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COMMENTARY

PUMA SE v. FOREVER 21, INC.: PUMA’S “FENTY” SLIDES MAY NOT HAVE THE TRACTION FOR THE UPHILL BATTLE AGAINST FOREVER 21

By Jessica Cohen-Nowak*

I. INTRODUCTION

In 2014, Puma SE and its subsidiaries, including Puma North America Inc. (together referred to as “Puma”), were quickly losing their share of the athleisure market (i.e., athletic footwear and apparel that is designed for its aesthetic rather than a utility in fitness) to Nike and Adidas. Looking for a way to rebrand itself, Puma began collaborating with the famous music artist, Rihanna, to design and market a female-targeted clothing and footwear line under the Puma “Fenty” label. The Fenty footwear line contains three shoe designs that are the subject of Puma’s lawsuit against Forever 21, Inc. (“Forever 21”) filed in the United States District Court for the Central District of California.¹ The three shoe designs were the “Creeper Sneaker” (launched in 2015), the “Fur Slide” (launched in 2016), and the “Bow Slide” (launched in 2017), which appear as shown below.²

All three Fenty designs had great commercial success.³ The Creeper Sneaker was awarded “Shoe of the Year” at the 2016

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² Id.

³ Rachel Allen, Footwear News, How Rihanna and Puma Dreamed up the Most Desirable Shoe of 2016, available at http://footwearnews.com/2016/influencers/collaborations/rihanna-puma-fenty-creeper-footwear-news-achievement-awards-fnaa-shoe-of-the-year-280124/ (“The Creeper has continued to be a best-seller, and Rihanna’s partnership with Puma has expanded to include the release of a trainer, a faux-fur slide and two hot-ticket runway
Footwear News Achievement awards. The two sandal designs were so popular that each design immediately sold out almost instantly after it was launched. While the success of the Creeper Sneaker may or may not be attributed to the athleisure sneaker trend, the success of the Fenty slide sandals was not surprising given the recent rise in the popularity of luxury pool slides.

The pool slide trend started over forty years ago when Adidas introduced its “Adilette” slide. In recent years, the Adilette has once again become one of the brand’s best sellers. Slide sandals with fur, bows, and other applique designs began popping up on the luxury runway circuit about five years ago when “Céline,” an innovative luxury brand, debuted crisscross fur slides for its Spring 2013 collection. In 2015, the brand No. 21 collaborated with the company Kartell à la Mode to create a rubber bow slide sandal. By 2017, several major footwear designers were offering some variety of a pool slide.

Puma launched the “Bow Slide” in March 2017, and it was an immediate success, selling out in less than thirty minutes. Arcadia Group Brands Limited (t/a Topshop) (“Topshop”), a British fashion retailer, released the “Halo Bow Slide” (below) the same month. Puma sought and was granted an ex parte preliminary injunction in the High Court of Düsseldorf to stop Topshop from selling both the “Topshop Halo Bow Slide” as well as the “Topshop Harlow Fur shows. For Puma, the collaboration has been a driving factor behind its rising sales recently. In the third quarter of 2016, footwear was its strongest category, with sales up 16.4 percent, thanks in large part to the Fenty line.”; see also Rachel Allen, Rihanna’s Fur Slides for Puma Sold Out, Footwear News (Apr. 22, 2016) http://footwearnews.com/2016/influencers/collaborations/rihanna-puma-fur-slides-sandals-release-sold-out-214377 (“About 30 minutes after Rihanna’s faux fur slides for Puma went live on Puma.com, they sold out.”) (last visited Nov. 29, 2017).


Slide” (which appears to have been on the market before the Halo) in European markets.9

Topshop Halo Bow Slide  Topshop Harlow Fur Slide

II. HISTORY OF THE CASE

Fresh off the heels of their German victory, Puma filed a lawsuit against Forever 21 on March 31, 2017, in the U.S. District Court for the Central District of California, alleging causes of action for: (1) design patent infringement (35 U.S.C. § 271); (2) federal trade dress infringement (15 U.S.C. § 1125(a)); (3) copyright infringement (17 U.S.C. § 501); (4) federal false designation of origin and unfair competition (15 U.S.C. § 1125(a)); and (5) state unfair competition (Cal. Bus & Prof. Code § 17200).10

On April 5, 2017, Puma filed an application for a temporary restraining order claiming that the new version of the Creeper Sneaker was to be released on April 6, 2017, and that a new Fur Slide was slated for release later that month.11 The Court denied Puma’s request for a temporary restraining order on April 7, 2017. The Court reasoned that in its motion for a temporary restraining order, Puma conceded that it had been aware of Forever 21’s alleged infringing activities for some time. Puma claimed that Forever 21 has a history of “knocking off” Puma’s designs within twenty days after a new design drops. With “ample” notice of its own shoe’s launch, Puma waited until the day before the release of the new Creeper Sneaker to file suit. Thus the Court found that the “alleged immediate crisis” was Puma’s own doing.12


On April 11, 2017, Puma filed a motion for a preliminary injunction, and, on May 4, 2017, Forever 21 filed a motion to dismiss. On June 2, 2017, Judge Gutierrez denied the request for a preliminary injunction, holding that Puma failed to show irreparable harm, which would entail showing the likelihood of substantial and immediate irreparable injury. Instead, Judge Gutierrez found that Puma relied on “unsupported conclusory statements” about the potential diminishment of the brand’s prestige and speculative statements from its own director that the Forever 21 shoes supposedly affected Puma’s bottom line. Puma filed an appeal of the denial of the preliminary injunction to the Federal Court of Appeals on July 3, 2017.

On June 29, 2017, Judge Gutierrez granted in part, and denied in part, the defendant’s motion to dismiss with leave to amend, denying dismissal only with respect to the design patent claim. The details of the reasoning behind the Court’s decision and arguments set forth by the parties are discussed below.

III. THE CLAIMS

A. Design Patent Infringement

Puma’s Creeper Sneaker is the subject of Puma’s U.S. Patent No. D774,288, (the “’288 Patent”), which issued on December 20, 2016. Forever 21 offered the “Yoki Sneakers.”

Plaintiff’s Design
(FIG 4, ’288 Patent)       Defendant’s “Yoki Sneakers”

16. This article will focus only on design patent, trade dress, and copyright claims and will not evaluate the other above-mentioned dismissed claims.
Forever 21 argued that the Yoki Sneakers and the '288 Patent have many dissimilarities, including differences in the design of the heel, outsole, and collar (see annotated comparisons below).

However, minor differences will not necessarily defeat a design patent infringement claim, if, in consideration of the whole design, an ordinary observer views the claimed design and accused design as substantially the same.\(^\text{19}\) Therefore, the Court held that Puma’s claims were properly pleaded, and that any dissimilarities between the designs did not warrant a dismissal of the claim for design patent infringement.

Forever 21 also moved to dismiss Puma’s design patent claim on the basis that the allegation of willful infringement was not adequately pleaded. The Court, however, held that Puma’s allegations were sufficiently pleaded to support the claim of willful infringement.

For the above reasons, Forever 21’s motion to dismiss Puma’s cause of action in design patent infringement was denied.

**B. Federal Trade Dress Infringement**

As its second cause of action, Puma alleged trade dress infringement based on all three Fenty shoe designs. A product’s trade dress is often described as its total image and overall appearance, which may include features such as size, shape, color, color combinations, texture, or graphics.\(^\text{20}\) Trade dress is typically divided into two categories: product packaging (e.g., a shoe box) and

\(^{19}\) Puma SE v. Forever 21, Inc., 2:17-CV-02523, No. 61 at 5 (C.D. Cal. June 29, 2017) (quoting Crocs, Inc. v. ITC, 598 F.3d 1294, 1303 (Fed. Cir. 2010); see also Amini Innovation Corp. v. Anthony California, Inc., 439 F.3d 1365, 1371 (Fed. Cir. 2006) (noting that “the deception that arises is a result of similarities in the overall design, not of similarities in ornamental features considered in isolation.”)). Under the design patent infringement test, designs are “substantially similar” if, viewing the overall appearance of the designs, an “ordinary observer” would be deceived by the similarity between the claimed and accused design “inducing him to purchase one supposing it to be the other.” Egyptian Goddess, Inc. v. Swissa, Inc., 543 F.3d 665, 679 (Fed. Cir. 2008) (en banc).

\(^{20}\) See, e.g., Kendall-Jackson Winery, Ltd. v. E. & J. Gallo Winery, 150 F.3d 1042, 1045 n.2 (9th Cir. 1998) (quoting Vision Sports, Inc. v. Melville Corp., 888 F.2d 609, 613 (9th Cir. 1989)).
product configuration (e.g., the design of the shoe). In cases of product configuration, the general rule is that product configurations are not inherently distinctive and therefore require evidence of secondary meaning to illustrate that the configuration functions as a source identifier and is not merely ornamental.

A plaintiff alleging trade dress infringement must preliminarily identify what the trade dress of the product is with enough specificity to put a defendant on notice of the claim. The court rejected Forever 21’s initial arguments that Puma failed to articulate the trade dress with sufficient specificity, finding that the images of the Fenty Shoes, together with the descriptions set out in the First Amended Complaint, described the trade dress with sufficient particularity to give Forever 21 notice of the trade dress claim.

Next, a trade dress infringement plaintiff must allege that: “(1) the trade dress is nonfunctional, (2) the trade dress has acquired secondary meaning, and (3) there is a substantial likelihood of confusion between the plaintiff’s and defendant’s products.” Courts must focus not on individual elements of a trade dress claim, but the overall visual impression that the “combination of the arrangement of those elements create.”

Forever 21 contended that Puma failed to adequately plead that the trade dress was nonfunctional, and the Court agreed, noting that non-functionality is not implicitly pleaded by simply providing a description of the overall aesthetic look of the product. The Court held that Puma failed to sufficiently allege the element of non-functionality, “especially when some of the claimed trade dress features perform a utilitarian function (i.e., a thick sandal base or deep bowl for the foot).” A plaintiff may not simply state that the trade dress is nonfunctional and put the requirement of pleading functionality to the defendant. Accordingly, the Court dismissed.


22. Id. at 211-13, 216 (secondary meaning occurs where “the primary significance” of the claimed trade dress is to “identify the source of the product rather than the product itself.”).


25. See Art Attacks Ink, LLC v. MGA Enter. Inc., 581 F.3d 1138, 1145 (9th Cir. 2009) (quoting Disc Golf Ass’n v. Champion Discs, 158 F.3d 1002, 1005 (9th Cir. 1998).


Puma’s claim of trade dress infringement with leave to amend and did not evaluate arguments related to secondary meaning and likelihood of confusion. The parties’ arguments on these issues are further evaluated below.

**1. Alleged Trade Dress Infringement of the Creeper Sneaker**

Puma describes the Creeper Sneaker in the First Amended Complaint as a design that “includes, at least, a lace-up sneaker with suede uppers, a thick rubber outer sole consisting of ridged vertical tooling and grainy texture with a rubber ridge encircling the entire shoe immediately above the vertical ridged tooling, and a deep “C–shaped bowl for the foot to slide into.”

In its motion to dismiss, Forever 21 argued first that Puma did not and could not allege that its trade dress was not functional. Forever 21 pointed out that a simple search for “creeper sneaker” on Google or any ecommerce site reveals that this style of shoe is made by a wide variety of brands, all with similar outsoles, ridged tooling, and suede upper constructions. Forever 21 also argued that Wikipedia defines “Creepers” as a “style of shoe which has thick crepe soles, often in combination with suede uppers.” Because the overall visual impression of the Creeper style is not exclusive to Puma, Forever 21 argues that this design does not function as a trademark.

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31. Id.
32. Id.
33. Id.
2. Alleged Trade Dress Infringement of the Fur Slide

Puma alleged that the trade dress of its Fur Slide “includes, at least, a thick sandal base with a wide plush fur strap extending to the base of the sandal, and a satin foam backing, and shares the deep bowl for the foot (albeit in a sandal).”34 Forever 21 argued that the only source identifying component of the Fenty shoe is the distinctive FENTY logo because the foam base of the slide sandal and thick plush strap are functional elements required to hold a foot in the sandal and these elements do not have source identifying distinctive qualities. Forever 21 again pointed to widespread use of the alleged Fur Slide trade dress by independent third parties, arguing that “the ubiquitous use of the asserted trade dress by third parties, in the same retail channels as Puma, defeats secondary meaning.”35 Examples of third-party fur slides are shown below.

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36. GIVENCHY Mink Fur Slide and DOLCE & GABANNA photograph courtesy of ssense.com (last visited Aug. 15, 2017); see also Def. Mot. to Dismiss, First Am. Compl., PUMA
3. Alleged Trade Dress Infringement of the Bow Slide

Puma described the Bow Slide trade dress as a design that “includes, at least, a thick sandal base decorated by a wide, casually knotted satin bow with pointed endings atop the side strap in addition to satin foam backing, and the same deep bowl for the foot.” Again, Forever 21 argued functionality and lack of secondary meaning, pointing to the use of similar designs by third parties such as those shown below.

![Jeffrey Campbell “Jova”](JeffreyCampbell_Jova).jpg

![Cape Robbin “Moira Slide”](CapeRobbin_MoiraSlide).jpg

C. Copyright Infringement

Puma’s third cause of action alleged copyright infringement of the Fenty Shoes that were the subject of three copyright applications. To establish a *prima facie* case of copyright infringement, a party must show: (1) ownership of a valid copyright, and (2) copying of constituent elements of the work that are original. Forever 21 moved to dismiss the copyright claim on the grounds that Puma lacked standing because it did not properly...
plead ownership of a copyright application or registration and because the shoe designs are not copyrightable.42

Although the Ninth Circuit accepts a filed application (as opposed to an issued registration) as sufficient to provide standing for copyright infringement, supporting evidence of the existence of such an application is nevertheless required.43 Because the First Amended Complaint was “silent as to the date the applications were filed, whether the fee was paid, whether the necessary deposits were included and whether the complete applications were received by the Copyright Office prior to filing suit, the Court found that Puma’s copyright claim was not properly pleaded and granted Forever 21’s motion to dismiss the copyright infringement claim, with leave to amend.”44 Since Puma did not have standing to bring its claim for copyright infringement, the Court did not reach the issue of whether any of the asserted designs are eligible for copyright protection. Puma’s Second Amended Complaint, filed July 12, 2017, appears to cure the standing issues for the copyright applications.

In its Second Amended Complaint, Puma also added more detail to its description of the copyrighted elements of its Fenty shoes. Puma alleges that the copyright protection of the Bow Slide covers a three-dimensional work of art that includes a casually knotted satin bow with pointed endings atop a satin-lined side strap that extends to the base of the sandal.45 Puma claims that the copyright also extends to the use of the “olive branch” and “silver pink” color options, which were the first and only two colors that Forever 21 offered its customers.46 The alleged scope of copyright protection for the Creeper Sneaker includes “the ridged vertical tooling and grainy texture encompassing the thick rubber outer


43. PUMA SE v. Forever 21, Inc., 2:17-cv-02523, No. 61 at 10-11 (C.D. Cal. June 29, 2017) (“Under 17 U.S.C. § 411(a), ‘no action for infringement of the copyright in any United States work shall be instituted until preregistration or registration of the copyright claim has been made in accordance with this title.’ The Ninth Circuit has interpreted this to mean that ‘receipt by the Copyright Office of a complete application satisfies the registration requirement of § 411(a)”), citing Cosmetic Ideas, Inc. v. IAC/Interactivecorp., 606 F.3d 612, 621 (9th Cir. 2010).

44. PUMA SE v. Forever 21, Inc., 2:17-cv-02523, No. 61 at 11 (C.D. Cal. June 29, 2017) (“In order to sue under the Copyright Act in the Ninth Circuit, however, a plaintiff must show (1) an application, (2) payment of the necessary fees, and (3) the necessary deposits with the Library of Congress.”), citing Meribear Prods. Inc. v. Vail, CV 14-0454 DMG RZ, 2015 WL 12766576, at *4 (C.D. Cal. Aug. 11, 2015) and 2 Nimmer on Copyright § 7.16[B][3][c] (2016) (noting that “in the absence of the copyright owner even having sent the requisite application (together with deposit and fee) to the Copyright Office, there is, under all viewpoints, a defect under the statute.”).


46. Id. at ¶ 43.
sole.”47 Puma asserts that the copyright protection for the Fur Slide includes “a wide strap decorated with plush fur extending to the base of the sandal.”48 Puma claims that all asserted copyrights are creative elements that would remain eligible for copyright protection as a three-dimensional work of art, if removed from the shoe and applied to a different medium.49

Forever 21 argues that even where some design choices may reflect more of a concern for form than for the function of the shoe, where the choice still depends on utility, blending of form and function in the ultimate design results in the exclusion of copyright protection for those design elements. With respect to the Creeper Sneaker, Forever 21 argues that even if the outsole design can be perceived as separable, it fails for lack of originality.50 Next, Forever 21 argues that the “wide plush fur strap” is not separable from the “sandal” because removing the strap changes the entire design of the sandal and because the purpose of a strap is purely functional: to keep a foot in the sandal.51 Similarly, Forever 21 also argues that just like the “wide plush fur strap,” there is no legal basis for Puma’s claim to a bow.52 A “fabric bow with pointed endings atop a lined side strap” is not separable from the slide design with a satin strap encompassing the foot.53 Although Puma claims that the “casual” way the satin bow is tied is copyrightable, there are still questions of fixation.

IV. COMMENTARY

Puma won a preliminary injunction against Topshop by asserting European design rights for the Fur Slide and Bow Slides. However, Puma’s first victory against Topshop is not outcome-determinative for its case against Forever 21 (or any other future defendants in the United States), particularly because the intellectual property rights asserted are quite different.

Perhaps in the interest of showing bad-faith intent to copy, Puma included all three of the shoe styles discussed above in the instant U.S. case against Forever 21. This strategy may prove difficult when one or more of those shoes appears less than likely to be protectable by common law trade dress or copyright. Critics of Puma’s arguments are quick to point out that copyright law is not

47. Id. at ¶ 41.
48. Id. at ¶ 42.
49. Id. at ¶ 42.
51. Id. at 18.
52. Id.
53. Id.
designed to protect utilitarian designs that are common in the marketplace such as aspects of the fur slide and the Creeper. On the other hand, Puma’s arguments for copyright protection for the bow slide afford more convincing arguments of separability, where the casually knotted bow can be conceived as a sculptural element on top of the slide.

Cases like this, where parties assert unregistered common law trade dress rights for the configuration of a shoe or fashion item, are particularly difficult to litigate. The simple fact that the shoes look similar can be persuasive to a judge or jury. Successfully defending against and winning a case on technical legal grounds such as the argument that the asserted trade dress does not function as a trademark or that the asserted copyright is not protectable may require extensive litigation. Unless the plaintiff is clearly overreaching or the judge is already well versed in the nuances of intellectual property law, winning on technical arguments is likely to require further litigation than an early-stage motion to dismiss. Such technical arguments are also heavily dependent on the facts. For example, for a plaintiff to prove that a “particular trade dress has acquired secondary meaning is a question of fact, guided by a number of factors, including: (1) whether actual purchasers associate the dress with the source, which can be shown through customer surveys; (2) the degree and manner of advertising of the trade dress; (3) the length and manner of use of the dress; (4) whether the party seeking protection has used the trade dress exclusively; (5) sales success of the trade dress; and (6) attempts by others to imitate.”

Forever 21 has pointed to third parties using the same or nearly identical designs as the asserted trade dress; this suggests that Puma does not use the alleged trade dress exclusively and therefore these designs do not function as indicators of source. At the same time, such third-party use may also support proof of copying of the plaintiff’s designs by others, which can weigh in favor of proving secondary meaning. To ensure that the third-party evidence weighs in their favor, each party may need to bring forth testimony from third parties, consumer surveys, and/or expert testimony. As a result, this type of case often becomes more expensive to litigate than the value of the sales at issue and consequently parties in this type of case often settle well before the case reaches trial.

While it is too early to predict the outcome of this case, it is apparent that neither party is ready to settle just yet. Puma’s Fenty line is lucrative and thus Puma has a stake in discouraging third parties from creating Fenty-inspired footwear. It is also possible that Puma is waiting for a positive verdict against Forever 21 before

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filing lawsuits against other third parties using designs similar to the Fenty shoes. If Puma is successful, Forever 21’s “fast-fashion” business model of promptly bringing to market cheaper versions of popular, higher-end branded products (and perhaps the business models of other companies engaging in similar practices) could be put at risk. However, based on the facts known to date, Puma is unlikely to be able to assert both copyright and trade dress claims for all three shoes. Forever 21 appears to be on solid legal footing as to copyright and trade dress claims for the shoes at issue. The existence of third-party designs in the market and Puma’s lack of copyright and trademark registrations at the outset of the case support Forever 21’s position that Puma is asserting rights beyond the scope of what the copyright and trade dress laws in the United States currently protect.