

Marquette Intellectual Property Law Review

Volume 23 | Issue 1


Article 7

2019

The Trademark Dilution Revision Act's Nullifying Effect on Famous Mark Holder's Dilution Claims

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Repository Citation

Kathleen Bodenbach, *The Trademark Dilution Revision Act's Nullifying Effect on Famous Mark Holder's Dilution Claims*, 23 Marq. Intellectual Property L. Rev. 89 (2019).

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

KATHLEEN BODENBACH¹

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INTRODUCTION

In 1995 the Federal Trademark Dilution Act (FTDA) was passed. The FTDA defined dilution as “the lessening of the capacity of a famous mark to identify and distinguish goods or services.”² Before 1995, protection against dilution was a state matter that Congress felt was inadequate “because famous marks ordinarily are used on a nationwide basis . . . [and] some courts are reluctant to grant nationwide injunctions for violation[s] of state law.”³ Later in 2006, the Trademark Dilution Revision Act (TDRA) amended the FTDA and

1. J.D. Candidate at Marquette University Law School (May 2019). I would like to thank my family for their constant support during my time in law school.

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

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

explicitly provided a fair use defense to dilution for parodies.⁴ Notably, parody is not available as a fair use defense when the allegedly invalid use serves as a designation of source.⁵

Meaning that for the fair use parody defense to apply, the parody must not simultaneously operate as a designation of source while acting as a parody. However, courts have largely failed to adequately assess this. Instead, the parody defense's impact has been that once another's use of the famous mark is deemed a parody, then the famous mark holder's dilution claim fails without any meaningful discussion of whether the alleged diluting use is operating as a designation of source. This is frustrating to famous mark holders because, commercially, when trademarks are subjected to mockery or become the butt of a joke, mark holders want to enjoin such harmful uses whenever possible.⁶ Today, the TDRA parody exception is strong. Once a use is labeled "parody" there is little opportunity for the famous mark holder to stop the use.⁷

Following the 2006 TDRA amendments, highly creative industries, such as fashion, have been 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 carved a hole in the law for almost blanket protection of uses labeled a parody by courts who ignore whether the parody is also a designation of source. 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 its arsenal to prevent others from mocking and devaluing its marks despite its 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 its famous marks and the courts' differing approaches to assessing whether a parody exists. Part III also addresses the relationship between parody

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

5. *Id.* at § 1125 (c)(3)(A)(ii).

6. 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).

7. *Id.*

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> [<https://perma.cc/P4RJ-ELG8>].

when it does and does not operate as a designation of source. Part IV offers a discussion of the future implications due to the court's treatment of the parody exception.

I. 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 claims.⁹ In a trademark infringement action, the plaintiff must show that consumers are likely to be confused about a product's source or falsely identify a product as another's product.¹⁰ Copyright infringement claims require a plaintiff to establish ownership of a work and another's unauthorized copying of that work.¹¹ Patent infringement requires a showing that someone used, sold, or produced a patented work without permission.¹²

Copyrights and patents protect whoever possesses ownership of the copyright or patent, whereas trademarks focus on consumer protection.¹³ Copyright protection seeks to encourage future creative works and patent protection seeks to encourage future inventions.¹⁴ Copyright and patent holders own specific works that, if not protected, may stifle incentives for future creativity and innovation.¹⁵ In contrast, trademarks differentiate products in a market for the sake of consumers.¹⁶ Trademarks do not seek to overtly promote newness and creativity in the way copyright and patents operate. The goal of trademark law is not to promote monopolistic trademarks, rather it is to sustain the freedom and fairness of the marketplace.¹⁷ This is why trademark law largely protects the consumer from confusion, rather than the interests of a producer.¹⁸ Trademark law allows producers to distinguish themselves from

9. Gunnell, *supra* note 6, at 444.

10. Sandra L. Rierson, *The Myth And Reality Of Dilution*, 11 DUKE L. & TECH. REV. 212, 213 (2012).

11. Gunnell, *supra* note 6, at 444.

12. Gunnell, *supra* note 6, at 444.

13. Gunnell, *supra* note 6, at 444.

14. Gunnell, *supra* note 6, at 444.

15. Gunnell, *supra* note 6, at 444.

16. Rierson, *supra* note 10 at 234-235.

17. Rierson, *supra* note 10, at 234-235.

18. *Id.*

one another in the marketplace to prevent consumers from being tricked into purchasing a product posing as another.

However, in passing the FTDA, Congress saw the need to protect famous marks from their own fame.¹⁹ 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.²⁰ This is largely because a substantial amount of time and money are required to develop a mark into a famous mark and such expenditures 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.²¹ 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.”²²

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.²³ 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 distinctiveness of the famous mark,” known as blurring, or “harms the reputation of the famous mark,” known as tarnishment.²⁴ Further, dilution law stands in direct conflict with First Amendment speech. Some scholars go as far as to completely reject dilution laws, arguing that they are unconstitutional.²⁵ Dilution seeks to protect famous marks from speech that impairs the distinctiveness of a mark, while parody is protected First Amendment speech that legally subjects trademarks to ridicule.²⁶ 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

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

20. *Id.*

21. Gunnell, *supra* note 6, at 450.

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

23. Gunnell, *supra* note 6, at 442.

24. 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)).

25. Rebecca Tushnet, *Gone In Sixty Milliseconds: Trademark Law And Cognitive Science*, 86 TEX. L. REV. 507, 507 (2008).

26. Gunnell, *supra* note 6, at 454.

ridicule that society deems worthy of First Amendment protection of expression as parody.²⁷

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.²⁸ The FTDA left many unanswered questions for the courts, but particularly: what constitutes a parody? Before 2006, courts developed lengthy case law to establish when to grant an injunction against a parody in the absence of confusion.²⁹ Courts weighed a multitude of factors including the interests of the public, interests of mark holders, and commercial implications in making their decisions.³⁰ After 2006, with the passing of the TDRA, the inquiry became much more brief because the TDRA explicitly provided for a fair use exception including “parodying.”³¹

After 2006, courts simply asked whether the dilutive activity constituted a parody. If yes a parody is found, the court asks whether the parody is being used as a source identifier.³² If the parody does not operate as a source identifier, then the fair use defense triggers and a dilution action cannot be sustained.³³ The TDRA does not define parody, and in practice parody has been interpreted broadly. Overwhelmingly, courts hold that an attempt at humor alongside another’s trademark is parody.³⁴ Some minority courts do not confine parody to humor, but rather to works that comment upon another by offering a critique, juxtaposing, or mimicking the work.³⁵ Due to the language of the statute combined with court interpretations, the parody exception is powerful. If a use is deemed a parody, while not operating as a source

27. Gunnerll, *supra* note 6, at 454.

28. 15 U.S.C. § 1125(c)(2)(B).

29. *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).

30. *Id.*

31. 15 U.S.C. § 1125(c)(3).

32. Gunnell, *supra* note 6, at 463.

33. Gunnell, *supra* note 6, at 463.

34. Gunnell, *supra* note 6, at 466.

35. Gunnell, *supra* note 6, at 465.

identifier, famous mark holders will have no remedy for lesser marks coat-tailing off their fame. This remains the principle issue: the courts' superficial and subjective means of determining when parody exists and whether it operates as a designation of source.

II. 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. In 2015, consumers spent roughly \$380 billion on apparel and footwear in the United States alone.³⁶ 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.

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."³⁷ The cyclical nature of the industry encourages designers to acknowledge sources and inspirations from the past or other designers.³⁸ 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.³⁹ Copyright and patent provide little protection for fashion. Generally, copyrights are not granted to clothing, as they are "useful articles," not works of art.⁴⁰ Design patents require a showing

36. 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 [https://perma.cc/8U2S-F895].

37. 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> [https://perma.cc/H82L-XPEC].

38. *Id.*

39. 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).

40. 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> [https://perma.cc/2SAW-FRKS]. See also *Star Athletica, L.L.C. v. Varsity Brands, Inc.*, 137 S.Ct. 1002, 1004 (2017), which called into question

of novelty and nonobviousness that are difficult to achieve in clothing design.⁴¹ The best source of protection for fashion houses is trademark law, which does not protect the overall design, but does protect brand names, logos, and other registered marks.⁴²

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.⁴³ Trademark provides the 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.⁴⁴ Many high-end fashion brands are particularly concerned with instantaneous copycats of its products made with lower quality materials that only seek to profit off the success of its famous mark. High-end fashion houses with strong customer bases aggressively protect 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 customers that upon purchase they receive the quality and prestige they expect to coincide with the designer.⁴⁵

Protecting the marks of high-end fashion brands 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 worthless.⁴⁶ But, just as fashion brands are protected by the FTDA, they are also subject to the Trademark Dilution Revision Act’s (TDRA) post-2006 parody exception. Thus, when non-mark holders employ famous marks to mimic and mock, there is little protection in the law if a court finds there is a parody. This on its face is not a problem because after all parody has been codified in the law as an exception. Tensions arise when courts insufficiently address whether the parody is operating as a designation of source. Notably, Louis Vuitton is one fashion house that actively

whether the well-established idea that clothing designs could never be copyrighted was true. Later the U.S. Copyright Office clarified that clothing was not copyrightable. COMPENDIUM OF U.S. COPYRIGHT OFFICE PRACTICES, § 311.1 (3d ed. 2017)

41. Cox, *supra* note 40 at 6.

42. Schwartz, *supra* note 39, at 281-82.

43. 15 U.S.C. § 1127 (2006).

44. Schwartz, *supra* note 39, at 289-90.

45. Schwartz, *supra* note 39, at 289-90.

46. Patents: Hearings Before the H. Comm. on Patents, 72d Cong., (1932) (statement of Frank Schechter).

seeks to protect its invaluable logo from attacks of parody, to little avail in court.⁴⁷

B. Louis Vuitton

1. Parody Protects “Chewy Vuitton” Dog Toys

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.⁴⁸ 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.⁴⁹ Louis Vuitton holds many registered trademarks in connection with luggage and handbags including their original LV monogram since 1896.⁵⁰ The dog chew toys were modeled after a medium sized handbag selling for \$1,190 containing Louis Vuitton’s Multicolor trademark.⁵¹ 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.”⁵² The “Chewy Vuitton” toy possessed similar shape, design, and color as the real life handbags, but in lieu of the Louis Vuitton interlocking “LV” they used “CV.”⁵³

The lower court ultimately ruled in favor of Haute Diggity Dog finding a parody, and subsequently barred a dilution claim.⁵⁴ The Fourth Circuit affirmed, but reached its conclusion through a different analysis.⁵⁵ The Fourth Circuit began “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.”⁵⁶ The Fourth Circuit noted that even though the Trademark Dilution Revisions Act (TDRA) allows fair use as a defense, parody only qualifies for that fair use defense when the trademark is not being used as

47. *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).

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

49. *Id.* at 257.

50. *Id.*

51. *Id.*

52. *Id.*

53. *Id.* at 258.

54. *Id.* at 267.

55. *Id.* at 257.

56. *Id.* at 266.

a designation of source.⁵⁷ Where a defendant parodies a famous mark and that parody operates as a designation of source, no fair use protection is available.⁵⁸

The Fourth Circuit's decision makes clear that the existence of 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.⁵⁹ 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 parody's purpose and whether it contributes to dilution.⁶⁰ Furthermore, factors (i), (ii), and (iv) focus on the similarity between the mark and the parody.⁶¹ Ultimately, the court stated 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."⁶² Louis Vuitton lost in *Haute Diggity Dog*, but the Fourth Circuit made clear that parodies between products more similar than a dog chew toy and luxury handbag may not qualify for the fair use parody defense provided in the TDRA.⁶³

2. My Other Bag Business Model Also 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.⁶⁴ MOB sells canvas tote bags with the phrase "My Other Bag" on one side and iconic designer handbags depicted on the other, including a classic Louis Vuitton design.⁶⁵ Louis Vuitton holds many trademarks including its classic repeating pattern design featuring the letters L and V interlocking with three stylized flowers.⁶⁶ MOB sells totes mimicking Louis Vuitton's iconic trademarked design, but replaces the interlocking "LV" with "MOB" for "My Other Bag."⁶⁷ 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

57. *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).

58. *Id.*

59. 15 U.S.C. § 1125(c)(2)(B); *Haute Diggity Dog*, 507 F.3d 252 at 266.

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

61. *Id.*

62. *Id.*

63. *See id.*

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

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

66. *Id.*

67. *Id.*

comparison,” and the tote playfully suggests that while wealthy individuals take great care of their Louis Vuitton handbags MOB totes are for sweaty gym clothes.⁶⁸ The court also concluded that MOB’s use of Louis Vuitton’s marks was not a designation of source because of the products’ dissimilarities.⁶⁹ 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 its highly valuable and aggressively protected trademarks.⁷⁰

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.⁷¹ 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, but rather intended to make a “broader social comment” about “what it means for a product to be luxurious.”⁷² Like Hyundai’s company representatives, MOB’s Chief Executive Officer stated that she never intended to disparage Louis Vuitton itself.⁷³ MOB’s website explains that its totes are simply meant to be stylish.⁷⁴ Therefore, Louis Vuitton argued that the totes did not parody Louis Vuitton itself because MOB had no intention to criticize or comment upon them, but only to make a larger societal point at Louis Vuitton’s own expense.⁷⁵

Furthermore, Louis Vuitton argued its marks were not necessary for MOB to get its point across; instead MOB’s use of Louis Vuitton’s mark simply dilutes the brand.⁷⁶ MOB could easily make tote bags that are stylish and practical without utilizing famous marks to generate sales. Nonetheless, the court declined to extend its 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.⁷⁷ Thus, Louis Vuitton failed again to find a legal remedy to protect its trademarks from being employed by lesser brands to generate association and sell product.

68. *Id.*

69. *Id.* at 437-38.

70. *Id.* at 435.

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

72. *My Other Bag*, 156 F.Supp.3d at 436.

73. *Id.* at 435.

74. *Behind the Bag*. MY OTHER BAG (last visited Nov. 21, 2019) <https://www.myotherbag.com/pages/about-us> [<https://perma.cc/4RN3-5VTZ>].

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

76. *Id.* at 437.

77. *Id.* at 436.

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 States Supreme Court to resolve the contrasting approaches between the Fourth Circuit's *Haute Diggity Dog* and Second Circuit's *My Other Bag* decisions.⁷⁸ 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 marks."⁷⁹ 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.⁸⁰

The Fourth Circuit concluded the chew toys constituted a parody because they were first obviously an imitation,⁸¹ second the differences between the products were plainly apparent,⁸² and third the joke was immediate.⁸³ Holding that the two products were so different that the dog chew toy parody was clearly not operating as a designation of source. 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*.⁸⁴ The Second Circuit's analysis began similarly to the Fourth Circuit's 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.⁸⁵ Louis Vuitton asserted that the similarities in the two courts' approaches conclude there, due to how the Second Circuit first analyzed the association between the products and second the existence of a joke.⁸⁶

The Fourth Circuit placed great weight on the fact that the chew toys were inherently different than a Louis Vuitton handbag.⁸⁷ Whereas, the Second

78. 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).

79. *Id.* at 18.

80. *Id.*

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

82. *Id.*

83. *Id.* at 260-61.

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

85. *Id.* at 21-22.

86. *Id.* at 23.

87. *Id.*

Circuit also concluded the products were markedly different, but placed no significance on the fact that the products were both handbags, with virtually identical designs, and marketed to similar women that seek stylish, sophisticated, and versatile bags.⁸⁸ The Fourth Circuit emphasized the fundamental distinctions between a crude dog chew toy and a high-end handbag.⁸⁹ The Second Circuit ignored the comparable characteristics of the two handbags and instead distinguished the more nuanced characteristics of each company's bags.⁹⁰ The Second Circuit appears to conclude MOB's concept of luxury versus utility rendered its product plainly distinguishable from Louis Vuitton's notoriously expensive product.⁹¹

Louis Vuitton understandably disagreed. MOB sought to sell fashionable tote bags by latching onto the prestige and quality that Louis Vuitton spent millions of dollars to generate and continues to spend millions to maintain. By parodying Louis Vuitton's marks, MOB purposely sought to create an association between the products to gain the attention of fashion savvy purchasers. MOB simply sells tote bags; what makes MOB's tote bags special is that they depict high-end trademarks on one side.⁹² Louis Vuitton's trademarks convey to a purchaser that their purchase possess quality, makes a statement, and is fancier than other bags. The Fourth Circuit's discussion as to whether MOB's products operate as a designation of source, which would nullify MOB's ability to employ a fair use parody defense, is lacking.

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 that the chew toy sought to be funny and concluded that a parody existed.⁹³ The Second Circuit interpreted jokes as more subtle, a "juxtaposition of similar and dissimilar" without any requirement to immediately convey the joke.⁹⁴ The Second Circuit acknowledged that some people might not even recognize that a joke was conveyed, and that was not an impediment of parody.⁹⁵ "The fact

88. *Id.* at 22.

89. *Id.*

90. *See id.*

91. *Id.* at 23.

92. My Other Bag, *The Collection*, (Jan., 30, 2019) <https://www.myotherbag.com/collections/my-other-bag/products/zoey-tonal-browns> [<https://perma.cc/KVK6-QUKM>]. Note that on MOB's website when given the option to view the bag the side depicting the high-fashion brands is the primary focus. To view the other side of the bag the viewer must scroll down and select a separate photo.

93. *My Other Bag Inc.*, No. 17-72, *petition for cert. filed*, at 24.

94. *Id.*

95. *Id.*

that the joke on [Louis Vuitton's] luxury image is gentle, and possibly even complimentary . . . does not preclude it from being a parody."⁹⁶

Overall, Louis Vuitton's position was that the Fourth Circuit's test should have been applied and the Second Circuit's approach was incorrect because the inherent similarities between the handbags were far too great and there was no immediately apparent joke. Arguing that the Second Circuit was required to conclude no parody existed.⁹⁷ The Second Circuit's approach to parody was very expansive and conflicts with the test utilized by the Fourth Circuit. Ultimately, the Supreme Court's rejection of Louis Vuitton's writ showcases another instance of the fashion giant attempting and failing to protect its marks by preventing lesser brands from making a mockery of and utilizing its highly valuable trademarks to establish their own products.

4. Parodies in the Past and Today

My Other Bag exemplifies how expansive the current application of the Trademark Dilution Revision Act can be to protect would-be infringing uses when they are labeled a parody.⁹⁸ Parody absolved MOB's use of Louis Vuitton's marks, even though the CEO affirmatively stated her products were not a critique, and how they instead essentially utilize famous designs to create association with the famous brands and develop its own brand.⁹⁹

Parody's definition has evolved over time. Parody is derived from the Greek word *parōidia*, meaning "a song sung alongside another."¹⁰⁰ The American Heritage Dictionary defines parody as a "literary or artistic work that imitates the characteristic style of an author or work for comic effect or ridicule."¹⁰¹ 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. Further stating that "parody needs to mimic" their victim's creation to make their point.¹⁰² Other courts defined parody as a, "humorous or satirical imitation of a work of art,"¹⁰³ a work that seeks to comment upon or criticize another work by appropriating elements of

96. *Id.*

97. *Id.* at 24-25.

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

99. *See id.*

100. 7 Encyclopedia Britannica 768 (15th ed. 1975).

101. American Heritage Dictionary 1317 (3d ed. 1992).

102. *Campbell v. Acuff-Rose Music, Inc.*, 114 S.Ct 1164, 1172 (1994) (discussing parody in the context of copyright infringement, which is commonly equated to the same property interests in trademark dilution).

103. *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)).

the original¹⁰⁴ or “a work in which the language or style of another work is closely imitated or mimicked for comic effect or ridicule.”¹⁰⁵ Many definitions required an attempt at humor or critical commentary to presumptively constitute a parody.¹⁰⁶ Even though past courts applied varying parody definitions, the Second Circuit’s conclusion in *My Other Bag* is notably expansive.¹⁰⁷ The definition of parody in *My Other Bag* included “gentle” and even “complimentary” comparisons.¹⁰⁸

MOB seeks to sell women high-end canvas tote bags through acquiring a prideful feeling of refinement by utilizing famous trademarks of high-end fashion houses, such as Louis Vuitton. As mentioned, MOB’s CEO herself stated that Louis Vuitton’s bags were iconic and she never intended to criticize Louis Vuitton.¹⁰⁹ Additionally, MOB markets to stylish women. MOB does not want its customers met with giggles when they walk down the street because they hold a humorous bag. The company markets its product as a fashionable bag for everyday use.¹¹⁰ 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.¹¹¹ MOB blatantly utilizes Louis Vuitton’s highly valuable trademarks to perpetuate an association with a more expensive caliber of handbag. Louis Vuitton has no legal remedy due to parody being expanded so greatly as to include “gentle” and even “complimentary” comparisons.¹¹²

III. IMPLICATIONS FOR THE FUTURE

Historically, litigation in the fashion industry is risky.¹¹³ The fashion industry is fast paced because the seasons shift regularly and popular trends constantly fluctuate.¹¹⁴ Simultaneously, the court system is notoriously slow

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

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

106. Gunnell, *supra* note 6, at 465.

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

108. *Id.* at 3.

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

110. <https://www.myotherbag.com/pages/about-us> [<https://perma.cc/4RN3-5VTZ>].

111. <https://www.myotherbag.com/collections/my-other-bag> [<https://perma.cc/KVK6-QUKM>].

112. *My Other Bag*, 156 F.Supp.3d at 445.

113. Schwartz, *supra* note 39 at 296-98.

114. *Id.* at 297-98.

with litigation sometimes lasting years, which causes court decisions to have minimal effect.¹¹⁵ Trademark disputes are somewhat unique because protecting a trademark is often in the fashion houses' long-term interest.¹¹⁶ However, trademark disputes still pose practical drawbacks in the form of costs as well as disrupting business relationships because the industry is so fluid with talented individuals, ideas, and designs constantly recirculating.¹¹⁷

Alternative dispute resolution (ADR) is one option for fashion houses to avoid litigation because many innate characteristics of ADR appeal to the fashion industry.¹¹⁸ 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.¹¹⁹ This is important because 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 its trademark. Some commentators went as far as labeling Louis Vuitton a "trademark bully."¹²⁰ Louis Vuitton's *My Other Bag* lawsuit put My Other Bag's name alongside the fashion giant in headlines at the risk of causing traffic to MOB's website and possibly increasing MOB's sales. Even with knowledge of such risks, Louis Vuitton's commitment to seeking protection for its marks through litigation likely is not over. The fashion house's passion to enforce its trademark rights in court is a testament to how valuable its trademarks are to the brand and the lengths it will go to protect the marks.

CONCLUSION

Louis Vuitton's failure to prevent companies like Haute Diggity Dog and My Other Bag from utilizing its 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's 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 defense. Moreover, the TDRA's application impacts the fashion

115. *Id.*

116. *See id.*

117. *Id.*

118. Schwartz, *supra* note 39 at 299.

119. *Id.*

120. <https://abovethelaw.com/2017/07/bagging-a-trademark-bully/> [<https://perma.cc/86DV-VC5J>].

industry more negatively than other industries because there are already so few legal options to protect their business interests.¹²¹ Lastly, recall that consumer 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.”¹²² This property-like interest is weak, and even when courts are willing to find that a parody exists they are unclear as to what constitutes source designation. The broad application of what constitutes a parody and whether it operates as a designation of source leaves famous mark holders, particularly high-end fashion houses like Louis Vuitton, with few options to prevent others from mocking and devaluing its marks despite its worthy efforts.

121. Schwartz, *supra* note 39, at 281-82.

122. 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)).