

Converse v. Everybody: How Would This Litigation Change or
Remain in Foreign Jurisdictions?

I. Introduction

Baseball, apple pie and July fourth barbecues. Since the turn of the century, these past times have been staples of American culture. The same can be said for the Converse All-Star "Chuck Taylor" basketball shoe. No sneaker embodies the rebellious American spirit like the Chuck Taylor All-Star.¹

It was in 1908 when the Converse Rubber Corporation opened its doors, initially starting out as a galosh-producing shoe company.² But with the popularity of basketball on the rise, the Converse Corporation felt the need to develop a shoe that people could wear while playing basketball.³ After extensive amounts of research and development, the All-Star became the first mass-produced basketball shoe in North America.⁴ Due in part to its very thick rubber sole and an ankle-covering canvas, the All-Star was slow to embrace the feet of the American people.⁵ However, this trend would not endure.

Charles H. Taylor was a basketball player for the Akron Firestones.⁶ He believed in the All-Star so much that in 1921 he joined the Converse sales force, and later became the player/coach⁷ for the Converse All-Stars, the company's industrial league basketball team.⁸ Because Taylor was so successful in promoting the All-Star, as well as in making

important changes to the shoe design, his name "Chuck Taylor" was added to the ankle patch.⁹ Soon thereafter, basketball teams and American children were wearing Converse "Chuck Taylor" All-Stars.¹⁰

After World War II, the classic black and white Chuck Taylor All-Star was introduced in 1949.¹¹ With the merger of the National Basketball League and the Basketball Association of America, the National Basketball Association (NBA) was born. By 1957, Converse enjoyed an eighty percent share of the entire sneaker market.¹²

After Chuck Taylor's passing, the All-Star and subsequently, Converse, began to experience tough economic times. New rival companies were emerging, hoping to capture some of the market share that Converse had earned. This movement was spearheaded by the Nike Corporation and several other companies. Together they began to chip away at Converse's grip on the American shoe industry.¹³ These companies introduced several variations of the Chuck Taylors with some improvements, making them more marketable than the All-Stars. Although Converse responded by introducing the Chucks in a variety of colors, teams began abandoning the All-Stars, deciding instead to go with other models and brands.¹⁴

In the 1980s and '90s, the ownership and management of the Converse Company changed several times.¹⁵ These changes, along

with bad business decisions, led to the Company filing for bankruptcy in 2001.¹⁶ Following this decision, all of Converse's manufacturing moved from the United States to Asia; and its rival, Nike, eventually purchased the company.¹⁷ Nike reinvigorated the brand by expanding the franchise, introducing more colors and styles, and helping to push All-Stars into overseas markets.¹⁸ But reinvigoration and renewed prosperity does not come without downside in the competitive shoe market. As such, Converse is now faced with the need to defend its most iconic brand.

The Converse trademark infringement litigation carries historic, legal, and creative implications. Like the lawsuit itself, the world of trademarks and trade dress is multifaceted. Furthermore, trademarks and trade dress in the fashion world adds another layer to this complexity. Part III of this note will analyze the complexities of trademark and trade dress laws of the United States, and will then apply those laws to the current litigation involving Converse and the companies it is suing. Subsequently, the analysis will address the trademark and trade dress laws of two other regions of the world, and will attempt to place the Converse litigation under the legal microscope of these foreign jurisdictions, examining the lawsuit from those perspectives. Finally, a resolution will be offered in Part IV in the form of improvements to existing trademark and

trade dress laws in the United States. Specifically, this resolution will carve out parts of laws from said foreign jurisdictions, and paste them into the legal framework of the United States in an attempt to strengthen and simplify our trademark and trade dress laws.

II. History

Due in part to Nike's ability to refresh the All-Star brand, the Chuck Taylor has increased in popularity. Unfortunately, that increase in popularity has also contributed to an "explosion in knockoff activity."¹⁹ Now, Converse says some of the core elements of the Chuck Taylor—black stripes and a rubber toe topper, are being misappropriated by many other companies around the world. In trying to protect its brand and the history of the Chuck Taylor, Converse is seeking to hold those companies accountable it believes has stolen design characteristics by suing 31 different companies for trademark infringement in 22 separate lawsuits.²⁰ Some of the companies included in this legal assault are Wal-Mart, Kmart, Skechers, H&M, Tory Burch, Zulily Inc. and Aldo Group. However, since the filing, at least eleven companies have settled with the iconic American shoe company, some of which include Ralph Lauren Corp., Zulily, Tory Burch, Fila USA and the Iconix Brand Group.²¹ According to documents filed with the International Trade Commission (ITC), Iconix agreed, in a consent-order stipulation,

"not to import, sell for importation, or sell in the United States after importation any footwear products that infringe the trademarks asserted against Iconix, except under consent or license from Converse." ²² Presumably, the additional ten companies that have settled their cases with Converse have stipulated to the same language of this settlement agreement with Iconix.

However, retail giant Wal-Mart, has vowed to fight this lawsuit to the bitter end; and in late March, it submitted an opposition to Converse's complaint with the ITC.²³ In its filing, Wal-Mart disputed Converse's ability to claim infringement on what it calls a "functional" aspect of the shoe and further accused Converse of using the suit to "extort monetary settlements."²⁴ Also in its filing, Wal-Mart stated that "because toe caps, toe bumpers and stripes are actually or aesthetically functional, they are not subject to trademark protection."²⁵ It further argued, "Converse has not had exclusive use of the toe cap, toe bumper and midsole striping for at least fifty years, if ever."²⁶

Converse is suing for monetary damages to be determined at trial, but its foremost priority is to ensure that designs, which it deems to be counterfeit, do not continue to flourish in the retail market.²⁷ This is precisely why Converse filed a separate complaint with the ITC, which has the power to stop any

shoes considered to be counterfeit from entering the country.²⁸ Converse initially attempted to avoid litigation on this matter by sending cease-and-desist letters to the alleged infringers. Unfortunately, those efforts have failed to elicit positive results, pushing Converse to assert its legal opinion in a forceful manner. Jim Calhoun, Converse's President and Chief Executive Officer, believes these alleged wrongdoers have simply gone too far with their designs. He expressed this sentiment by stating, "[w]e welcome fair competition, but we do not believe companies have the right to copy the Chuck's trademarked look."²⁹ Converse's ultimate goal is to prevent consumer confusion, protect its intellectual property rights and stop the sale of knockoff Chucks.³⁰

III. Analysis

The analysis hereinafter will delve into four topics regarding trademark infringement in the United States—first, a general discussion about the legal landscape of trademarks in the United States; second, the necessary elements of recovery a plaintiff must prove to state a viable claim of trademark infringement; third, a discussion about how a product's functional components will affect a plaintiff's claim for protection; and finally, the critical "likelihood of confusion" standard a plaintiff must show between two products at issue. Following these four topics, the analysis will diverge into a

discussion about trademark law in both the European Union and Turkey. Specifically, it will highlight key differences between the laws of these regions with those of the United States; while keeping in mind the Converse litigation and how it might change in those areas of the world. Finally, in addition to an analysis of Converse's trademark infringement claim will be a discussion of the legal claim of dilution; particularly, how such a claim would affect Converse's likelihood of recovery.

A. Trademark Law in the United States

As a general matter, recovering under a trademark infringement theory has proven to be a challenging endeavor for plaintiffs, and even more so within the fashion industry.³¹ The law does not allow companies to protect aspects of their designs that are deemed functional.³² Although this aspect of trademark law is discussed extensively as a common law rule, trademarks are largely governed by Title 15, Section 1125 of the U.S.C.A. (hereinafter referred to as the "Lanham Act").³³ The pertinent language of the statute states:

Any person who, on or in connection with any goods or services, or any container for goods, uses in commerce any word, term, name, symbol, or device, or any combination thereof, or any false designation of origin, false or misleading description of fact, or false or misleading representation of fact, which--
(A) is likely to cause confusion, or to cause mistake, or to deceive as to the affiliation, connection, or association of such person with another person, or as to the origin, sponsorship, or approval of his or her goods, services, or commercial activities by another

person, or

(B) in commercial advertising or promotion, misrepresents the nature, characteristics, qualities, or geographic origin of his or her or another person's goods, services, or commercial activities, shall be liable in a civil action by any person who believes that he or she is or is likely to be damaged by such act.³⁴

The breadth of the definition of marks eligible for registration under Title 15 has been held to embrace not just word marks, such as the name of a company or product, but also "trade dress"— a category that originally included only the packaging, or "dressing" of a product.³⁵ However, in the mid to late nineteen nineties, decisions of appellate courts expanded the definition of eligibility to include the design of the product itself.³⁶ In evaluating the distinctiveness of a mark under Section 2 of the Lanham Act, courts have held that a mark can be distinctive in one of two ways. First, a mark is inherently distinctive if its intrinsic nature serves to identify a particular source.³⁷ Second, a mark has acquired distinctiveness, even if it is not inherently distinctive, if it has developed secondary meaning, which occurs when "in the minds of the public, the primary significance of a mark is to identify the source of the product rather than the product itself."³⁸ Section 2 requires that registration be granted to any trademark "by which the goods of the applicant may be distinguished from the goods of others."³⁹ However, there are few categories of products and marks that elicit inherent difficulties in

obtaining Lanham protection, colors for instance. A color can be protected as a trademark only upon a showing of secondary meaning.⁴⁰

The Court in *Wal-Mart Stores, Inc. v. Samara Bros., Inc.*, 529 U.S. 205, 209 (2000) propositioned that in the case of product design, consumer predisposition to equate the feature with the source does not exist.⁴¹ It stated further that consumers are aware of the reality that even the most unusual of product designs is not intended to identify the source, but to render the product itself more useful or more appealing.⁴² The truth of this notion remains to be seen in the Converse litigation. Although the Chuck Taylor All-Star may not be thought of as unusual, it is a product that has been easily identifiable among American consumers since its inception. Accordingly, this is what Converse will have to prove in order to prevail against Wal-Mart and the other companies that have yet to settle this case. It will have to prove that the American consumer associates the style of the Chuck Taylor All-Star with the Converse brand. Considering the iconic status of the Chuck Taylor All-Star throughout American history, this is seemingly Converse's easier argument to prove. The difficulty, and perhaps, insurmountable road-block for Converse, will be proving that the physical attributes of the Chuck-Taylor All-Star are unique to the brand and are not functional in nature.⁴³

1. Functionality

One of the largest hurdles Converse will have to overcome, as indicated by Wal-Mart in their public response to allegations of infringement,⁴⁴ will be to prove that the core elements of the Chuck Taylor All-Star are not functional in nature.⁴⁵ A product feature is functional, and cannot serve as a trademark, if it is essential to the use or purpose of the article or if it affects the cost or quality of the article.⁴⁶ This is a demanding obstacle to overcome because there is a statutory presumption of functionality,⁴⁷ and it is the plaintiff's burden to overcome this presumption.⁴⁸ Conversely, the trademark holder, or senior user, may be able to overcome this presumption by showing that the disputed elements of the product are ornamental, incidental or arbitrary aspects of the product,⁴⁹ to name a few.

The Court in *TrafFix Devices, Inc. v. Mktg. Displays, Inc.*, 532 U.S. 23 (2001) placed this burden on the plaintiff because the trade dress was not registered. Though marks and the like need not be registered to be protected, registered trade dresses, products and devices are afforded more benefits than unregistered ones.⁵⁰ Perhaps the single greatest benefit afforded to registered marks is that the burden of proving functionality switches to the defendant.⁵¹ What is more, a registered mark allows goods bearing infringing marks to be stopped by

government border agents⁵² and allows marks to become incontestable.⁵³

The Court in *Qualitex Co. v. Jacobson Prods. Co., Inc.*, 514 U.S. 159, 165 (1995) expanded upon its definition of functionality, observing that a "functional feature is one the exclusive use of which would put competitors at a significant ... disadvantage."⁵⁴

As is the case in real estate law, in trademark law, first in time is first in right. Therefore, if likelihood of confusion exists, the party with priority wins and the party without priority is the infringer.⁵⁵ Similarly, with regard to unregistered marks, the first to use an inherently distinctive mark has priority.⁵⁶

2. Recovery

Three requirements exist that must be met in order to recover for trade dress infringement under the Lanham Act.⁵⁷ A party must prove by a preponderance of the evidence, that (1) the trade dress in question is distinctive in the marketplace, thereby indicating the source of the good it dresses; (2) that the trade dress is primarily nonfunctional; and (3) that the trade dress of the competing good is confusingly similar.⁵⁸ The first two elements are general requirements for protection, and the third element is the standard for evaluating infringement.⁵⁹ Although producers and marketers of goods can adopt and seek to

protect a similarly infinite variety of product packages and configurations, the recognition that trade dress can comprise anything, even particular sales techniques, should not be taken to mean that a company can protect a product's marketing theme or any other obscure aspects of the good incapable of being perceived by the senses.⁶⁰ The aura about a product, the cachet that ownership or display of it creates, and the kind of appeal it has to certain consumers do not dress a good in trade.⁶¹ Rather, those intangible things emanate from the good and the marketing campaign that promotes the dressed good.⁶² Trade dress is tangible or otherwise observable by the senses; its constitution is a matter of subjective interpretation.⁶³ However, a product's design features will not always indicate its source—"A product's configuration, unlike its packaging, is inextricably tied to the product itself, such that even the most unusual features of a product's design cannot automatically identify which producer crafted the product because consumers are not predisposed to treat design features as an indication of source."⁶⁴ Consequently, Converse should not seek to make an argument that Wal-Mart and the other companies that have yet to settle have hijacked the history and aura that the Chuck Taylor All-Star has created over the course of its existence.

3. Likelihood of Confusion

Most civil suits pursuant to the Lanham Act are premised on

the defendant's alleged use of some indicium of origin tied to the plaintiff where the use of such indicium is likely to cause confusion, likely to cause mistake or likely to deceive the public.⁶⁵ The shorthand for this standard is "likelihood of confusion."⁶⁶ An action for infringement encompasses confusion by consumers at the point of purchase; initial interest confusion, where any confusion is dissipated before the point of purchase; and post sale confusion, where third parties are confused by the owner's use of the item.⁶⁷ Each federal circuit has its own standard and set of factors in determining likelihood of confusion; however, most standards and sets of factors tend to overlap with little disparity. For example, the Second Circuit considers:

1. Strength of the plaintiff's mark;
2. Similarity of the marks;
3. Proximity of the products in the marketplace;
4. Likelihood that the plaintiff will bridge the gap between the products;
5. Evidence of actual confusion;
6. The defendant's bad faith;
7. Quality of the defendant's product; and
8. Sophistication of the relevant consumer group.⁶⁸

In determining whether confusion is likely to trouble the consumer, the federal circuits are split as to whether combining

the likelihood of confusion factors presents an issue of law or fact for the purposes of appellate review.⁶⁹ The majority of the federal circuits (First, Third, Fourth, Fifth, Seventh, Eighth, Ninth, Tenth and Eleventh) treat likelihood of confusion as an issue of fact.⁷⁰ According to the Second and Sixth Circuits, it is an issue of law.⁷¹ The Circuits agree, however, that no simple equation exists for combining the factors in determining whether confusion is likely.⁷² Yet, such factors as the competitive proximity of the parties' respective goods and the similarity of the marks appear to be of highest importance in appellate review.⁷³ Some courts have also emphasized the importance of the strength of the plaintiff's mark⁷⁴, the existence of actual confusion⁷⁵ and the junior user's⁷⁶ intent.⁷⁷

Whether a mark accused of infringing another mark is similar enough to constitute an actionable offense is a subjective decision that courts make, and is usually articulated following a thoughtful deliberation of whether the two marks or products can coexist in the marketplace without causing consumer confusion.⁷⁸ Up to the point of Converse's pursuit of legal action, the Chuck Taylor All-Star and the alleged infringing shoes produced by the stated corporations have seemingly coexisted in the marketplace for some years. This fact is likely to surface against Converse. Along with functionality, an important argument that Wal-Mart and the other companies that

have yet to settle will likely make is that the shoes have indeed coexisted in the marketplace; and consumers of off-brands do not associate their purchases with the Chuck Taylor All-Star.⁷⁹

B. Trademark Law in Europe

When analyzing our own legal landscape, especially in an area as complex as trademarks, it is helpful to consider the laws of other regions and nations; and how those laws, if applied to our legal system, could benefit our judges and legislators. The laws of the European Union, while displaying many similarities to the laws of the United States, also exhibit many differences. Lifestyles and traditions in Europe are very different from those in the United States and thus, legal traditions and practices in Europe are also quite different.⁸⁰ Litigation is much less common in Europe⁸¹ and is generally viewed as unnecessary in most circumstances. Many international companies will not even open offices in the United States because every citizen is "entitled to his or her day in court."⁸² Additionally, legal fees are much more expensive in Europe, which is a contributing factor to the fewer occurrences of legal disputes.⁸³

Similarly, the world of trademarks and trade dress also exhibits several differences to that of the United States. Trademark law in Europe comprises both European Union (EU) legislation as well as the national laws of the twenty-seven

Member States of the Union on the protection of marks.⁸⁴ The Community Trademark Regulation (CTMR) of December 1993 allows for the registration of Community trademarks offering Community-wide protection.⁸⁵ Additionally, the CTMR coexists with national trademark laws.⁸⁶ The requirements for obtaining trademark protection through registration in Europe are substantially the same in all Member States and in the Community trademark system.⁸⁷ Signs available for protection include traditional marks—words, names and figurative marks, as well as shapes, color combinations, and even non-visible signs such as sounds.⁸⁸ To be afforded trademark protection, a sign must be capable of being represented graphically.⁸⁹ This condition is interpreted strictly and requires the representation to be clear, precise, self-contained, easily accessible, intelligible, durable and objective.⁹⁰

These requirements are distinguishable from the requirements under United States trademark law.⁹¹ Additionally, many countries in Europe do not require a mark to be used in the stream of commerce as a prerequisite for legal protection.⁹² However, as is the case in the United States, a mark must be distinctive in nature in order to qualify for protection.⁹³

As a general matter, if the Converse litigation were conducted in Europe, the legal framework of the case would take on a different shape. There would be more risk involved for

Wal-Mart and the other companies named in Converse's complaints in marketing and mass-distributing a shoe that so closely resembles the Chuck Taylor All-Star. One of the chief concerns would be the danger of violating not only the national law of a particular country within the EU, but also of violating the CTMR. This risk poses no such threat to companies and creative minds in the United States, as the laws of trademark and trade dress are legislated and enforced mostly on the federal level.

Another important distinction between the laws of the United States and those of Europe is the definition of a claim of dilution. Section 43(c) of the Lanham Act defines dilution as the "lessening of the capacity of a famous mark to identify and distinguish goods or services, regardless of the presence or absence of competition between the owner of a famous mark and other parties, or likelihood of confusion, mistake or deception."⁹⁴ The EU utilizes a similar definition of dilution⁹⁵, but does not require a mark to be "famous."⁹⁶ This subtle difference may be ostensibly insignificant, but as is the case in many legal circumstances, a subtle modification in language can transform the meaning of an entire rule.

Assuming Converse would be able to meet all of the prominence prerequisites for establishing a viable claim for dilution, it would behoove them to bring this claim against Wal-Mart and the other companies from which it seeks to recover, in

addition to their claim of trademark infringement. Similar to the laws of the United States, there are two types of dilution claims that can be asserted in the European Union—dilution by blurring and dilution by tarnishment.⁹⁷ Dilution by blurring occurs if an identical or similar sign to a registered trademark with a reputation of having a strong message to the public is used on similar or non-similar goods. Conversely, dilution by tarnishment refers to an impairment of a mark's reputation through inappropriate or negative associations.⁹⁸ Tarnishment generally occurs if a trade mark with reputation is used in relation to inferior products or in a sub-standard context.⁹⁹

Adding a claim of dilution to its assault on all alleged infringers would also benefit Converse if this litigation were being conducted within the European Union. Furthermore, such a claim would not be burdensome for Converse because of the absence of a need for a court in the European Union to look at the eight factors¹⁰⁰ that courts in the United States consider when deliberating the prominence conveyed by a mark or good. Though the Chuck Taylor All-Star would more than likely clear any prominence standard that is encountered due to its longstanding history and popularity across the globe, this would be one less hurdle that need not be overcome for Converse in adding a claim of dilution to its arsenal of attacks on Wal-Mart and the other alleged infringers. The fact that a showing of

prominence is unnecessary in the European Union allows parties to bring dilution claims more easily than in the United States. This creates a different atmosphere around the world of trademarks and mass-produced goods in the European Union. Because a claim of dilution is easily accessible in the European Union, Wal-Mart and the other alleged infringers would be more apt to tread lightly when attempting to create a shoe that mimics the personality and esteem of the Chuck Taylor All-Star. This is a large factor that individuals and companies must consider in the early stages of the creative and design processes.

By the same token, parties to an action in the European Union need not show that a "likelihood of confusion" exists between products in order for one party to advance a legal right to protection against dilution by another product.¹⁰¹ This rule highlights a stark difference to that of the United States, as a "likelihood of confusion" is a significant factor that courts in the United States consider when assessing a trademark dispute. As stated, courts in the United States generally deliberate on eight factors¹⁰² when determining whether a likelihood of confusion exists between two or more products. This is a worthy example depicting the complicated nature of trademarks and infringement actions in the United States. By contrast, plaintiffs in the European Union need not formulate complaints

around these eight factors, or any other factors as they relate to proving a "likelihood of confusion." This is because protection against dilution is not purely related to a trademark's function of indicating origin, but mostly to the distinctive power of the trademark as a result of the investment done by the proprietor in protecting it.¹⁰³ It is enough for a "link" to be established by the relevant sector of the public without confusion as a result of similarity between trademarks.¹⁰⁴ A "link" in this context means "any kind of mental association between marks;" so a mere bringing to mind of an earlier mark is sufficient.¹⁰⁵ The existence of said "link" is assessed on a global scale, by taking into account all factors relevant to the circumstances of the case.¹⁰⁶

Another angle to consider within the context of confusion as it relates to the European Union is Benelux Trademark Law. The Benelux countries—Belgium, the Netherlands and Luxembourg—established the Benelux Economic Union in 1958.¹⁰⁷ These countries founded and signed into law the Benelux Trademark Act, which took force in 1978.¹⁰⁸ Section 13 of the Trademark Act defines the scope of protection conferred on trademarks: "The owners of a trademark can prohibit another person from using an identical sign if he can prove such use may cause him to sustain loss or damage."¹⁰⁹ However, the Benelux Court of Justice broadened this scope in 1983.¹¹⁰ This court decision is

considered to have changed the traditional "likelihood of confusion" criterion to a broader standard—likelihood of association.¹¹¹ As a result of this modification, the owner of an earlier trademark can ban the later use of that trademark if said owner can show that the public would consider the earlier mark when they see the later mark.¹¹² Thus, the European Union eradicated the "likelihood of confusion" standard in this context, and this remains the law today. Furthermore, if it can be shown that the later use of a mark diminishes the capacity of an earlier mark to induce consumer transactions, or diminishes the unique association that the mark brings about in the consumer's mind, this is sufficient to ban the later use.¹¹³

The broader "likelihood of association" standard the European Union implemented in 1983 would plausibly affect the proceedings of the Converse litigation. "Likelihood of association" is a more attainable standard for a plaintiff than is "likelihood of confusion." As a result, it is logical to speculate that if Converse and the alleged infringing companies were conducting their businesses in Europe, encountering a shoe that mimics the Chuck Taylor All-Star so closely would be less probable. The "likelihood of association" standard creates more of an inherent risk in mass-producing footwear that mimics an established icon, such as the Chuck Taylor All-Star.

C. Trademark Law in Turkey

In Turkey, registered trademarks are protected under Decree 556 of 1995, and unregistered marks are protected under Turkish Commercial Code concerning unfair competition.¹¹⁴ Trademarks may be individual, collective or guaranteed marks.¹¹⁵ Signs can be trademarked if they consist of words, designs, letters, numerals or particular shapes or packages, so long as they are distinctive and can be represented graphically.¹¹⁶ The trademark must be used within five years or else the owner risks revocation.¹¹⁷ Trademarks may be transferred; licensed totally or partially; may be used as security; and are eligible for inheritance.¹¹⁸ A trademark applied for which is identical or similar to a registered trademark or to a trademark with an earlier date of application may be used for different goods or services.¹¹⁹ However:

Where in the case of a registered trademark or of a trademark which has an earlier date of application for registration has a reputation [;] and where the use without due cause of the trademark applied for would take unfair advantage of, or be detrimental to the distinctive character or reput[ation] of the registered trademark or of the trademark with an earlier application date [;] upon opposition by the proprietor of the earlier trademark, the trademark applied for shall not be registered, even to be used for goods and services which are not similar to those for which the earlier trademark is registered.¹²⁰

In protecting against a claim of dilution under Turkish

law, Converse would need to show that Wal-Mart and the other alleged infringing companies' creation and production of a shoe that mimics the Chuck Taylor All-Star would be detrimental or take unfair advantage of Converse and the Chuck Taylor All-Star. What is more, Converse would need not show that two products are sufficiently similar in order to effectively enjoin other companies from mass-producing a product that is harmful to the Chuck Taylor All-Star. Thus, similar or not, if Converse could show that another product's mass-distribution would be either (1) detrimental or (2) take unfair advantage of the Chuck-Taylor All-Star, it could prevent another entity from doing so.

For protection against dilution, an earlier trademark ought to have a reputation.¹²¹ A trademark with reputation in Turkey is defined as "an earlier trademark that has reached a level of reputation among the public."¹²² But, trademarks with reputation are different than "well-known" trademarks.¹²³ The differences in the protection of "well-known" trademarks from trademarks that have reputation are: (1) well-known marks are protected only against similar goods and services; (2) well-known marks do not have to be known in the country in which the protection is sought; and (3) well-known trademarks do not have to be registered.¹²⁴

Under Turkish law, a plaintiff must show that the later use of a mark or good takes unfair advantage of or is detrimental to

the distinctive character or repute of the earlier registered mark.¹²⁵ However, a plaintiff need not show actual damages.¹²⁶ The risk of possible or foreseeable damage is sufficient under the condition that a court is convinced of such foreseeable harm.¹²⁷ As the distinctive character of the trademark increases, so too does the potential for damage to its reputation.¹²⁸

This point represents a seismic shift from the laws of the United States. Under U.S. law, there are four categories of damages regarding trademark infringement for which a plaintiff is entitled: disgorgement of defendant's profits; lost profits suffered by the plaintiff; reasonable royalties; and/or corrective advertising.¹²⁹ Under these four categories, either the plaintiff or an expert witness for the plaintiff will attempt to prove damages.¹³⁰

As is true with most legal disputes, proving a prima facie case on the merits is a challenging and meticulous task in itself. Additionally, proving damages is just as important; and depending upon the nature of the case, it can create another significant burden for the plaintiff. Furthermore, trademark infringement and dilution cases (and specifically, trademark infringement cases in the fashion industry)¹³¹, by their very nature, make the tasks of proving a prima facie case and damages even more formidable. Eliminating the need to prove damages

would be preferable not only for Converse, but for all plaintiffs and aggrieved parties attempting to show that their trademark has been harmed in one manner or another. Although speculating as to the extent of a party's damages would likely need to be supported by facts, and remain within the confines of reality, such a legal landscape would allow a plaintiff a favorable amount of flexibility in making a convincing argument to a Turkish court. Moreover, an aggrieved party could use this information as leverage prior to any litigation commencing. Without divulging the entirety of the legal strategy to the adverse party, the attorney for the aggrieved party would plausibly write a letter to the adverse party, stating that the adverse party has harmed the aggrieved party, outlining the extent of those damages and explaining why a judge would likely rule in favor of the aggrieved party due to this low burden of proof. Such a scenario would likely encourage parties in the United States to settle out of court and avoid costly litigation.

IV. Resolution

With regard to the European Union and their two-tiered system of trademark regulation (the CTMR and the laws of the twenty-seven member states), such a system would neither simplify nor benefit the trademark laws of the United States. As a practical matter, the addition of twenty-three more member

states that make up the United States would likely render such a system in this country untenable. As is the case with other areas of the law, states differ greatly in how they choose to govern a particular legal issue.¹³² Taking into consideration the complicated nature of trademark law, it is logical to think that states would also differ greatly in how they govern this issue as well.

With regard to the "likelihood of confusion" standard as it relates to advancing a claim of dilution against another party, it would be wise for lawmakers and scholars in the United States to advocate for and adopt the European standard of "likelihood of association." The definition of the "likelihood of confusion" standard in the Lanham Act is highly confusing, employing circular reasoning: "For all practical purposes, a confusingly similar mark is statutorily defined as a mark likely to cause confusion or mistake or to deceive."¹³³ This definition offers little guidance as to when a competing mark accused of being "infringing" is confusingly similar.¹³⁴ As a result, federal judges give meaning to the term on a case-by-case basis as they issue verdicts and opinions in the context of trademark litigation.¹³⁵

Such a definition of "likelihood of confusion" or lack thereof leaves too much room for judicial interpretation when faced with a scenario in which the determination of whether the

public, or a sector of the public, has been confused by the existence and sale of a product. The European "likelihood of association" standard is a simpler one—as the owner of an earlier trademark can ban the later use of that trademark if said owner can show that the public would consider the earlier mark when they see the later mark.¹³⁶ Adopting the "likelihood of association" standard in this context would plausibly prove to be a more workable threshold; and would require less judicial interpretation on a case-by-case basis. Furthermore, this standard would likely prove less burdensome on plaintiffs seeking protection for their marks and products.

V. Conclusion

Converse faces an uphill battle in its attempt to demonstrate to the ITC that its core elements—black stripes and the rubber toe topper, are not functional in nature. The statutory presumption of functionality¹³⁷ may prove to be too much for Converse to overcome. Additionally, Wal-Mart is a worthy adversary. With teams of the country's best lawyers on retainer working for the retail giant, it has a history of litigating lawsuits¹³⁸ to the very end in an attempt to avoid the perception of weakness at all costs. The founder of Wal-Mart, Sam Walton, established this policy of fighting lawsuits.¹³⁹ Wal-Mart will settle cases only after prolonged court proceedings make it clear that the company was at fault and the

plaintiff has sustained serious injuries and will appear to the jury as a likable person.¹⁴⁰ Furthermore, these settlements are usually smaller compared to similar injuries in other cases in which a corporation is the defendant.¹⁴¹ Moreover, even when Wal-Mart loses, they typically appeal; regardless of the size of the monetary value at stake.¹⁴² Wal-Mart's lawyers are connected to their own "extranet," an effectively electronic newsletter published by the legal staff at the home office.¹⁴³ This equips Wal-Mart's lawyers with the most updated information about key court decisions, strategy, and such things as expert witnesses the company will face in upcoming suits.¹⁴⁴ It would behoove Converse to know their adversaries inside and out, taking all factors into consideration in evaluating the decision to prolong litigation.

As this lawsuit progresses, it will be interesting to see if some of the other companies named in Converse's lawsuits will follow Wal-Mart's projected path of litigating to the end. Many companies do not have the assets or resources to withstand long-term litigation. As such, these companies may be forced to settle their lawsuits with Converse sooner than they may want.

Converse will likely put great emphasis on the Chuck Taylor All-Star as an iconic American brand throughout a long period this nation's history; playing upon the emotions of the Court to protect a symbolic piece of American antiquity. Since 2003,

Converse's revenues have grown ten-fold.¹⁴⁵ CEO Jim Calhoun has taken Converse to the next level; and with greater growth comes greater vulnerability to lawsuits. This lawsuit represents an attempt by Calhoun at both remaining a major player in the ever-profitable world of shoe sales, which accrues roughly \$54 billion per year, and smothering the competition.¹⁴⁶ Because of this, some in the sneaker industry viewed this lawsuit as a marketing ploy.¹⁴⁷ However, there is nothing wrong with this lawsuit having the incidental effect of bringing awareness back to the Chuck Taylor brand.

The "whack-a-mole" strategy of sending cease and desist letters has proven ineffective in thwarting knockoff activity.¹⁴⁸ Calhoun stated, "[w]e have big growth plans for the company[;] and to do that, you have to protect the brand and stop this infringing behavior."¹⁴⁹ Whichever way the ITC rules, this likely will not be Converse's last scuffle in defending the Chuck Taylor All-Star from future infringement and dilution.

¹ Sneaker Wars: Converse vs. New Balance (2015), <http://www.bostonmagazine.com/news/article/2015/11/24/converse-sneaker-wars/>.

² The History of the Converse All Star "Chuck Taylor" Basketball Shoe, <http://www.chucksconnection.com/history1.html> (last visited Feb. 13, 2016).

³ *Id.*

⁴ *Id.*

⁵ *Id.*

⁶ *Id.*

⁷ At this point in history, it was somewhat common for players to also be coaches; and not just in basketball.

⁸ *Id.*

⁹ *Id.*

¹⁰ *Id.*

¹¹ *Id.*

¹² *Id.*

¹³ *Id.*

¹⁴ *Id.*

¹⁵ *Id.*

¹⁶ *Id.*

¹⁷ *Id.*

¹⁸ Converse Sues to Protect Its Chuck Taylor All Stars (2014), http://www.nytimes.com/2014/10/15/business/converse-sues-to-protect-its-chuck-taylor-all-stars.html?_r=0.

¹⁹ *Id.*

²⁰ *Id.*

²¹ Iconix and Fila Settle in Converse Lawsuit Saga, <http://footwearnews.com/2015/business/retail/iconix-fila-settle-converse-lawsuit-22268/> (last visited Feb. 13, 2016).

²² *Id.*

²³ *Id.*

²⁴ *Id.*

²⁵ *Id.*

²⁶ *Id.*

²⁷ Converse Sues to Protect Its Chuck Taylor All Stars (2014), http://www.nytimes.com/2014/10/15/business/converse-sues-to-protect-its-chuck-taylor-all-stars.html?_r=0.

²⁸ *Id.*

²⁹ Converse Sues Basically Everyone in the World Over Knockoff Chucks, http://www.huffingtonpost.com/2014/10/14/chuck-taylor-lawsuit_n_5985358.html (last visited Feb. 13, 2016).

³⁰ *Id.*

³¹ Converse Sues to Protect Its Chuck Taylor All Stars (2014), http://www.nytimes.com/2014/10/15/business/converse-sues-to-protect-its-chuck-taylor-all-stars.html?_r=0.

³² *TraFFix Devices, Inc. v. Mktg. Displays, Inc.*, 532 U.S. 23 (2001).

³³ 15 U.S.C.A. § 1125 (2012).

³⁴ *Id.*

³⁵ *Wal-Mart Stores, Inc. v. Samara Bros., Inc.*, 529 U.S. 205, 209 (2000).

³⁶ *Id.*

³⁷ *Two Pesos, Inc. v. Taco Cabana, Inc.*, 505 U.S. 763, 768 (1992).

³⁸ *Inwood Labs., Inc. v. Ives Labs., Inc.*, 456 U.S. 844, 851 n. 11 (1982).

³⁹ *Walmart*, 529 U.S. at 211.

⁴⁰ *Id.* at 211.

⁴¹ *Id.* at 213.

⁴² *Id.*

⁴³ *Converse Sues to Protect Its Chuck Taylor All Stars* (2014), http://www.nytimes.com/2014/10/15/business/converse-sues-to-protect-its-chuck-taylor-all-stars.html?_r=0.

⁴⁴ *See supra* note 23.

⁴⁵ 15 U.S.C.A. § 1125 (a)(3) (2012).

⁴⁶ *Qualitex Co. v. Jacobson Prods. Co., Inc.*, 514 U.S. 159, 165 (1995).

⁴⁷ *TraFFix Devices*, 532 U.S. at 29-30.

⁴⁸ *Id.*

⁴⁹ *TraFFix Devices*, 532 U.S. at 30.

⁵⁰ 15 U.S.C.A. § 1125 (c)(6) (2012).

⁵¹ 15 U.S.C.A. § 1115 (b)(8) (2002).

⁵² 15 U.S.C.A. § 1124 (1999).

⁵³ 15 U.S.C.A. § 1065 (2010).

⁵⁴ *Qualitex*, 514 U.S. at 165.

⁵⁵ 112 Am. Jur. Proof of Facts 3d 1 § 9 (2010).

⁵⁶ *Id.*

⁵⁷ 15 U.S.C. § 1125 (2012).

⁵⁸ *Id.*

⁵⁹ *Abercrombie & Fitch Stores, Inc. v. American Eagle Outfitters, Inc.*, 280 F.3d 619, 629 (2002).

⁶⁰ *Id.* at 630.

⁶¹ *Id.* at 630-31.

⁶² *Id.* at 631.

⁶³ *Id.*

⁶⁴ *Id.* at 637.

⁶⁵ 15 U.S.C.A. §§ 1114(1)(a) (2005), 1125(a)(1)(A) (2012).

⁶⁶ 112 Am. Jur. Proof of Facts 3d 1 § 10 (2010).

⁶⁷ *Id.*

⁶⁸ *Polaroid Corp. v. Polarad Elecs. Corp.*, 287 F.2d 492, 495 (2d. Cir. 1961).

⁶⁹ 112 Am. Jur. Proof of Facts 3d 1 § 11 (2010).

⁷⁰ *Id.*

⁷¹ *Id.*

⁷² *Id.*

⁷³ See, e.g., *Leelanau Wine Cellars, Ltd. v. Black & Red, Inc.*, 502 F.3d 504 (6th Cir. 2007); *Nautilus Group, Inc. v. ICON Health and Fitness, Inc.*, 372 F.3d 1330 (Fed. Cir. 2004) (where the parties' goods are functionally almost identical, less similarity between their marks is required to justify a finding of likelihood of confusion).

⁷⁴ See, e.g., *Aronowitz v. Health-Chem Corp.*, 513 F.3d 1229 (11th Cir. 2008).

⁷⁵ See, e.g., *Xtreme Lashes, LLC. v. Xtended Beauty, Inc.*, 576 F.3d 221 (5th Cir. 2009); *Aronowitz*, 513 F.3d 1229.

⁷⁶ This is another name for the secondary user, or alleged infringer.

⁷⁷ See, e.g., *Sally Beauty Co., Inc. v. Beautyco, Inc.*, 304 F.3d 964 (10th Cir. 2002) ("Proof that a defendant chose a mark with the intent of copying the plaintiff's mark may, standing alone, justify an inference of likelihood of confusion.").

⁷⁸ See, e.g., *Wash. Speaker's Bureau, Inc. v. Leading Auths., Inc.*, 33 F. Supp. 2d 488, 501 (E.D. Va. 1999).

⁷⁹ 112 Am. Jur. Proof of Facts 3d 1 § 38 (2010).

⁸⁰ Professor Manning Warren, Lecture from class in Problems in International Law (Sep. 8, 2015).

⁸¹ *Id.*

⁸² *Id.*

⁸³ *Id.*

⁸⁴ Trademark Protection in Europe, http://www.bardehle.com/uploads/files/Trademark_Protection.pdf (last visited Feb. 13, 2016).

⁸⁵ *Id.*

⁸⁶ *Id.*

⁸⁷ *Id.*

⁸⁸ *Id.*

⁸⁹ *Id.*

⁹⁰ *Id.*

⁹¹ See *supra* note 42.

⁹² Trademark Protection in Europe, http://www.bardehle.com/uploads/files/Trademark_Protection.pdf (last visited Feb. 13, 2016).

⁹³ *Id.*

⁹⁴ A Comparison of Trademark Laws in European Union and Turkey On Protection Against Dilution of Trademarks, <http://www.ankarabarusu.org.tr/siteler/AnkaraBarReview/tekmakale/2013-1/3.pdf> (last visited Feb. 13, 2016).

⁹⁵ “[A]ctivities which may have the effect of lessening the exclusivity and brand image shielded by trademarks.” *Id.*

⁹⁶ In deciding whether a mark is famous, American courts consider the following factors: (1) the degree of inherent or acquired distinctiveness; (2) the duration and extent of use; (3) the amount of advertising and publicity; (4) the geographic extent of the market; (5) the channels of trade; (6) the degree of recognition in trading areas; (7) any use of similar marks by third parties; (8) whether the mark is registered. 15 U.S.C. § 1125(c) (2012).

⁹⁷ A Comparison of Trademark Laws in European Union and Turkey On Protection Against Dilution of Trademarks, <http://www.ankarabarusu.org.tr/siteler/AnkaraBarReview/tekmakale/2013-1/3.pdf> (last visited Feb. 13, 2016).

⁹⁸ *Id.*

⁹⁹ *Id.*

¹⁰⁰ See *supra* note 92.

¹⁰¹ A Comparison of Trademark Laws in European Union and Turkey On Protection Against Dilution of Trademarks, <http://www.ankarabarusu.org.tr/siteler/AnkaraBarReview/tekmakale/2013-1/3.pdf> (last visited Feb. 13, 2016).

¹⁰² *Supra* note 94.

¹⁰³ A Comparison of Trademark Laws in European Union and Turkey On Protection Against Dilution of Trademarks, <http://www.ankarabarusu.org.tr/siteler/AnkaraBarReview/tekmakale/2013-1/3.pdf> (last visited Feb. 13, 2016).

¹⁰⁴ *Id.*

¹⁰⁵ *Id.*

¹⁰⁶ *Id.*

¹⁰⁷ *Id.*

¹⁰⁸ *Id.*

¹⁰⁹ *Id.*

¹¹⁰ *Id.*

¹¹¹ *Id.*

¹¹² *Id.*

¹¹³ *Id.*

¹¹⁴ *Id.*

¹¹⁵ *Id.*

¹¹⁶ *Id.*

¹¹⁷ *Id.*

¹¹⁸ *Id.*

¹¹⁹ *Id.*

¹²⁰ *Id.*

¹²¹ *Id.*

¹²² *Id.*

¹²³ *Id.*

124 *Id.*
125 *Id.*
126 *Id.*
127 *Id.*
128 *Id.*
129 An Overview of Trademark Infringement Damages,
http://www.ipmetrics.net/cmsdocuments/An_Overview_of_Trademark_Infringement_Damages.pdf (last visited Feb. 13, 2016).
130 *Id.*
131 *Supra* note 30.
132 For example: gun laws and state taxes.
133 Ann Bartow, *Likelihood of Confusion*, 41 San Diego L. Rev. 721, 747 (2004).
134 *Id.*
135 *Id.*
136 *Supra* note 110.
137 *Supra* note 46.
138 What You Should Know About Suing Wal-Mart, <http://www.walmartlitigation.com/index.php?p=su> (last visited Feb. 13, 2016).
139 *Id.*
140 *Id.*
141 *Id.*
142 *Id.*
143 *Id.*
144 *Id.*
145 Sneaker Wars: Converse vs. New Balance (2015),
<http://www.bostonmagazine.com/news/article/2015/11/24/converse-sneaker-wars/>.
146 *Id.*
147 *Id.*
148 *Id.*
149 *Id.*