

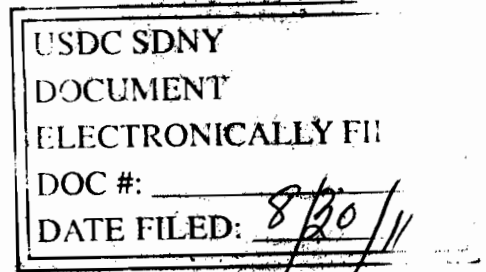
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August 1, 2011

BY HAND DELIVERY

Honorable Victor Marrero
 United States Courthouse
 500 Pearl Street
 New York, New York 10007



Christian Louboutin S.A. v. Yves Saint Laurent America, Inc.
No. 11-CV-2381

Dear Judge Marrero:

We write to address the issues raised in Mr. Lewin's letter of July 25.

The Parameters of Louboutin's Claimed Trademark

Louboutin's trademark registration never should have been granted. Whether the registration is for a "lacquered red sole" generally, or only the particular shade printed on Registration No, 3,361,597,¹ a single primary color for an article of fashion is aesthetically functional and, as such, no fashion company should be permitted to monopolize that color.

In its reply brief, Louboutin has narrowed its claim to Pantone 18-1663TP.² It is notable, though, that throughout discovery, Louboutin refused to identify the Pantone shade of its mark and refused to indicate which Pantone shades YSL is permitted to use.³ Instead, Louboutin charges YSL with the responsibility to "stay far enough away" from its color (which, Louboutin concedes, looks different when printed on different materials). 7/27 Tr. 5:12-14, 6:10-11. That standard is completely unworkable in the context of an ornamental color applied to an article of apparel, and would have radically anti-competitive effects if enforced.

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² It is undisputed that YSL does not use Pantone 18-1663TP and does not apply lacquer to its soles. Vaissié Decl. ¶ 39. See also Marchioni Declaration (attached as Exhibit 3).

³ When we asked Mr. Louboutin whether he would "object to any shade of red on a sole," Mr. Lewin improperly instructed him not to answer. Mr. Louboutin also refused to say whether he would object to a sole that was not lacquered. Louboutin Tr. 46:4-25.

Louboutin's inability to specify the range of shades in which it claims monopoly rights reinforces the point that this ornamental trademark is so indefinite that it should never have been granted. Rather, as Chief Judge Easterbrook has explained, "[g]ranted a producer the exclusive use of a basic element of design (shape, material, *color*, and so forth) impoverishes other designers' palettes." *Jay Franco & Sons, Inc. v. Franek*, 615 F.3d 855, 860 (7th Cir. 2010) (emphasis added); *see also id.* ("Fashion is a form of function [and a] design's aesthetic appeal can be as functional as its tangible characteristics.").

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As explained by Mr. Samuels, at the minimum, the statements in the 2007 application as to the decorative aspects of the red sole should have prompted the Examiner to make further inquiries as to the aesthetically functional nature of the design. Samuels Decl. ¶ 7.⁴

Further proof of the indefiniteness of Louboutin's alleged trademark, and why its registration is so anti-competitive, is that Louboutin itself cannot determine which of YSL's red-soled shoes infringe its alleged mark.⁵ For example, REDACTED

Louboutin's Chief Operating Officer could not tell whether the red-soled Gipsy shoe infringes: "It's a tough one to

⁴ Although Louboutin's PTO expert challenges Mr. Samuels' conclusion, her views appear to be colored by her own personal belief that the doctrine of aesthetic functionality has been "discredited." Beresford Decl. ¶ 26. Whatever her personal views may be, the fact remains that "aesthetic functionality" has been endorsed by the Supreme Court as an important doctrine in trademark law to prevent anti-competitive trademark claims like Louboutin's. *Qualitex v. Jacobson Prods. Co., Inc.*, 514 U.S. 159, 170 (1995) ("The 'ultimate test of aesthetic functionality . . . is whether the recognition of trademark rights would significantly hinder competition."); *Maharishi Hardy Blechman Ltd. v. Abercrombie & Fitch & Co.*, 292 F. Supp. 2d 535, 543 (S.D.N.Y. 2003) (Marrero, J.) (explaining "aesthetic functionality doctrine"); TMEP § 1202.02(a)(vi) ("Aesthetic functionality' refers to situations where the feature may not provide a truly utilitarian advantage in terms of product performance, but provides other competitive advantages."); *see also Solid 21, Inc. v. Breitling USA Inc.*, 2011 WL 2938209, at *7 (C.D. Cal. July 18, 2011) (burden is on plaintiff to prove that color mark claimed for jewelry is *not* aesthetically functional).

⁵ As explained by Ms. Vaissié, YSL has sold red-soled shoes since at least the 1970s (and, indeed, has sold other colored monochrome shoes for many years as well). It does not keep samples of every style, so YSL is not easily able to identify which shoes had red soles in the 1970s, 1980s and 1990s. However, based on a review of records going back to 2003, YSL has identified at least 15 different models of shoes that used various shades of red on the soles. Vaissié Decl. ¶¶ 16-19, 23-25, 29. Significantly, until this suit, Louboutin never objected to YSL's red soles, which undermines any possible claim of irreparable injury.

say. It's real tough. It could go both ways for me." Mourot Tr. 81:17-82:12. Similarly, although Mr. Lewin now says that the sole on the 2009 Grenade shoe was not objectionable, 7/22 Tr. 42:3-8, Mr. Louboutin took a different position at his deposition – he said he was unable to say whether it ran afoul of his trademark and that he would have to give it more thought back in his office to “really consider the color.” Louboutin Tr. 59:25-61:6.⁶ If even the owner of the trademark has such trouble determining its scope, it goes without saying that the registration fails to provide adequate notice to YSL or the numerous other designers who make red-soled shoes.

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The Scope of Exclusive Use of the Trademark Registration

A trademark registration is intended to provide notice to junior users *of trademarks*. Even if a mark is registered, it cannot prevent non-trademark, fair uses such as the use at issue here. *Shakespeare Co. v. Silstar Corp.*, 110 F.3d 234, 243 (4th Cir. 1997) (color used on fishing rod permitted as a fair use).

The record is clear that YSL's use of red soles, from the 1970s to the present – like its use of other colored soles as well – always has been “the result of purely aesthetic considerations” and never has been based on any desire to associate its shoes with Louboutin. Vaissié Decl. ¶ 17; *id.* ¶¶ 4-5, 16, 36, 38-39.⁷ Louboutin's repeated attempts to portray YSL as a copyist are factually wrong and without a scintilla of support in the record. *Id.* ¶¶ 40-42. Thus, even if Louboutin's trademark is found to be valid (which it should not), and even if there were some showing of confusion (which there is not, given the deeply flawed stimulus used in the Klein survey), the statutory fair use doctrine provides absolute protection for YSL to use the color red – as well as other colors including blue, green, purple, yellow and the like – as an ornamental feature on the outsoles of its shoes. *Id.* ¶ 5; YSL Opp. Br. at 21-23.

* * *

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⁷ Mr. Louboutin conceded that a colored sole has utility as a design feature. As he noted in the declaration he submitted in support of his trademark application, he first used red soles because he felt that the shoes otherwise “lacked energy.” Mourot Decl., Ex. C ¶ 3. The red sole thus enhanced the attractiveness of the product. The fact that YSL and many other designers have used red (and other colored) soles for years – including before Louboutin began to do so and before his registration was granted – further proves the point. *See, e.g.*, Vaissié Decl. ¶¶ 4-5; Tr. 37:22-38:18; Schrader Decl. Ms. Goldaper completely ignores this history and practice when she makes the facially nonsensical suggestion that a colored outsole does not impact upon the overall look of a shoe. Goldaper Decl. ¶ 14. Her view that a colored sole simply can be replaced by a colored edge is belied by logic, particularly when one views a shoe from the rear;

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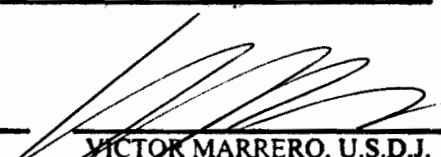
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Respectfully submitted,

David H. Bernstein

Enclosures

cc (by hand): Harley I. Lewin, Esq.

The Clerk of Court is directed to enter into the public record of this action the letter above submitted to the Court by	
<u>Defendant</u>	
SO ORDERED.	
<u>8-29-11</u>	
DATE	VICTOR MARRERO, U.S.D.J.

Int. Cl.: 25

Prior U.S. Cls.: 22 and 39

United States Patent and Trademark Office

Reg. No. 3,361,597

Registered Jan. 1, 2008

**TRADEMARK
PRINCIPAL REGISTER**



CHRISTIAN LOUBOUTIN (FRANCE INDIVIDUAL)
24 RUE VICTOR MASSÉ
PARIS, FRANCE 75009

FOR: WOMEN'S HIGH FASHION DESIGNER
FOOTWEAR, IN CLASS 25 (U.S. CLS. 22 AND 39).

FIRST USE 0-0-1992; IN COMMERCE 0-0-1992.

THE COLOR(S) RED IS/ARE CLAIMED AS A
FEATURE OF THE MARK.

THE MARK CONSISTS OF A LACQUERED RED
SOLE ON FOOTWEAR. THE DOTTED LINES ARE
NOT PART OF THE MARK BUT ARE INTENDED
ONLY TO SHOW PLACEMENT OF THE MARK.

SEC. 2(F).

SER. NO. 77-141,789, FILED 3-27-2007.

NORA BUCHANAN WILL, EXAMINING ATTORNEY

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*Attorneys for Yves Saint Laurent America, Inc.,
Yves Saint Laurent America Holding, Inc.,
and Yves Saint Laurent S.A.S.*

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

----- X
Christian Louboutin S.A., Christian Louboutin,
L.L.C. and Christian Louboutin,

Plaintiffs/Counterclaim-Defendants,

vs.

Yves Saint Laurent America, Inc., Yves Saint
Laurent America Holding, Inc., and Yves Saint
Laurent S.A.S., et al.

Defendants/Counterclaim-Plaintiffs.
----- X

Civil Action Number 11-cv-2381
(VM)

ECF Case

DECLARATION OF CRISTINA MARCHIONI

I, Cristina Marchioni, declare as follows:

I. I am over the age of 18 and competent to testify. I am the Production Manager for the Shoe Department at YSL Development Srl, and I submit this declaration on personal knowledge, on behalf of Yves Saint Laurent America, Inc., Yves Saint Laurent America Holding, Inc. and Yves Saint Laurent S.A.S. (together "YSL") in opposition to the motion for a preliminary injunction of Christian Louboutin S.A..

Christian Louboutin, L.L.C. and Christian Louboutin (together, "Louboutin").

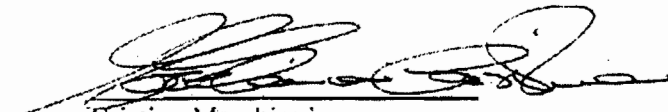
2. My job responsibilities include planning and execution of the production process for YSL shoes.

3. I understand that Louboutin has indicated in court papers that the specific shade of red it uses on outsoles of women's footwear is Pantone 18-1663TP.

4. YSL did not use that shade of red on the outsoles of any of the four models of shoes from its Cruise 2011 collection that I understand to be at issue in this lawsuit: the Tribute, Tribtoo, Palais and Woodstock.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed in Milan, Italy on this 21st day of July 2011.



Cristina Marchioni