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THE TRADEMARK DILUTION REVISION ACT'S NULLIFYING EFFECT ON FAMOUS MARK HOLDER'S DILUTION CLAIMS

I. Introduction

In 1995 the Federal Trademark Dilution Act (FTDA) was passed and defined dilution as “the lessening of the capacity of a famous mark to identify and distinguish goods or services.”¹ Before 1995, dilution protection was a state matter, which Congress felt was inadequate reasoning that a, “federal dilution statute is necessary because famous marks ordinarily are used on a nationwide basis . . . [and] some courts are reluctant to grant nationwide injunctions for violation of state law.”² In 2006, the FTDA was amended by the Trademark Dilution Revision Act (TDRA), which explicitly provided an exception for parodies.³ Commercially, when trademarks are the butt of a joke, mark holders desire to enjoin such harmful uses whenever possible.⁴ The TDRA parody exception is strong and once a use is labeled “parody” there is little opportunity for the mark holder to stop the use.⁵

Dilution and parody have separate goals. Dilution law seeks to protect trademark owners from uses of their mark by others that weaken the marks source identification or harm the marks reputation.⁶ Whereas, parody is grounded in First Amendment protection of expression and allows parodists to poke fun at marks without subjecting them to liability for diluting the famous mark.⁷ After the 2006 TDRA amendments, highly creative industries such as fashion are

¹ Federal Trademark Dilution Act, 15 U.S.C. § 1127 (2005).

² H.R. REP. NO. 104-374, at 3-4 (1995).

³ Trademark Dilution Revision Act, 15 U.S.C. § 1125(c) (2006).

⁴ Justin J. Gunnell, *Evaluation of the Dilution-Parody Paradox in the Wake of the Trademark Dilution Revision Act of 2006*, 26 CARDOZO ARTS & ENT. L.J. 441, 442 (2008).

⁵ *Id.*

⁶ *Id.*

⁷ *Id.*

fighting an uphill battle to protect their trademarks that fuel a billion dollar industry.⁸

Application of the TDRA's parody exception showcases the law's failure to adequately protect trademarks in highly creative and competitive industries such as fashion. While the FTDA sought to protect investments in developing and sustaining famous marks, that stretch across the country, from devaluation by dilution, the TDRA parody exception has carved a hole in the law for almost blanket protection for uses labeled a parody. Currently, parody is interpreted so broadly that the TDRA's exception makes it difficult for trademark holders to protect their trademarks in all but extreme cases.

This comment will address how the TDRA has left famous mark holders, particularly high-end fashion house Louis Vuitton, with little in their arsenal to prevent others from mocking and devaluing their marks despite their worthy efforts. Part II addresses the relationship between trademark infringement, dilution, and parody. Part III takes a closer look at fashion giant Louis Vuitton's strides to protect their famous marks and courts differing approaches to assessing whether a parody exists. Part IV offers a discussion of the implications presented by courts treatment of parody and possible solutions for trademark owners to avoid litigation while also protecting their highly valuable trademarks.

II. The Relationship Between Trademark, Dilution, and Parody

A. Trademark

To best understand dilution it must first be differentiated from trademark infringement, which in turn should be viewed in contrast to patent and copyright infringement. Trademark infringement claims require markedly different elements than copyright and patent infringement

⁸ Joint Economic Committee, *Economic Impact of the Fashion Industry*, (Feb. 6, 2015) <https://maloney.house.gov/sites/maloney.house.gov/files/documents/The%20Economic%20Impact%20of%20the%20Fashion%20Industry%20--%20JEC%20report%20FINAL.pdf>.

claims.⁹ In a trademark infringement action the plaintiff must show that consumers are likely to be confused about a products source or falsely identify a product for another's product.¹⁰

Whereas, copyright infringement claims require a plaintiff to establish ownership of a work and another's unauthorized copying of said work.¹¹ Patent infringement requires a showing that someone used, sold, or produced a patented work without permission.¹² In general, copyright and patent infringement claims are more straightforward compared to trademark infringement. This distinction makes sense when the intent of each area of the law is considered.¹³

Copyright and patent focus on the holder of legal rights compared to trademark whose focus is on the consumer.¹⁴ Copyright protects works of copyright holders to encourage further creative works and patent protection seeks to encourage future inventions.¹⁵ Copyright and patent holders own specific works that, if not protected may stifle incentives for future creativity and innovation.¹⁶ In contrast, trademarks differentiate products in a market for the sake of consumers.¹⁷ Trademarks do not seek to overtly promote newness and creativity in the way copyright and patents operate.¹⁸ Trademarks may sometimes serve a producer when they develop a new product because trademarks serve as a trigger or indicator of recognition that assists a customer in feeling comfortable trying out a new product. Overall, trademarks are designed to maintain a certain status quo in the marketplace because they help avoid customer confusion or remind consumers of a trusted product they purchased in the past.¹⁹

⁹ Gunnell, *supra* note 4, at 444.

¹⁰ *Id.*

¹¹ *Id.*

¹² *Id.*

¹³ *Id.*

¹⁴ *Id.*

¹⁵ *Id.*

¹⁶ *Id.*

¹⁷ *Id.*

¹⁸ *See id.*

¹⁹ *Id.*

Customer confusion is a vital component of the relationship between trademarks, dilution, and parody. The goal of trademark law is not to promote monopolistic trademarks, but to sustain the freedom of the marketplace.²⁰ This is why trademark focuses on protecting the consumer from confusion and not the interests of a producer.²¹ For example, trademark law allows producers to distinguish themselves from one another in the marketplace to prevent consumers from being tricked into purchasing a product posing as another. But, in passing the FTDA Congress saw the need to protect famous marks from their own fame.²² As a policy matter, Congress concluded that famous marks, that become so famous as to not cause customer confusion, should not be left without remedy in the law when others take advantage of them.²³ Famous marks often require substantial time and money to develop and promote a mark; these resources should not be left without legal protection. By passing the FTDA, trademark dilution became federally protected and in contrast to trademark infringement, is similar to copyright and patent infringement because the right is more property-like and protects marks regardless of customer confusion.²⁴ While trademark infringement is inherently consumer orientated, trademark dilution law is more producer-focused and seeks to prevent the “diminution in the value of a famous mark”.²⁵

B. Dilution and Parody

Dilution protects against the gradual reduction of a famous trademark’s ability to operate as a source identifier of a producer.²⁶ Dilution under federal law is an “association arising from the similarity between a mark or trade name and a famous mark” which either “impairs the

²⁰ *Id.*

²¹ *Id.*

²² See H.R. REP. NO. 104-374, at 3-4 (1995).

²³ *Id.*

²⁴ Gunnell, *supra* note 4, at 450.

²⁵ Clarisa Long, *Dilution*, 106 COLUM. L. REV. 1029, 1033-34 (2006).

²⁶ The Trademark Dilution Act, 15 U.S.C. § 1127 (2005).

distinctiveness of the famous mark” known as blurring or “harms the reputation of the famous mark” known as tarnishment.²⁷ Blurring is employed to assert dilution claims more generally, while tarnishment is used in the narrower context of lewd and sexual uses of a mark.²⁸ Dilution seeks to protect famous marks from mockery and belittlement, whereas parody is protected First Amendment speech that legally subjects trademarks to ridicule.²⁹ There is a fine line between ridicule that attacks the goodwill and reputation of a trademark that should be barred by anti-dilution statutes and ridicule that society deems worthy of First Amendment protection of expression as parody.³⁰

In considering whether dilution by blurring exists courts may consider “all relevant factors” and the FTDA provides six: (1) the degree of similarity between the challenged mark and the famous mark; (2) the degree of distinctiveness of the famous mark; (3) the extent to which the owner of the famous mark is engaging in exclusive use of the mark; (4) the degree of recognition of the famous mark; (5) whether the user of the mark or trade name intended to create an association with the famous mark; and (6) any actual association between the mark or trade name and the famous mark.³¹ The FTDA left many unanswered questions for the courts, but particularly what constituted a parody. Before 2006, courts developed lengthy case law to establish when to grant an injunction against a parody in the absence of confusion.³² Courts went to great lengths to weigh a multitude of factors including the interests of the public,

²⁷ Federal Trademark Dilution Act of 1995, Pub. L. No. 104-98, § 4, 109 Stat. 985 (codified as amended at 15 U.S.C. § 1127 (2000)) (current version at 15 U.S.C. § 1125 (2006)).

²⁸ Gunnell, *supra* note 12, at 448.

²⁹ *Id.* at 454.

³⁰ *Id.*

³¹ 15 U.S.C. § 1125(c)(2)(B).

³² *L.L. Bean, Inc. v. Drake Publishers, Inc.*, 811 F.2d 26, 28 (1st Cir. 1987); *Mattel, Inc. v. Walking Mountain Prods.*, 353 F.3d 792 (9th Cir. 2003); *Kraft Foods Holdings, Inc. v. Helm*, 205 F. Supp. 2d 942 (N.D. Ill. 2002); *Anheuser-Busch, Inc. v. Balducci Publ'ns*, 28 F.3d 769 (8th Cir. 1994); *Deere & Co. v. MTD Prods., Inc.* 41 F.3d 39, 40 (2d Cir. 1994); *N.Y. Stock Exchange, Inc. v. N.Y., N.Y. Hotel, LLC*, 293 F.3d 550 (2d Cir. 2002).

interests of mark holders, and commercial implications in making their decisions.³³ But, after 2006 and the passing of TDRA the inquiry became much more brief because the TDRA explicitly provided for a fair use exception including “parodying.”³⁴

After 2006, courts asked whether the dilutive activity constituted a parody. If yes, the court asks whether the parody is being used as a source identifier.³⁵ If the answer is no, then a dilution action cannot be sustained.³⁶ The TDRA does not define what constitutes a parody and in practice parody has been interpreted broadly. Overwhelmingly, courts hold that an attempt at humor alongside another’s trademark is parody.³⁷ Some minority courts do not confine parody to humor but to works the comment upon another by offering a critique, juxtaposing, or mimicking the work.³⁸ The language of the statute combined with court interpretation renders the parody exception powerful. If a use is deemed a parody, while not operating as a source identifier, famous mark holders will have no remedy for lesser marks coat-tailing off their fame.

III. The Fashion Industry

The twentieth century generated most of the world’s famous fashion brands. Throughout the last century fashion proved to be a booming and competitive industry. Recent studies show that consumers spend roughly \$380 billion on apparel and footwear in the United States alone.³⁹ While many fashion trends come and go there are some brands that have withstood the test of time, such as Chanel, Dior, Ralph Lauren, Louis Vuitton, and Burberry to name a few. These fashion houses are mainstays; they hold a perpetual place in high-end fashion.

³³ *Id.*

³⁴ 15 U.S.C. § 1125(c)(3).

³⁵ Gunnell, *supra* note 4, at 463.

³⁶ *Id.*

³⁷ *Id.* at 466.

³⁸ *Id.* at 465.

³⁹ Joint Economic Committee, *The Economic Impact of the Fashion Industry*, https://www.jec.senate.gov/public/_cache/files/66dba6df-e3bd-42b4-a795-436d194ef08a/fashion---september-2016-final-090716.pdf.

A. Limited Legal Protections for Fashion

Fashion presents an interesting challenge within intellectual property law about how to best protect the fluid, organic nature of the work. Fashion trends build on each other, old becomes new again, and ideas are often recycled. “Sleeves, collars, skirt lengths, patterns, fabrics, buttons and hems all are elements with seemingly infinite permutations, but in reality there is a fairly limited aesthetic vocabulary.”⁴⁰ The cyclical nature of the industry encourages designers to acknowledge sources and inspirations from the past or other designers.⁴¹ While some may argue that the lack of intellectual property rights in fashion drives the industry, most scholars and designers agree that without legal protections designers and manufacturers are more reluctant to take chances, thus stifling the industry.⁴² Within intellectual property, copyright and patent provide little protection for fashion. Generally, copyrights are not granted to clothing when it is both creative and functional because they are “useful articles” opposed to works of art.⁴³ Design patents require a showing of novelty and nonobviousness that are difficult to achieve in clothing design.⁴⁴ The best source of protection for fashion houses is trademark law, which does not protect the overall design, but does protect their brand names, logos, and other registered marks.⁴⁵

Trademark law protects “any word, name, symbol, or device” distinctive of a designer to identify the source and manufacturer of a given article of clothing.⁴⁶ Trademark provides the

⁴⁰ Aram Sinnreich & Marissa Gluck, *Music & Fashion: The Balancing Act Between Creativity and Control*, THE NORMAN LEAR CENTER, 6 (Jan. 29, 2005), <http://learcenter.org/pdf/RTSSinnreichGluck.pdf>.

⁴¹ *Id.*

⁴² Erica S. Schwartz, *Red With Envy: Why the Fashion Industry Should Embrace ADR as a Viable Solution to Resolving Trademark Disputes*, 14 CARDOZO J. CONFLICT RESOL., 279, 281 (2012).

⁴³ Christine Cox & Jennifer Jenkins, *Between the Seams, A Fertile Commons: An Overview of the Relationship Between Fashion and Intellectual Property*, THE NORMAN LEAR CENTER, 16 (Jan. 29, 2005), <http://learcenter.org/pdf/RTSJenkinsCox.pdf>.

⁴⁴ *Id.*

⁴⁵ Schwartz, *supra* note 27, at 281-82.

⁴⁶ 15 U.S.C. § 1127 (2006).

essential service of protecting the highly valuable fashion brand name. As the fashion industry expands and new designers enter the market, branding strength is essential to ensure a company's success and survival in today's economy.⁴⁷ Many high-end fashion brands are particularly concerned with instantaneous copycats of their products made with lower quality materials that only seek to profit off the success of their famous mark. High-end fashion houses with strong customer bases aggressively protect their brand names and logos. While trademark law does not protect the article of clothing itself, the tag or logo identifies to the consumer who produced the product. Logos and other marks are principally the only means fashion brands have to assure their customer that upon purchase they are receiving the quality and prestige they expect to coincide with the designer.⁴⁸

Protecting high-end fashion brand marks is precisely the type of protection contemplated in passing the Federal Trademark Dilution Act (FTDA), which sought to protect famous marks from slowly losing distinctiveness and becoming invaluable.⁴⁹ But, just as fashion brands are protected by the FTDA they are subject to the Trademark Dilution Revision Act's (TDRA) post-2006 parody exception. Subsequently, when non-mark holders employ famous marks to mimic and mock there is little protection in the law if a court finds the use constitutes a parody. Notably, Louis Vuitton is one fashion house that actively seeks to protect their invaluable logo from attacks of parody, to little avail in court.⁵⁰

B. Louis Vuitton

1. Parody Protects "Chewy Vuiton" Dog Toys

⁴⁷ Schwartz, *supra* note 27, at 290.

⁴⁸ *See id.*

⁴⁹ Hearings Before the House Comm. on Patents, 72d Cong., 1st Sess. 15 (1932) (statement of Frank Schechter).

⁵⁰ *Louis Vuitton Malletier v. Haute Diggity Dog, LLC*, 464 F.Supp.2d 495 (E.D. Va. 2006), *aff'd on other grounds*, 507 F.3d 252 (4th Cir. 2007); *Louis Vuitton Malletier, S.A. v. My Other Bag*, 156 F.Supp.3d 425 (S.D.N.Y. 2016).

In 2007, Louis Vuitton, known for producing luxury luggage, handbags, and accessories, brought suit for trademark dilution against Haute Diggity Dog for producing dog toys labeled “Chewy Vuitton” imitating Louis Vuitton handbags.⁵¹ The court determined Louis Vuitton’s trademark was famous and distinct, even noting the brand was ranked the 17th “best brand” of all corporations in the world.⁵² Louis Vuitton holds many registered trademarks in connection with luggage and handbags including their original LV monogram since 1896.⁵³ The dog chew toys were modeled after a medium sized handbag selling for \$1,190 containing their Multicolor trademark.⁵⁴ Between 2003 and 2005 Louis Vuitton “spent more than \$48 million advertising products using its marks and designs, including more than \$4 million for the Multicolor design.”⁵⁵ The “Chewy Vuitton” toy possessed similar shape, design, color as the real life handbags, but in lieu of the Louis Vuitton interlocking “LV” they used “CV.”⁵⁶

The court ultimately ruled in favor of Haute Diggity Dog by finding a parody and subsequently barring a dilution claim.⁵⁷ The Fourth Circuit affirmed the lower court, but reached their conclusion through different analysis.⁵⁸ The court begins “by noting that parody is not automatically a complete *defense* to a claim of dilution by blurring where the defendant uses the parody as its own designation of source.”⁵⁹ The Fourth Circuit noted that even though the Trademark Dilution Revisions Act (TDRA) allowed fair use as a complete defense; parody only qualifies as such when the trademark is not being used as a designation of source.⁶⁰ When a

⁵¹ *Haute Diggity Dog*, 507 F.3d 252 at 256.

⁵² *Id.* at 257.

⁵³ *Id.*

⁵⁴ *Id.*

⁵⁵ *Id.*

⁵⁶ *Id.* at 258.

⁵⁷ *Id.* at 267.

⁵⁸ *Id.* at 257.

⁵⁹ *Id.* at 266.

⁶⁰ *Id.*; 15 U.S.C. §1125(c)(3)(A)(ii). ((A) Any fair use . . . other than as a designation of source for the person's own goods or services, including use in connection with . . . parodying).

famous mark is parodied and operating as a designation of course, that parody is not a complete defense and may be considered a relevant factor in a dilution analysis.⁶¹

The Fourth Circuit makes clear that a parody does not instantly bar a court from considering whether dilution exists and allows a court to consider “all relevant factors” within the statute.⁶² For example, factor (v) “whether the defendant intended to create an association with the famous mark” and factor (vi) “whether there exists an actual association between the defendant's mark and the famous mark” both question the parodies purpose and whether it contributes to dilution.⁶³ Furthermore factors (i), (ii), (iv) focus on the similarity between the mark and the parody.⁶⁴ Ultimately, the court states that, “a defendant's use of a parody . . . may be considered in determining whether the plaintiff-owner of a famous mark has proved its claim that the defendant's use of a parody mark is likely to impair the distinctiveness of the famous mark.”⁶⁵ Louis Vuitton lost in *Haute Diggity Dog*, but the decision left open the idea that some parodies between products more similar than a dog chew toy and luxury handbag may not constitute a complete parody defense.⁶⁶

2. My Other Bag Business Model Protected by Parody

In early 2016, a New York district court granted summary judgment in favor of defendant My Other Bag (MOB) against Louis Vuitton for trademark dilution, which was affirmed on all counts by the Second Circuit.⁶⁷ MOB sells canvas tote bags with the phrase “My Other Bag” on one side and iconic designer handbags drawn on the other, including a classic Louis Vuitton

⁶¹ *Id.*

⁶² 15 U.S.C. § 1125(c)(2)(B); *Haute Diggity Dog*, 507 F.3d 252 at 266.

⁶³ *Haute Diggity Dog*, 507 F.3d 252 at 267.

⁶⁴ *Id.*

⁶⁵ *Id.*

⁶⁶ *See id.*

⁶⁷ *Louis Vuitton Malletier, S.A. v. My Other Bag*, 156 F.Supp.3d 425, 430 (2016).

design.⁶⁸ Louis Vuitton holds many trademarks including their classic repeating pattern design featuring the letters L and V interlocking with three stylized flowers.⁶⁹ My Other Bag sold totes mimicking Louis Vuitton’s iconic trademarked design, but replaced the interlocking “LV” with “MOB” for My Other Bag.⁷⁰ The Second Circuit held that MOB’s totes constituted a parody and was protected as fair use because MOB “is poking fun,” “invites an amusing comparison,” and the tote playfully suggests that while wealthy woman take great care of their Louis Vuitton handbags MOB totes are for sweaty gym clothes.⁷¹ The court also concluded that My Other Bag’s use of Louis Vuitton’s marks was not a designation of source because of the products dissimilarities.⁷² In contrast, Louis Vuitton argued that the association is too great and the parody that MOB employs is not against Louis Vuitton, but the joke is a larger societal mockery between wealth and utility perpetuated at the expense of their highly valuable and aggressively protected trademarks.⁷³

Louis Vuitton relied on an unpublished opinion from the same district court, where Hyundai aired a commercial featuring a basketball with markings meant to invoke Louis Vuitton’s trademarks.⁷⁴ The *Hyundai* court rejected Hyundai’s parody defense because Hyundai representatives testified clearly stating that Hyundai had no intention to compare or comment on Louis Vuitton and instead intended to make a “broader social comment” about “what it means for a product to be luxurious.”⁷⁵ Like Hyundai’s company representatives, MOB’s Chief

⁶⁸ *My Other Bag*, 156 F.Supp.3d at 431.

⁶⁹ *Id.*

⁷⁰ *Id.*

⁷¹ *Id.*

⁷² *Id.* at 437-38.

⁷³ *Id.* at 435.

⁷⁴ *Louis Vuitton Malletier, S.A. v. Hyundai Motor Am.*, No. 10–CV–1611 (PKC), 2012 WL 1022247 (S.D.N.Y. Mar. 22, 2012).

⁷⁵ *My Other Bag*, 156 F.Supp.3d at 436. (may have to quote and find page numbers for unpublished opinion)

Executive Officer stated that she never intended to disparage Louis Vuitton itself.⁷⁶ MOB's website explains that their totes are meant to be stylish and practical for everyday life.⁷⁷ Therefore, Louis Vuitton argued that the totes did not parody Louis Vuitton itself because MOB had no intention to criticize or comment upon them only to make a larger societal point.⁷⁸ Furthermore, Louis Vuitton argued their marks were not necessary for MOB to get their point across; instead MOB's use of their mark was simply diluting their brand.⁷⁹ The court declined to extend their reasoning in *Hyundai*, ruling that even though the totes convey a message greater than Louis Vuitton itself, MOB's use of Louis Vuitton's mark is an "integral part of the joke" even though the bags do not exclusively mock Louis Vuitton.⁸⁰ And thus, Louis Vuitton failed again to find a legal remedy to protect their trademarks from being employed by lesser brands to generate association and sell product.

3. Louis Vuitton's Unsuccessful Writ of Certiorari to the United States Supreme Court

Following *My Other Bag*, Louis Vuitton filed an unsuccessful petition for writ of certiorari to the United State Supreme Court to resolve the contrasting approaches between the Fourth Circuit's *Haute Diggity Dog* and Second Circuit's *My Other Bag* decisions.⁸¹ Louis Vuitton urged the Supreme Court "to establish a nationally uniform test for identifying parody in dilution cases, to restore the careful balance between trademark protections and First Amendment rights . . . [and] to prevent the widespread, irreversible devaluation of famous

⁷⁶ *Id.* at 435.

⁷⁷ <https://www.myotherbag.com/pages/about-us>.

⁷⁸ *My Other Bag*, 156 F.Supp.3d at 435.

⁷⁹ *Id.* at 437.

⁸⁰ *Id.* at 436.

⁸¹ *Louis Vuitton Malletier SA v. My Other Bag Inc.*, No. 17-72, *petition for cert. filed*, 2017 WL 3034216 (U.S. July 13, 2017); *Louis Vuitton Malletier SA v. My Other Bag Inc.*, No. 17-72, 2017 WL 3036727 (U.S. Oct. 2, 2017).138 S.Ct. 221 (Mem), 199 L.Ed.2d 120, 86 USLW 3147, 86 USLW 3154 (U.S. Oct. 2, 2017).

marks.”⁸² Additionally, Louis Vuitton argued that MOB would not have survived the standards set in the Fourth Circuit’s *Haute Diggity Dog* case if the Second Circuit applied it properly.⁸³

The Fourth Circuit concluded the chew toys constituted a parody because they were first obviously an imitation⁸⁴, second the differences between the products were plainly apparent⁸⁵, and third the joke was immediate.⁸⁶ Even though the Second Circuit sought to apply the same standard as the Fourth Circuit, Louis Vuitton argued that in fact the *Haute Diggity Dog* standard is far more rigorous than that applied in *My Other Bag*.⁸⁷ The Second Circuit analysis began similarly as the Fourth Circuit by determining that MOB imitates Louis Vuitton because the totes are shaped like a handbag and the repetitious monogram is clearly mimicking Louis Vuitton’s mark.⁸⁸ Louis Vuitton asserted that the similarities in the two courts approaches concluded there due to how the Second Circuit analyzed the association between the products and existence of a joke.⁸⁹

The Fourth Circuit placed great weight on the fact that the chew toys were inherently different than a Louis Vuitton handbag.⁹⁰ Whereas, the Second Circuit also concluded the products were markedly different, but placed no significance on the fact that the products were both handbags, with vertically identical designs, and marketed to similar women that seek stylish, sophisticated, and versatile bags.⁹¹ The Fourth Circuit emphasized the fundamental

⁸² *Id.* at 18.

⁸³ *Id.*

⁸⁴ *Haute Diggity Dog*, 507 F.3d at 260.

⁸⁵ *Id.*

⁸⁶ *Id.* at 260-61.

⁸⁷ *Louis Vuitton Malletier SA v. My Other Bag Inc.*, No. 17-72, *petition for cert. filed*, 2017 WL 3034216 (U.S. July 13, 2017).

⁸⁸ *Id.* at 22.

⁸⁹ *Id.*

⁹⁰ *Id.*

⁹¹ *Id.*

distinctions between a crude dog chew toy and a high-end handbag.⁹² The Second Circuit ignored the comparable characteristics of the two handbags and instead distinguished the more nuanced characteristics of each company's bags.⁹³ The Second Circuit appears to conclude MOB's concept of luxury versus utility rendered their product plainly distinguishable from Louis Vuitton notoriously expensive product.⁹⁴

Furthermore, each circuit addressed whether a joke existed differently. The Second Circuit focused on jokes being "immediately conveyed," because a Louis Vuitton handbag as a chewable dog toy clearly established the chew toy sought to be funny and concluded that a parody existed.⁹⁵ Whereas, the Second Circuit interpreted jokes as more subtle, a "juxtaposition of similar and dissimilar" without any requirement to immediately convey the joke.⁹⁶ The Second Circuit acknowledged that some people might not even recognize that a joke was conveyed and that was not an impediment of parody.⁹⁷ "The fact that the joke on [Louis Vuitton's] luxury image is gentle, and possibly even complimentary . . . does not preclude it from being a parody."⁹⁸

Overall, Louis Vuitton's position was that the Second Circuit's test was applied incorrectly because the inherent similarities between the handbags were far too great and there was no immediately apparent joke; therefore the Fourth Circuit was required to conclude no parody existed.⁹⁹ The Second Circuit's approach to parody was very expansive and conflicts with the test utilized by the Fourth Circuit. The Supreme Court's rejection of Louis Vuitton

⁹² *Id.*

⁹³ *See id.*

⁹⁴ *Id.* at 23.

⁹⁵ *Id.* at 24.

⁹⁶ *Id.*

⁹⁷ *Id.*

⁹⁸ *Id.*

⁹⁹ *Id.* at 25.

showcases another instance of the fashion giant attempting and failing to enjoin the use of their marks by lesser brands.

4. Parodies in the Past and Today

My Other Bag exemplifies how generous the current application of the Trademark Dilution Revision Act can be to protect would-be infringing uses when they are labeled a parody.¹⁰⁰ Parody absolved MOB's use of Louis Vuitton's marks even though the CEO affirmatively stated their products were not a critique, instead they essentially utilized designs to create association with the famous brands and develop their own brand.¹⁰¹

Parody's definition has evolved over time. Parody is derived from the Greek word *parodeia*, meaning "a song sung alongside another."¹⁰² The American Heritage Dictionary defines parody as, "literary or artistic work that imitates the characteristic style of an author or work for comic effect or ridicule."¹⁰³ In 1994, the Supreme Court discussed how non-critical commentary on another's work merely used to gain attention diminishes the would-be infringer's fair use claim and stated, "parody needs to mimic" their victim's creation to make their point.¹⁰⁴ Other courts defined parody as a, "humorous or satirical imitation of a work of art"¹⁰⁵, "a work that seeks to comment upon or criticize another work by appropriating element of the original"¹⁰⁶ or "a work in which the language or style of another work is closely imitated or mimicked for

¹⁰⁰ See *Louis Vuitton Malletier, S.A. v. My Other Bag*, 156 F.Supp.3d 425 (2016).

¹⁰¹ See *id.*

¹⁰² 7 *Encyclopedia Britannica* 768 (15th ed. 1975).

¹⁰³ *American Heritage Dictionary* 1317 (3d ed. 1992).

¹⁰⁴ *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 580 (1994) (discussing parody in the context of copyright infringement, which is commonly equated to the same property interests in trademark dilution).

¹⁰⁵ *Eli Lilly & Co. v. Natural Answers, Inc.*, 233 F.3d 456, 463 (7th Cir. 2000) (quoting *Rogers v. Koons*, 960 F.2d 301, 309-10 (2d Cir. 1992)).

¹⁰⁶ *Suntrust Bank v. Houghton Mifflin Co.*, 268 F.3d 1257, 1268-69 (11th Cir. 2001).

comic effect or ridicule.”¹⁰⁷ Many definitions required an attempt at humor or critical commentary to presumptively constitute a parody.¹⁰⁸ Even though past courts applied varying parody definitions the Second Circuit’s conclusion in *My Other Bag* is notably expansive.¹⁰⁹ The definition of parody in *My Other Bag* included “gentle” and even “complimentary” comparisons.¹¹⁰

My Other Bag seeks to sell women high-end canvas tote bags by garnering a prideful feeling of refinement by utilizing famous trademarks of high-end fashion houses, such as Louis Vuitton’s. As mentioned, My Other Bag’s CEO herself stated that Louis Vuitton’s bags were iconic and she never intended to criticize Louis Vuitton.¹¹¹ Additionally, My Other Bag markets to stylist women, they do not want their customers met with giggles when they walk down the street because they hold a humorous bag. The company markets their product as a fashionable bag for everyday use.¹¹² The bag depicting Louis Vuitton’s classic design, invokes general notions of Louis Vuitton’s stylishness and expensive products, to appeal to women willing to pay roughly \$40 to look sophisticated even when walking around with a canvas tote bag.¹¹³ My Other Bag blatantly utilizes Louis Vuitton’s highly valuable trademarks to perpetuate an association with a more expensive caliber of handbag, for which Louis Vuitton has no legal remedy due to parody being expanded so greatly as to include “gentle” and even “complimentary” comparisons.¹¹⁴

¹⁰⁷ *New Line Cinema Corp. v. Bertlesman Music Group, Inc.* 693 F. Supp. 1517, 1525 (S.D.N.Y. 1988) (citing *Metro-Goldwyn-Mayer, Inc. v. Showcase Atlanta Coop. Prods., Inc.*, 479 F. Supp. 351, 356 (N.D. Ga. 1979)).

¹⁰⁸ Gunnell, *supra* note 4, at 465.

¹⁰⁹ *Louis Vuitton Malletier SA v. My Other Bag Inc.*, No. 17-72, i, *petition for cert. filed*, 2017 WL 3034216 (U.S. July 13, 2017).

¹¹⁰ *Id.* at 2.

¹¹¹ *Louis Vuitton Malletier, S.A. v. My Other Bag*, 156 F.Supp.3d 425, 435 (2016).

¹¹² <https://www.myotherbag.com/pages/about-us>.

¹¹³ <https://www.myotherbag.com/collections/my-other-bag>.

¹¹⁴ *My Other Bag*, 156 F.Supp.3d 435.

IV. Implications for the Future

The parody exception's expansion only makes the decision whether to litigate even more difficult. Historically, litigation in the fashion industry is risky.¹¹⁵ The fashion industry is fast paced because the seasons shift regularly and popular trends constantly fluctuate.¹¹⁶ Simultaneously, the court system is notoriously slow, with litigation sometimes lasting years and causing decisions to have minimal effect.¹¹⁷ Trademark disputes are somewhat unique because protecting a trademark is often in the fashion houses' long-term interest.¹¹⁸ But, trademark disputes still pose practical drawbacks in the form of cost and disrupting business relationships because the industry is so fluid with talented individuals, ideas, and designs constantly recirculating.¹¹⁹

Alternative dispute resolution (ADR) is one option for fashion houses to avoid litigation because many innate characteristics of ADR appeal to the fashion industry.¹²⁰ For example, parties are more likely to be able to design their own solutions and continue to work and grow together because ADR is generally less confrontational and more constructive.¹²¹ Settlement, arbitration, and mediation all pose benefits to the fashion industry.¹²² First, ADR allows parties to agree on the scope of discovery, which is an easy way to keep costs down.¹²³ Second, because legal protections for apparel are so limited and complex ADR empowers parties to select neutral third party decision makers that are familiar with the substantive area of the law to adjudicate the

¹¹⁵ Schwartz, *supra* note 27 at 296-98.

¹¹⁶ *Id.* at 297-98.

¹¹⁷ *Id.*

¹¹⁸ *See id.*

¹¹⁹ *Id.*

¹²⁰ Schwartz, *supra* note 27 at 299.

¹²¹ *Id.*

¹²² *Id.*

¹²³ *Id.* at 301.

proceeding.¹²⁴ Third, litigation is lengthy whereas ADR can often resolve an issue in less than a year.¹²⁵ There is a huge time saving benefit that allows fashion houses to alter and correct issues with their marks promptly to save unnecessary business expenses.¹²⁶

Lastly, ADR is more private and parties can resolve issues without contentious public litigation. This is important because again the fashion industry is so collaborative and companies that drag each other through litigation run the risk of damaging future business relationships. The public nature of litigation is also an added consideration for famous marks because by bringing suits against smaller producers they are bolstering the notoriety of the smaller entity. For example, some consider My Other Bag a “victim” of Louis Vuitton’s imperialistic protection of their trademark. Some commentators went as far as labeling Louis Vuitton a “trademark bully.”¹²⁷ Louis Vuitton’s *My Other Bag* lawsuit, put My Other Bag’s name alongside the fashion giant in headlines, likely caused traffic to their website, and perhaps increased their sales. To ease the burdens of litigation the Council of Fashion Designers of America could adopt an ADR program to assist designers in seeking review and resolution of intellectual property rights disputes from knowledgeable decision makers, while maintaining business relationships.

V. Conclusion

Louis Vuitton’s failure to prevent companies like Haute Diggity Dog and My Other Bag from utilizing their marks evidences a concerning trend towards courts willingness to expand parody to render dilution protection of famous marks generally ineffective. The Fourth and Second Circuit holdings leave future lawyers with conflicting ideas of what constitutes a parody and legitimate concerns about whether to initiate dilution litigation if parody could be raised as a

¹²⁴ *Id.* at 302.

¹²⁵ *Id.*

¹²⁶ *Id.*

¹²⁷ <https://abovethelaw.com/2017/07/bagging-a-trademark-bully/>.

defense. Moreover, the TDRA application's impacts the fashion industry more negatively than other industries because already there are so few legal options to protect their business interests.¹²⁸ Clearly, neither a dog chew toy or canvas tote bag are easily mistaken as Louis Vuitton products, but confusion is not a concern in assessing whether dilution exists. Again, "the purpose behind anti-dilution laws is not to avoid consumer confusion, but rather, to promote a property-like interest in the mark itself."¹²⁹ The broad application of what constitutes a parody leaves famous mark holders, particularly high-end fashion houses like Louis Vuitton, with little in their arsenal to prevent others from mocking and devaluing their marks despite their worthy efforts.

¹²⁸ Schwartz, *supra* note 27, at 281-82.

¹²⁹ Jordan M. Blanke, *Victor's Little Secret: Supreme Court Decision Means More Protection for Trademark Parody*, 13 FORDHAM INTELL. PROP. MEDIA & ENT. L.J. 1053, 1061 (citing *Moseley v. V Secret Catalogue, Inc.*, 123 S. Ct. 1115, 1122 (2003)).