentic to uphold its reputation. The ruling in Chanel may cause resellers to become more conscious of their advertising and re-examine their authentication process and claims.

F. Recordation System

Owners of a trademark registered on the Principal Register can further register the trademark with U.S. Customs and Border Protection. "U.S. Customs and Border Protection (CBP) has the authority to detain, seize, forfeit, and ultimately destroy merchandise seeking entry into the United States if it bears an infringing trademark."¹⁵⁵

¹⁵¹ *Id.* at *2.

¹⁵² *Id.* at *3-4.

¹⁵³ *Id.* at *20.

¹⁵⁴ *Id.* at 19.

¹⁵⁵ Help CBP Protect Intellectual Property Rights, U.S. CUSTOMS AND BORDER PROTECTION, https://www.cbp.gov/trade/priority-issues/ipr/protection (last visited Apr. 28, 2025).

V. WHY BRANDS SHOULD SEEK ADDITIONAL PROTECTION IN EUROPE

Despite recognizing the economic importance of the clothing industry, the United States federal judiciary has long displayed a dismissive attitude toward protecting fashion. Fashion refers to "the prevailing style (as in dress) during a particular time," while clothing means "items . . . designed to be worn to cover the body." The United States judiciary and legislature often protect "clothing" as it concerns a utilitarian issue; whereas it is more dismissive of "fashion" because it is an aesthetic issue. Early United States judges and lawmakers looked down on fashion and concluded that it was not worthy of expansive intellectual property protections as it did not contribute substantively to society.

European governments, especially those in France and Italy, display the opposite attitude. Being home to Paris and Milan, two major fashion capitals, the European Union has instilled a pride in fashion within its culture and laws. European nations have provided comprehensive and robust design protection for its' brands and designers since the inception of the fashion industry. A designer has more legal rights when they register their trademark in the European Union because

(July 3, 2013) (manuscript at 1), https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2286898.

¹⁵⁶ Charles E. Colman, Fashion, Sexism, and the United States Federal Judiciary,

¹⁵⁷ Fashion, MERRIAM-WEBSTER, https://www.merriam-webster.com/dictionary/fashion (last visited Apr. 28, 2025).

¹⁵⁸ Clothing, MERRIAM-WEBSTER, https://www.merriam-webster.com/dictionary/clothing (last visited Apr. 28, 2025).

¹⁵⁹ Colman, *supra* note 156, at 3.

¹⁶⁰ Supra Section II.

the European Union provides designers substantive rights in their designs and a unified trademark system that grants protection in all twenty-seven member states, ensuring broader and more consistent enforcement across the region. Designers in the European Union have additional protections afforded to their design even if the design is not a registered trademark. The European Union has solidified and expanded the rights available to designs and their creators, something the United States has not done yet.

A. Register First Based System

The EU operates a first-to-file registration system for trademarks, meaning that the first person to file a trademark application has rights regardless of whether they used the trademark in commerce, as is required in the United States. Therefore, there is a risk that a fashion design or brand name launched in one region could be recorded as a registered right by a third party in another.

For example, in 1992, Spain hosted the Olympics. Nike, Inc. was supposed to sponsor the United States Olympic track-and-field team, which included plastering Nike's logo on clothing and shoes. However, a Spanish attorney named Juan Amigo Freixas registered Nike's logo with the Spanish trademark office sixty years ago because the law permits anyone to register or renew a trademark simply by paying a fee.¹⁶³ Amigo Freixas prohibited the American athletes from

¹⁶² Ryan Williams, *Trademarks: First-to-File vs First-to-Use*, MARQVISION (Oct. 12, 2023) https://www.marqvision.com/blog/trademarks-first-to-file-vs-first-to-use.

https://www.tampabay.com/archive/1992/06/17/nike-in-spanish-means-trouble/.

¹⁶¹ Kasperkiewicz, *supra* note 57.

¹⁶³ Nike in Spanish Means Trouble, TAMPA BAY TIMES (June 17, 1992),

wearing the Nike name during the Olympic games.¹⁶⁴ At one point, Amigo Freixas asked Nike for \$30 million in exchange for the return of Nike's trademark rights.¹⁶⁵ Spain's highest court of appeals barred Nike from selling or advertising its sports apparel and it was not until 2005 that Nike won its trademark rights back in Spain.¹⁶⁶ This is just one example of a brand being a victim of trademark squatting, as well as losing its trademark rights due to being unaware of a foreign country's laws and regulations.

Supreme Italia, a brand founded in the Italian town of Barletta by Michele Di Pierro and his son, Marcello, completely ripped off the New York City brand, Supreme, by registering the Supreme trademark in Italy and Spain before the United States company could do it. Supreme Italia filed for a trademark in 2015 before Supreme New York was able to. With the registered mark, Supreme Italia was able to sell products almost identical to the original brand's. Supreme Italia operated for many years and completely ripped off the brand to the point that Samsung thought it was collaborating with the New York company but was actually in discussion with the

¹⁶⁴ *Id*.

¹⁶⁵ *Id*.

Nike Wins Back Its Trademark Rights for Apparel in Spain, NIKE, INC., (Mar. 28, 2005),
 https://investors.nike.com/investors/news-events-and-reports/investor-news/investor-news-details/2005/Nike-Wins-Back-Its-Trademark-Rights-For-Apparel-In-Spain/default.aspx.
 Supreme Italia vs Supreme: Piggybacking Another Brand Done Wrong, TFR NEWS (July 9, 2021), https://tfr.news/articles/2021/7/7/supreme-italia-vs-supreme-when-capitalising-on-famous-brand-backfires.

¹⁶⁸ *Id*.

Italian company.¹⁶⁹ The New York company sued the Italian company and lost before.¹⁷⁰ In fact, an Italian judge even ruled in favor of Supreme Italia, saying there wasn't "sufficient confusion between the two brands, nor the actual external similarity of the product," to warrant a criminal offense.¹⁷¹ After settlements fell through in a different court case, a London court found the Italian brand guilty of fraud and liable for \$10 million in damages.¹⁷²

B. European Union Design Directive

In October 2024, The European Union adopted Directive 2024/2823, amending the 1998 Directive 98/71/EC to create a more uniform protection of designs as well as adapt the legal protections to new market technology, making it more accessible and efficient (Design

¹⁷² *Id*.

¹⁶⁹ *Id*.

¹⁷⁰ *Id*.

¹⁷¹ Brad Nash, *The Supreme Italia Saga Ends with Two Jailed Founders and a \$10 Million Lawsuit*, GQ Australia (July 4, 2021) https://www.gq.com.au/style/trends/how-samsung-canget-away-with-collaborating-with-a-knockoff-supreme/news-story/c42e0baeea00073f7322349e7fd95180#:~:text=However%20negotiations%20broke%20down%2C%20and,to%20three%20years%20behind%20bars.

Directive).¹⁷³ Member States are required to comply with the Design Directive by December 9, 2027, at the latest. Importantly, the Design Directive addresses the use of artificial intelligence and 3D printing technologies that have assisted in illegitimate copying of protected designs, and now orders that when these mediums are used for the purpose of reproduction of a design, the trademark right holder must give authorization.¹⁷⁴

Under Article 2(3) of the Design Directive, a design is defined as "the appearance of the whole or a part of a product resulting from the features of, in particular, the lines, contours, colours, shape, texture and/or materials, of the product itself and/or its decoration, including the movement, transition or any other sort of animation of those features."¹⁷⁵ This directive protects both three-dimensional and two-dimensional designs. Additionally, this broad definition protects both aesthetic designs and ornamental or functional designs. Article 7(1) of the Design Directive, however, states that "features of appearance of a product which are solely dictated by its technical

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October 2024 on the Legal Protection of Designs, O.J. (L. 18.11.2024) [hereinafter Design Directive]. See also Preliminary public consultation on the Preliminary Draft Law amending Law 20/2003 of 7 July 2003 on the legal protection of industrial design to transpose Directive (EU) 2024/2823 of the European Parliament and of the Council of 26 October 2024, MINISTERIO DE INDUSTRIA Y TURISMO, https://www.mintur.gob.es/en-us/ParticipacionPublica/Paginas/DetalleParticipacionPublica.aspx?k=705 (last visited Apr. 28, 2025).

¹⁷⁴ Design Directive, *supra* note 173, at p. 3.

¹⁷⁵ *Id.* at Art. 2(3).

function" are not protectable. ¹⁷⁶ This restriction is mirrored in United States' law which prohibits registration of a utilitarianly functional or aesthetically functional trademark. ¹⁷⁷

Article 3 provides that a design shall be protected to the extent that it is new and has individual character.¹⁷⁸ Article 4 defines a design as "new" if "no identical design has been made available to the public before the date of filing of the application."¹⁷⁹ The standard of "individual character" is defined in Article 5 and refers to the overall impression on an informed user from other publicly available designs, and thus, even if a design has not been copied exactly but the informed user's impression is the same, trademark infringement can occur.¹⁸⁰ Individual character can therefore be achieved through a single distinguishable feature such as the shape of a bag or an arrangement of buttons.¹⁸¹

Lastly, Article 22 of the Design Directive clarifies that Member States retain the ability to maintain or introduce other forms of legal protection, such as those concerning trademarks, patents, utility models, or protections under civil liability and unfair competition laws.¹⁸²

¹⁷⁶ *Id.* at Art. 7(1).

¹⁷⁷ Qualitex, 514 U.S. at 165.

¹⁷⁸ Design Directive, supra note 173, at Art. 3.

¹⁷⁹ *Id.* at Art. 4.

¹⁸⁰ *Id.* at Art. 5.

¹⁸¹ Fridolin Fischer, *Design Law in the European Fashion Section*, WIPO MAGAZINE (Feb. 19, 2008), https://www.wipo.int/web/wipo-magazine/articles/design-law-in-the-european-fashion-sector-36083.

¹⁸² Design Directive, *supra* note 173, at Art. 22.

C. European Union Design Regulation

In 2001, the European Union enacted Council Regulation No 6/2002 (Design Regulation), which later went into effect in 2002, this regulation on community designs was created because there were still differences between each Member State's legal protections for designs. The Design Regulation has been recently amended by the Regulation 2024/2822 (the Amendment) to ensure parallel protection across Member States as well as work in tandem with the Design Directive, ensure accessibility by restructuring fees and simplifying the application process, and grant further protection by addressing new technologies, such as artificial intelligence and 3D printing. Regulation introduced two legal protections for design rights across the European Union, without the need for the enactment of additional national laws. The Design Regulation resulted in two types of design rights known as Registered Community Design (RCD) and Unregistered Community Design (UCD). 185

The Design Regulation only protects designs that fulfill the "novelty" standard and the standard of "individual character" which is consistent with the Design Directive but also extended protection to unregistered designs.¹⁸⁶ The Design Regulation offers protection of the appearance

¹⁸³ Council Regulation (EC) No 6/2002 of 12 December 2001 on Community Designs, 2002 O.J.(L 3) 1. [Hereinafter Design Regulation]

Regulation 2024/2822 of the European Parliament and of the Council of 23 October 2024 Amending Council Regulation No 6/2022 on Community Designs and Repealing Commission regulation No 2246/2022, O.J. (L 18.11.2024). [Hereinafter the Amendment]

¹⁸⁵ Design Regulation, *supra* note 183, at at Art. 11 and Art. 12.

¹⁸⁶ *Id.* at Art. 4(1).

of the whole or part of a product, as well as the features, contours, colors, shape, texture, and/or materials of the product itself or its decoration. The Amendment refined this definition to include "the movement, transition or any other sort of animation of those features." 188

When designers are deciding whether to register their design as an RCD or UCD, they consider many factors, such as where they are selling or marketing their designs. When doing business in more than one European country, a designer can protect a design with an RCD. 189 The RCD offers exclusive rights for a designer for up to 25 years and offers an organized and simplified way to apply rather than filing in each individual Member State. 190 The RCD protects against the independent creation of an identical design. 191 The RCD is used for timeless products, such as the Hermès Kelly bag, because it needs longer protection.

Designers will also consider how long they are seeking to protect a design. If a designer only needs protection for a short period of time, they can choose to register the design as an

protection/index_en.htm#:~:text=In%20addition%20to%20the%20design,individual%20characte r%20for%20design%20rights (last visited Apr. 28, 2025).

¹⁸⁷ Kamal Preet, *Why America Needs a European Fashion Police*, 3 J. of Intell. Prop. L. & Prac. 386, 390 (2008).

¹⁸⁸ The Amendment, *supra* note 184, at Art.3(1).

¹⁸⁹ Design Protection, YOUR EUROPE, https://europa.eu/youreurope/business/running-business/intellectual-property/design-

¹⁹⁰ *Id*.

¹⁹¹ *Id*.

UCD.¹⁹² The UCD offers protection for three years and gives fashion designers the right to prevent unauthorized copying of their design throughout the EU.¹⁹³ The UCD is designed to offer protection for short-cycled products, like bags or shoes, which need immediate protection for imitation for a limited period.¹⁹⁴ Article 3 (1) of the Amendment, however, provides that Member States can only protect registered designs at the national level, meaning that unregistered designs will be provided exclusively by the European Union.¹⁹⁵ Further, it is important to note that the Design Regulation provides that unregistered designs will only be protected if they are made public within the territory of the European Union through selling or marketing the product, for example.¹⁹⁶

The Design Regulation provides substantial rights to designers. For example, H&M filed invalidation actions against Yves Saint Laurent ("YSL") alleging that YSL's two RCD handbag

https://www.mewburn.com/law-practice-library/uk-eu-unregistered-designs-the-

basics#:~:text=A%20UCD%20gives%20its%20owner,copying%20is%20design%20right%20inf ringed (last visited Apr. 28, 2025).

https://www.bardehle.com/en/ip-news-knowledge/firm-news/news-detail/the-rcd-is-dead-long-live-the-eu-design (last visited Apr. 28, 2025).

¹⁹² *Id*.

¹⁹³ UK & EU Unregistered Designs – The Basics, MEWBURN ELLIS,

¹⁹⁴ YOUR EUROPE, *supra* note 189.

¹⁹⁵ The RCD is Dead – Long Live the EU Design!, BARDEHLE PAGENBERG,

¹⁹⁶ *Id. See also* Design Regulation, at Art. 11.

designs lacked "individual character" as required by the Design Regulation. ¹⁹⁷ The General Court of the European Union (GC Court) reasoned that even though YSL's handbags were similar to H&M's designs, there were still "significant" differences in the designs, such as shape, structure, and surface finish. ¹⁹⁸ The GC Court upheld that YSL designs "produced an overall impression on the informed user which was different from that produced by the earlier design." ¹⁹⁹ The GC Court determined that the "informed user" of the YSL designs was "an informed woman, who was interested, as a possible user, in handbags." ²⁰⁰ The GC Court then went through a four-part analysis of individual character regarding: (1) the sector to which the product in the design belongs; (2) the informed user of those products in accordance with their purpose and the user's degree of awareness of prior designs and the level of attention in the comparison of the designs; (3) the degree of design freedom in developing the design; and (4) the outcome of the comparison of the designs in issue taking all of the above into consideration. This case shows the broad protections that designs are afforded under this regulation. ²⁰¹

¹⁹⁷ Richard Burton, *Yves Saint Laurent Bags Registered Community Designs*, DYOUNG (Nov. 3, 2015), https://www.dyoung.com/en/knowledgebank/articles/yslrcd.

¹⁹⁸ Pinsent Masons, *Yves Saint Laurent Defeats Claim that Handbag Design Rights Were Invalid Before EU Court* (Sep. 10, 2015), https://www.pinsentmasons.com/out-law/news/yves-saint-laurent-defeats-claim-that-handbag-design-rights-were-invalid-before-eu-court.

¹⁹⁹ *Id*.

²⁰⁰ *Id*.

²⁰¹ Burton, *supra* note 197.

D. Examples of Protected Trademarks

1. Patterns

Pattern marks are defined as a category of European Union trademarks.²⁰² The Commission Implementing Regulation (EU) 2018/626 states that "in the case of a trade mark consisting exclusively of a set of elements which are repeated regularly (pattern mark), the mark shall be represented by submitting a reproduction showing the pattern of repetition. The representation may be accompanied by a description detailing how its elements are repeated regularly."²⁰³

There are many textile patterns successfully registered as trademarks. For example, the famous Burberry check pattern is registered in the European Union.²⁰⁴ Burberry has a registered trademark for "a repeating plaid pattern consisting of a tan background light tan vertical and horizontal lines, black vertical and horizontal lines, white squares, and red vertical and horizontal lines."²⁰⁵ Its distinctiveness rests on the combination of five colors in a characteristic checked

merry/?fbclid=IwAR14KNvLoZCzWBC2zWpslxfL44gGk47OR7zs6RJVni8T3kP7DXNIMZpwHLg.

²⁰² Commission Implementing Regulation (EU) 2018/626 of 5 March 2018 laying down detailed rules for implementing certain provisions of Regulation (EU) 2017/1001 of the European Parliament and of the Council on the European Union trade mark, and repealing Implementing Regulation (EU) 2017/1431, 2018 O.J. (L 104) 42.

²⁰³ *Id*.

²⁰⁴ EUTM 000377580.

²⁰⁵ Beth Short, *Trademark Law Burberry's Verry Merry*, EDEN LAW (Nov. 10, 2023) https://eden-law.com/trademark-law-burberrys-verry-

pattern of stripes. Other checkered patterns are also registered in the European Union, for example, Tommy Hilfiger has a registered trademark²⁰⁶ for its own distinctive checkered pattern for the marking of leatherwear, toys, games, sports, and gymnastic articles, and the Scottish Ministers Acting Through Historic Scotland also registered its own checkered pattern as a trademark.²⁰⁷ Lastly, Louis Vuitton Malletier registered a trademark for its own pattern which was destined for the marking of leather goods, including bags, wallets, purses, umbrellas, clothing, and footwear, among other things.²⁰⁸



²⁰⁶ EUTM 002572568.

²⁰⁷ EUTM 008914061.

²⁰⁸ Agnieszka Skrzypczak, *What a Trademark is Like Everyone Can See . . . but, Is It So Obvious Indeed? Part III*, IP-BLOG.PL (Jan. 14, 2020), https://ip-blog.pl/en/2020/01/what-a-trademark-is-like-everyone-can-see-but-is-it-so-obvious-indeed-part-iii/.

2. Shape

According to Article 3(3)(c) EUTMIR, a shape mark is a trademark consisting of, or extending to, a three-dimensional shape, including containers, packaging, the product itself or its appearance.²⁰⁹ For example, Longchamp, the French fashion house, is the holder of a very large number of European Union trademarks, including the word mark "Le Pliage" as well as registered and non-registered shape marks protecting the characteristics of the famous bag named "*Le Pliage*" (EU Trademark no 013928528).²¹⁰

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²⁰⁹ Guidelines for Examination of European Union Trade Marks, Part B: Examination, Section 9.3.6, Colour Marks, at 195 (EUIPO, 2024).

²¹⁰ The Bird & Bird IP Team, *Round-up of Fashion-Related IP Decisions in 2022*, 18 J. OF INTELL. PROP. L. & PRACTICE 199, 234 (March 2023), https://doi.org/10.1093/jiplp/jpad013.

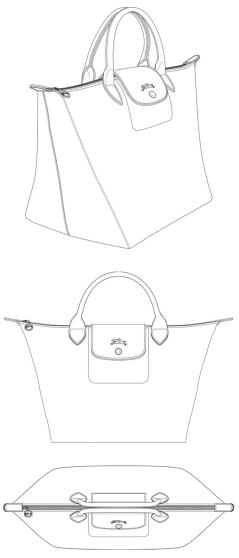


Figure 4

3. Color

"A colour mark is a trademark that consists exclusively of a single colour without contour or a combination of colours without contours. What is protected is the shade of colour(s) and, in

the case of more than one colour, the systematic arrangement of the colors in a predetermined and uniform way[.]"²¹¹

"The Italian Supreme Court reaffirmed that color combinations are capable of constituting a trademark if they are represented in a clear way and are constantly used in the same manner." BasicNet S.p.A.owns a registered European Union trademark for a "colored strip" made of a "rectangular strip consisting of parallel vertical bands of various dimensions, in the following colors: navy blue, orange, yellow, orange and navy blue, in the aforesaid sequence" and an unregistered mark "Colored Strip" that includes part of the sequence of colored stripes covered by its registered trademark (yellow, orange and navy blue). 213

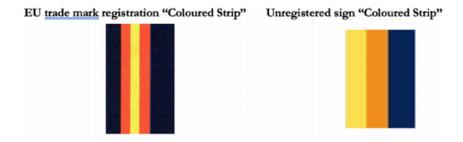


Figure 5

BasicNet sued Armani for selling a blouse that had yellow, red and black stripes that were almost identical to BasicNet's unregistered trademark as well as very similar to its European Union

²¹¹ Guidelines for Examination of European Union Trade Marks, Part B: Examination, Section 9.3.6, Colour Marks, at 195 (EUIPO, 2024).

²¹² The Bird & Bird IP Team, *supra* note 210.

²¹³ Basic Net S.p.A.; Basic Italia S.p.A. v Giorgio Armani S.p.A., decision No. 5491/2022 (Feb. 18 2022).

registered trademark.²¹⁴ In return, Armani sought a declaratory judgment that the registered and unregistered trademark lacked distinctiveness and was therefore invalid. The Italian Supreme Court reiterated that a combination of colors can constitute a trademark "as long as it is graphically represented in a precise way and it is systematically arranged by using the colors concerned in a predetermined and uniform way."²¹⁵ BasicNet was able to prove that the unregistered mark is represented in a clear way and it is constantly used in the same manner. The Italian Supreme Court held that BasicNet's unregistered mark can constitute a trademark; the registered mark was recognizable by consumers, and therefore, the court upheld the protection of the mark.²¹⁶

4. Position

Position marks consist of the specific way in which the mark is placed, appears or is affixed on the product.²¹⁷ "The filing of this type of trademark requires an appropriate identification of the position of the mark and its size or proportion with respect to the relevant goods and a visual disclaimer of those elements which are not intended to form part of the subject-matter of the registration (preferably with broken or dotted lines)."²¹⁸

²¹⁴ *Id*.

²¹⁵ *Id*.

²¹⁶ *Id*.

²¹⁷ Guidelines for Examination of European Union Trade Marks, Part B: Examination, Section 9.3.4, Position Marks, at 2 15 (EUIPO, 2024).

²¹⁸ New Types of Trademarks in the European Union, LEHMANN & FERNANDEZ, https://lehmann-fernandez.com/en/new-types-of-trademarks-in-the-european-union/ (last visited Apr. 28, 2025).

Gucci filed a position mark application in the European Union in 2005 for its famous horsebit emblem that is often affixed on shoes and handbags.²¹⁹ It was subsequently approved one year later with zero pushback.²²⁰



Figure 6

Whereas in the United States, Gucci first applied for the trademark in 2013 and the application for the three-dimensional horsebit emblem was denied.²²¹ The USPTO's denial was based on its assertion that the design was "merely ornamental" or rather just a "decorative element."²²² Gucci responded to the USPTO's refusal with 250 pages of examples that evidenced that the horsebit was more than a decorative element, but rather a source-identifying symbol, which

²²¹ The Horsebit: One of Gucci's Most Enduring Assets, The Fashion Law (June 10, 2019), https://www.thefashionlaw.com/the-horsebit-one-of-gucci-more-heavily-relied-upon-and-fiercely-protected-

trademarks/#:~:text=With%20the%20staying%20power%20of,"USPTO")%20in%202013.

²²² Id. See also Office Action (Official Letter) About Applicant's Trademark Application, USPTO (Aug. 27, 2013, 7:15AM),

https://tsdr.uspto.gov/documentviewer?caseId=sn85921475&docId=OOA20130827071737&link Id=16#docIndex=15&page=1.

²¹⁹ EUTM 004462628.

²²⁰ *Id*.

ultimately resulted in Gucci obtaining trademark registration five years later.²²³ The uncertainty regarding trademark registration in the United States is another reason for brands to seek protection in the European Union.

E. Remedies for Designers

Trademark infringement can destroy a brand's goodwill, reputation, image, and trust it has established with customers, all of which are essential elements that intellectual property protection aims to preserve.²²⁴ The European Union offers both civil and criminal remedies for designers whose trademark have been infringed upon, as discussed below.

1. Interim Injunction

As soon as infringement arises, a designer can apply for an interim injunction.²²⁵ An interim injunction is a court order requiring the defendant to cease the allegedly infringing activity while the court determines the merits of the claim.²²⁶ An order for interim relief may also include seizure orders for infringing goods.²²⁷

²²³ *Id. See also* U.S. Trademark Reg. No. 85921475 (Oct. 16, 2018).

²²⁴ 5 Ways Trademark Infringement Can Damage Your Brand's Reputation, FARGO PATENT & BUSINESS LAW (June 26, 2023), https://fargopatentlaw.com/blog/trademark/trademark-infringement-risks/.

²²⁵ Sarah Wright & Kaisa Mattila, *Overview of Interim Relief*, 58 WORLD TRADEMARK REV. (Feb./Mar. 2015), https://www.WorldTrademarkReview.com.

²²⁶ *Id*.

²²⁷ *Id*.

The French courts are empowered by Article 7L16-6 of the Intellectual Property Code to order interim injunctions.²²⁸ "To obtain preliminary injunctive remedies, the trademark owner would have to file a specific 'urgency' action in which it will have to establish its [intellectual property] rights, clearly identify the behaviour that it considers as infringing its [intellectual property] rights, and prove that there is a matter of urgency that justifies granting preliminary injunctive remedies."²²⁹

Article 131 of the Industrial Property Code gives trademark holders the right to bring an interim injunction in Italy, even before the infringement case is heard in court.²³⁰ The designer must present prima facie evidence to show that they have a valid trademark infringed by the defendant, and that there is urgency.²³¹ "Urgent measures, including protective measures, are granted by an individual judge."²³² The trademark holder can further request the court to grant an

https://web.archive.org/web/20240315203356/https://practic%20eguides.chambers.com/practice-guides/trade-marks-%20%20copyright-2024/france.

https://www.worldtrademarkreview.com/guide/anti- counterfeiting-and-online-brand-enforcement/2023.

https://www.worldtrademarkreview.com/global-guide/the-wtr-yearbook/2008/article/italy.

²²⁸ *Id*.

Vanessa Bouchara, Adèle Maier & Louise Lacroix, *Trade Marks & Copyright 2024*,France, CHAMBERS AND PARTNERS (Feb. 20, 2024), archived at

²³⁰ Cesare Galli, *Italy: Stronger Enforcement Dovetails with Augmented Border Control and Harsher Punishments*, World Trademark Review (Sept. 29, 2023),

²³¹ Julia Holden, *Italy*, TREVISAN & CUONZO AVVOCATI (May 7, 2008).

²³² Galli, *supra* note 230.

inhibitory order, which is an order to cease the allegedly infringing activity or to seize the allegedly infringing items.²³³ "Violation of an injunction is also subject to criminal penalties (a prison term of up to three years or a fine) under Article 388 of the Criminal Code."²³⁴

2. Other Civil Remedies

The French Intellectual Property Code provides remedies for designers who have been infringed upon. Remedies under French law include a prohibition on the use of the infringing sign in trade for identical or similar goods and services based on their trade mark rights, or of the infringing work; the invalidation of the infringing trade mark if the sign at issue has been filed or registered; and compensation for the damage suffered.²³⁵ The code also allows for "infringement seizure."²³⁶ To obtain this remedy, the designer of the work that has been infringed upon has to petition to the court for an order to carry out a seizure of the copies that constitute an unlawful reproduction of the designer's work.²³⁷ The seized copies will then be used as evidence to prove

https://www.dlapiperintelligence.com/goingglobal/intellectual-

 $property/index.html?t=trademarks\&s=remedies\&c=FR\#:\sim:text=Trademark\%20 infringement\%20 \\ actions\%20 may\%20 be, to\%20 obtain\%20 an\%20 interlocutory\%20 injunction.$

²³³ Società Italiana Brevetti, *supra* note 51 at Which Remedies does Italian Law Provide Against Infringements of Trademark Rights?.

²³⁴ Galli, *supra* note 230.

²³⁵ Bouchara, *supra* note 229.

²³⁶ CODE DE LA PROPRIETE INTELLEECTUELLE, art. 335-2 (Fr.).

²³⁷ Trademarks Remedies for Infringement, DLA PIPER (June 13, 2024),

infringement.²³⁸ French law provides for damages, as well. The courts determine the monetary damages by assessing the following factors: (1) the negative economic consequences of the infringement for the trademark owner (loss of earnings); (2) the moral prejudice caused to the trademark owner; and (3) the benefits obtained by the defendant.²³⁹ Or, courts may "set the damages as a lump sum on the basis of elements such as at least the amount of royalties or fees which would have been due if the infringer had requested authorisation to use the intellectual property right in question."²⁴⁰

Italian Intellectual Property code allows for a preliminary seizure of infringing trademarks, packaging, and materials; a preliminary or final injunction; an order for destruction of the infringing goods; a declaration of nullity or invalidation; publication of the court's decision in the press; and damages.²⁴¹ Damages are usually based on either a calculation of the infringer's

²³⁸ *Id*.

²³⁹ Nicolas Bronzo, *Remedies for Intellectual Property Rights Infringement in France and Europe: Have We Gone Too Far?*, HAL OPEN SCIENCE, at 9 (Feb. 13, 2023) https://hal.science/hal-03985311.

²⁴⁰ *Id.* at 7.

²⁴¹ Vincenzo Jandoli, *Patent Litigation Comparative Guide - Italy*, MONDAQ (Oct. 8, 2024), https://www.mondaq.com/italy/intellectual-property/1423658/patent-litigation-comparative-guide.

unlawful profits or the trademark holder's lost profits, whichever is greater.²⁴² Courts can add further compensation for expenses incurred or reputation damages.²⁴³

3. Criminalization

French law punishes various forms of counterfeiting. Article L716-9 punishes acts constituting of counterfeiting, such as importing and exporting goods presented under the infringing mark, selling infringing goods, reproducing or modifying a trademark, and knowingly delivering a product or providing a service other than that requested under a registered trademark.²⁴⁴ A person who infringes a mark can face up to four years in jail and a fine of €400,000.

Italian law criminalizes both consumers and sellers of counterfeit luxury products.²⁴⁶ Italian law criminalizes infringement and unauthorized use of trademarks,²⁴⁷ importation of infringing products and goods,²⁴⁸ and sale of industrial products bearing misleading signs.²⁴⁹ Italy

²⁴² Galli, *supra* note 230.

²⁴³ *Id*.

 $^{^{244}}$ Article L716-9 of the French Intellectual Property Code, French-Business-Law.Com (Nov.

^{8, 2023),} https://french-business-law.com/french-legislation-art/article-1716-9-of-the-french-intellectual-property-code/.

²⁴⁵ *Id*.

²⁴⁶ Holden, *supra* note 231 at 141.

²⁴⁷ *Id*.

²⁴⁸ *Id*.

²⁴⁹ *Id*.

has two types of fines for trademark infringement: (1) a fine against anyone who manufactures,

trades, exhibits, or imports goods infringing IP rights; and (2) an administrative fine for anyone

who uses a misleading sign or who uses an invalid or unlawful trademark; imprisonment of up to

three years; and publication of the court decision in the press.²⁵⁰

VI. **CONCLUSION**

With the rise of fast fashion, counterfeits, and "dupes," brands should seek protection of

their trademarks abroad to ensure they are protected before someone else registers them first. There

are additional rights afforded to trademarks in Europe that brands and designers do not have access

to if their trademark rights are limited to the United States. The European Union's strong focus on

fashion is reflected not only in its cultural practices, but also in its legal framework, particularly

through the Design Regulation, which provides designers with substantial protection for their

creations, including shapes, patterns, position marks, and color. Overall, while the United States

protects fashion designs under its trademark laws, the European Union's more comprehensive

legal framework, which specifically targets fashion design protection, is more effective.

APPENDIX: PHOTOGRAPHS OF TRADEMARKS IN SECTION V.D.1-4

²⁵⁰ *Id*.

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Figure 1: Burberry's Trademark EUTM 000377580. Source: Marcin Setlak, Types of Trademarks, Zastrzezone.pl (Mar. 7, 2025), https://zastrzezone.pl/rodzaje-znakow-towarowych.

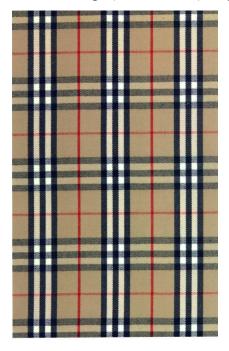


Figure 2: Tommy Hilfiger's Trademark EUTM 002572568. Source: Agnieszka Skrzypczak, *What a Trademark is Like Everyone Can See . . . but, Is It So Obvious Indeed? Part III*, IP-BLOG.PL (Jan. 14, 2020), https://ip-blog.pl/en/2020/01/what-a-trademark-is-like-everyone-can-see-but-is-it-so-obvious-indeed-part-iii/.



Figure 3: Louis Vuitton Malletier's Trademark EUTM 000015602. Source: Agnieszka Skrzypczak, *What a Trademark is Like Everyone Can See . . . but, Is It So Obvious Indeed? Part III*, IP-BLOG.PL (Jan. 14, 2020), https://ip-blog.pl/en/2020/01/what-a-trademark-is-like-everyone-can-see-but-is-it-so-obvious-indeed-part-iii/.

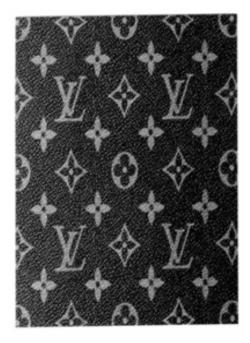


Figure 4: Longchamp Trademark EUTM 013928528. Source: Eleonora Rosati, *How Do You Protect an Iconic Handbag? Milan Court Considers IP Rights Vesting in Longchamp's Le Pliage*, THE IPKAT (Mar. 10, 2022), https://ipkitten.blogspot.com/2022/03/how-do-you-protect-iconic-handbag-milan.html.

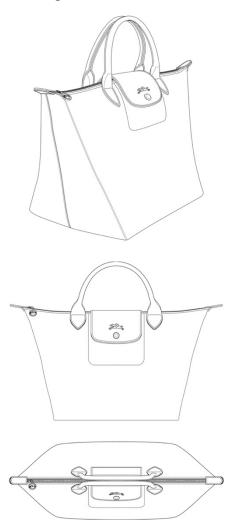


Figure 5: BasicNet's Registered and Unregistered Marks. Source: The Bird & Bird IP Team, *Round-up of Fashion-Related IP Decisions in 2022*, 18 J. OF INTELL. PROP. L. & PRACTICE 199, 220 (March 2023), https://doi.org/10.1093/jiplp/jpad013.

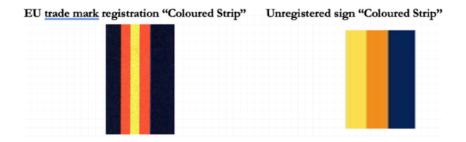


Figure 6: Gucci's Trademark EUTM 004462628. Source: *EUTM 004462628*, EUROPEAN UNION INTELL. PROP. NETWORK, https://www.tmdn.org/tmview/#/tmview/detail/EM500000004462628 (last visited Apr. 28, 2025).

