

No. 09-56317

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IN THE UNITED STATES COURT OF APPEALS  
FOR THE NINTH CIRCUIT

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**FLEISCHER STUDIOS, INC.,**

*Plaintiff-Appellant,*

v.

**A.V.E.L.A., INC. D/B/A ART & VINTAGE ENTERTAINMENT LICENSING  
AGENCY, ART-NOSTALGIA.COM, INC.; X ONE X MOVIE ARCHIVE, INC.;  
BEVERLY HILLS TEDDY BEAR CO.; LEO VALENCIA,**

*Defendants-Appellees.*

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On Appeal from the United States District Court  
for the Central District of California  
Case No. 2:06-CV-06229-FMC-MAN  
The Honorable Florence-Marie Cooper, District Judge

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**BRIEF OF *AMICUS CURIAE* MOTION PICTURE ASSOCIATION  
OF AMERICA, INC. IN SUPPORT OF PLAINTIFF-APPELLANT'S  
PETITION FOR PANEL REHEARING OR, IN THE  
ALTERNATIVE, REHEARING EN BANC**

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## **RULE 26.1 CORPORATE DISCLOSURE STATEMENT**

Pursuant to Federal Rules of Appellate Procedure 26.1 and 29(c), the *amicus* Motion Picture Association of America, Inc. (“MPAA”) makes the following disclosure:

1. MPAA is a not-for-profit trade association;
2. MPAA does not have any parent companies; and
3. There are no publicly held companies that own ten (10) percent or more of the stock of the MPAA.

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## STATEMENT OF INTEREST OF AMICUS CURIAE

The MPAA is an association of the six major motion picture studios in the United States: Walt Disney Studios Motion Pictures; Paramount Pictures Corporation; Sony Pictures Entertainment Inc.; Twentieth Century Fox Film Corporation; Universal City Studios LLC; and Warner Bros. Entertainment Inc. The MPAA advocates for strong intellectual property rights, free and fair trade, innovative consumer choices, and freedom of expression in the motion picture, home video, and television industries. The MPAA has litigated and participated as *amicus* in numerous cases involving intellectual property issues.

*Amicus's* interest in this case arises because the majority's ruling improperly applies a theory known as "aesthetic functionality." In fact, this theory has been sharply curtailed and only rarely applied in this Circuit. The majority's ruling is an unprecedented expansion of the theory of "aesthetic functionality" and threatens to subvert settled law and merchandising practices in the entertainment industry. *Amicus* also takes issue with the majority ruling's interpretation of *Dastar* and its dismissal of Plaintiff-Appellant's copyright argument on grounds of waiver.

*Amicus* submits this brief with a motion for leave to file an *amicus* brief pursuant to Federal Rule of Appellate Procedure 29 and Circuit

Rule 29-2. This brief was not authored in whole or in part by a party's counsel; a party or a party's counsel did not contribute money that was intended to fund preparing or submitting the brief; and no person, other than amicus, its members, or its counsel, contributed money that was intended to fund preparing or submitting this brief.



## SUMMARY OF ARGUMENT

### *Trademark Law: “Aesthetic Functionality”*

The majority relied on dicta in *International Order of Job’s Daughters v. Lindeburg & Co.*, 633 F.2d 912 (9th Cir. 1980) (“*Job’s Daughters*”), to dismiss Plaintiff-Appellant’s trademark infringement claim. This was error for several reasons. *Job’s Daughters* is limited to collective membership marks—insignia that identify a person’s membership in an organization—and the “Betty Boop” images at issue in this case are not collective membership marks.

Subsequent cases in this Circuit and elsewhere have criticized the *Job’s Daughters*’ dicta relied on by the majority. *Job’s Daughters* expanded the theory of “aesthetic functionality”—that a functional shape or feature cannot become a valid trademark—to exempt from liability any use of a plaintiff’s valid trademark where the defendant’s use is “aesthetically functional.” No other Ninth Circuit case has followed *Job’s Daughters*, and several courts have explicitly criticized it.

The majority ignored this Circuit’s subsequent decisions in *Vuitton et fils S.A. v. J. Young Enterprises, Inc.*, 644 F.2d 769 (9th Cir. 1981), and *Automotive Gold, Inc. v. Volkswagen of America, Inc.*, 457 F.3d 1062 (9th Cir. 2006), which have sharply curtailed the application of the “aesthetic

functionality” theory. Those later cases made clear that the theory of “aesthetic functionality” does not bar trademark protection simply because the trademark has aesthetic value. *See Au-Tomotive*, 457 F.3d at 1072, 1074 (“[T]he fact that a trademark is desirable does not, and should not, render it unprotectable”); *Vuitton*, 644 F.2d at 773 (rejecting notion that a feature that “contributes to the consumer appeal” of a product is functional such that it bars trademark protection or precludes liability for trademark infringement).

Taken to its logical limit, the majority’s expansive interpretation of “aesthetic functionality” threatens to eviscerate trademark protection for trademarks that consumers find aesthetically appealing and attractive but that still serve as source indicators for the consumer. Such an interpretation would topple long-settled, firmly established law as well as merchandising practices in the entertainment industry. Even assuming that the theory of “aesthetic functionality” retains some highly limited vitality in the Ninth Circuit, it has no relevance either to the use of character marks on wearing apparel and other merchandise in general or to the facts of this case in particular.

*Trademark Law: The Dastar Case*

The majority incorrectly reads *Dastar Corp. v. Twentieth Century Fox Film Corp.*, 539 U.S. 23 (2003), to bar all trademark protection for images

that are copyrightable. This interpretation has no foundation in *Dastar*, any other federal court decision, or statute.

*Copyright Law: Waiver of Argument on the Merits*

The majority did not consider Plaintiff-Appellant's copyright argument on the merits, but instead incorrectly dismissed it on grounds of waiver.

**ARGUMENT**

**I. THE MAJORITY'S RULING IMPROPERLY RELIES UPON AND EXPANDS THE "AESTHETIC FUNCTIONALITY" THEORY BEYOND ITS CURRENT SCOPE IN THE NINTH CIRCUIT.**

**A. The Holding of *Job's Daughters* Is Limited to Collective Marks.**

*Job's Daughters* involved collective membership marks. Such marks, which identify a person's membership in an organization, are distinct from other trademarks in that they do not necessarily serve a source-identifying function on the products on which they appear. *See* 633 F.2d at 914, 918; *see also* 15 U.S.C. § 1127 (definition of "collective mark"); 3 J. Thomas McCarthy, *McCarthy on Trademarks & Unfair Competition* § 19:101 (4th ed. 2011) [*McCarthy on Trademarks*] (characterizing collective membership marks as "unique in the Lanham Act in that they are the only registrable symbols that are not used by the sellers of anything"). The

plaintiff, Job's Daughters, was a young women's organization that used its name and insignia as collective marks. 633 F.2d at 914, 918. Lindeburg, a jewelry maker, made fraternal jewelry bearing the plaintiff's insignia. *Id.* at 914. Job's Daughters sued, alleging that Lindeburg's jewelry infringed its collective mark.

The court focused on the factual issue of whether customers perceived the plaintiff's insignia as a source-identifier for jewelry, or whether the insignia functioned only as a collective mark identifying membership in the organization. Since the members of Job's Daughters wore jewelry bearing the insignia "to identify themselves as members" but did not perceive the insignia "as a designation of origin or sponsorship," *id.* at 918, the court found that the insignia served as a collective mark rather than as a trademark. The court further "conclude[d] that Job's Daughters did not meet its burden of proving that a typical buyer of Lindeburg's merchandise would think that the jewelry was produced, sponsored, or endorsed by the organization." *Id.* at 920.

*Job's Daughters* cannot and has not—aside from the majority's ruling—been expanded by this Circuit beyond this narrow setting. *See Automotive*, 457 F.3d at 1069 (labeling *Job's Daughters* "with its collective mark" as "a somewhat *unique case*") (emphasis added). It was only in the

context of an insignia that solely signified membership in a collective organization that the court could conclude that the defendant's use on jewelry items was "aesthetically functional": "The insignia were a prominent feature of each item so as to be visible to others when worn, allowing the wearer to publicly express her allegiance to the organization." *Job's Daughters*, 633 F.2d at 920. *Job's Daughters* thus has no relevance to this case, which concerns a designation that is clearly a valid trademark, not a collective membership mark.

**B. *Job's Daughters* Distorted the Theory of "Aesthetic Functionality" by Applying It to the Defendant's Use of the Marks.**

**1. The "aesthetic functionality" theory.**

In mainstream trademark law, if a shape or feature is "functional" it cannot become a valid trademark. This rule recognizes that: (1) only utility patent law is the source of exclusive rights in utilitarian features and (2) trademark law must allow competitors to use utilitarian product features that others need to compete effectively. *Qualitex Co. v. Jacobson Prods. Co.*, 514 U.S. 159, 164-65 (1995). For example, the Supreme Court has said that a product feature is functional "if it is essential to the use or purpose of the article or if it affects the cost or quality of the article." *TrafFix Devices, Inc. v. Mktg. Displays, Inc.*, 532 U.S. 23, 32 (2001) (citation and internal

quotation marks omitted). In *Pagliero v. Wallace China Co.*, 198 F.2d 339 (9th Cir. 1952), this Circuit redefined “functionality” when it said that decorative patterns on china were not protectable as trademarks because they were “functional.” The *Pagliero* court thought that if a designation, such as a logo or a picture trademark, is visually appealing and aesthetically pleasing, it is in some way “functional” and cannot serve as a valid trademark.

**2. *Job’s Daughters* inexplicably expanded “aesthetic functionality” from an issue of trademark validity to an issue of infringement.**

The *Pagliero* court applied “aesthetic functionality” to analyze whether the *plaintiff’s* use of its mark was functional, and thus not protectable as a trademark. Three decades later, this Circuit inexplicably turned the theory on its head in *Job’s Daughters*, suggesting that a defendant could escape liability for its use of a plaintiff’s valid trademark if the *defendant’s* use is functional. 633 F.2d at 920.

Nothing in *Pagliero* supported applying the “aesthetic functionality” theory to the *defendant’s* use. *Job’s Daughters* was an unexplained extension of an issue of trademark *validity* to the issue of *infringement*. See *McCarthy on Trademarks* § 7:82 (criticizing how *Job’s Daughters* “borrowed the word ‘functional’ from the *Pagliero* case and applied it to a

significantly different setting where an admittedly valid collective membership mark of an organization was used without permission by the defendant jeweler”). The Ninth Circuit has since rejected such a focus on the functionality of a *defendant’s* use of another’s valid marks in other contexts. *See Playboy Enters., Inc. v. Netscape Commc’ns Corp.*, 354 F.3d 1020, 1030-31 (9th Cir. 2004) (“The fact that the marks make *defendants’* computer program more functional is irrelevant.”).

To say that the approach taken in *Job’s Daughters* is highly unusual is an understatement, for no other circuit has ever applied the theory to a defendant’s usage. Moreover, the Ninth Circuit<sup>1</sup> as well as courts in other jurisdictions<sup>2</sup> have rejected “aesthetic functionality” time and again in its

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<sup>1</sup> *See Au-Tomotive*, 457 F.3d at 1074 (“We hold that [plaintiffs’] marks are not functional aspects of [defendant’s] products.”); *Vuitton*, 644 F.2d at 773 (holding that neither *Pagliero* nor subsequent cases “impel” the conclusion that a feature “which contributes to consumer appeal and saleability of the product is, as a matter of law, a functional element of that product”); *see also* discussion *infra* I.C.

<sup>2</sup> Other circuits have also questioned or rejected the “aesthetic functionality” reasoning of *Job’s Daughters*. *See, e.g., W.T. Rogers Co. v. Keene*, 778 F.2d 334, 340 (7th Cir. 1985) (explicitly rejecting *Job’s Daughters*); *In re DC Comics, Inc.*, 689 F.2d 1042, 1050 (C.C.P.A. 1982) (Rich, J., concurring) (“[I]t is arguable that there is no ‘theory’ of aesthetic functionality which stands alone, without consideration of the more traditional source identification principles of trademark law.”); *Keene Corp. v. Paraflex Indus., Inc.*, 653 F.2d 822, 825 (3d Cir. 1981) (“The difficulty with accepting such a broad view of aesthetic functionality . . . is that it provides a disincentive for development of imaginative and attractive design. The more appealing the

application to both validity and infringement. *See* 1 *McCarthy on Trademarks* § 7:82 (warning that “the notion of a defensive type of “aesthetic functionality” is bad law, poor policy, and provides no coherent rules”).

**3. *Job’s Daughters’* discussion of the “aesthetic functionality” theory was mere dictum.**

The discussion of “aesthetic functionality” in *Job’s Daughters* was merely dictum. As discussed in Section I.A *supra*, the actual issue was a factual one: whether a buyer of goods bearing the membership mark would mistakenly think that all such insignia came from or was licensed by only one source. *See also* 1 *McCarthy on Trademarks* § 7:82 (“[T]here was no confusion because buyers were members of the organization who only saw the jewelry as a means of identifying *themselves* as members, and did not mistakenly think that defendant’s jewelry was ‘official’ or approved by the organization.”). Mention of “aesthetic functionality” in *Job’s Daughters* was thus “a gratuitous way to buttress the conclusion that members of the organization were not likely to be confused into thinking that any and all

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design, the less protection it would receive.”); *see also Alpha Tau Omega Fraternity, Inc. v. Pure Country, Inc.*, No. IP 01-1054-C-B/F, 2004 WL 3391781 at \*6 (S.D. Ind. Oct. 26, 2004) (observing that *Job’s Daughters* “has been expressly rejected by several other circuits”).



rings and jewelry with the organization's emblem emanated from the organization itself.”<sup>3</sup> 1 *McCarthy on Trademarks* § 7:82.

**C. The Majority's Ruling Improperly Overlooks Subsequent Ninth Circuit Decisions That Have Narrowed the Precedential Value of *Job's Daughters* and Severely Limited the Scope of the “Aesthetic Functionality” Theory.**

**1. The 1981 *Vuitton* Case**

The precedential holding of *Job's Daughters* is limited to the context of collective marks. This is revealed in subsequent Ninth Circuit decisions that have “clarified and narrowed” *Job's Daughters*. *Au-Tomotive*, 457 F.3d at 1069. One year after *Job's Daughters* was decided, this Court refused to extend the theory of “aesthetic functionality” in *Vuitton et fils S.A. v. J. Young Enterprises, Inc.*, 644 F.2d 769 (9th Cir. 1981). The defendant argued that its use of the plaintiff's marks was functional because the marks were “related to the reasons consumers purchase [the] product.” *Id.* at 774. This Court rejected the proposition that “any feature of a product which contributes to the consumer appeal and saleability of the product is, as a matter of law, a functional element of that product.” *Id.* at 773. Other

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<sup>3</sup> Indeed, the Fifth Circuit held, on nearly identical facts, that jewelry did not infringe an organization's collective mark because the organization had “simply failed to prove that there was any likelihood of confusion”—without invoking the “aesthetic functionality” theory. *Supreme Assembly, Order of Rainbow for Girls v. J. H. Ray Jewelry Co.*, 676 F.2d 1079, 1083 & n.5 (5th Cir. 1982).

decisions have similarly cut back on or questioned the concept of “aesthetic functionality.”<sup>4</sup>

## 2. The 2006 *Au-Tomotive* Case

In *Au-Tomotive Gold, Inc. v. Volkswagen of America, Inc.*, 457 F.3d 1062 (9th Cir. 2006), this Circuit clarified that the theory of “aesthetic functionality” “has been limited to product features that serve an aesthetic purpose *wholly independent* of any source-identifying function.” *Id.* at 1073 (emphasis added).

Auto Gold, the appellant in *Au-Tomotive*, produced license plate frames and key chains that displayed Volkswagen and Audi’s trademarks. *Id.* at 1065. Auto Gold asserted that the car manufacturers’ trademarks were “functional features of [Auto Gold’s] products because ‘the trademark is the feature of the product which constitutes the actual benefit the consumer wishes to purchase.’” *Id.* at 1072.

This Circuit thus rejected the notion that “aesthetic functionality” supported Auto Gold’s position. “Taken to its limits,” Auto Gold’s

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<sup>4</sup> This Circuit has criticized “aesthetic functionality” in the context of trade dress cases. *See, e.g., Clicks Billiards Inc. v. Sixshooters Inc.*, 251 F.3d 1252, 1260 (9th Cir. 2001) (“Nor has this circuit adopted the ‘aesthetic functionality’ theory, that is, the notion that a purely aesthetic feature can be functional.”); *First Brands Corp. v. Fred Meyer, Inc.*, 809 F.2d 1378, 1382 n.3 (9th Cir. 1987) (stating that the “‘aesthetic’ functionality test has been limited, if not rejected” in the Ninth Circuit) (citation omitted).

interpretation “would permit a competitor to trade on any mark simply because there is some ‘aesthetic’ value to the mark that consumers desire.” *Id.* at 1064. Indeed, the court noted that the consumer demand for Auto Gold’s products was “inextricably tied to the trademarks themselves.” *Id.* at 1074. The court warned that extending the theory in this way would sound “the death knell for trademark protection.” *Id.* at 1064, 1072 (underscoring that “the fact that a trademark is desirable does not, and should not, render it unprotectable”).

### 3. *Fleischer Contradicts Vuitton and Au-Tomotive*

The majority’s ruling is inconsistent with and contrary to this Circuit’s decisions in *Vuitton* and *Au-Tomotive*. Those decisions expressly narrowed the holding of *Job’s Daughters* to its facts. Moreover, the *Fleischer* majority’s statement that there is a “marked similarity between the facts of *Job’s Daughters* and [the present case]” is not accurate. Slip Op. at 2781. The incontestable registrations for the Betty Boop marks create a strong presumption that they are valid trademarks that identify the source of Plaintiff-Appellant’s goods and services. Thus they are like the marks in *Vuitton* and *Au-Tomotive* and unlike the collective mark at issue in *Job’s Daughters*.

The *Vuitton* and *Au-Tomotive* decisions make clear that “aesthetic functionality” is not a bar to infringement if the challenged use is “desirable” or “contributes to the consumer appeal and saleability” where the mark (as here) also identifies the source of goods or services. *Au-Tomotive*, 457 F.3d at 1073; *Vuitton*, 644 F.2d at 773. A trademark can be both aesthetically pleasing and source-identifying; these two concepts are not mutually exclusive. But the *Fleischer* majority apparently believed that it was proper for the court to examine the accused products, such as dolls and handbags, and substitute “aesthetic functionality” for the usual factual issue: whether a buyer is likely to infer a connection between those products and the trademark owner. In the *Fleischer* majority’s view, the Betty Boop design trademark serves solely as a “functional product.” The majority did not consider whether the Betty Boop image and word marks also serve as source-identifiers.

Nothing about the use of the Betty Boop marks enhances the function of these products—the dolls are not sturdier, the shirts do not fit better, and the bags do not hold more items merely because the Betty Boop mark appears on the product. *See Vuitton*, 644 F.2d at 776-77 (“Vuitton luggage without the distinctive trademark would still be the same luggage. It would carry the same number of items, last just as long, and be just as

serviceable.”). Consumers may find the use of the Betty Boop marks in connection with these products desirable because the marks also serve as source-identifiers, but their desirability does not bar protection for the marks. Rather, as in *Au-Tomotive*, consumers want Betty Boop accessories, not generic “beautiful accessories,” and this demand is tied directly to “the source identification and reputation-enhancing value of the trademarks themselves.” *Au-Tomotive*, 457 F.3d at 1074.

The majority’s stretching of the “aesthetic functionality” dictum of *Job’s Daughters* beyond the context of collective marks and without consideration of *Vuitton* and *Au-Tomotive*’s narrowing of the “aesthetic functionality” theory was error. There was no analysis of whether the Betty Boop marks in the accused use served a source-identifying function. The majority instead bypassed the traditional likelihood of confusion analysis, cursorily concluding that the Betty Boop name and image were “functional aesthetic components of the products, not trademarks.” Slip Op. at 2781 (citation omitted).

**D. The Theory of “Aesthetic Functionality” Cannot Preclude Infringement by Unauthorized Use of a Character Trademark.**

This Circuit certainly cannot intend its majority decision to stand for the astonishing and unprecedented rule that, as a matter of law, an

unauthorized use of a character mark on products such as dolls or apparel can never constitute trademark infringement because such uses fall into some category of “aesthetic functionality.” That interpretation would subvert well-established licensing practices in the entertainment industry, which have relied on the statements in *Vuitton* and *Au-Tomotive* that “desirable” trademarks are protectable. If the marks are held to be aesthetically functional, they cannot be enforced and licensed. Trademark owners in the entertainment industry consistently license use of their character marks on clothing, toys, and other accessories. As a result of these widespread and longstanding licensing practices, consumers understand and rely on the fact that such uses are licensed and that the trademark owners in the entertainment industry exercise meticulous quality control over such licensed uses.

In *Au-Tomotive*, this Circuit said that the defendant admitted that consumers desired its auto accessories because they wanted “Audi” or “Volkswagen” marked accessories, “not beautiful accessories.” *Au-Tomotive*, 457 F.3d at 1074. This court recognized that “[t]his consumer demand is difficult to quarantine from the source identification and reputation-enhancing value of the trademarks themselves.” *Id.* This Circuit

thus held that the Volkswagen and Audi marks were not functional aspects of the allegedly infringing products.

Similarly, in the field of character merchandising, consumers want dolls and apparel with images of the characters on them, not just generic “beautiful” dolls and apparel. While the appearance of an image of Barbie, Mr. Peanut, the Pillsbury Doughboy, the Mercedes-Benz logo, or Benny the Bull (of the Chicago Bulls) on a jacket, doll, or other accessory may indeed be visually appealing, such use of that image cannot be dismissed as “functional” in any sense of the word. Rather, consumer demand for such products “is inextricably tied” to the trademarks themselves. *Id.*

To the extent that any product bearing the image of one of these popular characters is more desirable than one without such an image, that popularity derives from the reputational strength of the mark, which is precisely the type of goodwill that trademark law is designed to protect. By serving as a source identifier, trademarks generate goodwill among consumers, and that goodwill can translate into greater demand for goods bearing the marks. The mere fact that goods bearing certain trademarks are more desirable as a result of such increased goodwill does not erase or diminish the source-identifying capacity of those marks.

## **II. THE MAJORITY INCORRECTLY INTERPRETED *DASTAR* AS BARRING ALL TRADEMARK PROTECTION FOR COPYRIGHTABLE IMAGES.**

The *Fleischer* majority erroneously read *Dastar Corp. v. Twentieth Century Fox Film Corp.*, 539 U.S. 23 (2003), to preclude all trademark protection for images that are copyrightable. But *Dastar* holds no such thing. The statement that if there were a trademark in the image of Betty Boop, the character “would essentially never enter the public domain,” Slip Op. at 2782, reveals that the court erroneously equated copyright protection with trademark protection. Trademark does not “stretch” or “extend” copyright duration. No court has ever held that copyright protection precludes trademark protection for an image when that image is used as a trademark to identity and distinguish source.

The actual holding in *Dastar* is far narrower than the dictum relied on by the *Fleischer* majority. See 5 *McCarthy on Trademarks* § 27:77.50 (“The statutory interpretation at the heart of the *Dastar* decision is that the word “origin” in Lanham Act § 43(a)(1)(A) denotes only the entity who was the physical originator of the tangible goods, not the author, inventor or other creator of the intellectual property embodied in those tangible goods. For example, “origin” means the printer or publisher of a book, not the author of the literary content in that book.”). Because the majority’s reference to



*Dastar* is clear dicta, unnecessary to resolution of the case, and because there is no question that trademark rights exist separate and apart from copyright, this brief does not address the issue in further detail.

**III. THIS CIRCUIT SHOULD REVIEW PLAINTIFF-APPELLANT’S CHAIN OF TITLE ARGUMENT ON THE MERITS RATHER THAN DISMISS IT ON GROUNDS OF WAIVER.**

The copyright claim in the present case involved a complex chain of title issue. Plaintiff-Appellant argued that it had acquired the copyright to the Betty Boop films and character through a chain of title that originated with Max Fleischer and moved through Paramount and UM&M TV Corporation (“UM&M”) before Plaintiff-Appellant eventually purchased the copyright. The district court held that Plaintiff-Appellant did not establish an unbroken chain between UM&M and itself, and Plaintiff-Appellant appealed the copyright ruling on only those grounds.

The majority focused instead on the transfer from Paramount to UM&M, concluding that though Paramount transferred the copyright in the Betty Boop films to UM&M, it separately transferred the copyright in the Betty Boop character to Harvey Films. Slip Op. at 2775-76. Plaintiff-Appellant maintains that it owns the Betty Boop copyrights under that interpretation as well because it acquired Harvey Films’ Betty Boop copyrights. It raised the argument in its appellate reply brief after

Defendants-Appellees argued, for the first time in this litigation, that Paramount had not transferred the copyright to either UM&M or Harvey Films. The majority, however, refused to consider this argument on appeal because it asserted that Plaintiff-Appellant had waived it by not raising it in its opening brief.

As the dissent explains, the majority's position on waiver here is untenable. Requiring an appellant to load its opening brief with every potential argument "in the possible event that the opposing party will raise a completely new argument" does not serve the interests of judicial efficiency. Slip Op. at 2786 (Graber, J., dissenting). The majority should address Plaintiff-Appellant's argument regarding the chain of title from Paramount to Harvey Films to Plaintiff-Appellant rather than dismiss it on grounds of waiver.

## CONCLUSION

For the foregoing reasons, *amicus* respectfully requests that the Court grant Plaintiff-Appellant's petition for rehearing or, in the alternative, its petition for rehearing en banc.

Dated: March 21, 2011

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**CERTIFICATE PURSUANT TO F.R.A.P. 32(A)(7)  
AND CIRCUIT RULE 32-1**

I certify that pursuant to Federal Rule of Appellate Procedure 29(c) and Ninth Circuit Rule 29-2(c), the attached *amicus* brief is proportionately spaced, has a typeface of 14-point Times New Roman, and contains 4,078 words.

Executed this 21st day of March, 2011, at San Francisco, California.

Dated: March 21, 2011

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**CERTIFICATE OF SERVICE**

No. 09-56317

**CERTIFICATE OF SERVICE**

I hereby certify that I electronically filed the foregoing with the Clerk of the Court for the United States Court of Appeals for the Ninth Circuit by using the appellate CM/ECF system on March 21, 2011.

Participants in the case who are registered CM/ECF users will be served by the appellate CM/ECF system.

I further certify that some of the participants in the case are not registered CM/ECF users. I have mailed the foregoing document by First-Class Mail, postage prepaid, or have dispatched it to a third party commercial carrier for delivery within 3 calendar days to the following non-CM/ECF participants:

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