



Nike's Continued David vs. Goliath Battle Against Customizers, and Even its Own Former Employee

Following up on my previous blog posts dated August 2, 2021, Nike is taking the customization market head on by its continued lawsuits. On July 19, 2021, Nike filed a trademark infringement complaint against Customs By Ilene, Inc., d/b/a Drip Creationz ("Drip Creationz") based on Drip Creationz's use of alleged infringement of Nike's Air Force 1 shoes in its latest designs.

Drip Creationz sells customized Nike Air Force 1 shoes that bears adornments such as flowers, butterflies, hearts, and sometimes other trademarked or protected images of third parties, like the Burberry checkered print.





Here are some examples of Drip Creationz customized Nike Air Force 1 shoes:



Nike contends that these unauthorized customizations cause and are likely to cause confusion, mistake, and/or create an erroneous association as to the source, origin, affiliation, and/or sponsorship of the products. Although Drip Creationz claims that its designs are 100% authentic Nike Air Force 1 shoes, Nike also alleges that Drip Creationz is customizing counterfeit shoes instead.

Drip Creationz also offers its own shoe the "D1" which Nike claims bears designs that infringe upon Nike's registered trademarks relating to its Air Force 1 shoes. As such, Nike argues that Drip Creationz is intentionally using confusingly similar marks to create an association between its shoes and Nike, in order to capitalize on Nike's valuable reputation and customer goodwill.

Here is a comparison of Nike's Air Force 1 marks and Drip Creationz alleged infringing products filed in Nike's complaint:

Asserted Marks	"D1" Infringing Products
	
	

Shortly after filing suit against Drip Creationz, Nike along with Converse filed a separate complaint against Jeffrey Waskowiak, a former Nike footwear developer, and his company KickRich LLC for trademark infringement violations.

Not surprisingly, the targets of Nike's lawsuits have been independent sneaker designers, who are not likely to survive a lawsuit against Nike due to the lack of resources to defend themselves. Interestingly, other largely celebrated brands, such as BAPE, have not fallen victim to Nike despite the obvious similarities between those brands' shoes. It will be interesting to see if Nike goes after a larger brand that has the financial wherewithal to defend themselves against Nike.

BAPE	NIKE AIR FORCE 1
	

Smaller independent sneaker designers, should not give up hope, and take inspiration from the ultimate victor of a true David vs. Goliath story. Recently, an independent sneaker company, YUMS, relaunched its shoes after surviving an eight-year legal battle with Nike that resulted in a United States Supreme Court decision. In 2009, Nike sued YUMS' parent company, Already LLC ("Already"), for trademark violations of Nike's Air Force 1 for selling shoes that were allegedly confusingly similar.



In response, Already filed a counterclaim seeking to cancel Nike's trademark on the grounds that it interfered with Already's ability to continue selling its shoes. In response to Already's counterclaim, Nike dropped its suit against Already, and promised it would not assert any claim or demand against any existing or future Already shoes that represented a "colorable imitation" of its products. Subsequently, the District Court held a hearing to determine whether the covenant caused the court to lose subject matter jurisdiction over Already's counterclaim. The District Court determined it no longer had subject matter jurisdiction and dismissed the case as the covenant eliminated any controversy involving the Air Force 1 trademark. The District Court's decision was ultimately appealed to the United States Supreme Court. In January 2013, the United States Supreme Court issued its unanimous decision that the case was moot in favor of Nike. Based on Nike's promise not to sue, Chief Justice John Roberts wrote that such promise made it "hard to imagine a scenario that would potentially infringe [Nike's trademark] and yet not fall under the covenant." Eight years after that decision, YUMS has relaunched its shoes on the basis that the Supreme Court's decision applied Nike's first-ever covenant not to sue.

Before giving up hope, independent sneaker designers and customizers may have viable counterclaims against trademark infringement claims, and should consider all legal options. The attorneys in RMF's Intellectual Property & Technology practice group have the unique expertise of representing and defending the underdogs in alleged trademark and patent infringement lawsuits. Our dual-perspective of prosecuting and defending clients' trademark related issues is invaluable to creatives and small businesses who are in the reselling and customization market.

For more information, please contact:

Briana Enck, Esq.
(516) 663-6683
benck@rmfpc.com