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The Curious Case of Nike and the "Satan Shoes"

By *James R. Major, D.Phil.*

Ever since Marcel Duchamp scandalized the art world with *Fountain* – a signed urinal on its back – artists have used consumer products as a canvas. Recently, the art collective MSCHF Product Studio, Inc. (Mischief) created “Satan Shoes” from pairs of black Nike sneakers, adding a bronze pentagram attached to the laces, an inverted crucifix on a tab on the tongue and a drop of human blood in the sole. The Satan Shoes also bore a citation to the New Testament regarding the fall of Satan and were 666 in number. The Satan Shoes are quite something and you can see images of them [here](#). Mischief announced the sale on a Friday for sale on the following Monday. In response, Nike sought a temporary restraining order (TRO), amongst other relief, that Monday. A court granted the TRO the following Thursday and the dispute subsequently settled. Under the settlement, Mischief reportedly agreed to repurchase the Satan Shoes at the original sales price. All’s well that ends well, one supposes. But are there any lessons here?

Have a pre-drafted complaint. Mischief’s announcement of the sale of the Satan Shoes on Friday for sale the following Monday meant that Nike had to move quickly. Why, then, did it take until Monday for Nike to file its complaint? It would have been better to file the complaint, even if imperfect, on the Friday in the hope that the court would hold the TRO hearing the following Monday and before the sale. In this regard, the applicable rules allow a plaintiff to amend a complaint as of right 21 days after service, which would allow for the addition of new evidence and the like. Acting fast would have at least put Mischief on notice before the sale and a court hearing the TRO motion would likely not be amused to hear that the sale proceeded after such notice.

- **Have realistic goals for relief.** While Nike achieved the initial goal in obtaining a TRO, this was surely a Pyrrhic victory as the relief was received after the sales had occurred. Additionally, the reported terms of the settlement are odd in that Mischief will buy-back the Satan Shoes at the original price of \$1,018. Why would a purchaser part with their limited-edition sneakers at that price when purportedly authentic pairs are currently available on eBay for [significantly more](#)? Also, having requested a court-ordered recall, why did Nike stop so early in the proceedings and settle for a voluntary recall? Perhaps the seeming failure of the TRO to issue before the sale rendered the dispute all but moot in Nike’s eyes. But maybe the real damage was in announcing that the Satan Shoes had been made even if none were to be sold. In any event, it would be interesting to know if Mischief agreed in the settlement not to use Nike’s products as the basis for future projects.
- **Avoid the Streisand effect.** Legal action can unintentionally provide further coverage for an activity that a trademark owner may want to minimize. The archetypal example involved Barbra Streisand bringing suit in connection with an image of her mansion of which she did not approve. At the time of a tentative decision in Streisand’s case, there had been six downloads of the image with two by Streisand’s own counsel. Now the Streisand effect has its own Wikipedia page that displays [the complained-of](#)

[image](#). At some point, the aphorism that today’s news wraps tomorrow’s fish and chips may apply.

- **Avoid annoying creative people.** While not strictly related to the matter in hand, this can be an important consideration. Creative people have a unique form of response: writing you into their next work. For example, the villain Lord Farquaad in the *Shrek* movies is supposedly based on Michael Eisner, former CEO of Disney, whom one of the producers disliked. Being immortalized in an unflattering light may not be the way to go.
- **Have a defensive social media position.** Trademark owners often use social media posts to reach their customers and many of Nike’s allegations of damage stem from such posts. In Nike’s case, another approach might have been to reach out to customers on the various platforms and advise them that the Satan Shoes had nothing to do with the company. Additionally, trademark owners should recall that many posts on social media are ill-informed, kneejerk, illogical and mere snapshots of ephemeral opinion.
- **Consider trademark’s first sale doctrine.** There is significant support in the federal appellate courts for the proposition that the resale of branded goods without change is not trademark infringement. However, “the unauthorized resale of a materially different product constitutes infringement” For example, the ablation of

batch codes on perfume bottles was held to be a material difference because the ablation degraded the appearance of the bottles. Applying this principle to the Satan Shoes, it is not immediately clear that the addition of the tab or the pentagram “degrades” the appearance of the sneakers. The drop of human blood in the sole may be a different matter and Nike’s complaint alleged that these changes posed safety risks. As such, the veracity of that allegation would seemingly require an evidentiary hearing, conceivably delaying the requested relief. Oddly, Mischief did not address the first sale doctrine in its letter to the court.

- **Have a sense of humor.** Large trademark owners are legendarily humorless. For example, the NCAA, owner of the service mark MARCH MADNESS in connection with basketball tournaments recently opposed registration of the service mark VASECTOMY MAYHEM in connection with a urological procedure. While the Satan Shoes were egregious, there is something to be said for allowing small insults to slide. Nobody likes a bully.

With the rising prominence of a brand comes the realization that someone will try to ride on your coattails. While stunts like the Satan Shoes may be rare, there is frequently a need to move quickly. Additionally, legal action can move hand-in-hand with other actions such as defensive social media activities. Stradley attorneys stand ready to assist when the next competitor, free rider or artist damages a trademark owner’s precious goodwill.

IP Client Spotlight



Based in Buenos Aires, Argentina, [Verde al Cubo](#) develops technologies for

crop yield multiplication, focusing on a new paradigm for crop nutrition. We must increase our food production capacity by 50% in the next 30 years to feed the growing world population. And we must do it sustainably. The fertilizer industry cannot currently formulate crop-specific products because of the chemical incompatibility of nutrients with each other and with the soil. Furthermore, the nature of some components of traditional fertilizers results in volume losses of up to 75% for the fertilizers delivered to the soil, polluting air and groundwater. Therefore, crops cannot achieve their growth potential. Verde al Cubo offers a nature-inspired technology that permits 17 minerals (or more!) to coexist in a single product in a readily available form for plants. The technology can provide crops with the dose they need, at the rate and at the moment they need it and in any type of soil. Field trials (conducted by independent researchers) have shown a 134% yield gain in intensive crops (e.g., cannabis) and a 34% yield gain in extensive crops (e.g., corn). A commercial

agreement is in place for manufacturing and distribution with a leading company in Argentina, but Verde al Cubo seeks alliances with other companies that can manufacture, distribute and/or sell. Likewise, Verde al Cubo is raising a series A investment to develop the U.S. market.

When Verde al Cubo requires assistance with intellectual property matters, it turns to Stradley Ronon. Stradley Ronon’s IP attorneys have degrees in chemical and materials engineering and have worked closely with Verde al Cubo’s co-founders, Florencia Barreira and Agustin Casalins, on patent matters. Thus, Stradley Ronon is well-positioned to provide integral advice on key issues involving patents, trademarks, copyrights, trade secrets and other related areas. In addition, Stradley Ronon’s ever-growing knowledge of the plant nutrition industry and how it affects Verde al Cubo’s needs and goals, will undoubtedly serve both Stradley Ronon and Verde al Cubo well. Stradley Ronon is proud to assist Verde al Cubo in its efforts to successfully navigate complex IP issues born from an ever-changing plant nutrition landscape.

To Register Or Not To Register Your Copyright, That Is The Question

By [Kevin R. Casey](#)

Copyright is a form of intellectual property law protection based in the U.S. Constitution and granted for original works of authorship fixed in a tangible medium of expression. Copyright protects both published and unpublished works and includes literary, dramatic, musical and artistic works such as poetry, books, movies, songs, sculptures, photographs, dances (choreography), computer software, blogs and architecture. Copyright does not protect facts, ideas, systems or methods of operation, although copyright may protect the way they are expressed.

A work receives copyright protection the moment it is created and fixed in a tangible form that can be perceived either directly or with the aid of a machine or device. Therefore, in general, registration of a copyright is voluntary. Copyright registration should be obtained, however, if the many advantages of copyright registration are important for a particular work. This article identifies those advantages and then outlines factors to consider when deciding whether registration makes sense for a particular work.

Advantages of Copyright Registration

Why register a work if copyright protection is automatic? Registration greatly enhances the value of a copyright by providing the following enumerated advantages or benefits.

- Registering copyrights creates a public record of copyright ownership. Ownership is often at issue in disputes over copyrights.
- The record may also be a helpful deterrent when a potential infringer, who is sophisticated enough to check copyright registrations, is considering using the content of a work without permission.
- Perhaps the most valuable benefit of registering copyrights is the ability to file a lawsuit for copyright infringement. A copyright owner cannot file a lawsuit to enforce (protect) its copyright until the U.S. Copyright Office has issued a registration (not just filed an application to register the work with the U.S. Copyright Office).
- Registered works may be eligible for statutory damages, attorney's fees and costs in a successful litigation.
- If registration occurs within five years of publication, the registration is considered "prima facie" evidence (defined as evidence that will prevail unless contradicted and overcome by other evidence) in a court of law of the validity of the

copyright and the facts stated in the registration certificate – which facts include the identity of the copyright owner.

- The owner of a registered copyright is eligible to have U.S. Customs and Border Protection (CBP) seize and detain imported goods that infringe the copyright in the United States.

Factors to Consider When Deciding Whether to Register

The answer to the question of whether to register a work with the U.S. Copyright Office varies depending on a number of factors, including financial resources, whether publication of a copyright registration would jeopardize other rights, how the work is being used and the likelihood of actionable infringement, the state of development of the work and the nature of the work. Here are some questions that should be asked and answered when trying to determine whether and when to register a copyright claim in a particular work with the U.S. Copyright Office.

- **How much money can you spend?** Clearly, budgetary constraints may impact how much money to invest in copyright registration. The registration fee is a relatively modest \$65 for most works, and completing the application form is neither difficult nor time-consuming. Certain questions on the application form do require some knowledge and research, however, so it can be helpful to have professional assistance. An experienced copyright lawyer will typically charge between \$250 and \$500 to prepare and file an application to register a copyright. If you have to pick and choose what to register due to budgetary constraints, consider the remaining questions and answers in coming to the best decision for your particular situation.
- **What does the work disclose to the public?** Registration of a claim to copyright in a work with the U.S. Copyright Office creates a public record. Remember that a copyright does not protect facts, ideas, systems or methods of operation. Therefore, if the work discloses non-copyrightable subject matter that might be protected, for example, by trade secret or patent, then registration of the copyright in the work might undermine the alternative protection and, therefore, might not be a good idea.
- **How likely is infringement?** Perhaps the most important factor (other than finances) is how likely a third party is to infringe the copyright. Many of the advantages of copyright registration described above facilitate enforcement efforts against infringers. Therefore, if an infringement is likely,

registration may be almost mandatory. Relevant to whether infringement is likely to occur is how, and to whom, the creator will disseminate the work.

- **How likely is the current version of the work to be the final version?** If significant changes are anticipated in the work, it may be prudent not to register earlier versions. Rather, wait until the final version is created and register it. If only minor changes in details are anticipated, however, registering the original version could suffice to protect both the original and any subsequent versions. Of course, the work might be sufficiently important, changes in authorship or ownership of the work might intervene or the timeline between earlier versions and the final version might be sufficiently long to justify registering all versions.
- **What type of work is it?** Typically, a creator must submit a separate application for each work. Exceptions exist,

however, which allow one application to cover multiple works. If the works are unpublished, provided they meet the necessary requirements, they can be registered as a collection with a single application. Some works (e.g., blog posts, photographs, etc.) that are merely displayed online can be considered to be unpublished. Even published photographs may be registered together in some cases. Both databases themselves and updates or revisions to the database that occur within a three-month period may be registered via a single application.

Although the answer to the question posed (“to register or not to register your copyright”) is “it depends,” as with most legal questions, at least you are now cognizant of the advantages of copyright registration and the factors that frame the answer.

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