

Consumers & SMES in the Digital Single Market

Jean Monnet Centre of Excellence



Short Course – Webinar

Non-Fungible Tokens and Trademark Law: Quo Vadis Hermes, Infringement, and Dilution?

Prof. Irene CALBOLI

Chair: Prof. Federico FERRETTI

Tuesday 26 April, 15-18 CET

The event is free In person: Aula Seminari, Torretta SDE, Strada Maggiore 45 Bologna

via Microsoft Teams at https://bit.ly/3qQ8BZm

ABSTRACT

Non-Fungible Tokens (NFTs) have been prominent in the news lately. Technically, NTFs comprise of a digital rendering and the underlying blockchain address that they are attached to. These two components are combined into one transferable entity. Generally, the primary mediums associated with NFT are creative original works. Some notable examples include paintings, twitch highlight clips, GIFs, photos, viral tweets, etc. NFT's are then auctioned off for cryptocurrency and, upon sale, are transferred from the minter/seller's to the buyer's wallet in exchange for an agreed upon amount of cryptocurrency. Art collecting and speculation has become a prominent activity regarding NFTs and, not surprisingly, this has led to unwanted "legal attention."

In particular, in 2021, American artist Mason Rothschild made and sold several NFTs of Hermes' famous Birkins bags covered in fur, which he called 'MetaBirkins." Unflattered, Hermes sued the artist in the Southern District of New York, claiming trademark infringement and dilution. Notably, Hermes stressed in its complaint that Rothschild, "simply rips off Hermès' famous Birkin trademark by adding the generic prefix 'meta' ..." and "seeks to immunize himself from the legal consequences" arguing that "he is solely an artist." Most

fundamentally, Hermes argued that, even though this may be an artistic use of their mark "the title of 'artist' does not confer a license to use." Of course, Rothschild disagreed and responded denying any wrongdoing based on artistic freedom and the First Amendment. The case now is proceeding, and the court will decide on the merit.

Perhaps as a reaction to this case, luxury brands have reacted by rushing to file trademark applications for the metaverse regarding their luxury names and designs since the beginning of the year. Still, this rushing to the registry may not allow luxury brands to monopolize their images for NFTs and artists may still be able to use them without the authorization of trademark holders depending on the circumstances. Whether Mason Rothschild indeed committed an act of trademark infringement or dilution or rather lawfully exercised his rights to free speech under the U.S. Constitution remains to be seen. Yet, courts have frequently supported unauthorized artistic expressions, thus unauthorized use of luxury brands on NFTs by artists may still permitted, regardless of the outcome of the Hermes case, based on the specific circumstances on the specific case at issue.

In her presentation. Prof. Calboli will discuss the raise of trademark legal proceeding in the metaverse and unpack the issues related to the pending proceedings in the Hermes "MetaBirkins" case and similar litigation that could take place in the future.

SPEAKER'S BIOGRAPHY

Prof. Irene Calboli specializes in Intellectual Property, International Trade, Fashion and Cultural Heritage Law. She is Professor of Law at Texas A&M University School of Law, Academic Fellow at the School of Law, University of Geneva, Senior Fellow at Melbourne Law School, and Transatlantic Technology Law Fellow at Stanford University. She has been a visiting professor in universities in North America, Europe, and Asia, including as Fulbright Specialist scholar. For the year 2021-22, she has been awarded a Fulbright-Hanken Distinguished Chair in Law and Economics. Irene is a prolific scholar and award-winning teacher. Her most recent books include: HANDBOOK OF INTELLECTUAL PROPERTY RESEARCH (Oxford University Press, 2021, with L.M. Montagnani); THE CAMBRIDGE HANDBOOK OF COMPARATIVE AND INTERNATIONAL TRADEMARK LAW (Cambridge University Press, 2020, with J.C. Ginsburg), and EXHAUSTING INTELLECTUAL PROPERTY RIGHT: A COMPARATIVE LAW AND POLICY ANALYSIS (Cambridge University Press, 2018, with S. Ghosh). She is a member of the Editorial Board of the Queen Mary Journal of Intellectual Property, the Journal of Intellectual Property Law and Practice (Oxford), and the WIPO-WTO Colloquium Papers. An elected member of the American Law Institute, Irene serves in leadership positions in a variety of professional organizations, including the International Law Association (American Branch); the Board of the European Policy for Intellectual Property Law Association; the International Trademark Association, and Association of American Law Schools (AALS). She regularly acts as Expert for national governments and international organizations and has recently authored studies and conducted missions for the World Intellectual Property Organization, the EU Intellectual Property Office and Commission, and several national IP offices. Irene is a graduate of the University of Bologna, the London School of Economics and Political Science, and the Queen Mary University London and was an intern in the Cabinet of Chief Justice Mancini at the Court of Justice of the European Union.

ABOUT Digi-ConSME

"Consumers and SMEs in the Digital Single Market (**Digi-ConSME**)" is the name of the newly established Jean Monnet Centre of Excellence that has been awarded by the European Commission to the Department of Sociology and Economic Law of the University of Bologna.

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Yours sincerely, Prof. Federico FERRETTI Director

If you have any question regarding the Webinar, please feel free to contact us at: <u>f.ferretti@unibo.it</u>

