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PRODUCT MAKERS CAN PROTECT THEIR TRADE DRESS

by
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"Trade dress" denotes the form in which a producer presents his package to the market, and typically includes labelling and packaging. The trade dress of a product involves the "total image" of a product and can include such features as size, shape, color or color combinations, texture or graphics. Use of similar trade dress and packaging by a competitor may cause confusion as to the source of goods.

Packaging, labelling and product configurations that actually distinguish and identify goods and services can potentially serve as trademarks.

They identify and distinguish the source of goods and services. The test is whether they are so distinctive that in the marketplace they serve primarily as a trademark, rather than to structure or package the goods.

Trade dress may be protected if (1) it is non-functional; (2) it is distinctive or it has acquired secondary meaning; and (3) its imitation will create a likelihood of consumer confusion.

Distinctiveness

Distinctiveness is a requirement for any trademark. 15 U.S.C.A. Section 1052. Marks are categorized as either "inherently distinctive" or inherently non-distinctive marks need no proof of distinctiveness, whereas inherently non-distinctive marks (such as descriptive or suggestive marks) require "secondary meaning" before they can be registered as trademarks. 15 U.S.C. Sections 1052, 1053.

In *Seabrook Foods, Inc. v. Bar-Well Foods Ltd.*, 568 F.2d 1342, 1344, 196 U.S.P.Q. 289, 291 (C.C.P.A. 1977), the Court of Customs and Patent Appeals act forth the standards for determining whether a particular mark is inherently distinctive; whether it has a "common" basic shape or design, whether it is unique or unusual in a particular field, whether it is a mere refinement of a commonly-adopted and well-known form of ornamentation for a particular class of goods viewed by the public as dress or ornamentation for the goods, or whether it is capable of creating a commercial impression distinct from the accompanying words.

Exactly how much distinctiveness is necessary for a trade dress to be "inherently distinctive" has never been resolved. Moreover, it is unclear whether all courts will consider any product configuration to even be inherently distinctive. With respect to packaging, some packages are probably inherently distinctive. Consider the unique packaging for L'eggs pantyhose (in the shape of an egg).

Also consider products presented in a unique style, such as children's stockings wrapped to appear as a lollipop on a stick.

The Need for Secondary Meaning

Secondary meaning is required only for those marks not inherently distinctive. Secondary meaning is acquired by obtaining consumer recognition for the mark through advertising and sales. The buyer need not know the identity of the single source of a product; the source can remain anonymous and the product may still have secondary meaning.

The 9th Circuit has defined secondary meaning as being attained when "the purchasing public associates the dress with a single producer or source rather than just the product itself." *First Brands Corp. v. Fred Meyer, Inc.*, 809 F.2d 1378, 1 U.S.P.Q.2d 1779 (9th Cir. 1987).

In the Making

The controversial doctrine of secondary meaning in the making allows trade dress to be protected against intentional, deliberate attempts to capitalize on a distinctive product even though secondary meaning has not yet been fully developed in the market. In *L.A. Gear Inc. v. Thom McAn Shoe Co.*, 12 U.S.P.Q.2d 1001 (S.D.N.Y. 1989), an action for infringement of trade dress in a sports shoe, the court found that the doctrine of secondary meaning in the making applied, given industry-wide knowledge that plaintiff would be extensively promoting its shoe design.

But in *Cicena, Ltd. v. Columbia Telecommunication Group*, 990 F.2d 1546, 14 U.S.P.Q.2d 1401 (Fed. Cir. 1990), the Federal Circuit held that the doctrine of secondary meaning in the making should be rejected. The court stated, "To allow a plaintiff to succeed on a theory of secondary meaning in the making would undermine the entire purpose of the secondary meaning requirement: to show that the public associates the product with a source rather than with the product itself." The *Cicena* court noted that they are aware of only one case in which the doctrine of secondary meaning in the making was necessary for the court's decision (*Jolly Good Industries, Inc. v. Elegra, Inc.*, 960 F.Supp. 227, 9 U.S.P.Q.2d 1534 (D.C.N.Y. 1988)).

The doctrine has been used mostly in the 2nd Circuit.

Functionality

Functional trade dress features -- features that serve a utilitarian purpose -- cannot be given legal protection. The policy behind this is that functional features should be given legal protection through patent law, which grants exclusive rights for only a limited time (unlike trademark law). Also, courts do not want to undermine the protection of the patent laws by giving trade dress protection such a wide scope that it unduly reduces the number of functional products that can be introduced into the market.

The Supreme Court has defined "functionality" as something that is "essential to the use or purpose of the article or that affects the cost or quality of the article." *Inwood Laboratories, Inc. v. Ives Laboratories, Inc.*, 456 U.S. 844, 102 S.Ct. 2182, 72 L. Ed.2d 606, 214 U.S.P.Q. 1 (1982). The 9th Circuit uses this test.

Although the issue of functionality is very much a question of fact, certain generalizations do arise out of the cases. In particular, the product itself is much more likely to be considered functional than its packaging.

In contrast, packaging or containers are much more likely to be considered nonfunctional and therefore at least potentially protectable under trademark law. The major exception to this occurs when the shape or configuration of the packaging is very strongly dictated by the nature of the product itself, as when the product is in an unusual configuration, or has particular requirements for safety or storage. *Power Controls Corp. v. Hybrinetics, Inc.*, 806 F.2d 234, 231 U.S.P.Q. 776 (Fed. Cir. 1896) (packaging for dimmer switch that conforms closely to contours of product is functional).

Functional features can be elements of a protectable trade dress that includes non-functional features.

In the 9th Circuit, the test for trade dress infringement under Lanham Act Section 43(a) is "whether there is a likelihood of confusion resulting from the total effect of the defendant's package on the eye and mind of an ordinary purchaser." *Fabrica Inc. v. El Dorado Corp.*, 697 F.2d 890, 894, 217 U.S.P.Q. 698, 701 (9th Cir. 1983).

It should be noted that evidence of actual buyer confusion is not necessary to prove likelihood of confusion. This means the decision as to whether unfair competition exists must ultimately be subjective. Anything the ordinary purchaser sees on examining the product is considered in making a determination. The casual and ordinary non-discerning buyer, and not the careful and discriminating buyer, is the standard.

In the 9th Circuit, elements that make up likelihood of confusion are (1) evidence of actual confusion, (2)

defendant's intent in adopting the mark, (3) similarity of marks, (4) similarity of goods and marketing channels, and (5) the strength of the mark. *Fuddrucker's, Inc. v. Doc's B.R. Others, Inc.*, 826 F.2d 837, 4 U.S.P.Q.2d 1026 (9th Cir. 1987). A balancing approach is used, and not all factors need be present to find likelihood of confusion.

Surveys can be helpful in determining what, the "common consumer" will find confusing.

Labelling

Adequate labelling to distinguish goods is a defense often raised against trade dress infringement, on the theory that labelling or disclaimers will avoid likelihood of confusion. The issue of adequacy of disclaimers on labelling has been a hotbed of litigation. The battle is fought through survey evidence and expert testimony on consumer perception and cognitive association.

Trade dress is a species of trademark, and trade dress infringement is a species of unfair competition. The same elements must be proven for protectibility of trade dress as for protectibility of trademarks (*viz.*, non-functionality, secondary meaning, and likelihood of consumer confusion).

It is generally easier to prove protectibility for trademark than for trade dress. Trade dress actions present wonderful opportunities for advocacy. They also present substantial exposure when pre-filing investigation is incomplete or the facts do not support the claim of a protectable trade dress.

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