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Note

RECONCILING THE PATENT ACT AND THE LANHAM ACT: SHOULD PRODUCT CONFIGURATIONS BE ENTITLED TO TRADE DRESS PROTECTION AFTER THE EXPIRATION OF A UTILITY OR DESIGN PATENT?

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***384 I. Introduction**

Over the last few years, several circuits have been presented with the question of whether nonfunctional features of expired patents should be entitled to trade dress protection under the Lanham Act.¹ While a few courts have held that trade dress protection is available for nonfunctional elements of a product’s design,² the Tenth Circuit recently held that trade dress protection is not available for product configurations comprising a “significant inventive component” of a previously patented invention, regardless of the functionality of those elements.³ Given the split among circuits, the issue appears ripe for Supreme Court intervention. The purpose of this note is to explore this issue in detail in an attempt to show that the Patent Act and the Lanham Act can be reconciled to provide limited trade dress protection for certain expired patent configurations.

Parts II and III of this note examine the history of both the Lanham Act and the Patent Act, as well as the principles governing each doctrine. Part IV discusses the intersection of these two federal statutes and examines the controversy surrounding the expansion of trade dress protection in this area. Finally, Part V presents two schemes that would allow courts to balance the competing doctrines in cases *385 involving trade dress protection for expired patent features. Properly applied, these schemes would neither deny the public the benefit of previously patented inventions nor subordinate consumer confusion concerns that might arise under the Lanham Act.

II. Exploring the Principles Behind the Lanham Act

To fully appreciate the issues involved in providing trade dress protection for expired patent features, it is important to first understand the principles governing the Lanham Act. Therefore, this note begins with a detailed discussion of the purpose behind this federal statute.

A. The Purpose of the Lanham Act

The Lanham Act was passed by Congress⁴ in 1946 to organize state trademark law into one centralized federal statute.⁵ From

the outset, the Lanham Act has focused on protecting consumers from confusion due to false or misleading marks.⁶ *386 Although the legislative history of the Act indicates that the statute was also enacted to protect the goodwill of merchants from encroachment by imitators,⁷ the primary emphasis of the Lanham Act has always been on the protection of marks as source identifiers⁸ and on the prevention of consumer confusion in the marketplace.⁹

B. Requirements for Establishing Trade Dress Infringement Under the Lanham Act

Section 43(a) of the Lanham Act protects against all types of product imitation, including trade dress simulation.¹⁰ Historically, “trade dress” encompassed only a *387 product’s packaging or labeling.¹¹ Over time, though, the definition of trade dress has been extended by courts to include a product’s appearance.¹² This expansion of traditional trade dress protections, along with other recent changes in trade dress law,¹³ has created controversy due to the overlap produced between the Patent Act and the Lanham Act with respect to the protection of product designs.¹⁴ To fully appreciate the issues at stake in this debate, it is important to first understand the requirements for establishing a trade dress infringement claim under section 43(a) of the Lanham Act.¹⁵

To support a trade dress infringement claim under section 43(a) of the Lanham Act, a plaintiff must prove two things: (1) that the trade dress is entitled to protection due to its distinctiveness and nonfunctionality; and (2) that the defendant has infringed the plaintiff’s trade dress by creating a likelihood of consumer *388 confusion in the marketplace.¹⁶ Each element within this two-step test is important and requires separate discussion.

1. Distinctiveness: Classifying Protectable Trade Dress

The first requirement for establishing a trade dress infringement claim under section 43(a) of the Lanham Act is that the trade dress must be distinctive.¹⁷ To qualify, the trade dress must serve to distinguish the plaintiff’s goods or services from other products in the marketplace.¹⁸

Courts generally classify “distinctiveness” into one of four categories: (1) generic; (2) descriptive; (3) suggestive; and (4) arbitrary or fanciful.¹⁹ Generic trade dress is not entitled to protection under section 43(a) of the Lanham Act because it “tells the buyer what the product is, rather than from where or whom it came.”²⁰ Descriptive trade dress is similar to generic trade dress in that it does not inherently identify a product as coming from a particular source.²¹ However, unlike generic trade dress, descriptive trade dress is entitled to protection under section 43(a) once “secondary meaning” is established.²² Conditioning protection of descriptive trade dress upon a showing of secondary meaning assures that merchants do not acquire “exclusive rights in marks which are likely to be useful to competing manufacturers in describing the attributes of the goods or business.”²³

*389 The two strongest types of trade dress are those that fall into either the suggestive or arbitrary or fanciful classification. Suggestive trade dress, as the name implies, does not describe the underlying goods or services but rather “suggests” something which is characteristic of those goods or services.²⁴ Arbitrary or fanciful trade dress, on the other hand, does not connote anything with respect to either the product or its characteristics.²⁵ Both of these types of trade dress are considered “inherently distinctive” and require no showing of secondary meaning.²⁶

2. Nonfunctionality: The Second Inquiry

Functionality is the second issue a court must address in determining whether a particular trade dress configuration is entitled to protection under section 43(a) of the Lanham Act.²⁷ The Third Restatement on Unfair Competition states that a design is functional if

[it] affords benefits in the manufacturing, marketing, or use of the goods or services with which the design is used, apart from any benefits attributable to the design’s significance as an indication of source, that are important to effective competition by others and that are not practicably available through the use of alternative designs.²⁸

Basically, the court must assess “whether the features of the product which constitute the trade dress are essential to the use or purpose of the product or affect the cost or quality of the product.”²⁹

Courts recognize two distinct types of functionality: utilitarian and aesthetic. Although the purpose of both doctrines is to ensure “effective competition” in the marketplace,³⁰ the scope of each test is narrowly defined.³¹ Both of these doctrines are briefly discussed below.

***390 a) Utilitarian Functionality Test**

The utilitarian functionality test is the primary method for determining the functionality of trademarks and trade dress under section 43(a).³² The utilitarian functionality test essentially involves two considerations:

(1) [whether] the design [is] “dictated” as opposed to [being] “accommodated” by the functions to be performed so that it results in a functionally or economically “superior” design[; and]

(2) [whether] the exclusion of others from using the design [will] “hinder competition or impinge upon the rights of others to compete effectively” in the marketing of “functionally identical” goods....³³

In making these determinations, courts often look to the availability of practical alternative configurations.³⁴ In other words, if a court determines that alternative designs are available, and that those designs would not impair the utility of the product, Lanham Act protection will be allowed. If, on the other hand, a court determines that there are no practical alternative configurations for a particular design, Lanham Act protection will be denied.

It should also be noted that in assessing functionality, courts focus on the total design “package” as opposed to individual design features.³⁵ Thus, as long as the overall trade dress is nonfunctional, it is entitled to protection under section 43(a) of the Lanham Act.³⁶

b) Aesthetic Functionality Test

The aesthetic functionality test is used to assess the functionality of ornamental designs. The doctrine is generally attributed to the Ninth Circuit’s decision in ***391** *Pagliero v. Wallace China Co.*³⁷ In *Pagliero*, the court defined functional features as those which constitute “an important ingredient in the commercial success of the product.”³⁸ However, modern courts that recognize aesthetic functionality³⁹ have either rejected⁴⁰ or severely restricted⁴¹ the “important ingredient” test of *Pagliero* because it would essentially “permit a second comer to copy the distinctive dress of a product whenever it became successful and consumers became accustomed to its dress.”⁴²

At least one commentator believes that the doctrine of aesthetic functionality should simply be abandoned since it is “based on the same considerations involved in determining the protectability of a utilitarian design ... [and] does little more than confuse the issue.”⁴³ However, others have argued that the doctrine of aesthetic functionality is necessary because it prevents protection of commercially significant, ornamental features that might otherwise escape scrutiny under a pure utilitarian definition of functionality.⁴⁴ In any event, it seems as though courts have been slowly shifting away from the aesthetic functionality doctrine toward a more utilitarian approach.⁴⁵

***392 3. Likelihood of Confusion: Determining the Extent of Infringement**

The touchstone of a section 43(a) claim for trade dress infringement is “likelihood of confusion.” The purpose of this test is to determine whether the plaintiff’s trade dress has been infringed by another party in a manner sufficient to justify judicial relief.⁴⁶ Infringement is typically measured by the likelihood of confusion created among the consuming public with respect to the goods or services being marketed.⁴⁷ However, courts sometimes look to the likelihood of confusion created among the general public in situations where the plaintiff’s public reputation is threatened by the second comer’s use of similar trade dress, and that reputational effect might influence future consumers.⁴⁸

In determining likelihood of confusion, courts look to several different factors.⁴⁹ Although the exact number and combination of these factors varies from circuit to circuit,⁵⁰ courts typically rely on either the principles set out in *Polaroid Corp. v. Polarad Electronics Corp.*,⁵¹ the principles set out in section 729 of the ***393** Restatement of Torts,⁵² or both⁵³ in devising their respective balancing tests.⁵⁴ Regardless of the nomenclature used, though, most likelihood of confusion tests focus on some combination of the following general factors:

- (1) the distinctiveness of the trademark or trade dress as a source identifier;
- (2) the similarity of the trademarks or trade dress in their entirety;
- (3) the similarity of the underlying goods or services;
- (4) the similarity of both established and potential marketing and distribution channels;
- (5) the sophistication of the relevant consumer market;
- (6) the existence of actual confusion;
- (7) the intent of the junior user in adopting its trademark or trade dress (i.e., whether the junior user intended to derive benefit from the senior user's reputation or goodwill);
- (8) the quality of the junior user's goods or services;
- (9) the fame of the senior user's trademark or trade dress; and
- (10) the market interface between the junior user and senior user.⁵⁵

***394** Application of these factors requires careful judicial balancing based on the particular facts of the infringement suit, and as a general rule, no one factor is outcome-determinative in any given case.⁵⁶ If the plaintiff succeeds in establishing likelihood of confusion, the court will generally allow injunctive relief against the junior user.⁵⁷

III. Exploring the Principles Behind the Patent Act

Traditionally, the Patent Act was the primary means of protection for design features.⁵⁸ However, as discussed in Part II above, courts now allow protection for product configurations under section 43(a) of the Lanham Act.⁵⁹ Given the controversy created by this overlap,⁶⁰ it is important to understand the principles governing federal patent law in order to properly address the question of whether expired patent design features should be afforded trade dress protection under the federal trademark statute.

A. The Purpose of the Patent Act

The Patent Act⁶¹ was passed by Congress in 1952 pursuant to the Patent Clause of the United States Constitution.⁶² The purpose of the Patent Act is threefold, as summarized by the Supreme Court in *Aronson v. Quick Point Pencil Co.*:⁶³ First, patent law seeks to foster and reward invention; second, it promotes disclosure of inventions to stimulate further innovation and to permit the public to practice the invention once the patent expires; third, the stringent requirements for patent protection seek to assure that ideas in the public domain remain there for the free use of the public.⁶⁴

***395** Essentially, "the patent regime affords a limited monopoly [to inventors] in exchange for the invention's addition to society's resources."⁶⁵

The United States Patent and Trademark Office⁶⁶ recognizes two primary types of patents: utility and design.⁶⁷ Utility patents protect functional inventions such as processes, machines, and compositions of matter,⁶⁸ while design patents protect ornamental or nonfunctional product features.⁶⁹ This note primarily focuses on design patent law, since this is the area in which the Patent Act and the Lanham Act experience the most tension.⁷⁰ However, both utility and design patent law requirements are briefly discussed below, since both doctrines ultimately bear on the assessment of whether expired utility patent features should be afforded trade dress protection.⁷¹

B. The Requirements for Securing a Patent

Utility patent law and design patent law are similar in that both require a showing of “novelty” and “nonobviousness.”⁷² The difference between the two doctrines lies in the third requirement: an invention must be “useful” to receive protection under utility patent law,⁷³ whereas an invention must be primarily “nonfunctional” to receive protection under design patent law.⁷⁴ Each of these elements serves a distinct purpose, as discussed below.

***396 1. Novelty**

The requirements for establishing novelty are set forth in 35 U.S.C. § 102.⁷⁵ As one commentator has noted, “the primary indicator of an invention’s novelty is whether it existed previously.”⁷⁶ Generally, if the invention is patented anywhere, described in a printed publication anywhere, or used in the U.S. prior to the invention date or more than a year prior to the U.S. application date, the applicant is not entitled to patent protection.⁷⁷

2. Nonobviousness

The nonobviousness requirement essentially prevents patent protection for obvious extensions of existing inventions.⁷⁸ The test is whether a person of ordinary skill in the inventor’s discipline would have developed the same invention based on the prior art.⁷⁹ This standard is difficult to apply “since the solution to a problem may appear to be obvious once it is discovered.”⁸⁰ Thus, to avoid subjective assessment of nonobviousness, courts typically consider a variety of objective factors such as the commercial success of the invention, evidence of long felt but unsolved need, the failure of others in the field, and the extent to which the invention has been copied by others.⁸¹

***397 3. Usefulness**

In addition to establishing novelty and nonobviousness, an applicant for a utility patent must establish that his invention is useful.⁸² To satisfy this requirement, the applicant must show that the invention serves a specific, noninjurious purpose.⁸³ As a matter of practice, though, courts give prima facie weight to the applicant’s disclosure of utility, unless the Patent and Trademark Office can establish that “there is reason for one skilled in the art to question the objective truth of the statement of utility or its scope.”⁸⁴

4. Nonfunctionality

Nonfunctionality is the last requirement that must be shown to obtain a valid design patent.⁸⁵ To satisfy this requirement, the applicant must prove that the design is primarily ornamental in nature.⁸⁶ If the design embodies a utilitarian purpose or is appealing, it may still be entitled to protection under the Patent Act.⁸⁷ However, if the design is primarily dictated by functional or mechanical requirements, a design patent will be denied.⁸⁸

IV. The Intersection of Patent Law and Trade Dress Law

Recent developments in trade dress law have created controversy due to the overlap produced between the Lanham Act and the Patent Act with respect to the protection of product designs. By far the most controversial changes have been: (1) the expansion of traditional trade dress protections to include a product’s appearance; and (2) the elimination of the secondary meaning requirement for inherently distinctive trade dress.⁸⁹ The problem with these changes, according to critics, is that they allow product manufacturers to circumvent the stricter standards *398 of patent law in seeking protection for their product designs, while at the same time allowing virtually infinite “patent-like” protection for such configurations.⁹⁰ As a consequence, patent law principles are subordinated to federal unfair competition doctrine—a result many critics believe to be in direct contravention of established Supreme Court precedent.⁹¹

On the other hand, some proponents have argued that allowing trade dress protection for expired design and utility patent features is commensurate with trademark principles to the extent that the previously patented design indicates the origin of one specific type of product.⁹² The resolution of these issues is important because it directly impacts the assessment of whether expired patent design features should be afforded trade dress protection under section 43(a). Therefore, this section carefully examines each of the arguments advanced by both critics and proponents alike. At the conclusion of this analysis, it

will become evident that much of the criticism lodged against product design trade dress protection is unjustified.

Before exploring these issues in more detail, though, it is important to first analyze the changes in trade dress law that originally sparked this controversy.

A. Protecting Product Designs as Trade Dress—The Extent of Overlap with Traditional Patent Law Subject Matter

One of the most controversial developments in trade dress law over the last few years has been the expansion of traditional trade dress protection to include product configurations.⁹³ Many critics contend that by extending Lanham Act protection in this manner, courts have created potential conflicts with the principles *399 of patent law by rendering the subject matter of design patents and product design trade dress nearly identical.⁹⁴ Proponents of the changes do not necessarily doubt this assessment, but rather contend that the overlap is not inconsistent with patent law principles.⁹⁵ So, how much do these two doctrines really intersect? The reality is that both are quite similar when it comes to protecting product designs.

The most obvious similarity between design patent law and trade dress law is that both are aimed at protecting aesthetic features.⁹⁶ Indeed, “t he physical object of protection, the ornamentation of merchandise, is the same for both design patents and product design trade dress.”⁹⁷ Similarities also exist in the requirements for obtaining protection under both doctrines. For example, both patent law and trade dress law allow protection for design features that are primarily nonfunctional.⁹⁸ Moreover, the requirement of distinctiveness for trade dress and nonobviousness for design patents are similar in that “both measure the amount of creativity the artist ... need s to attain protection.”⁹⁹

It is evident, therefore, that both the Lanham Act and the Patent Act do provide protection for similar subject matter. According to critics however the problem is not simply that both doctrines intersect, but rather that trade dress rights have the potential for infinite duration while patent rights only extend for a limited time.¹⁰⁰ As a result, critics maintain that trade dress protection of product designs has the potential for undermining the goals of the Patent Act by extending a merchant’s monopoly on a particular design beyond the absolute limits established by Congress.¹⁰¹ The merits of this argument are explored in more detail in Part IV.C.¹⁰²

B. Elimination of the Secondary Meaning Requirement for Distinctive Trade Dress

The other recent controversial change in trade dress law has been the elimination of the secondary meaning requirement for inherently distinctive trade *400 dress. Prior to the Supreme Court’s decision in *Two Pesos, Inc. v. Taco Cabana, Inc.*¹⁰³ (*Two Pesos II*), the circuits had been split over whether to allow protection for such trade dress without a showing of secondary meaning.¹⁰⁴ However, the Supreme Court settled this debate by holding that since secondary meaning is not required for inherently distinctive trademarks, the same analysis should apply to the protection of inherently distinctive trade dress under section 43(a).¹⁰⁵ Aside from the sheer lack of textual support to justify differentiation between trademarks and trade dress, the Supreme Court noted that if secondary meaning were required for nondescriptive trade dress, competitors would be able to “appropriate the originator’s dress in other markets and ... deter the originator from expanding into and competing in those areas.”¹⁰⁶ According to the Supreme Court, such a result would undermine Lanham Act principles by making it more difficult for consumers to identify producers with their products, thereby hindering the producers’ competitive position in the marketplace.¹⁰⁷

C. The Controversy over the Expansion of Traditional Trade Dress Requirements

Given that courts have expanded the scope of traditional trade dress protection to include product configurations and have eliminated the secondary meaning requirement for distinctive product design trade dress, how do these developments impact patent law doctrine? On this issue, critics are somewhat split in their analyses, although most arrive at the same conclusion: namely, that these changes impermissibly interfere with patent law principles.

1. The Arguments Against the Expansion of Trade Dress Protection upon the Domain of Design Patent Law

Some critics argue that the expansion of trade dress to include a product’s appearance alone is inconsistent with the Patent Act because it “create[s] a powerful form of intellectual property that requires little or no standards for protection, *401

affords monopoly rights, lasts forever, and eliminates rightful competition.¹¹⁰⁸ The primary concerns of these critics are that courts allow protection for product design trade dress without meeting the strict standards of patent law¹⁰⁹ and that merchants can acquire virtually infinite rights in their trade dress without registration.¹¹⁰

Other critics contend that the expansion of trade dress to include product designs and the waiver of secondary meaning requirements for distinctive trade dress individually create no conflict with the Patent Act.¹¹¹ However, the combination of these changes arguably poses a problem because it “gives ornamental designs of products ... protection as trade dress without any of the well reasoned limits on duration found in patents.”¹¹²

Essentially, all of these arguments are predicated on the theory that the ultimate goal of intellectual property law is the promotion of free competition in the marketplace.¹¹³ According to these critics, product design trade dress frustrates competition in three ways: (1) by denying notice to competitors of the scope of the claimed trade dress;¹¹⁴ (2) by providing protection for designs that might not otherwise qualify for protection under the Patent Act;¹¹⁵ and (3) by providing ***402** virtually infinite protection to designs without assuring that the trade dress functions as an indicator of source.¹¹⁶

Some critics go further to argue that federal trade dress protection of product designs undermines the Supreme Court’s teaching in *Sears*,¹¹⁷ *Compco*,¹¹⁸ and *Bonito Boats*¹¹⁹ by subordinating the “public disclosure” and “right to copy” principles upheld in those cases.¹²⁰ Although all three cases were decided in the context of state unfair competition law, critics maintain that the same principles should apply to section 43(a) of the Lanham Act since the statute “merely federalizes the common law of trademarks and unfair competition.”¹²¹ As further support for their argument, critics frequently cite the sweeping language of *Compco*, wherein Justice Black argued:

That an article copied from an unpatented article could be made in some other way, that the design is “nonfunctional” and not essential to the use of either article, that the configuration of the article copied may have a “secondary meaning” which identifies the maker to the trade, or that there may be “confusion” among purchasers as to which article is which or as to who is the maker, may be relevant evidence in applying a state’s law requiring such precautions as labeling; however and regardless of the copier’s motives, neither these facts nor any others can furnish a basis for imposing liability for or prohibiting the actual acts of copying and selling.¹²²

***403** Given this language, and considering that section 43(a) creates the same conflicts with the Patent Act as state unfair competition law,¹²³ these critics maintain that federal trade dress protection of product designs should also be preempted.¹²⁴

2. The Deficiency of the “Promotion of Competition” Argument

The major deficiency of the “promotion of competition” argument is the very premise that intellectual property law directly seeks to promote competition. As proof that this is not the case, one need only examine the history behind the Patent Act and the Lanham Act.

With respect to patent law, the objectives were clearly articulated by the Supreme Court in *Aronson*.¹²⁵ Perhaps not surprisingly, the Court did not address “competition” as one of the goals underlying patent law in its decision. While some may argue that the interest in public disclosure equates with the interest in promoting competition, this analysis is misguided. The purpose of imposing a limited monopoly on inventions is primarily “to stimulate further invention and to permit the public to practice the invention once the patent expires”¹²⁶ Clearly, then, promotion of competition is not the fundamental basis of either objective, nor would it necessarily advance either goal.¹²⁷

With respect to the Lanham Act, the connection to competition objectives is even more attenuated. As noted in Part II of this note, the primary purpose of the Lanham Act is to prevent consumer confusion in the marketplace due to false or misleading marks.¹²⁸ Far from promoting competition, this objective seeks to prohibit second comers from marketing deceptively similar products where those ***404** goods tend to confuse the public.¹²⁹ A secondary, albeit less controlling, goal of the Lanham Act is to protect the goodwill of merchants.¹³⁰ The purpose of this policy is also to prevent unfair competition, where the first comer has attained a certain level of success in the market. Therefore, one cannot legitimately argue that the Lanham Act directly seeks to promote competition.

Of course, this does not imply that intellectual property protections have no effect on promoting competition. For example,

almost no one doubts that patent law indirectly encourages competition by preventing inventors from monopolizing their ideas indefinitely. Similarly, there can be no doubt that enforcement of the Lanham Act tends to indirectly promote “fair” competition in the marketplace by preventing second comers from marketing confusingly similar products or otherwise trading on the goodwill of established merchants. What must be recognized, though, is that to the extent competition is promoted under these statutes, it is not because the objectives of federal intellectual property law mandate such a result.¹³¹

But this still leaves the three arguments raised by critics under the “promotion of competition” theory. These arguments cannot be dismissed summarily because they may have independent significance in determining whether product design trade dress protection impermissibly encroaches on the province of patent law.

a) Concern over the Lack of National Uniformity and Predictability

The first argument is that the lack of national uniformity in trade dress law denies competitors the means of evaluating whether their own designs might infringe another’s work.¹³² By contrast, it is argued that patent rights are more predictable because they arise only after the patent has been declared “valid” by the Patent and Trademark Office.¹³³ The problem with this argument, though, is that it has absolutely no bearing on the determination of whether trade dress law impinges on *405 patent law principles. Instead, the argument speaks more to a perceived deficiency within the trade dress system rather than to a potential conflict between Lanham Act and Patent Act principles. Thus, while national registration would arguably be beneficial and perhaps even reduce litigation as critics contend, it is not a sufficient justification for denying trade dress protection to product designs.

b) Concern over the Scope of Protection

The second argument advanced by critics is that product design trade dress protection undermines the Patent Act by providing protection for designs that the patent laws dictate should be in the public domain.¹³⁴ For example, it is argued that expired utility patent features and even expired design patent features can gain additional “patent-like” protection under trade dress law instead of passing into the realm of public use.¹³⁵ On this issue, critics have a legitimate concern. However, the proper approach is not to preclude trade dress protection automatically, but rather to balance the policies of the Lanham Act and the Patent Act to minimize any possible conflict between the two doctrines.¹³⁶ Although critics seem to believe that the Patent Act’s “right to copy” principle preempts the Lanham Act in this area,¹³⁷ there is no support for this presumption, as discussed in Part IV.C.3.

c) Concern over Source-Identification

The critics’ final argument is that trade dress protection of product designs coupled with the elimination of the secondary meaning requirement for inherently distinctive trade dress provides virtually infinite design protection without assuring that the trade dress functions as an indicator of source.¹³⁸ To the extent that critics are concerned about the potential duration of such protection, the issue can only be resolved by carefully balancing the policies of the Lanham Act with those of the Patent Act.¹³⁹ However, to the extent that critics are concerned about the elimination of the source-identifying function of trade dress, the argument fails to implicate patent law principles altogether. Instead—as with the argument over national uniformity and predictability—the criticism focuses on a perceived weakness within the current trade dress system, apart from any actual conflict with patent law doctrine. Therefore, whatever the merits of this criticism,¹⁴⁰ it has little *406 relevance in deciding whether product design trade dress protection impermissibly interferes with patent law doctrine.

3. Sears,¹⁴¹ Compco,¹⁴² and Bonito Boats:¹⁴³ How Do They Impact Federal Trade Dress Law?

One final argument lodged against product design trade dress protection is that it violates the principles of *Sears*, *Compco*, and *Bonito Boats*.¹⁴⁴ However, for the reasons discussed below, it is evident that there is absolutely no justification for extending the principles of these cases to the Lanham Act doctrine.

The fundamental problem with applying the principles of *Sears*, *Compco*, and *Bonito Boats* to federal trade dress law is that all three cases were decided strictly on the basis of state law preemption.¹⁴⁵ As one commentator has noted, “preemption by definition means that a federal interest and a federal regulatory regime displace inconsistent state law protection.”¹⁴⁶ The

federal Lanham Act, on the other hand, results in a statutory regime coequal with that of the Patent Act.¹⁴⁷ As a result, preemption doctrine cannot technically apply. In addition, the Supreme Court noted in *Compco* that second comers may freely copy designs, provided those features are “not entitled to a design patent or other federal statutory protection”¹⁴⁸ Since *407 product design trade dress protection falls under “other federal statutory protection,” the argument for federal patent law preemption seems all the more weak.

However, critics contend that federal trade dress law should still be preempted on the basis that it “merely federalizes” the state common law of trademarks and unfair competition, thereby creating the same conflicts with patent law principles.¹⁴⁹ The problem with this argument, though, is that it is not entirely accurate. Although the Lanham Act and state common law are similar in many respects,¹⁵⁰ there are distinct differences between the two doctrines. For example, “service marks, collective and certification marks, are federally registrable, even though their common law status is doubtful. Conversely, although corporate and commercial trade names are protected by the common law, they are not federally registrable.”¹⁵¹ In addition, Congress has never explicitly stated that the interpretation and application of federal Lanham Act doctrine depends on traditional state common law principles.¹⁵² In the absence of such evidence, a presumption of independence arises.¹⁵³

Despite these facts, critics insist that the strong language used by the Supreme Court in *Sears*, *Compco*, and *Bonito Boats* only lends itself to one construction: namely, that all forms of encroachment on patent law principles are prohibited.¹⁵⁴ However, this conclusion is not borne out by the case law. Although all three decisions use powerful language in describing the supremacy of the Patent Act to state unfair competition law, there is no indication in any of these cases that the “right to copy” trumps federal unfair competition law.¹⁵⁵ Quite to the contrary, the Court in *Bonito Boats* noted that section 43(a) of the Lanham Act “gives federal recognition to many of the concerns that underlie the state tort of unfair competition, and the application of *Sears* and *Compco* to nonfunctional aspects of a product which have been shown to identify source must take account of competing federal policies in this regard.”¹⁵⁶ Given this language, it is apparent that the Lanham Act *408 and the Patent Act truly stand on equal ground. As a result, courts must strive to carefully balance the policies of both doctrines in a way that minimizes conflict between them.¹⁵⁷

V. Providing Limited Trade Dress Protection for Expired Patent Features

Since the policies of the Patent Act and the Lanham Act cannot preempt each other, how should they be reconciled in situations involving trade dress protection for expired utility or design patent configurations? Indeed, is it even possible to structure a remedy under such circumstances without subordinating either patent law or trade dress law principles?

Actually, as long as courts remain mindful of the objectives underlying both the Patent Act and the Lanham Act, remedies can be fashioned which allow limited trade dress protection for certain expired patent features. This section presents two such schemes for cases involving both expired utility and design patents. Properly applied, these schemes would neither deny the public the benefit of previously patented inventions nor subordinate consumer confusion concerns that might arise under the Lanham Act.

A. Providing Trade Dress Protection for Expired Utility Patent Features

Over the last few years, several courts have grappled with the issue of allowing trade dress protection for utility patent configurations.¹⁵⁸ However, of these courts, *409 only one—the Tenth Circuit, in its *Vornado*¹⁵⁹ decision—has attempted to balance the policies of both the Lanham Act and the Patent Act in assessing the protectability of such features.¹⁶⁰ Given the comprehensiveness of the *Vornado* decision, this section begins with a detailed discussion of this case to determine whether the balancing test propounded by the Tenth Circuit presents a workable model for future cases involving similar trade dress issues.¹⁶¹

1. Background of the *Vornado* Decision

In *Vornado*, the plaintiff brought suit against Duracraft Corporation, alleging that Duracraft’s household fan grill design infringed the plaintiff’s trade dress.¹⁶² *Vornado* had originally secured a utility patent on its ducted fan, emphasizing the spiral grill as a distinct point of novelty.¹⁶³ However, when Duracraft began marketing household fans with a similar spiral vane structure, *Vornado* sued for trade dress infringement, as opposed to patent infringement, because both sides agreed that Duracraft’s fan did not infringe *Vornado*’s patents.¹⁶⁴

In its trade dress infringement claim, Vornado argued that the arcuate-shaped grill was legally nonfunctional.¹⁶⁵ The district court agreed, finding no competitive advantage in the spiral design.¹⁶⁶ In addition, the district court concluded that the grill was inherently distinctive and that customers were likely to be confused by Duracraft's model.¹⁶⁷ Consequently, the court granted Vornado an injunction against Duracraft.¹⁶⁸

***410 2. The Tenth Circuit's Opinion**

On appeal, the Tenth Circuit reversed the district court's decision.¹⁶⁹ In arriving at its holding, the Tenth Circuit correctly pointed out that the doctrine of nonfunctionality does not eliminate conflict between utility patent law and trade dress law, as the district court had assumed.¹⁷⁰ Rather, the Tenth Circuit aptly recognized that where patent law and trade dress law intersect, the policies of both federal statutes must be balanced "in a way that preserves the purposes of both and fosters harmony between them."¹⁷¹ Therefore, the court proceeded to explore the purposes behind both the Patent Act and the Lanham Act in an attempt to reconcile the two doctrines.¹⁷²

In evaluating the objectives behind the Patent Act, the court noted that trade dress protection of nonfunctional utility patent features would impinge on "core" patent principles in three ways: (1) by limiting the supply of ideas available to inventors as well as the inventor's freedom to experiment with those ideas; (2) by interfering with the public's right to practice patented inventions once the patents expire; and (3) by undermining "the principle that ideas in the public domain should stay there."¹⁷³ On the other hand, the court contended that denying protection for nonfunctional utility patent features would at best impinge on "peripheral" Lanham Act principles, since consumers would still be able to rely on product labeling and packaging to avoid confusion in the marketplace.¹⁷⁴ Based on this assessment, the Tenth Circuit attempted to give more weight to patent law objectives over trade dress law principles in devising its "balancing" test.¹⁷⁵ As a result, the court held that product configurations comprising a "significant inventive component" of a previously patented invention could not be protected as trade dress, regardless of functionality.¹⁷⁶

***411 3. Problems with the "Significant Inventive Component" Balancing Test**

The most serious problem with the "significant inventive component" test espoused by the Tenth Circuit is that it is not really a balancing test. Although the court purported to reconcile the competing federal statutes, it focused its attention on deciding which of the two doctrines should yield in circumstances where they overlap.¹⁷⁷ In essence, the court implicitly assumed that the policies underlying both the Patent Act and the Lanham Act could not be mutually satisfied in cases involving trade dress protection for previously patented configurations. However, this assumption is misguided, and as a consequence, the "balancing test" espoused by the court is seriously flawed.

To its credit, the Tenth Circuit did accurately identify the inherent problems with providing unlimited trade dress protection for utility patent features: as the court pointed out, allowing carte blanche protection would seriously undermine patent law principles.¹⁷⁸ However, the court was being disingenuous by insisting that only subsidiary Lanham Act concerns would be implicated by the denial of trade dress protection under those same circumstances.¹⁷⁹ The primary purpose of the Lanham Act is to guard against all forms of consumer confusion in the marketplace.¹⁸⁰ Hence, there is no support for the court's contention that "protecting against that degree of consumer confusion that may arise from the copying of configurations that are significant parts of patented inventions is, at best, a peripheral concern of section 43(a) of the Lanham Act."¹⁸¹ Moreover, simply because product copying is to some extent "a self-fulfilling prophecy," as the Tenth Circuit points out,¹⁸² courts should still strive to give effect to the objectives behind the Lanham Act in such situations.

However, the court seems to imply that, things being equal, there is a greater risk of harm to patent law principles than to trade dress objectives under these circumstances since consumers can always rely on labeling and packaging to avoid confusion. The problem with this argument, though, is that it begs the question. If second comers were self-policing on the issue of proper labeling, then the Tenth Circuit might have a valid argument. However, the reality is that second comers often avoid conspicuously labeling their goods or services so that consumers will mistake them for their more popular or expensive counterparts. Thus, absent judicial intervention, there is usually no mechanism for avoiding consumer confusion in the ***412** marketplace, as the Tenth Circuit impliedly suggests. Consequently, the Tenth Circuit cannot simply accord patent law principles more weight than trade dress objectives in devising its balancing test on the basis that less harm would befall the latter. Clearly, core principles are at stake under both federal doctrines.

Given the flaws in the Tenth Circuit's opinion, it is perhaps no surprise that the balancing test proposed by the court is also defective. The primary deficiency of the court's scheme is that it is both overinclusive and underinclusive in scope. The test is too broad because it would preclude trade dress protection for significant patented features in situations where the public would not be denied the benefit of the inventions, *per se*.¹⁸³ On the other hand, the court's test is too narrow because it would permit trade dress protection for design features that are inextricably tied to patented processes where the designs do not contribute to the overall "inventiveness" of the process.¹⁸⁴

4. An Alternative Scheme for Allowing Trade Dress Protection for Expired Utility Patent Features

Given the inherent tension between the Patent Act and the Lanham Act, how can courts provide trade dress protection for expired utility patent features without *413 undermining the objectives of either federal doctrine? One possibility is for courts to employ a simple, two-part scheme. Under this scheme, courts should first inquire whether allowing injunctive trade dress protection for a previously patented feature would truly deny the public the benefit of the underlying invention. If the court determines that the public's ability to practice the invention would not be significantly curtailed, injunctive relief should be allowed. If, on the other hand, the court finds that the general public's capacity to use the invention would be unduly restricted, injunctive relief should be denied in favor of the Patent Act's "public disclosure" objective. However, at that point the court should go on to impose a proper labeling requirement on competitors to ensure that the Lanham Act's "consumer confusion" concerns are properly addressed.¹⁸⁵ In this way, the objectives of both federal patent law and federal trade dress law would be mutually satisfied.

B. Providing Trade Dress Protection for Expired Design Patent Features

In deciding whether trade dress protection should be allowed for expired design patent features, it is evident that courts must attempt to balance the objectives of both the Patent Act and the Lanham Act in fashioning an appropriate remedy.¹⁸⁶ However, courts cannot simply apply the above-proposed scheme for utility patent configurations because injunctive trade dress protection would necessarily deny the public the "benefit" of the underlying inventions, *viz.*, the designs themselves. Given this potential for conflict between the two doctrines, what kind of relief can courts provide that would satisfy both Patent Act and Lanham Act objectives? The answer again lies in imposing a proper labeling requirement: if courts required competitors to clearly label their goods and services, consumer confusion concerns would be mitigated and patent law principles would remain intact. In this way, the policies of both federal statutes would be met.

VI. Conclusion

It is evident that limited trade dress protection can be provided for expired patent features without violating patent law principles or undermining trade dress law objectives. As long as courts remain faithful to the underlying policies of both the Patent Act and the Lanham Act, remedies can be fashioned that would neither deny the public the benefit of previously patented inventions nor subordinate consumer confusion concerns that might arise under trade dress law. Hopefully, *414 future courts will realize that such schemes can be devised as they strive to preserve the principles of both federal statutes.

Footnotes

^{a1} J.D. candidate, The University of Texas School of Law, May 1997. This note is dedicated to the memory of my beloved grandfather, Emilio Saenz, who remains one of my greatest sources of inspiration.

¹ Pub. L. No. 79-489, ch. 540, 60 Stat. 427 (1946) (now codified in 15 U.S.C. §§ 1051-1127 (1995)).

² See, e.g., *Hubbell, Inc. v. Pass & Seymour, Inc.*, No. 94 Civ. 7631 (RWS), 1995 WL 464906, at *4-5 (S.D.N.Y. Aug. 4, 1995) (holding that certain elements of an expired design patent may be protected as trade dress provided other Lanham Act requirements are met); *Thomas & Betts Corp. v. Panduit Corp.*, 34 U.S.P.Q.2d (BNA) 1607, 1608 (7th Cir.1994) (indicating that nonfunctional elements of an expired utility patent may be protected under federal trademark law); *Clamp Mfg. Co. v. Enco Mfg. Co.*, 870 F.2d

512, 516-17, 10 U.S.P.Q.2d (BNA) 1226, 1229-30 (9th Cir.), cert. denied, 493 U.S. 872 (1989) (recognizing that nonfunctional utility patent designs may be protected as trademarks upon expiration of the patent term).

³ Vornado Air Circulation Sys. v. Duracraft Corp., 58 F.3d 1498, 1500, 35 U.S.P.Q.2d (BNA) 1332, 1333 (10th Cir.1995).

⁴ In passing the Lanham Act, Congress relied upon its broad constitutional power to regulate commerce. See U.S. CONST. art. I, § 8, cl. 3.

⁵ Ronald J. Horta, Without Secondary Meaning, Do Product Design Trade Dress Protections Function as Infinite Patents?, 27 SUFFOLK U. L. REV. 113, 115-17 (1993). See, e.g., S. Rep. No. 1333, 79th Cong., 2d Sess. 3 (1946), reprinted in 1946 U.S. CODE CONG. SERV. 1274, 1274 (“The purpose of [the Lanham Act] is to place all matters relating to trade-marks in one statute ... to make procedure simple, and relief against infringement prompt and effective.”).

⁶ See S. Rep. No. 1333, supra note 5, at 1, reprinted in 1946 U.S. CODE CONG. SERV. at 1274 (The goal of the Lanham Act is “to protect the public so it may be confident that, in purchasing a product bearing a particular trade-mark which it favorably knows, it will get the product which it asks for and wants to get.”). See also section 43(a) of the Lanham Act, which defines the basis for liability under the statute. As originally enacted in 1946, section 43(a) stated:

Any person who shall affix, apply, or annex, or use in connection with any goods or services, or any container or containers for goods, a false designation of origin, or any false description or representation, including words or other symbols tending falsely to describe or represent the same, and shall cause such goods or services to enter into commerce, and any person who shall with knowledge of the falsity of such designation of origin or description or representation cause or procure the same to be transported or used in commerce or deliver the same to any carrier to be transported or used, shall be liable to a civil action by any person doing business in the locality falsely indicated as that of origin or in the region in which said locality is situated, or by any person who believes that he is or is likely to be damaged by the use or any false description or representation.

15 U.S.C. §1125(a) (1982). Thus, from the outset, the Lanham Act was focused on the prevention of consumer confusion due to other’s use of “false designation[s] of origin” or “false description[s] or representation[s].” Id. In 1988, section 43(a) of the Lanham Act was revised to read as follows:

(1) Any person who, on or in connection with any goods or services, or any container for goods, uses in commerce any word, term, name, symbol, or device, or any combination thereof, or any false designation of origin, false or misleading description of fact, or false or misleading representation of fact, which—

(A) is likely to cause confusion or to cause mistake, or to deceive as to the affiliation, connection, or association of such person with another person, or as to the origin, sponsorship, or approval of his or her goods, services, or commercial activities by another person, or

(B) in commercial advertising or promotion, misrepresents the nature, characteristics, qualities, or geographic origin of his or her or another person’s goods, services, or commercial activities,

shall be liable in a civil action by any person who believes that he or she is or is likely to be damaged by such act.

15 U.S.C. § 1125(a)(1) (1988). The purpose of this revision was to provide “all of the statutory remedies available to the owner of a registered mark ... to the plaintiff who uses § 43(a) as the vehicle to assert claims of infringement of unregistered marks, tradenames, or trade dress.” J. THOMAS MCCARTHY, TRADEMARKS AND UNFAIR COMPETITION § 27.02[4] (3d ed. 1996). Thus, the primary focus of the Lanham Act is still on the prevention of consumer confusion in the marketplace. For more in-depth discussions of the evolution of the Lanham Act, see Horta, supra note 5, at 115-17, and Joel W. Reese, Defining the Elements of Trade Dress Infringement under Section 43(a) of the Lanham Act, 2 TEX. INTELL. PROP. L.J. 103, 105-08 (1994).

⁷ See S. Rep. No. 1333, supra note 5, at 1, reprinted in 1946 U.S. CODE CONG. SERV. at 1274 (“[W]here the owner of a trade-mark has spent energy, time, and money in presenting to the public the product, he is protected in his investment from its misappropriation by pirates and cheats.”). More recently, protection of trademarks has been supported under a property-based rationale. See, e.g., Adams Apple Distrib. Co. v. Papeleras Reunidas, S.A., 773 F.2d, 925, 931, 227 U.S.P.Q. (BNA) 720, 724 (7th Cir.1985) (indicating that “a trademark is a form of property which exists in connection with the goodwill or tangible assets of a business.”) (citations omitted). However, this property right only extends as far as “is necessary to prevent consumer confusion as to who produced the goods and to facilitate differentiation of the trademark owner’s goods.” International Order of Job’s Daughters v. Lindeburg & Co., 633 F.2d 912, 919, 208 U.S.P.Q. (BNA) 718, 725 (9th Cir.1980), cert. denied, 452 U.S. 941 (1981).

⁸ Horta, supra note 5, at 117 n.33.

9 See supra note 6 and accompanying text. Trade dress, like trademarks, can be registered under section 2 of the Lanham Act. See 15 U.S.C. § 1052 (1995). Once registered, the trade dress becomes incontestable after five years, provided the user continues to renew the registration every ten years and the user does not abandon the trade dress. See 15 U.S.C. §§ 1058-1059, 1064, 1065, 1115 (1995). However, because registered and unregistered trade dress are afforded the same remedies for infringement under the Lanham Act (see 15 U.S.C. §§ 1116-1118 (1995)), many merchants never register their goods or services and instead rely on protection under section 43(a). See 15 U.S.C. § 1125(a) (1995). Under section 43(a), trade dress rights begin from the moment of first use, and extend indefinitely, so long as the trade dress remains in use, and the public continues to identify the trade dress as coming from one particular source. See MCCARTHY, supra note 6, § 6.03 [2].

10 MCCARTHY, supra note 6, § 27.03[1][C]. Section 43(a) is really an unfair competition provision. See, e.g., *American Greetings Corp. v. Dan-Dee Imports*, 807 F.2d 1136, 1140, 1 U.S.P.Q.2d (BNA) 1001, 1003 (3d Cir.1986). Some other forms of unfair competition prevented by the Lanham Act include trademark infringement, dilution, misappropriation, false representation and false advertising, and passing off. MCCARTHY, supra note 6, § 1.05. However, this note focuses solely on trade dress issues, since trade dress law has created the most problems in attempting to reconcile the protections provided by the Lanham Act with those guaranteed by the Patent Act. For more discussion, see infra note 14 and accompanying text.

11 See, e.g., *Stormy Clime Ltd. v. ProGroup, Inc.*, 809 F.2d 971, 974, 1 U.S.P.Q.2d (BNA) 2026, 2028 (2d Cir.1987) (discussing scope of traditional trade dress protection as well as recent changes in trade dress law); *John H. Harland Co. v. Clarke Checks, Inc.*, 711 F.2d 966, 980, 219 U.S.P.Q. (BNA) 515, 528 (11th Cir.1983) (indicating recent expansion of the definition of trade dress); *Ideal Toy Corp. v. Plawner Toy Mfg. Corp.*, 685 F.2d 78, 80 n.2, 216 U.S.P.Q. (BNA) 102, 104 n.2 (3d Cir.1982) (recognizing changes in scope of traditional trade dress protection); see also MCCARTHY, supra note 6, § 8.01[2] (discussing history of trade dress protection).

12 See supra note 11. The first case to declare that design features were entitled to trade dress protection under section 43(a) of the Lanham Act was *Truck Equip. Serv. Co. v. Fruehauf Corp.*, 536 F.2d 1210, 191 U.S.P.Q. (BNA) 79 (8th Cir.), cert. denied, 429 U.S. 861 (1976). Now, most courts recognize that the definition of trade dress includes protection of product features. See, e.g., *Two Pesos, Inc. v. Taco Cabana, Inc.*, 112 S.Ct. 2753, 2755 n.1, 23 U.S.P.Q.2d (BNA) 1081, 1082 n.1 (1992) (“Two Pesos II”) (acknowledging that “trade dress” includes within its ambit the “total image” of a product or business, such as its size, shape, color, texture, graphics and sales techniques).

13 For an in-depth discussion of these changes, see Part III infra.

14 Some critics argue that as a result of these changes in federal trade dress law, the Lanham Act allows plaintiffs to avoid the stricter requirements of patent law in seeking protection for their product designs. See, e.g., Kenneth B. Germain, *Unfair Trade Practices Under Section 43(a) of the Lanham Act: You’ve Come a Long Way Baby—Too Far Maybe?*, 49 *IND. L.J.* 84 (1973), and Anthony E. Dowell, Note, *Trade Dress Protection of Product Designs: Stifling the Progress of Science and the Useful Arts for an Unlimited Time*, 70 *NOTRE DAME L. REV.* 137 (1994). Essentially, these critics claim that under revised Lanham Act doctrine, plaintiffs are allowed virtually infinite protection for unregistered product features in direct contravention of established patent law principles. Germain, supra, at 84; Dowell, supra, at 137. Others contend that the expansion of Lanham Act protection under section 43(a) is perfectly compatible with patent law doctrine. See, e.g., Joseph P. Bauer, *A Federal Law of Unfair Competition: What Should Be the Reach of Section 43(a) of the Lanham Act?*, 31 *UCLA L. REV.* 671, 727 n.223 (1984). The resolution of this controversy is important because it directly affects the assessment of whether expired patent design features should be protected under federal trade dress law. Part III of this note explores these issues in more detail.

15 For a description of the other types of trademark infringement claims that may be brought under section 43(a) of the Lanham Act, see note 10 supra.

16 See Reese, supra note 6, at 105 n.6, and cases cited therein.

17 *Id.* at 105 n.7.

18 See 15 U.S.C. § 1052 (1995).

19 See Reese, supra note 6, at 108 n.38 (discussing the origin of the distinctiveness classification system). Although the categories of distinctiveness were originally developed with respect to the protection of word or symbol marks, many courts apply them equally to trade dress. See *id.* at 109 nn.46-48, and cases cited therein. In applying the distinctiveness spectrum, courts first “determine what image is being conveyed by the aggregate of the features and then determine what relationship exists between the image and the product.” *Id.* at 107 n.47. But cf. McCARTHY, supra note 6, § 8.02 [4] (indicating that some courts do not apply the distinctiveness classification spectrum to nonverbal marks). McCarthy points out that some courts apply the Seabrook test instead, which basically examines “whether the design, shape or combination of elements is so unique, unusual or unexpected in [the] market that one can assume without proof that it will automatically be perceived by customers as an indicia of origin....” *Id.* (citing *Seabrook Foods, Inc. v. Bar-Well Foods Ltd.*, 568 F.2d 1342, 1344, 196 U.S.P.Q. (BNA) 289, 291 (C.C.P.A. 1977)).

20 *General Conference Corp. of Seventh-Day Adventists v. Seventh-Day Adventist Congregational Church*, 887 F.2d 228, 231, 12 U.S.P.Q.2d (BNA) 1491, 1492 (9th Cir.1989). Trade dress is considered generic when the consuming public comes to “identify the trade dress with a particular type of product rather than a particular producer.” See Reese, supra note 6, at 109-10.

21 See MCCARTHY, supra note 6, § 11.05[2][a].

22 Trade dress attains secondary meaning once it is shown to have primary significance among the consuming public as a source identifier rather than as a descriptive term. See, e.g., *Inwood Lab., Inc. v. Ives Lab., Inc.*, 456 U.S. 844, 851 n.11, 214 U.S.P.Q. (BNA) 1, 4 n.11 (1982) (“[T]o establish secondary meaning, a manufacturer must show that, in the minds of the consuming public, the primary significance of a product feature or term is to identify the source of the product rather than the product itself.”).

23 Reese, supra note 6, at 110.

24 *Id.* at 111.

25 *Id.*

26 See, e.g., *Two Pesos II*, 112 S.Ct. at 2760, 23 U.S.P.Q.2d at 1085 (acknowledging that inherently distinctive trade dress is eligible for protection under the Lanham Act without a showing of secondary meaning). Furthermore, some circuits have either eliminated the secondary meaning requirement or established a rebuttable presumption of secondary meaning where intentional copying is proven. See, e.g., *Perfect Fit Indus. v. Acme Quilting Co.*, 618 F.2d 950, 953-54, 205 U.S.P.Q. (BNA) 297, 301 (2d. Cir.1980) (recognizing that secondary meaning is not required where the defendant clearly attempts to profit from the plaintiff’s goodwill); *Kramer Mfg. Co. v. Andrews*, 783 F.2d 421, 450, 228 U.S.P.Q. (BNA) 705, 725 (4th Cir.1986) (indicating that a presumption of secondary meaning arises upon proof of intentional copying). Some critics have argued that the variance among circuits with respect to the secondary meaning requirement frustrates the predictability of product design trade dress protection. See *infra* note 109. In addition, critics contend that elimination of the secondary meaning requirement undermines the “source identifying” function of trade dress. See *infra* note 140. Both of these issues are addressed in Part III.C.2.

27 See *supra* text accompanying note 16.

28 RESTATEMENT (THIRD) OF UNFAIR COMPETITION § 17 (1995).

29 Reese, supra note 6, at 115.

30 See *supra* text accompanying note 28.

31 As the names imply, utilitarian functionality addresses the mechanical or utilitarian aspects of a particular design while aesthetic functionality addresses the purely ornamental features of a design. However, many courts are moving away from the aesthetic functionality doctrine and creating a general utilitarian functionality test. See *infra* notes 40-45 and accompanying text.

32 See Reese, *supra* note 6, at 117.

33 Charles H. De La Garza, *Product Simulation: Do You Dare Go All the Way?* 12 (forthcoming 1996) (manuscript on file with the TEXAS INTELLECTUAL PROPERTY LAW JOURNAL) [hereinafter *Product Simulation*] (quoting *In re Morton-Norwich Prods., Inc.*, 671 F.2d 1332, 1342, 213 U.S.P.Q. (BNA) 9, 17 (C.C.P.A. 1982)). Today, most circuits have adopted one or both prongs of the Morton-Norwich test. *Id.*

34 See, e.g., *Abbott Lab. v. Mead Johnson & Co.*, 971 F.2d 6, 22, 23 U.S.P.Q.2d (BNA) 1663, 1675 (7th Cir.1992); *Clamp Mfg.*, 870 F.2d at 516, 10 U.S.P.Q.2d at 1229; *Hartford House, Ltd. v. Hallmark Cards, Inc.*, 846 F.2d 1268, 1273, 6 U.S.P.Q.2d (BNA) 2038, 2042 (10th Cir.), cert. denied, 488 U.S. 908 (1988).

35 Reese, *supra* note 6, at 116; See, e.g., *Vaughan Mfg., Co. v. Brikam Int'l, Inc.*, 814 F.2d 346, 350, 1 U.S.P.Q.2d (BNA) 2067, 2070 (7th Cir.1987); *AmBrit, Inc. v. Kraft, Inc.*, 812 F.2d 1531, 1538, 1 U.S.P.Q.2d (BNA) 1161, 1166 (11th Cir.1986), cert. denied, 481 U.S. 1041 (1987).

36 See, e.g., *AmBrit*, 812 F.2d at 1538, 1 U.S.P.Q.2d at 1166 (“That individual elements of packaging are functional does not ... render the package as a whole unprotectible [sic].”).

37 198 F.2d 339, 95 U.S.P.Q. (BNA) 45 (9th Cir.1952). For a historic analysis of the aesthetic functionality doctrine, see Bradford J. Duft, “Aesthetic” Functionality, 73 TRADEMARK REP. 151 (1983).

38 Pagliero, 198 F.2d at 343, 95 U.S.P.Q. at 48. Under Pagliero, the commercial success of an ornamental feature automatically destroys the originator’s interest in the design, even if the feature has acquired secondary meaning or alternative designs are available. *Id.*

39 The predecessor of the Federal Circuit rejected the doctrine of aesthetic functionality altogether. See, e.g., *In re DC Comics, Inc.*, 689 F.2d 1042, 1045, 215 U.S.P.Q. (BNA) 394, 397 (C.C.P.A. 1982); *In re Penthouse Int'l*, 565 F.2d 679, 682, 195 U.S.P.Q. (BNA) 698, 700 (C.C.P.A. 1977); *In re Mogen David Wine Corp.*, 328 F.2d 925, 931, 140 U.S.P.Q. (BNA) 575, 580 (C.C.P.A. 1964).

40 The Second and Fifth Circuits have flatly rejected the commercial success test advanced by Pagliero. See, e.g., *Wallace Int'l Silversmiths, Inc. v. Godinger Silver Art Co.*, 916 F.2d 76, 80, 16 U.S.P.Q.2d (BNA) 1555, 1558 (2d Cir.1990), cert. denied, 499 U.S. 976 (1991); *Sicilia Di R. Biebow & Co. v. Cox*, 732 F.2d 417, 428 (5th Cir.1984). Instead, both circuits focus on whether bestowing trade dress protection would hinder competition based on the absence of practical alternative designs. *Wallace*, 916 F.2d at 79, 16 U.S.P.Q.2d at 1558; *Sicilia*, 732 F.2d at 429.

41 While other circuits have not gone as far as to completely reject the Pagliero test, most have followed the Second and Fifth Circuits in restricting application of the doctrine to situations where free competition would be unduly hindered. See, e.g., *Vuitton et Fils S.A. v. J. Young Enter.*, 644 F.2d 769, 773-74, 212 U.S.P.Q. (BNA) 85, 88 (9th Cir.1981) (holding that a particular “LV” design was nonfunctional even though customers found it appealing). But cf. *Prufrock, Ltd. v. Lasater*, 781 F.2d 129, 228 U.S.P.Q. (BNA) 435 (8th Cir.1986) (adopting the Pagliero test in its entirety). The Third Circuit has gone further to hold that an aesthetic feature must have “a significant relation to the utilitarian function of the product ... [to] be declared functional.” *American Greetings*, 807 F.2d at 1142, 1 U.S.P.Q.2d at 1005. This variance among circuits has concerned some critics. See *infra* note 109.

42 *Sicilia*, 732 F.2d at 428.

43 *Product Simulation*, *supra* note 33, at 14.

- 44 See, e.g., Reese, supra note 6, at 119-20.
- 45 See supra note 41 and accompanying text.
- 46 This inquiry is reached only after the court concludes that the trade dress in question is sufficiently distinctive and nonfunctional to justify protection under section 43(a) of the Lanham Act. See, Reese, supra note 6, at 121. Originally, the Lanham Act did not have a likelihood of confusion test. *Id.* The test was added by the Trademark Law Revision Act of 1988. See supra note 6 (discussing addition of 15 U.S.C. § 1125(a)(1)(A)).
- 47 See, e.g., Abbott Lab., 971 F.2d at 22, 23 U.S.P.Q. at 1675 (noting that the relevant inquiry was whether consumers would be confused by the similarity between two bottle designs); Centaur Communications, Ltd. v. A/S/M Communications, Inc., 830 F.2d 1217, 1225, 4 U.S.P.Q.2d (BNA) 1541, 1547 (2d Cir.1987) (indicating that the purchasing public is the appropriate class against which likelihood of confusion should be measured).
- 48 See, e.g., *Esercizio v. Roberts*, 944 F.2d 1235, 1245, 20 U.S.P.Q.2d (BNA) 1001, 1010 (6th Cir.1991), cert. denied, 112 S.Ct. 3028 (1992) (indicating that where the reputation of the manufacturer is at stake, the likelihood of confusion inquiry is “not limited to confusion at the point of sale”).
- 49 Reese, supra note 6, at 123-24.
- 50 See, e.g., *Esercizio*, 944 F.2d at 1241-42, 20 U.S.P.Q.2d at 1007 (indicating that the Sixth Circuit follows an eight-factor test); *Sicilia*, 732 F.2d at 430 (acknowledging that the Fifth Circuit follows a seven-factor test).
- 51 287 F.2d 492, 495, 128 U.S.P.Q. (BNA) 411, 413 (2d Cir.1961), cert. denied, 368 U.S. 820 (1961). The eight factors listed by the Polaroid court were:
(1) the strength of the mark;
(2) the degree of similarity between the two marks;
(3) the proximity of the underlying products;
(4) the likelihood that the senior user of the mark will bridge the gap;
(5) the nature and extent of any actual confusion;
(6) the junior user’s intent in adopting the mark;
(7) the quality of the junior user’s product; and
(8) the sophistication of relevant consumers.
Id. The court noted that this list, while exemplary, was by no means exhaustive, and could be supplemented in future cases. *Id.*
- 52 RESTATEMENT OF TORTS § 729 (1938). The factors listed by the RESTATEMENT are as follows:
(a) the degree of similarity between the designation and the trade-mark or trade name in
(i) appearance;
(ii) pronunciation of the words used;
(iii) verbal translation of the pictures or designs involved;
(iv) suggestion;
(b) the intent of the actor in adopting the designation;
(c) the relation in use and manner of marketing between the goods or services marketed by the actor and those marketed by the other;
(d) the degree of care likely to be exercised by purchasers.
Id. For an example of one circuit’s application of the RESTATEMENT’S factors, see *Beer Nuts, Inc. v. Clover Club Foods Co.*, 805 F.2d 920, 925, 231 U.S.P.Q. (BNA) 913, 915-16 (10th Cir.1986).
- 53 See, e.g., *Sicilia*, 732 F.2d at 430 (identifying “similarity of products, identity of retail outlets and purchasers, identity of advertising media, type (i.e., strength) of trademark or trade dress, defendant’s intent, similarity of design, and actual confusion” as the relevant factors).

54 Reese, *supra* note 6, at 123-24. The fact that there is no set standard among the circuits as to the requirements for establishing likelihood of confusion has led some critics to criticize product design trade dress protection. See *infra* note 109.

55 See Reese, *supra* note 6, at 123-29. See also, Charles H. De La Garza, Patent, Trade Secret, Trademark, and Copyright Law: A Primer, at 13-14 (article on file with the TEXAS INTELLECTUAL PROPERTY LAW JOURNAL) [hereinafter A Primer] (1995).

56 Reese, *supra* note 6, at 124. See, e.g., *Thompson Medical Co. v. Pfizer, Inc.*, 753 F.2d 208, 214, 225 U.S.P.Q. (BNA) 124, 129 (2d Cir.1985).

57 Under the revised Lanham Act, the remedies available for section 43(a) violations are the same as for other forms of trademark infringement. See 15 U.S.C. §§ 1116-1118 (1995). Thus, an aggrieved plaintiff can seek injunctive relief; recovery of lost profits, damages and attorney's fees; and even the destruction of any infringing articles. *Id.* Typically, though, courts allow injunctive relief. See, e.g., *Esercizio*, 944 F.2d at 1247-48, 20 U.S.P.Q.2d at 1012; *Taco Cabana Int'l v. Two Pesos, Inc.*, 932 F.2d 1113, 19 U.S.P.Q.2d (BNA) 1253 (5th Cir.1991), *aff'd*, 112 S.Ct. 2753 (1992) ("Two Pesos I"). Whether such relief should be afforded in cases involving trade dress protection for expired patent features is explored in Part V of this note.

58 See *supra* notes 11-12 and accompanying text. The Copyright Act also allows protection for "pictorial, graphic, and sculptural works." See 17 U.S.C. § 102(a)(5) (1994). However, copyright issues are outside the scope of this paper.

59 See *supra* notes 11-12 and accompanying text.

60 See discussion in Part IV *infra*.

61 35 U.S.C. §§ 1-376 (1994).

62 U.S. CONST. art. I, § 8, cl. 8.

63 440 U.S. 257, 201 U.S.P.Q. (BNA) 1 (1979).

64 *Id.* at 262, 201 U.S.P.Q. at 11.

65 Bauer, *supra* note 14, at 727 n.223.

66 This governmental agency processes all U.S. patent applications and trademark registrations.

67 Plant patents are also available for any new, distinct variety of asexually reproducible plant. However, most issued patents involve either utility or design inventions.

68 A Primer, *supra* note 55, at 1. Generally, utility patents expire twenty years from the date on which the patent application was filed in the United States. 35 U.S.C. § 154 (1994).

69 *Horta*, *supra* note 5, at 122-23. Functional design features are precluded from design patent protection. Compare 35 U.S.C. § 101 (1994) with 35 U.S.C. § 171 (1994). Also, design patents expire fourteen years from the date of grant. 35 U.S.C. § 173 (1994).

70 This tension stems from the fact that both trade dress law and design patent law provide protection for nonfunctional product configurations. See Part II.B.2 *supra* and Part III.B.3 *infra*.

71 See Part V *infra*.

72 35 U.S.C. §§ 102-103 (1994). Both novelty and nonobviousness are measured against the “prior art.” *Id.* “Prior art” is a term used to describe all information “reasonably pertinent to the particular problem with which the inventor was involved.” *Stratoflex, Inc. v. Aeroquip Corp.*, 713 F.2d 1530, 1535, 218 U.S.P.Q. (BNA) 871, 876 (Fed. Cir.1983) (quoting *In re Wood*, 599 F.2d 1032, 1036, 202 U.S.P.Q. (BNA) 171, 174 (C.C.P.A. 1979)).

73 See 35 U.S.C. § 101 (1994).

74 See 35 U.S.C. § 171 (1994). See also *In re Finch*, 535 F.2d 70, 71, 190 U.S.P.Q. (BNA) 64, 65 (C.C.P.A. 1976) (holding that the “utility” requirement does not apply to design patents). Of course patentees must also ensure that their inventions cover patentable subject matter and that their disclosures are enabling. See 35 U.S.C. §§ 101, 112, 171 (1994). However, for the purposes of this note, these factors will not be discussed.

75 The statute provides in relevant part:

A person shall be entitled to a patent unless -

(a) the invention was known or used by others in this country, or patented or described in a printed publication in this or a foreign country, before the invention thereof by the applicant for patent, or

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of the application for patent in the United States.

35 U.S.C. § 102 (1994).

76 *Horta*, *supra* note 5, at 123-24.

77 35 U.S.C. § 102 (1994).

78 The Patent Act provides in relevant part:

A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains.

35 U.S.C. § 103 (1994).

79 *Id.*

80 A Primer, *supra* note 55, at 2.

81 *Id.* See, e.g., *Shackelton v. Kaufman Iron Works, Inc.*, 689 F.2d 334, 338, 217 U.S.P.Q. (BNA) 98, 102 (2d Cir.1982); *Kori Corp. v. Wilco Marsh Buggies and Draglines, Inc.*, 708 F.2d 151, 156, 219 U.S.P.Q. (BNA) 286, 289 (5th Cir.1983).

82 See *supra* text accompanying note 73.

83 See *In re Anthony*, 414 F.2d 1383, 1394 n.11, 162 U.S.P.Q. (BNA) 594, 603 n.11 (C.C.P.A. 1969) (“All that the law requires is, that the invention not be frivolous, or injurious to the well-being ... of society.”) (quoting *Lowell v. Lewis*, 15 Fed. Cas. 1018 (No. 8568) (C.C.D. Mass.)); *In re Folkers*, 344 F.2d 970, 974, 145 U.S.P.Q. (BNA) 390, 393 (C.C.P.A. 1965).

- 84 In re Gaubert, 524 F.2d 1222, 1224, 187 U.S.P.Q. (BNA) 664, 666 (C.C.P.A. 1975) (citing In re Langer, 503 F.2d 1380, 1391-92, 183 U.S.P.Q. (BNA) 288, 297 (C.C.P.A. 1974)).
- 85 See supra text accompanying note 74.
- 86 Horta, supra note 5, at 125. See, e.g., In re Finch, 535 F.2d 70, 71, 190 U.S.P.Q. (BNA) 64, 65 (C.C.P.A. 1976) (recognizing that the ornamentation requirement distinguishes design patents from utility patents).
- 87 See, e.g., Payne Metal Enter., Ltd. v. McPhee, 382 F.2d 541, 546, 155 U.S.P.Q. (BNA) 123, 127-28 (9th Cir.1967) (holding that a design is patentable even if it embodies a utilitarian purpose, as long as the primary purpose of the design is ornamental).
- 88 Horta, supra note 5, at 125.
- 89 See, e.g., id. at 128; see also Dowell, supra note 14, at 138.
- 90 Horta, supra note 5, at 131; Dowell, supra note 14, at 138.
- 91 Critics are quick to point out cases such as Sears, Roebuck & Co. v. Stiffel Co., 376 U.S. 225, 140 U.S.P.Q. (BNA) 524 (1964), Compco Corp. v. Day-Brite Lighting, Inc., 376 U.S. 234, 140 U.S.P.Q. (BNA) 528 (1964), and Bonito Boats, Inc. v. ThunderCraft Boats, Inc., 489 U.S. 141, 9 U.S.P.Q.2d (BNA) 1847 (1989), in which the Supreme Court has consistently held that state unfair competition laws are preempted by the “right to copy” doctrine of the Patent Act (see infra notes 117-19 for a discussion of these cases). See, e.g., Dowell, supra note 14, at 168. Critics contend that these cases should apply with equal force to federal trademark law since both federal and state trademark statutes create similar conflicts with federal patent law principles. Id. at 169. However, others argue that Sears, Compco, and Bonito Boats have absolutely no application outside of the narrow state preemption context. See Bauer, supra note 14, at 727. Part III.C.3 of this note explores this debate in more detail.
- 92 See, e.g., Bauer, supra note 14, at 727 n.223. Bauer contends that trade dress protection for design patent features would not offend the Patent Act since the nonfunctionality requirement of design patent law would have already eliminated “concerns about an adverse impact on competition or the loss of useful additions to society’s resources ...” with respect to those designs. Id. Similarly, some commentators contend that trade dress protection of strictly nonfunctional utility patent features avoids possible conflict between the Lanham Act and the Patent Act with respect to utility patents. See, e.g., Jay Dratler, Jr., Trademark Protection for Industrial Designs, 1988 U. ILL. L. REV. 887, 928; MCCARTHY, supra note 6, § 7.26[1]; see also W. T. Rogers Co. v. Keene, 778 F.2d 334, 337, 228 U.S.P.Q. (BNA) 145, 145 (7th Cir.1985). However, there are inherent deficiencies with these arguments, as discussed in note 156 infra.
- 93 See supra note 14.
- 94 See, e.g., Horta, supra note 5, at 126; see also Dowell, supra note 14, at 137-38.
- 95 See, e.g., Bauer, supra note 14, at 727 n.223 (recognizing the interface between legal protection for design patents and for trademarks, but arguing that the nonfunctionality requirement of design patent law prevents impairment of the Patent Act’s public domain principle). See supra note 90 and infra note 156 for more discussion.
- 96 See supra text accompanying notes 16, 36-45, and 85-88.
- 97 Horta, supra note 5, at 126.

98 See supra notes 35-36 and 86-88 and accompanying text.

99 Horta, supra note 5, at 128.

100 See supra note 14 and infra Part IV.C.1.

101 See supra note 14 and infra Part IV.C.1.

102 See infra Part IV.C.

103 112 S.Ct. 2753, 23 U.S.P.Q.2d (BNA) 1081 (1992).

104 For example, both the Fifth and Eleventh Circuits had held that secondary meaning was not required for inherently distinctive trade dress. See, e.g., *Two Pesos I*, 932 F.2d at 1120; 19 U.S.P.Q.2d at 1258; *AmBrit*, 812 F.2d at 1535, 1 U.S.P.Q.2d at 1164. On the other hand, the Sixth Circuit had held that secondary meaning is required to support a claim of infringement under section 43(a). See, e.g., *Esercizio*, 944 F.2d at 1230-40, 20 U.S.P.Q.2d at 1005-06.

105 Specifically, the Court stated, “We see no basis for requiring secondary meaning for inherently distinctive trade dress protection under § 43(a) but not for other distinctive words, symbols, or devices capable of identifying a producer’s product.” *Two Pesos II*, 112 S.Ct. at 2760, 23 U.S.P.Q.2d at 1086.

106 *Id.* at 2761, 23 U.S.P.Q.2d at 1086.

107 *Id.* at 2760, 23 U.S.P.Q.2d at 1086.

108 *Dowell*, supra note 14, at 137.

109 *Id.* at 141-43. Specifically, it is argued that product design trade dress does not meet the strict standards of “novelty” and “nonobviousness” required for patent design protection. *Id.* at 143. Even though the trade dress protection standards may be similar in purpose (see supra text accompanying notes 96-99), critics contend that these standards are applied inconsistently from circuit to circuit (see supra notes 26, 40-42, 50-54), thereby frustrating national uniformity and predictability in intellectual property law. *Id.* at 178-79. By contrast, it is argued that design patent protection is more uniform and predictable because: (1) the Federal Circuit, with its exclusive jurisdiction over patent appeals, has “added consistency” to the determination of novelty, nonobviousness, and nonfunctionality in the area of design patent law; (2) patent rights only arise once the patent issues, thereby limiting the need for litigation to determine the scope of the claimed design as well as providing notice of the claimed invention to potential competitors; and (3) the prosecution history of the patent assists courts in determining the scope of a senior user’s rights, should litigation arise. *Id.*

110 *Dowell*, supra note 14, at 151.

111 See, e.g., *Horta*, supra note 5, at 131.

112 *Id.*

113 *Id.* See also *Dowell*, supra note 14, at 179 (“Design patents facilitate predictability and, therefore, competition in product designs.” (emphasis added)).

- 114 See Dowell, supra note 14, at 179; see also Horta, supra note 5, at 132.
- 115 See Dowell, supra note 14, at 151. Critics are particularly concerned that expired utility patent features may be protected as product design trade dress since ostensibly, such features would not have the necessary “novelty” to justify design patent protection. *Id.* at 137. See, e.g., *In re Thorington*, 418 F.2d 528, 536, 163 U.S.P.Q. (BNA) 644, 650 (C.C.P.A. 1969) (recognizing that “double patenting is a proper ground of rejection if the features producing the novel aesthetic effect of a design patent ... are the same as those recited in the claims of a utility patent ... as producing a novel structure.”). However, simply because patent law would not allow such protection does not necessarily imply that trade dress protection should be automatically preempted. For more discussion, see Parts IV.C.2.b and IV.C.3 *infra*.
- 116 See, e.g., Horta, supra note 5, at 132. Critics complain that courts end up “substitut[ing] an impression that the design is outstanding, or eccentric, or clever ... for the proof of association with a source, gained in the marketplace” Ralph S. Brown, *Design Protection: An Overview*, 34 *UCLA L. REV.* 1341, 1380 (1987).
- 117 *Sears, Roebuck & Co. v. Stiffel Co.*, 376 U.S. 225, 140 U.S.P.Q. (BNA) 524 (1964). In *Sears*, the plaintiff had acquired design and utility patents on a pole lamp having several light fixtures. *Id.* at 225-26, 140 U.S.P.Q. at 525-26. In an attempt to benefit from the plaintiff’s success, *Sears* began marketing similar lamps. *Id.* at 226, 140 U.S.P.Q. at 526. Although the lower courts deemed the patents invalid, *Sears* was held to have engaged in unfair competition. *Id.* at 226-27, 140 U.S.P.Q. at 526. The Supreme Court reversed, holding that *Sears* “had every right to [copy Stiffel’s design] under the federal patent laws.” *Id.* at 231, 140 U.S.P.Q. at 526.
- 118 *Compco Co. v. Day-Brite Lighting, Inc.*, 376 U.S. 234, 140 U.S.P.Q. (BNA) 528 (1964). In this companion case to *Sears*, the plaintiff had marketed a lighting fixture which was not protected by a utility patent (although a design patent had been issued for the cross-ribbing of a reflector on the fixture). *Id.* at 234, 140 U.S.P.Q. at 529. *Compco* had attempted to sell a similar lighting fixture and was sued for infringement and unfair competition. *Id.* at 235, 140 U.S.P.Q. at 529. As in *Sears*, the lower courts held the plaintiff’s design patent invalid, yet upheld the state unfair competition claim. *Id.*, 140 U.S.P.Q. at 529. The Supreme Court reversed the lower court decisions, holding that all state unfair competition relief measures were preempted by federal patent law (excluding proper labeling laws). *Id.* at 238, 140 U.S.P.Q. at 530.
- 119 *Bonito Boats, Inc. v. ThunderCraft Boats, Inc.*, 489 U.S. 141, 9 U.S.P.Q.2d (BNA) 1847 (1989). In *Bonito Boats*, the Supreme Court held that a Florida statute prohibiting the copying of boat hulls by a direct molding process was preempted by the Constitution’s Supremacy Clause.
- 120 See, e.g., Dowell, supra note 14, at 168.
- 121 *Id.* at 169.
- 122 *Compco*, 376 U.S. at 238, 140 U.S.P.Q. at 531.
- 123 See Dowell, supra note 14, at 169 n.162.
- 124 *Id.* at 169.
- 125 *Aronson*, 440 U.S. at 262, 201 U.S.P.Q. at 4.
- 126 *Id.*

- 127 There is actually an adverse correlation between promoting competition and stimulating further invention: if junior users are permitted to slavishly copy what others have created in order to facilitate competition in the market, second comers will have little motivation for developing their own unique and innovative products. As one court has noted:
[T]he patent system seeks not only superior inventions but also a multiplicity of inventions And the ability to intermingle and extrapolate from many inventors' solutions to the same problem is more likely to lead to further technological advances than is a single, linear approach seeking to advance one "superior" line or research and development.
Vornado, 58 F.3d at 1508, 35 U.S.P.Q.2d at 1340. Also, there is no correlation between promoting competition and allowing the public to practice an invention after a patent expires. For example, even if there is no competition in a particular market after the expiration of a utility patent (e.g., only the inventor chooses to market his invention because it is prohibitively expensive to build facilities to manufacture the product), the public will still be able to practice the invention, should they so desire. Thus, it cannot be said that competition objectives drive either policy.
- 128 See supra notes 6-9 and accompanying text.
- 129 Some may argue that trade dress law encourages competition by promoting differentiation among competing products. However, this argument completely misses the point. The primary motivating force behind trade dress law is the prevention of consumer confusion in the marketplace. Thus, if competition flourishes under trade dress law, it is not because the law is somehow aimed at promoting such competition. Rather, it is the indirect effects of trade dress policy that leads to this result.
- 130 See supra note 7 and accompanying text.
- 131 See supra note 129. Undoubtedly, some critics will take issue with this point, arguing that promotion of competition is an "overarching" goal of intellectual property law. However, I do not concede this argument because if absolute competition were the "ultimate" objective, there would be no need for intellectual property law in the first place: competitors would have to be allowed free and unlimited access to the designs and inventions of others since this would maximize competitiveness in the marketplace. Instead, I believe that the objectives of patent law and trade dress law have been clearly delineated in the statutes and the case law, and the courts should restrict their "inquiry" to those ends. See supra Parts II.A and III.A.
- 132 See supra note 114 and accompanying text.
- 133 See supra note 109. Even though trade dress is now registrable under section 2 of the Lanham Act, many merchants choose not to register since the same remedies are available for infringement of both registered and unregistered trade dress. 15 U.S.C. §§ 1116-1118 (1995). See supra note 9.
- 134 See supra note 115 and accompanying text.
- 135 See supra note 115 and accompanying text.
- 136 See infra text accompanying note 157.
- 137 See supra note 91 and accompanying text.
- 138 See supra note 116 and accompanying text.
- 139 See infra text accompanying note 157.
- 140 Even with respect to Lanham Act doctrine, this argument is deficient. Typically, the determination of inherent distinctiveness hinges on such factors as whether the design is unique or unusual or whether consumers would be able to immediately differentiate

the design from those of competing manufacturers. Dowell, *supra* note 14, at 146, and cases cited therein. Although these factors arguably involve some measure of “intuitive judging,” as critics contend (see *supra* note 116), other factors involved in the determination of secondary meaning also involve some degree of judicial extrapolation. See, e.g., Dowell, *supra* note 14, at 144-45 (listing a variety of factors that courts consider in assessing secondary meaning). For example, some courts consider the length and exclusivity of a design’s use, the sales success of a particular product, and the extent of advertising expenditures in assessing whether a particular design has achieved secondary meaning. *Id.*

It is also important to note that, as with the secondary meaning requirement, protection of inherently distinctive trade dress is based on the source-identifying strength of the design. See *supra* note 26. Given this rationale, how can courts justify eliminating the secondary meaning requirement upon proof of intentional copying? See, e.g., *Clamp Mfg.*, 870 F.2d at 517, 10 U.S.P.Q.2d at 1230. In the few jurisdictions that recognize this doctrine, the courts have apparently lost sight of the “source-identifying” function of the inherent distinctiveness/secondary meaning requirement, as critics contend. See, e.g., Dowell, *supra* note 14, at 147 (indicating that courts usually provide relief on the rationale that “a competitor would not copy another’s design unless it hoped to benefit from the good will associated with the design”). Therefore, on that narrow issue, criticism of the secondary meaning requirement may have some merit.

141 376 U.S. 225, 140 U.S.P.Q. (BNA) 524 (1964).

142 376 U.S. 234, 140 U.S.P.Q. (BNA) 528 (1964).

143 489 U.S. 141, 9 U.S.P.Q.2d (BNA) 1847 (1989).

144 See *supra* notes 120-24 and accompanying text.

145 See *supra* notes 117-119.

146 Bauer, *supra* note 14, at 725 n.219.

147 *Id.*

148 *Compc*, 376 U.S. at 238, 140 U.S.P.Q. at 530.

149 See *supra* note 121 and accompanying text.

150 See, e.g., *MCCARTHY*, *supra* note 6, §§ 5.02-5.04 (reviewing evolution of the Lanham Act).

151 *Kohler Co. v. Moen Inc.*, 12 F.3d 632, 640 n.10, 29 U.S.P.Q.2d (BNA) 1241, 1247 n.10 (7th Cir.1993) (citing *MCCARTHY*, *supra* note 6, § 7.33 [2]).

152 See *supra* note 5 for a description of the purposes underlying passage of the Lanham Act.

153 See, e.g., *NLRB v. Natural Gas Utility Dist.*, 402 U.S. 600, 603 (1971) (noting that unless Congress indicates otherwise, federal laws are to be presumed independent of state laws).

154 See *supra* notes 122-25 and accompanying text.

155 See supra note 148 and accompanying text.

156 *Bonito Boats*, 489 U.S. at 166, 9 U.S.P.Q.2d at 1858 (emphasis added). The Court also seems to recognize (quite correctly) that not all nonfunctional product features are entitled to trade dress protection. Although some commentators contend that a finding of nonfunctionality under the design patent statute prevents subversion of patent law principles by eliminating concerns over restraint on competition or the loss of useful contributions to society (see supra note 92), this position is indefensible. The “societal benefit” of a design patent resides in the public’s ability to practice the invention once the patent expires. Therefore, simply because the design is deemed nonfunctional—indicating that competition would not be unduly hindered by providing design patent protection—does not imply that the public would not benefit from freely copying the design once the patent expires. See supra note 127.

Another issue that arises with respect to the functionality doctrine is the argument that trade dress protection of strictly nonfunctional utility patent features avoids possible conflict between the Lanham Act and the Patent Act, at least with respect to utility patents. Some commentators and courts have adopted this position on the assumption that products qualifying for utility patents would automatically be “functional” for Lanham Act purposes. See supra note 92. However, as the Tenth Circuit recently pointed out, this contention is flawed because

[c]onfigurations can simultaneously be patentably useful, novel, and nonobvious and also nonfunctional, in trade dress parlance. This is the case because to meet patent law’s usefulness requirement, a product need not be better than other alternatives or essential to competition. To obtain a utility patent, an inventor need only show that an invention is 1) useful in the sense of serving some identified, beneficial purpose ... 2) novel, i.e., not previously known, and 3) nonobvious, or sufficiently inventive in light of prior art. ... [On the other hand,] [t]he availability of equally satisfactory alternatives for a particular feature, and not its inherent usefulness, is often the fulcrum on which Lanham Act functionality analysis turns. *Vornado*, 58 F.3d at 1506-07, 35 U.S.P.Q.2d at 1339 (citations omitted).

157 See *Vornado*, 58 F.3d at 1507, 35 U.S.P.Q.2d at 1339.

158 See supra notes 2-3.

159 *Vornado*, 58 F.3d at 1506-07, 35 U.S.P.Q.2d at 1339.

160 *Id.* at 1509-10, 35 U.S.P.Q.2d at 1341-42. Most courts do not perform a balancing test because they assume that all nonfunctional utility patent features are entitled to trade dress protection. See supra note 2. This assumption is incorrect because, as the Tenth Circuit noted in *Vornado*, a feature can be nonfunctional under trade dress law and still be patentably useful, novel, and nonobvious. *Vornado*, 58 F.3d. at 1506-07, 35 U.S.P.Q.2d at 1339.

161 Even though *Vornado* did not involve an expired utility patent, per se, the issues involved in the case are so similar that the decision makes a good starting point for analysis.

162 *Id.* at 1501, 35 U.S.P.Q.2d at 1334.

163 *Id.* at 1500, 35 U.S.P.Q.2d at 1334.

164 *Id.* at 1500-01, 35 U.S.P.Q.2d at 1334. By this time, *Vornado* had applied for and secured a reissue patent on its original invention. *Id.* Therefore, *Vornado* essentially held two utility patents on its ducted fan. *Id.*

165 *Id.* at 1501, 35 U.S.P.Q.2d at 1334.

166 Although the district court found that the grill helped direct air flow in a specific pattern, it noted that the result was not significant enough for customers to perceive. Hence, the court concluded that no competitive advantage was achieved in the particular design. *Id.*, 35 U.S.P.Q.2d at 1339.

167 Id. at 1502, 35 U.S.P.Q.2d at 1335.

168 Id., 35 U.S.P.Q.2d at 1335.

169 Id. at 1510, 35 U.S.P.Q.2d at 1342.

170 Id. at 1506-07, 35 U.S.P.Q.2d at 1338-39.

171 Id. at 1507, 35 U.S.P.Q.2d at 1339. Quite surprisingly, though, the court asserted that it had to “look to [the] fundamental purposes [behind both statutes] to choose which one [should] give way.” Id. (emphasis added). This approach hardly seems consistent with an attempt to balance the two doctrines, and is, in fact, one of the major flaws in the Tenth Circuit’s opinion. See *infra* Part V.A.3.

172 *Vornado*, 58 F.3d at 1507-09, 35 U.S.P.Q.2d at 1339-41.

173 Id. at 1508, 35 U.S.P.Q.2d at 1344.

174 Id. at 1509, 35 U.S.P.Q.2d at 1341-42.

175 Id. at 1509-10, 35 U.S.P.Q.2d at 1341-42. Immediately following the sub-heading “Conclusion: Balancing competing policies,” the Tenth Circuit noted, “Given, then, that core patent principles will be significantly undermined if we do not allow the copying in question, and peripheral Lanham Act protections will be denied if we do, our answer seems clear.” Id., 35 U.S.P.Q.2d at 1341 (emphasis added).

176 Id. at 1510, 35 U.S.P.Q.2d at 1342.

177 See *supra* note 171.

178 See *supra* text accompanying note 173.

179 See *supra* text accompanying note 174.

180 See *supra* notes 6-9 and accompanying text.

181 *Vornado*, 58 F.3d at 1509, 35 U.S.P.Q.2d at 1341.

182 Id.

183 For example, consider the following hypothetical. An inventor acquires a utility patent for a straight razor (the first of its kind), wherein the primary claim is styled as follows: “A facial shaving device comprising a handle to which is connected a perpendicular fixed head, wherein said head is grooved to accommodate a disposable wafer-thin razor blade; wherein said blade comprises one beveled cutting surface, and wherein said cutting surface is angled outward from said fixed head when said blade is inserted into said groove.” Soon after the patent expires, the inventor seeks to protect the trade dress of the square razor handle under section 43(a) of the Lanham Act (the square handle being a preferred embodiment of the patent). Under the Tenth Circuit’s balancing test, the inventor would be denied such protection since the handle is arguably a “significant inventive component” of the previously

patented invention (assuming, of course, that the handle was one of the novel and non-obvious features of the razor). However, trade dress protection should not necessarily be foreclosed in such circumstances because the public could use other styles of handles (e.g., round handles, octagonal handles, etc.) to achieve the full benefit of the invention.

Moreover, even if the razor handle were deemed “functional” for the purposes of this hypothetical, the Tenth Circuit’s balancing test would leave no room for courts to impose a proper labeling requirement on the manufacture of similar shavers. Without such a requirement, competing manufacturers could make virtually identical shavers, leaving consumers confused as to the source of the various products. Obviously, this result would also jeopardize Lanham Act principles. However, the Tenth Circuit does not seem to recognize this possibility and consequently, does not address this issue in its balancing test.

184 For example, the Tenth Circuit’s balancing test would not have precluded trade dress protection in *In re Shakespeare Co.*, 289 F.2d 506, 129 U.S.P.Q. (BNA) 323 (C.C.P.A. 1961)—a case the Tenth Circuit apparently cited with approval. *Vornado*, 58 F.3d at 1506, 35 U.S.P.Q.2d at 1338. In *Shakespeare*, the plaintiff sought trademark protection for a spiral marking on fishing rods which was produced by the plaintiff’s own patented, rod-making process. *Shakespeare*, 289 F.2d at 508, 129 U.S.P.Q. at 325. Even though the mark was deemed “nonfunctional” by the court, trademark registration was denied on the basis that such protection would preclude others from practicing the invention once the patent expired (i.e., competitors would have had to either modify the process or remove the mark once the process was complete). *Id.* Under the Tenth Circuit’s balancing test, though, trade dress protection would apparently have been permissible under these circumstances, since the markings did not contribute to the overall inventiveness of the patent, *per se*.

185 As one commentator has pointed out: “[A]dequate labeling will vary from product to product. For products that are not suitable for direct labeling, such as food, services, or aesthetically appealing products, [courts could require] competitor[s] [to] label the packaging or provide full and accurate information at the point of sale.” *Dowell*, *supra* note 14, at 190.

186 See *supra* text accompanying note 157.