

Mattel, Inc. v. Entities Doing Bus. as Unicorn Element
21 Civ. 2333 (VM), 2021 U.S. Dist. LEXIS 106188 (S.D.N.Y. June 4, 2021)

Year	2021
Court	United States District Court for the Southern District of New York
Key Facts	Plaintiff Mattel, Inc. (“Mattel”) manufactures and sells Barbie dolls, doll clothes, and doll accessories. It markets these products in various ways, including in a style guide for a Barbie movie that contains an illustration of Barbie (the “Barbie Illustration”). Defendants are various persons and entities engaged in the online sale and distribution of doll clothes and accessories. Defendants used the Barbie Illustration in a small section of the product packaging for a doll closet. Mattel filed an action against Defendants, alleging copyright infringement for use of the Barbie Illustration and trademark infringement for use of the “BARBIE” mark in the promotion and sale of Defendants’ products. Defendants conceded that they used the Barbie Illustration on the packaging of their products and that Mattel holds the exclusive rights to the illustration, but argued that the use of the Barbie Illustration is fair use.
Issue	Whether incorporating an illustration on a small section of product packaging for a related product constitutes fair use.
Holding	Considering the first fair use factor, the purpose and character of the use, Defendants used the Barbie Illustration commercially, which weighed against finding fair use. Defendants contended that their use was “highly transformative,” but the court found Defendants’ use was the same as Mattel’s, that is, to sell doll-related merchandise. Although it did not play a significant role in the court’s determination, the second factor, the nature of the copyrighted work, weighed against fair use as Defendants did not present a substantial argument that the Barbie Illustration was not the core type of work that copyright is intended to protect. The third factor, the amount and substantiality of the portion used, weighed against a finding of fair use because although the Barbie Illustration is only a small portion of the Mattel style guide and of Defendants’ product packaging, Defendants used the most important and identifying portion of the Barbie Illustration, the face, and provided no convincing reason for doing so. For the fourth factor, the effect of the use upon the potential market for or value of the copyrighted work, the court was also persuaded that this factor weighed against fair use because of the clear market harm to Mattel if Defendants and other doll clothing and accessory manufacturers were permitted to engage in this conduct. The court reasoned that if others were “given free rein” to copy Mattel’s work—even a small amount—without justification or a license, Mattel would likely be forced to continue to bring lawsuits to protect its intellectual property. Because all four factors weighed against fair use, Mattel demonstrated a likelihood of success on the merits and the Court granted Mattel’s motion for prejudgment attachment.
Tags	Internet/Digitization; Painting/Drawing/Graphic
Outcome	Fair use not found

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