

LVL XIII and Louis Vuitton Go Toe-To-Toe Over Toe Plates

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by Kaleb McNeely



Louis Vuitton



LVL XIII

In a previous [post](#), we discussed Louis Vuitton's unsuccessful lawsuit against My Other Bag, Inc., in which the "parody defense" was a key issue. Louis Vuitton is making trademark law news again – this time as a defendant/counterclaim plaintiff in a trademark infringement suit in federal court for the Southern

District of New York, *LVL XIII Brands, Inc. v. Louis Vuitton Malletier S.A. et al.* In this latest action, Louis Vuitton was more successful, obtaining the dismissal of all claims against it, although its counterclaims for infringement of its famous "LV" Monogram mark were rejected.

As the court playfully put it, the case involved "two fashion companies go[ing] toe-to-toe over the right to affix a metal plate to the toe of 'luxury' men's sneakers." Plaintiff LVL XIII (pronounced "Level 13") is a start-up company that designed and manufactured a luxury men's sneaker containing a rectangular metal toe plate with the inscription "LVL XIII" (the "TP"). After LVL XIII's sneakers hit the market in the fall of 2013, LVL XIII allegedly discovered that a Louis Vuitton footwear product also released in 2013, the "On the Road" sneaker, used a metal toe plate similar to that on the TP. LVL XIII commenced a lawsuit for infringement on June 30, 2014, and Louis Vuitton asserted counterclaims asserting that the LVL XIII marks infringed the LV Monogram mark.

On September 13, 2016, in a carefully-reasoned 107-page decision, the court granted each party's summary judgment motions on the other's claims, and denied LVL XIII's motion on its own claims, resulting in the dismissal of all claims in the lawsuit. Despite the length of its opinion, the court didn't really think this case was a close call – at least not with respect to LVL XIII's claims. Nonetheless, the opinion contained some

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interesting nuggets, discussed below.

Expert Exclusion

Before addressing the parties' summary judgment motions, the court granted Louis Vuitton's motion to preclude LVL XIII's expert, a law professor retained to testify on the issue of secondary meaning with regard to the TP. There were three reasons for the exclusion of the expert. First, while the expert may have had expertise in certain areas of fashion history and intellectual property law, it was not established how this would qualify him to testify "as to the central, and largely empirical, issue" of whether the TP had acquired secondary meaning. Next, the expert's opinion rested upon an unsubstantiated assumption – that LVL XIII's customer base was "urban males" – rendering his opinions irrelevant and unreliable. Finally, the expert's methodology was not reliable because it could not be tested or challenged, in part because the expert had failed to properly document his research. The court also criticized the expert's failure to conduct a consumer survey, indicating that, while a secondary meaning survey might not be an absolute requirement, it is the "most persuasive" evidence, making it difficult to prove secondary meaning without one.

Unusual USPTO Application History

A further interesting aspect of this case is the unusual prosecution history of the TP trademark application. LVL XIII had filed a "design mark" application with the USPTO for the TP in March 2013. The USPTO had issued a Notice of Publication in August 2013 and a Notice of Allowance in October 2013, without ever requiring proof of the distinctiveness of the mark. However, on July 18, 2014, following the submission of a Statement of Use with accompanying product specimen, the USPTO issued an office action refusing registration. The office action required LVL XIII to amend the description of the mark to indicate that it is "in fact a three dimensional configuration of a feature of the goods." LVL XIII was also directed to disclaim the non-inherently distinctive design of the rectangular shape of the TP on the ground that "product design can never be inherently distinctive as a matter of law" and is thus not registrable on the Principal Register without sufficient proof of acquired distinctiveness. What made the prosecution history interesting is that the USPTO had actually accepted LVL XIII's Statement of Use on July 15, 2014, a mere three days before the USPTO reversed itself and declined to approve the application for registration. Perhaps the USPTO belatedly realized that LVL XIII's mark was in fact a three-dimensional product configuration, and that the applicant needed to either disclaim the design of the rectangular shape of the TP or prove that the design had acquired distinctiveness. This appears to be the correct determination – what is surprising is that the USPTO took so long to reach it, and that it had to reverse itself three days after accepting LVL XIII's Statement of Use.

Product Design v. Packaging and the Need to Prove Secondary Meaning

The court's decision also contained a useful review of the distinction between product design and product packaging. Louis Vuitton had argued that the TP was product design trade dress, which is "not protectable absent a showing of secondary meaning." LVL

XIII, on the other hand, contended that the TP was either “a conventional trademark or, alternatively, product packaging, either of which can be held inherently distinctive.” Applying *Wal-Mart Stores, Inc. v. Samara Bros.*, 529 U.S. 205 (2000) and its progeny, the court held that the TP was product design. According to the court, product packaging is generally limited to the appearance of labels, wrappers and containers used in packaging a product. Further, the court accorded weight to the ultimate determination of the USPTO that the rectangular shape of the shoe toe plate is a “configuration of a feature of the shoe design,” which “can never be inherently distinctive as a matter of law.” As the court wittily concluded, despite LVL XIII’s efforts to “shoehorn” the TP into the trademark or product packaging categories, “it did not fit.” Thus, to prevail on its Lanham Act claims, LVL XIII was required to show that the TP had acquired secondary meaning.

Social Media Evidence of Secondary Meaning

In a sign of the growing influence of social media and its potential relevance to secondary meaning, the court also addressed LVL XIII’s claims that it could prove secondary meaning through social media evidence even in the absence of traditional paid advertising. However, the court found that LVL XIII had failed to offer proof of the existence, let alone success, of a social media-based marketing plan. Moreover, in the court’s words, “even if LVL XIII had adduced evidence of a substantial online following, that would not support secondary meaning, because LVL XIII has not identified a single post highlighting the TP as an indicator of source.” Whether a party that offers evidence of a social media-based advertising campaign highlighting the trademark as an “indicator of source” could prove secondary meaning in the absence of any traditional advertising is still an open question.

Louis Vuitton’s Counterclaims

Finally, as mentioned above, the court also ruled on Louis Vuitton’s counterclaims, concluding that that use of the LVL XIII word mark was not likely to cause confusion with Louis Vuitton’s well-known “LV” Monogram mark (the “Initials Logo”). In doing so, the court rejected Louis Vuitton’s claim to “a broader exclusive right to use the non-stylized ‘LV’ letter combination,” holding that “although the Initials Logo is strong in its stylized form, that does not mean that [Louis Vuitton] has the ‘exclusive right to . . . [every] variation’ of the ‘LV’ initials.” In light of this language narrowing the scope of protection for the famous LV Monogram mark, Louis Vuitton might have had second thoughts about whether it was worth asserting the counterclaims, or whether it should have just defended the weak infringement claims asserted against it by LVL XIII.