



## Copyright Protection for Trademarked Material

**September 12, 2017**

**Sponsoring Committee:** Logos Subcommittee of the Copyright Committee

### **RESOLUTION:**

**WHEREAS**, both in the U.S. and internationally copyright law is a statutorily and treaty-based doctrine intended to protect original creative works and provide an incentive, in the form of a limited monopoly for a finite duration, to authors to create new works;

**WHEREAS**, both in the U.S. and internationally, trademark law is a statutorily and common law-based doctrine intended to prevent consumer confusion and unfair competition by granting exclusive rights in a mark to the designated provider of goods and services;

**WHEREAS**, copyright and trademark are two separate legal doctrines with different histories, purposes, and remedies;

**WHEREAS**, trademark owners may find value in protection of assets under other intellectual property doctrines, such as copyright protection for trademarks that also qualify as original creative works of visual art, and copyright owners may conversely find value in protection under other intellectual property doctrines, such as trademark protection for original creative works of visual art that also serve as source identifiers; and

**WHEREAS**, at times original creative works such as logos may be denied copyright protection (and, in the U.S., copyright registration) because they also serve as trademarks;

**BE IT RESOLVED**, that it is the position of the International Trademark Association that whether an original creative work of art, such as a logo, also acts as a source-identifier worthy of trademark protection, should not hinder the ability of the artwork to receive copyright protection.

### **BACKGROUND:**

#### **Copyright and Trademark are Separate Disciplines**

It is a basic tenet of U.S. intellectual property law that copyright and trademark serve distinct purposes, cover different types of rights, and should be considered separately in questions of infringement. The Supreme Court and other courts have stressed that there are “fundamental differences between copyright law and trademark law and that they have fundamentally different purposes ...” *Bach v. Forever Living Products U.S., Inc.*, 473 F. Supp. 2d 1110, 1117–1118 (W.D. Wash. 2007).

U.S. copyright law has its roots in the U.S. Constitution, which gives Congress the power to “[t]o promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries.” U.S. Const. art 1, §8, cl. 8. U.S. copyright law is codified in the U.S. Copyright Act. Importantly,

To qualify for copyright protection, the work must be original to the author. Original, as the term is used in copyright, means only that the work was independently created by the author (as opposed to copied from other works), and that it possesses at least some minimal degree of creativity.

*Feist Publications, Inc. v. Rural Telephone Service Co.*, 499 U.S. 340, 345 (1991) (internal quotations and citations omitted). The key elements in copyright infringement are proof of “unauthorized copying” and “substantial similarity.” *Castle Rock Entm’t, Inc. v. Carol Pub. Grp., Inc.*, 150 F.3d 132, 137 (2d Cir. 1998).

U.S. trademark law, by contrast, is not derived from the Constitution but arose out of common law and was codified as federal law under the Lanham Act. The goal of the Lanham Act is to secure to the owner of the mark the goodwill of his business and to protect the ability of consumers to distinguish among competing producers.” In the U.S. and internationally, trademark law is concerned with protection of the symbols, elements or devices used to identify a product in the marketplace and to prevent confusion as to its source. Consequently, the key test for trademark infringement is “likelihood of confusion.” See, e.g., *Two Pesos, Inc. v. Taco Cabana, Inc.*, 505 U.S. 763, 780 (1992) (“the test for liability is likelihood of confusion”).

As a result of these differences, leading trademark scholars have noted that copyright and trademark offer “separate and independent forms of protection.” See, e.g., 1 J.T. McCarthy, *McCarthy on Trademarks and Unfair Competition* § 6:5 (4th ed.).

### **A Work Such as a Logo Should Not Be Denied Copyright Protection, Including Registration, Simply Because it is also a Trademark**

As noted above, the test for what is copyrightable in the U.S. is low. See *Feist Publications, Inc.*, 499 U.S. at 345. Yet, despite this low barrier it has been perceived that there are times when the U.S. Copyright Office may appear to deny Copyright registration to a work of visual art because the work at-issue also was described as a logo. The reasons given for such refusals include (A) a perceived lack of originality under *Feist*, (B) aesthetic discrimination, and (C) their

perceived status as trademarks. The refusals sometimes contain express references to trademark law, including: a statement that the submitted work “consists entirely of trademark content but not any copyrightable...content”, implying a mutual exclusivity of intellectual property forms that does not exist in the law. These bases for refusal are not supportable under U.S. law.

First, refusals to register logos are inconsistent with the U.S. Supreme Court’s seminal decision in *Feist*, which is often cited in refusals. Yet, *Feist* makes clear that the standard for originality, and thus copyright protection, is low. Second, the boilerplate language in some refusals also contains statements, as mentioned above, that may be perceived as suggestive of aesthetic discrimination, *i.e.*, artistic judgment of works in determining whether a work is eligible for copyright protection. Yet, exercising artistic judgment when determining copyrightability is not consistent with U.S. Supreme Court precedent. See *Bleistein*, 188 U.S. 239 at 251 (1903).

Third, the denial of copyright registration for creative works simply because they are logos, and also protected by trademark law, is also inconsistent with U.S. case law and Copyright Office practice. As stated in the leading U.S. copyright treatise, “[a] visual art work that is used as a trademark, logo, or label may be registered [with the Copyright Office] if it satisfies ‘the requisite qualifications for copyright,’ *i.e.*, that it has ‘some creative authorship in its delineation or form.’” *Compendium of US Copyright Office Practices*, Third Ed. § 913.1 (2014) (quoting 37 C.F.R. § 202.10), *reprinted in* 11 M. & D. Nimmer, *Nimmer on Copyright* 913.1 (2017); see also 1 *Nimmer* § 2A.08 (2017).

Likewise, the leading U.S. treatise on trademark law notes that “[t]he courts have generally held that patent, trademark and copyright are separate and independent forms of protection. As a general principle, the presence or absence of one does not automatically preclude protection under another.” *McCarthy on Trademarks & Unfair Competition* § 6:5 (4th ed. 2016).

U.S. courts have made similar pronouncements. See, *e.g.*, *In re DC Comics, Inc.*, 689 F.2d 1042, 1052 (C.C.P.A. 1982) (“If the [drawing or design are] copyrightable subject matter, these rights of limited duration are not the totality of rights Congress has provided for the subject product designs but merely part of them. Thus, their existence does not afford a basis for refusing to grant a registration for [design] as a trademark, if it would otherwise qualify for registration under the Lanham Act.”). Thus, logos and other original creative works should not be denied copyright protection simply because they may also serve as a source identifier.

### **International Considerations**

The concept of treating copyright and trademark as separate doctrines which rise and fall on their own is also consistent with international law.

For the EU Member States, the question for copyrightability is whether the work is original in the sense that it is its author’s own intellectual creation (CJEU, judgement of July 16, 2009 in case

C-5/08, *Infopaq International A/S v. Danske Dagblades Forening*, para. 37; later confirmed in CJEU, judgment of May 2, 2012 in case C-406/10, *SAS Institute Inc. v. World Programming Ltd.*, paras. 65 and 67; CJEU, judgment of December 1, 2011 in case C-145/10, *Eva-Maria Painer v. Standard VerlagsGmbH and others*, para. 87). This means that the author must have expressed his creative ability in an original manner by making free and creative choices, leaving aside technical considerations, rules or constraints which leave no room for creative freedom (CJEU, judgment of March 1, 2012 in case C-604/10, *Football Dataco Ltd and others v. Yahoo! UK Ltd and others*, paras. 37/ 39). EU law consequently does not exclude logos which are protected under trademark law from copyright protection; they just have to fulfil the condition of being the designer's own intellectual creation.

Similarly, in Germany, the national copyright law does not exclude copyright protection for a logo which is or could be registered as a trademark. Rather, a logo—which would fall in the category of applied art—will simply have to meet the same criteria for protection as other creations (see BGH 2014 IIC 831 para. 26 - Birthday Train).

In France, original logos are protected as works of authorship (Chambre Commerciale d la Cour de Cassation, 4 July 2006), and in Italy logos can likewise be copyright protected (Court of Verona, 20-09-2005; available in dejure.com).

In Latin American countries, such as Brazil, trademarks or logos can be protected by copyright as the two doctrines are considered separate. Copyright protection is available if “there is an artistic creation connected with it, as in the case of logos containing drawings or illustrations.” See Paula Mena Barreto Pinheiro, *Trademarks and Due Diligence for Mergers and Acquisitions in Brazil*, 102 *Trademark Rep.* 1280, 1305 (2012).

In Thailand, logos created as an artistic work can also receive protection as a copyrighted work. Although there is no statutory provision on the overlap between trademark and copyrights, a copyright work in the category of an artistic work can be registered as a Logo Trademark and used as such if it meets the legal requirements for a trademark under the Trademark Act (No. 3) B.E. 2559 (A.D. 2016). See *also* Supreme Court Judgment No. 4588/2552 (A.D. 2009) (holding that the MIFFY Logo Trademark created as an artistic work also received protection as a copyright work).

And in India, logos qualify as artistic works for the purpose of copyright protection. See *The Procter & Gamble Co. vs. Aashish G. Chordia*, CS OS 344/2016 (June 24, 2016) (copyright existed in P&G's “Tide” packaging).

In other words, the principle of this resolution is consistent with international law which recognizes the difference in the doctrines and accords copyright protection to logos.

### **Denying Copyright Protection to Logos Carries Practical Implications**

Denying protection for original creative works such as logos places the owner of such creative works at a significant disadvantage in protecting the owner's valuable intellectual property. For instance, in the U.S., without a registration, the author of a creative work cannot file an infringement lawsuit (unless one receives a refusal to register, which itself calls into question the copyrightability of the work and significantly hampers enforcement). Not having a registration also precludes an author from claiming prima facie validity of its copyright or obtaining statutory damages or attorneys' fees, the lack of which also significantly hinder an author's ability to enforce its rights.

Finally, not having a registration makes it more difficult to reap the benefits of the Digital Millennium Copyright Act, which only applies to copyrights. While an author can assert a claim under the DMCA without a copyright registration, some sites ask for a registration number, suggesting at a minimum that they will treat the notice less seriously without a registration. Moreover, recipients may be less likely to comply and more likely to issue counter-notices denying infringement where there is no registration. Further, without a registration, in some jurisdictions an author could not follow through with the required lawsuit in the event of a counter-notice. If no lawsuit is filed in such circumstances, the infringing work is simply re-posted. If logos which meet the requirements of copyrightability are granted registration, this would likely enhance compliance with DMCA demands and would permit brand owners to enforce their rights in the event of non-compliance.

Websites that do allow trademark owners to use DMCA-like enforcement mechanisms tend to restrict those mechanisms to registered trademarks and only allow for takedowns based on the specific classes of goods or services listed in a registration. Restrictions of this nature do not exist for copyright-based DMCA enforcement as all types of goods that depict the copyrighted image could be encompassed in a DMCA notice.

Internationally, there are cross border implications in denying copyright protection to trademarks such as logos. As an example, certain websites will not allow US trademark owners to enforce their rights across borders on the grounds that trademark law is territorially based. On the other hand, copyright owners can enforce their rights in myriad countries through the Berne convention regardless of the country of origin.

China, for example, uses a "first to file" system for trademark registration, rather than a "use" based system, such that the first user of a mark can end up without formal trademark rights if a secondary user files first. IP owners in China, however, can use copyright protection for logo designs, which is available with or without registration given that China is a party to the Berne Convention, to fight this kind of infringement. See *PNY Techs., Inc. v. Beijing Chaoyue Sichuang Technology Ltd.* (People's Republic of China Beijing Mun. First Intermediate People's Crt., July 18, 2008).