



What Is Trade Dress Law?

In the April issue, I wrote a column, “Copyright Litigation Over TV Commercials and Infomercials,” about the legal protections provided by the United States Copyright Act for creative works such as DRTV spots and infomercials. I explained how, when one is faced with a knockoff but regrettably one lacks “hard IP” protection; i.e., a patent, one nevertheless, can win in court. What’s more, in the right case, one can win millions of dollars in damages by using copyright law, the patent law’s lesser known, but not to be underestimated, “soft IP” step-sibling. Too many people in our industry focus on patents, or on the lack thereof, when faced with a competitor with a knockoff, and don’t think enough about their “soft IP” rights, such as their copyrights.

In this column, I will address another equally powerful non-patent remedy for dealing with a knockoff: trade dress law. In the absence of a patent, trademark or copyright that has been infringed, a knockoff lawsuit likely is going to invoke “trade dress.” But what exactly is that?

Trade Dress Law Basics

The best way to understand trade dress law is to first understand trademark law. Everyone is familiar with trademarks. We

all recognize brand names like Snuggie, Proactiv, Extenze, etc. If a name is distinctive because it’s unique or different from others—or, if it isn’t inherently distinctive but it has had enough advertising behind it to develop “acquired distinctiveness,” also known as “secondary meaning”—it is protectable, because it means something to the consumer. It is an identifier of source. It is a brand. The less inherently distinctive a

mark is, the harder it is, in litigation, to persuade a judge that it is protectable. If it is descriptive, for instance, the judge will require proof that it has been used enough in commerce, for instance, through significant advertising on television, to achieve “secondary meaning.”

After one has established the basic protectability of one’s trademark, then one has to prove that the junior user—the second-comer who is the alleged infringer—is using a mark that is so similar to the senior one that it is “likely to cause confusion” among the consumers the parties are targeting with their ad campaigns. Judges look at many factors to decide whether there is such a likelihood of confusion, such as: (a) whether there has been any actual confusion; and (b) the similarity between the appearance, sound and meaning of the two marks, in the specific manner in which those marks are usually seen or heard by the consumer, e.g., on TV, online, etc. (Context matters. Thus, even in the case of similar marks if there is something *else* about the junior user’s *presentation* of its product that would eliminate or greatly reduce the risk of confusion, then it can be an uphill battle to prove infringement. Every case is fact-specific.)

The same basic procedure, explained above, is followed in a trade dress case. In a trade dress case, you are required to first, prove the basic protectability of the alleged trade dress; and second, that there is a likelihood of confusion.

So what is protectable as trade dress? Trade dress can be anything that’s used in the “dressing up” of one’s product, to make it attractive or to help in making the sale. It can be the packaging of the product, it can be the product’s color scheme, and in some cases, it can even be the product’s own unique design features or configuration.

Are there limitations? Yes. For one thing, there is no protectable trade dress right in anything that is *functional*. If it’s



a feature of your claimed trade dress and it's found to be functional, as opposed to artistic, it won't count as trade dress. Second, if the trade dress you're claiming is the design or configuration of the product itself—as opposed to some aspect of its “dressing up”—then, just as you would have to do with a non-distinctive descriptive mark in a trademark case, you must prove that your trade dress has obtained “secondary meaning” among the consumers.

The same is true if it's the color or color scheme that you're claiming as your trade dress. You'll need to prove “secondary meaning.”

Thus, if the trade dress you're claiming is your product's design itself, you can't win just by saying the

they would do in a trademark case, the judge or jury in your trade dress case will compare your trade dress to your competitor's, by looking at the ads of the parties in the same manner as those ads are usually encountered by consumers in the real world, after which the judge or jury will decide whether or not consumers are likely to become confused as to who's who.

Proving Infringement

In a trade dress case though, there often is an extra issue to consider and it is the issue of the parties using *different names*. What I mean is, while the knockoff may have a similar trade dress, at the same time, it might have a different

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design is novel or unique; that's what a *patent* is for. Rather, you'll need to prove, first, that the design is non-functional; and second, that the public associates it *with one source*, so it's operating like a trademark would operate. That mental association is secondary meaning.

One thing to be aware of, though, if your claimed trade dress is your product's configuration or design, is that the U.S. Supreme Court has said that those things are *almost never* perceived by consumers as an identifier of source, the way a trademark would be. The same judicial skepticism occurs when the claimed trade dress is a color or color scheme. Those cases are winnable, but not easy. To win, you may need to invest in a professional survey, to test whether the public reacts to your trade dress just as it would react to a trademark, seeing it as identifying one source.

The next element to prove is “likelihood of confusion.” Just as


name. Some judges and juries have found that having a different name can reduce or even eliminate the risk of consumer confusion, depending on the facts of the case. Again, if there is no finding of a *likelihood* of confusion, then there is no infringement.

The first thing to do, in any situation in which you believe your product or campaign are being infringed, is to retain a good attorney who has had trade dress litigation experience. Note, that's not the same thing as experience with utility patent litigation; the two are very different. The attorney should review the facts and advise you on your rights, chances of success, and, importantly, estimated attorneys' fees and costs of suit. Trade dress cases are not for the faint of heart, nor for the light of wallet: they often are hotly contested; they turn on factual findings (like whether there is, or isn't, a likelihood of confusion) that can remain in

limbo undecided for many months, until those findings are finally made by a judge or jury; they can require a lot of discovery, depositions and expert witness work; and therefore, can become very expensive very quickly, if they don't settle.

What do you win in a trade dress case, *if* you win? Depending on the facts, the answer can be, *a lot!* You can win the same or even *more* than you can win on a patent. “Soft IP” cases such as trademark, trade dress and copyright cases can be every bit as potent. You can win a temporary restraining order, which stops the infringement; you can win a permanent injunction; you can win damages in an amount sufficient to make you whole for whatever lost profits or other harms you can persuade the judge or jury you suffered as a result of the infringement (something that often requires a lot of expert testimony, with “dueling experts” from both sides disagreeing on the damages); you can win all of the profits that the accused infringer obtained due to the infringement; and in some cases, you can win your attorneys' fees and costs at the end.

That's if the case doesn't settle. Statistically, as you may know, the reality is that most such cases do end in a settlement. Someone changes some agreed upon aspect of their product or its name or “trade dress,” someone writes a check, parties agree to coexist on certain conditions, etc.

The upshot is, if you think you've been infringed but you don't have a patent, or a very strong patent, don't give up hope. Consider your “soft IP” rights. Those rights, when wielded in the right way, could prove to be a lifesaver for you and your campaign. 

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