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The 'MetaBirkin' and the Beginning of Trademark Litigation in the NFT Space

BY [CAITLIN MURACA](#)/ON FEBRUARY 14, 2022



Photo by modern affliction on Unsplash

When one thinks of art, one generally thinks of something physical. That isn't the case anymore as non-fungible tokens, or NFTs, are breaking down such notions.¹ NFTs are completely digital, "you can't touch it, but you can own it."² For starters, "non-fungible"

essentially “means that it’s unique and can’t be replaced with something else.”³ NFTs can basically be anything digital, such as a meme, and is thus, not restricted to drawings or more typical art forms.⁴ After a NFT art is created, it is “tokenized on the cryptocurrency service, Blockchain.”⁵ Use of the Blockchain system is “useful for tracking copyright ownership and maintaining records of creation.”⁶ When an NFT is purchased, that person is receiving a “digital certificate[] of authenticity.”⁷ What distinguishes real-world art from NFTs “is that the artist can now get royalty fees every time the digital piece is sold or traded.”⁸

Part of the craze and buzz surrounding NFTs is the profit that can be made by both the purchaser and original creator of a particular piece of digital art.⁹ In the first 6 months of 2021, NFT sales hit \$2.5 billion.¹⁰ The most expensive NFT to date sold for \$91.8 million.¹¹ The purchase and creation of NFTs can be an incredibly profitable side hustle if done correctly.

One particular collection of NFTs, the “MetaBirkin,” has become a recent point of controversy.¹² The 100 Metabirkin NFTs are a “range of reimagined Hermès Birkin bags, all intentionally made with faux fur” created by Mason Rothschild in collaboration with Eric Ramirez.¹³ Unsurprisingly, Hermès was not happy with this and allegedly sent Rothschild a cease and desist letter to which he responded that “[t]he First Amendment gives [him] every right to create art based on [his] interpretations of the world.”¹⁴ To no avail, Hermès has filed a lawsuit against Rothschild in New York for trademark infringement and dilution.¹⁵ It is clear that Hermès has trademarked the “Birkin” name “under categories including leather goods and leather handbags.”¹⁶ The brand “assert[ed] that it ‘did not authorize nor consent to the commercialization or creation’ of 100 virtual Birkin bag-centric non-fungible tokens.”¹⁷ Prior to any action taken by Hermès, Rothschild explained that “this is [his] artistic take on an icon, [his] remix.”¹⁸

Existing trademark law seems like it would apply in equal force in the digital sphere.¹⁹ There is little case law on trademark infringement and NFTs as the digital art form is still relatively new. Playboy Enterprises International, Inc. was able to successfully stop counterfeit websites from selling fake Playboy Rabbitars NFTs that “are almost identical to the Playboy’s actual website selling authentic Rabbitar NFTs.”²⁰ The difference here is that Hermès is not involved in the sale of NFTs so, the Playboy lawsuit is not particularly helpful here. Rothschild may make a fair use argument as “[t]he Lanham Act expressly protects fair use from liability for trademark infringement [and] dilution.”²¹ But, this argument may prove fatal as it doesn’t protect against liability “if the defendant uses the allegedly infringing mark as the defendant’s own trademark.”²² Rothschild compares his creation of the MetaBirkin to Andy Warhol’s 1962 painting of a can of Campbell’s soup, both “artistic interpretations.”²³

The extent to which trademark law protects artwork in the digital world is yet to be fully understood. The Hermès and MetaBirkin lawsuit will likely help determine the scope of trademark protection in the world of NFTs. As for now, the NFT space may be an interesting space for attorneys to begin to break into.

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3. Mitchell Clark, NFTS, Explained, The Verge (Aug. 18, 2021, 9:20 PM), <https://www.theverge.com/22310188/nft-explainer-what-is-blockchain-crypto-art-faq> [<https://perma.cc/MCD3-5LNG>].
4. See *Id.*
5. Fitzsimons, *Supra* note 1 (“The Blockchain is a digital transaction system that records information in a way that makes it very difficult to hack or scam, which means it’s extremely useful for tracking copyright ownership and maintaining records of creation.”).
6. *Id.*
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8. *Id.*
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17. See From Baby Birkins to MetaBirkins, Brands Are Facing Issues in the Metaverse, TFL (Dec. 13, 2021), <https://www.thefashionlaw.com/from-baby-birkins-to-metabirkins-brands-are-being-plagued-in-the-metaverse/> [<https://perma.cc/R966-QYL7>].
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23. *Id.*