

the granting of the registration for the Louboutin Red Sole Mark on January 1, 2008. To the contrary, the file history indicates complete and full compliance with all regulations and requirements of law and no errors of any kind by the trademark examining attorney in authorizing the registration to issue. The doctrine of “aesthetic functionality,” which in my view does not have merit, would not in any event apply to the Red Sole Mark, because the red is specific, limited to the outsole, and affords no competitive disadvantage to others. To the extent that the Red Sole Mark has become a prominent identifier of the CHRISTIAN LOUBOUTIN shoe brand, and therefore attractive to copyists for that reason, it is functioning exactly as a trademark is supposed to do.

3. My employment history has been entirely in the field of trademarks. Before accepting my current position with the World Intellectual Property Organization, I spent almost my entire career within the United States Patent and Trademark Office.

4. For the past five years (August 5, 2005 to December 31, 2010), I was the Commissioner for Trademarks at the USPTO. As Commissioner I was responsible for all operations, policy decisions and activities of the Trademark Division of the USPTO.

5. From January 2001 through August 2005, before being appointed Commissioner for Trademarks by the Secretary of Commerce, I was the Deputy Commissioner for Policy of the USPTO and responsible for most of the major policy decisions as well as implementation thereof taken by the USPTO during that period.

6. From 1995 until 2000, I was the Head of the Trademark Division of the Office of Legislative and International Affairs at the USPTO.

7. From 1990 until 1995, I was the Trademark Legal Administrator in the Office of the Assistant Commissioner for Trademarks.

8. From 1985 through 1990 I was a Managing Attorney in Law Office 7 of the USPTO. As a Managing Attorney I was responsible for quality review of the work of the approximately 15 examining attorneys in my Law Office. I was also charged with reviewing all applications that were signed by an examining attorney to be published for opposition. During that period I reviewed thousands of application files and became even more intimately familiar with the examination process and examination standards, including those applied to non-traditional trademarks such as sounds, colors, symbols and the like.

9. From 1979 until 1985 I was an examining attorney at the USPTO. During that period my responsibilities included examining literally thousands of trademark applications, including non-traditional trademarks, such as colors, symbols and the like. I also, of course, was fully trained in the policies and procedures of the USPTO that were to be applied to examinations of trademark applications. Later on in my career at the USPTO I was the person who maintained, amended and otherwise set such procedures.

10. It is notable that I was the Commissioner of Trademarks at the very period during which Plaintiff Christian Louboutin applied for (2007) and received (2008) the certificate of registration for the Red Sole Mark which forms the subject of the instant litigation, to wit: U.S. Trademark Registration No. 3,361,597, a copy of which is attached to this Declaration as Exhibit A.

11. The mark at issue is described in the Registration as a “lacquered red sole on footwear” and is depicted as follows:



This depiction is critical, for, as noted below, it is the sample and registered color which govern, not the general verbal description of the color.

12. During my time at the USPTO I was engaged in, amongst other things, the development of on-line filing and searching via the internet. In its transition from a system of representing colors in drawings through the use of color lining/hatching accompanied by a statement as to what color was represented, the USPTO continued, by default, its practice of using general words to describe color marks. However, from a legal standpoint, the color claimed is the exact shade submitted to the USPTO, so there is no question, when a color trademark issues, of the color that is registered as opposed to anything broader. TMEP section 1202.05(d)(iii) provides that any change of color in a color mark is considered a material alteration of the mark.

13. Most applications for trademarks that are filed with the USPTO are words, letters, designs or some combination thereof. These are considered for the most part traditional trademarks. Periodically, however, applications for non-traditional trademarks, such as color, are filed and examined by the relevant Examining Attorney. When such a mark is sought, special examination requirements are brought to bear as a color mark is not considered inherently distinctive. What is key is an applicant must show the mark being sought has acquired

distinctiveness, that the mark is already recognized as a source indicator by the relevant portion of the consuming public and that the color being claimed is not functional.

14. I have examined the full file wrapper relating to trademark Registration No. 3,361,597, in electronic form available at uspto.gov, and in hard copy furnished to me by Plaintiffs' counsel. A copy of the full file wrapper is attached as Exhibit B.

15. The file wrapper indicates that in support of his application for the Red Sole Mark, Mr. Louboutin submitted a Preliminary Amendment in the form of a "Declaration In Support of Acquired Distinctiveness Under Section 2(f)" signed by Mr. Louboutin. In addition, the declaration also submitted extensive evidence in support of the application for the Red Sole mark. The declaration and evidence form a part of Exhibit B, attached.

16. The declaration of Mr. Louboutin, supporting exhibits thereto, sample of the color mark as used (a photograph in this case, which is common, rather than an actual shoe) and a drawing of the mark (which is shown above and accurately reflects the sample submitted, *see* Ex. B, attached) all would have been considered by the Examining Attorney. *See* Trademark Manual of Examining Procedure ("TMEP") at § 704.01.

17. In his Declaration, Mr. Louboutin avers that he launched his brand of footwear in 1991 in Paris. In 1992 he wanted to add "energy" to his footwear and applied red nail polish to the sole of his shoes. That colored shoe sole quickly became his signature and he incorporated the signature "red sole" as part of every shoe he designed from 1992 until his application for registration at the USPTO in March of 2007, and indeed up to the present. By 2007, Mr. Louboutin had used the "red sole" to distinguish his shoes for 15 years, which use today is almost two decades.

18. Mr. Louboutin's Declaration, standing alone, with no other exhibits, would have been sufficient to approve his application for registration of the Red Sole Mark. 15 U.S.C. § 1052(f) specifically provides that the Examining Attorney may accept "as *prima facie* evidence that the mark has become distinctive, as used on or in connection with the applicant's goods in commerce, proof of substantially exclusive and continuous use thereof as a mark by the applicant in commerce for the five years before the date on which the claim of distinctiveness is made." Mr. Louboutin's statements regarding use of the Red Sole Mark on his shoes from 1992 until March 2007 alone satisfies the requirement coupled with his statement that such use for the five years preceding March 2007 was substantially exclusive.

19. The USPTO does not require the five year claim of use to be exclusive, only that it be substantially so. *See* TMEP at § 1212.05(b). The policy of the USPTO in this regard recognizes that during the period a mark is gaining notoriety and secondary meaning, especially one such as the color mark herein, there is a likelihood of others who may use the same or a similar color either innocently or not so innocently. As long as the applicant's use is *substantially* exclusive such incidental or possibly infringing use will not bar the applicant's registration.

20. Separate and apart from the claims as to use made in Mr. Louboutin's declaration, there is independent support for his application to register his Red Sole Mark. Proof of extensive adoption by the trend leaders is significant. Proof of extensive unsolicited media coverage is likewise significant. Mr. Louboutin's declaration indicates as of 2007, his shoes were already being worn by a very large contingent of well-known actresses and celebrities such as Madonna, Halle Berry, Salma Hayek, Kate Hudson, Sarah Jessica Parker, Jennifer Lopez, Mischa Barton, Jessica Simpson, Mary Kate Olson, Cameron Diaz, Gwyneth Paltrow, Kirsten Dunst, Angelina

Jolie, the pop music group Destiny's Child, Tina Turner, and Janet Jackson. These are the kind of people who would be photographed for fashion and celebrity magazines and whose clothes would be widely discussed. Not too surprisingly, considering this list, Mr. Louboutin was able to provide an extensive list of media coverage, starting in 1999 and continuing up to the time of the affidavit, that referred to his shoes and especially to his signature red soles. The extensive third party and media recognition of the "red soles" would be extremely persuasive to an examining attorney seeking evidence of the acquired distinctiveness of the color mark embodied in the "red soles". This type of evidence on its face satisfies the evidentiary showing to claim the Louboutin red sole as a mark.

21. Aiding the growth of independently acquired secondary meaning was the growth indicated in the distribution of Mr. Louboutin's signature Red Sole shoes using not only his own branded stores but the very high end department stores shown in the evidence submitted, to wit: Neiman Marcus, Barneys New York, Saks Fifth Avenue, Bergdorf-Goodman, Nordstrom, *etc.*

22. Mr. Louboutin's declaration contains additional, separate support for the finding of acquired distinctiveness and secondary meaning. The stated export value of the shoes to the United States in 2006 of \$19,000,000 would have meaning to an examiner. So would the fact that the shoes cost on an average of \$1000 per pair, leading as Mr. Louboutin avers, to a considered purchase rather than one based on impulse. All this would weigh heavily in favor of approving Mr. Louboutin's application to register his Red Sole Mark.

23. If this file were put before me in my role as Managing Attorney or Commissioner of Trademarks, there is absolutely no question that I would have approved this application, notwithstanding Mr. Samuels's erroneous statement that somehow or other I would then, as

Managing Attorney or Commissioner, have violated standard procedure. His claims in this regard are without substance or credibility.

24. As noted above, the Examining Attorney, when dealing with a color mark application, must not only consider the acquired distinctiveness of such a mark, but whether the color serves a function. If the color is functional, it cannot be approved as a trademark. However the issue of function is sometimes misunderstood. Function can be true function, such as the colors of rings on electrical equipment indicating the resistance of the particular device or it can be something which might be considered to give Mr. Louboutin an unfair advantage against his competitors, by making, for example, the shoes cheaper to manufacture. (Mr. Louboutin notes in his declaration the application of red actually *increases* the cost of making his shoes.)

25. In his declaration Mr. Samuels indicates that Mr. Louboutin's statement that he selected the color red "because it is engaging, flirtatious, memorable and the color of passion" indicates that the color red was chosen because it was "aesthetically functional". In the first instance a color that is engaging is simply not by itself aesthetically functional. There is absolutely no basis to believe otherwise. These are the words of an artist not an engineer.

26. More importantly, I believe this statement completely misreads the much discredited doctrine of aesthetic functionality. TMEP section 1202.02(a)(vi) (the TMEP section devoted to "aesthetic functionality") provides the following advice to the examining attorney on these matters: "The color . . . does not normally give the product a truly utilitarian advantage (in terms of making the product perform better), but may still be found to be functional because it provides other real and significant competitive advantages and, thus, should remain in the public domain." Stated another way a "product color might be considered functional if its exclusive use

“would put competitors at a significant non-reputation-related disadvantage” even where color was not functional in a utilitarian sense.” The examining attorney following the direction given by the TMEP would therefore analyze if the red soles of Mr. Louboutin’s shoes gave some kind of “competitive advantage” or “put competitors at a significant non-reputation-related disadvantage.” There is no reason to believe the Examining Attorney did not follow these policies and procedures, Mr. Samuels’s unsupported claims to the contrary notwithstanding. As the file is devoid of adverse references to Mr. Louboutin, the inference is that the Examining Attorney did satisfy herself there was no such competitive advantage or was satisfied that there was no such issue as it was merely color on the outsole of a shoe.

27. The only thing Mr. Samuels points to is the artist, Mr. Louboutin, saying he picked red because he liked it, it was sexy. As the TMEP provides that the Examining Attorney must consider functionality, there is an assumption that she did. To say that the words “engaging” or “flirtatious” should have given rise to further inquiry is without support. After examining literally thousands of applications, and, as Managing Attorney, reviewing even more, over decades of time, this type of language would not have caused me to consider that red might be offering some sort of competitive advantage that should be prevented. In the first place, the trademark here is for a shoe’s *outsole*. Nothing prevents others from using red, including the same color red, on the shoe’s upper, heel, toe section, toe platform, straps, adornments, including bows and ribbons, and the like, to make the shoe “flirtatious” or “engaging.” In addition, the infinite variety of other reds (and colors) repudiates Mr. Samuels’s assertion of competitive advantage. This is particularly true since applying common knowledge, which is also what an Examiner is to do, would lead to the conclusion that there are many other reds available in the spectrum of colors for use by other footwear designers, including Mr. Louboutin’s competitors.

28. An examining attorney, applying the required analysis and examining the relevant case law, which she would have done as a matter of course, would have raised the issue had she turned up any evidence of aesthetic functionality. There is no requirement that the Examining Attorney record her analysis of any issue that might be raised in the application file, especially if the facts in the file do not lead her to believe any problem exists. There is no evidence that the search and analysis done by the Examining Attorney showed any such competitive advantage existed due to the possible aesthetic functionality of the red soles.

29. As part of the examination process, the examining attorney would be looking at other trademarks for shoes and would, as part of the search for confusingly similar marks, find any applications or registrations from other manufacturers seeking a single color to distinguish their brand of shoes. She would also be expected, as part of the examination of a color mark, to look at the practices in the shoe business to try to determine if allowing one manufacturer the exclusive right to use a particular color on a shoe sole would give a competitive advantage.

30. In fact, the examining attorney could easily conclude that red sole is functionally disadvantageous. First, as Mr. Louboutin has already established, the red sole is more expensive to produce. In addition, as a practical matter, by choosing a red sole for the shoes he produces, Mr. Louboutin excludes from his customer base anyone who hates the color red, or does not want to wear red with a particular outfit. No such information is shown for the same reason contrary information is not shown. It neither required nor appropriate. Mr. Samuels is simply wrong in intimating or concluding that the Examining Attorney did not do her job or made some sort of finding contrary to law or fact.

31. In preparing this Declaration I have reviewed the documents listed on Exhibit C attached.

32. I am being compensated at \$550 per hour. My compensation does not depend on the outcome of this litigation.

I declare under penalty of perjury that the foregoing is true and correct.

Executed this 16th day of July, 2011 in Fort Washington, Maryland.


Lynne Beresford