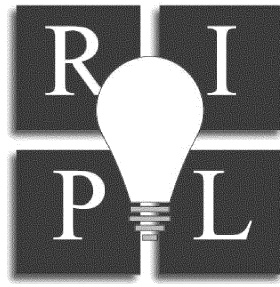


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TRADEMARK PROTECTION OF LIVE ANIMALS: THE BLEAT GOES ON

LEE B. BURGUNDER

ABSTRACT

The Wall Street Journal recently reported that the owner of a Swedish restaurant was suing other businesses for violating its registered trademark, which surprisingly consists of live goats on a grass roof. The PTO and the courts have steadily enlarged the set of trade dress features that might serve as trademarks, and there is no reason, in theory, to treat live animals differently. Nevertheless, the PTO likely made a mistake in this instance when it agreed to register the mark. This article evaluates the requirements for protecting trade dress with trademarks, and explains why a Swedish restaurant should not have exclusive rights to put goats on a roof.

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TRADEMARK PROTECTION OF LIVE ANIMALS: THE BLEAT GOES ON

LEE B. BURGUNDER*

I. INTRODUCTION

Recently, the *Wall Street Journal* reported that the owner of a Swedish restaurant in Wisconsin had sued a grocery store in Georgia for violating its registered trademark, which surprisingly consisted of live goats on a grass roof.¹ The Georgia market settled the dispute, but its proprietor claimed that he legally could have fought the claim because “it is ridiculous.”² At first blush, the notion that trademarks might provide a business the exclusive right to display a breed of live animals does seem somewhat far-fetched. After all, trademarks most typically protect words and symbols that are used by customers to distinguish goods and services.³ Nevertheless, it is now well-established that trademarks can protect other unusual characteristics, such as smells⁴ and sounds.⁵ In this light, the use of live animals may simply be an entertaining new way for firms to differentiate themselves in the marketplace.⁶

This article evaluates whether the Patent and Trademark Office (“PTO”) made the correct call when it decided to register the display of goats on a lawn roof as a trademark.⁷ As we shall see, this is difficult terrain that raises controversial line-drawing problems without clear guidance from the courts or Congress. Regarding the goats, the most challenging aspect is the application of the functionality doctrine, which serves to prevent trademarks from overstepping their role in a competitive

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¹ Justin Scheck & Stu Woo, *Lars Johnson Has Goats on His Roof and a Stable of Lawyers to Prove It*, WALL ST. J., Sept. 17, 2010, at A1.

² *Id.* (stating the Georgia market agreed to pay a licensing fee to gain rights to place goats on grass roofs in Georgia, South Carolina, North Carolina and Tennessee).

³ 15 U.S.C. § 1127 (2006) (defining trademarks as including “any word, symbol, or device or combination thereof” used “to identify and distinguish his or her goods”).

⁴ See *In re Clarke*, 17 U.S.P.Q.2d (BNA) 1238 (T.T.A.B. 1990) (referencing the smell of plumeria blossoms for yarn); see, e.g., U.S. Trademark Registration No. 1,639,128 (registering a plumeria scent on yarn).

⁵ See, e.g., U.S. Trademark Registration No. 916,522 (registering the sound of the NBC chimes).

⁶ This article does not specifically address the use of live animals as advertising mascots, such as Morris the Cat, the Taco Bell chihuahua, Spuds MacKenzie, or the Aflac duck, nor the common practice of incorporating images of animals in trademarks. Disputes regarding these forms of animal symbols typically involve questions about the likelihood of confusion, but usually do not raise issues regarding distinctiveness and functionality. For a recent example of a dispute involving the use of marsupials on wine labels see David Kesmodel, *Look-Alike Wines Featuring Look-Alike Marsupials Duke it Out*, WALL ST. J., Feb. 26, 2011, at A1.

⁷ U.S. Trademark Registration No. 2,007,624 (registering the placement of goats on a grass roof) [hereinafter Reg. No. 2,007,624].

market.⁸ It is here that the PTO probably made a mistake by allowing a restaurant to have exclusive rights to place goats on a roof. This does not mean that live animals never can serve as trademarks. Rather, the circumstances just have to be sufficiently different so that all relevant trademark criteria are appropriately met.

II. THE RESTAURANT AND THE GOATS

Al Johnson's Swedish Restaurant and Butik is designed to give its patrons in Sister Bay, Wisconsin a dining experience that provides "a taste of Sweden."⁹ To this end, Al Johnson and his wife created an environment with traditional Swedish touches, from authentic flatware, dishes and decorations to log buildings that were transported from Sweden and rebuilt on the premises.¹⁰ The restaurant also serves traditional Swedish fare, including Swedish pancakes and meatballs, lingonberries and Limpa bread.¹¹ According to a brochure, the owners decided to sod the roof in 1974 "to add a finishing touch of authenticity."¹² The brochure also states that a herd of goats was placed on the roof to "keep the sod trimmed."¹³

From the very beginning, the goats were an enormously successful attraction for the restaurant, and the summer business became packed with tourists.¹⁴ Indeed, according to a news account, the restaurant adopted the slogan, "Come for the Goats—Stay for the Food."¹⁵ Typically, the restaurant puts three or four goats on the

⁸ See *Keene Corp. v. Paraflex Indus., Inc.*, 653 F.2d 822, 824 (3d Cir. 1981) (stating that the doctrine of functionality was meant to "prevent the grant of a perpetual monopoly to features which cannot be patented"); Nancy L. Clarke, *Issues in the Federal Registration of Flavors as Trademarks for Pharmaceutical Products*, 1993 U. ILL. L. REV. 105, 110 (1993).

⁹ Much of the information about the restaurant comes from the "specimens" filed at the PTO with the trademark application. For a list of such documents, see *Retrieve Trademark Documents*, U.S. PAT. & TRADEMARK OFFICE, <http://tdr.uspto.gov/init.action> (search for "2007624" under "US Registration No") (last visited June 9, 2011).

¹⁰ Document Specimen of Jun. 19, 2006, U.S. Trademark Registration No. 2,007,624 [hereinafter Restaurant Brochure], available at <http://tdr.uspto.gov/init.action> (search for "2007624" under "US Registration No" and click on "Specimen" dated 19-Jun-2006); see also *History*, AL JOHNSON'S SWEDISH RESTAURANT & BUTIK, <http://www.aljohnsons.com/about-us/history> (last visited June 9, 2011).

¹¹ *Menu*, AL JOHNSON'S SWEDISH RESTAURANT & BUTIK, <http://www.aljohnsons.com/menu> (last visited June 9, 2011).

¹² Restaurant Brochure, *supra* note 10.

¹³ *Id.* According to a news report, Al Johnson's best friend first gave him a goat as a gag gift, which someone then placed on the roof. See Scheck & Woo, *supra* note 1. The goat attracted so much attention that the owners decided to add others to the roof. *Id.*

¹⁴ Scheck & Woo, *supra* note 1; *What's Up on the Roof? Goats!*, WSJ.COM (Sept. 16, 2010), <http://www.marketwatch.com/video/asset/what-up-on-the-roof-goats/E6A345E3-902D-438D-8E31-E40D103E4BD1> (video demonstrating the popularity of the goats on the Al Johnson restaurant).

¹⁵ Stephan Kinsella, *When Trademark Law and Goats Run Amok*, CHRISTIAN SCI. MONITOR (Sept. 24, 2010), <http://www.csmonitor.com/Business/Mises-Economics-Blog/2010/0924/When-trademark-law-and-goats-run-amok>.

roof everyday during daylight hours except in winter, or when it is rainy or windy.¹⁶ The goats are very sure-footed, and rarely, if ever, fall off the roof.¹⁷

The restaurant filed a trademark application with the PTO in February 1995 for a mark that consists of “goats on a roof of grass,” within the class of restaurant services.¹⁸ The PTO registered the mark in October 1996.¹⁹ The registration makes it clear that the shape of the roof in the drawing is not a feature of the mark, and that registration extends to any depiction of goats on any shape of roof with a grass covering.²⁰ According to the restaurant’s lawyer, “any business that sells food and uses goats to lure customers may be violating the trademark.”²¹ With this understanding, the restaurant has not only sued the grocery store in Georgia, but has sent cease and desist letters to several other businesses, including a gift shop in Wisconsin with a fake goat on its roof.²² Because the restaurant’s use and registration in the U.S. do not govern similar uses beyond national borders, however, food markets and coffee shops in other countries have placed live goats on their roofs to attract customers.²³

III. TRADEMARK PRINCIPLES AND TRADE DRESS PROTECTION

A. The Role of Trademarks in the Intellectual Property System

The backbone of the U.S. economic system is free competition.²⁴ Allowing competitors to freely copy products and services furthers social welfare through lower costs, better services and reduced prices.²⁵ Inventors and creators may be reluctant to invest in new ideas, however, if they know that others can freely take them once they are disclosed in the marketplace. Thus, they may forego the development of

¹⁶ Restaurant Brochure, *supra* note 10.

¹⁷ *Id.* (stating that the goats never fall off the roof). However, a more recent news story indicates that one of the goats did fall in 2009, fortunately without harming the goat or any bystanders. Scheck & Woo, *supra* note 1, at A1.

¹⁸ Reg. No. 2,007,624.

¹⁹ *Id.*

²⁰ *Id.* (describing the mark as “[t]he mark consists of goats on a roof of grass . . . [t]he dotted lines in the drawing are intended to indicate the location of the mark and are not a feature of the mark”).

²¹ Scheck & Woo, *supra* note 1, at A1.

²² *Id.*

²³ See, e.g., *Goats on the Roof: Coffee Shop and Rare Breed Centre*, GOATS ON THE ROOF BLOG (Apr. 16, 2011, 3:16 PM), <http://goatsontheroofoffeeshop.blogspot.com> (describing a coffee shop in Northumberland, England); THE OLD COUNTRY MARKET, <http://www.oldcountrymarket.com> (last visited June 9, 2011) (describing a market in Coombs, British Columbia, which calls itself the “Home of the Goats on the Roof”).

²⁴ See, e.g., *Eastern Wine Corp. v. Winslow Warren, Ltd.*, 137 F.2d 955, 958 (2d Cir. 1943) (“[T]here is a basic public policy, deep-rooted in our economy and respected by the courts, resting on the assumption that social welfare is best advanced by free competition. . .”).

²⁵ See RICHARD A. POSNER, *ANTITRUST LAW: AN ECONOMIC PERSPECTIVE* 242–43 (1976) (noting that monopolies preventing free competition create a social loss stemming from lower output and loss in value); see, e.g., Lee Burgunder, *Trademark Registration of Product Colors: Issues and Answers*, 26 SANTA CLARA L. REV. 581, 583 (1986).

these ideas altogether, or find ways to distribute them through secret channels.²⁶ In either event, members of society suffer because they never get to fully benefit from new creations that they otherwise might have enjoyed.

The patent and copyright systems intend to solve this dilemma by providing creators certain specified exclusive rights over their concepts for a limited amount of time so they have sufficient incentives to develop the concepts and disclose them to the public.²⁷ Utility patents, for instance, provide inventors who develop useful products and processes the exclusive rights to make, use and sell their creations for twenty years.²⁸ The extent of the rights strikes a delicate balance, interfering with the free market just enough to properly reward inventors before allowing competitors to gain free access.²⁹ In similar fashion, design patents protect ornamental product designs for fourteen years while copyright protection provides exclusive rights to creative expressions for a designated length of time.³⁰

Although trademarks also provide exclusive rights, they do so for significantly different reasons than patents and copyrights.³¹ In a completely free market system, competitors would be able to replicate every attribute of a product or service down to the minutest detail.³² Thus, a manufacturer that attempts to help consumers find its products, say with tags or other forms of identification, could be foiled by competitors who are able to identically copy any potentially distinguishing attribute.³³ This creates several negative outcomes for social welfare. First, it enables cheap imitators to deceive consumers and palm off their typically inferior products to consumers seeking merchandise from a particular source.³⁴ Thus, consumers may be unfairly fooled into buying products that they do not want. As a result, consumers may be forced to engage in more expensive evaluation methods to find products from the manufacturer that they prefer.³⁵ These extra search costs serve as a drain on society.³⁶ In addition, manufacturers may think twice about investing in high quality standards if competitors can so easily fool consumers with inferior

²⁶ See Paul Goldstein, *The Competitive Mandate: From Sears to Lear*, 59 CALIF. L. REV. 873, 878 (1971) (“[A]lthough short range competitive interests would benefit from immediate and free public access to technological and artistic innovation, to permit such access would destroy incentive to innovate; new products and works would not be introduced into the market and consequently the long range competitive situation would decline.”).

²⁷ U.S. CONST. art. I, § 8, cl. 8 (allowing exclusive rights for limited times to authors and inventors).

²⁸ 35 U.S.C. § 154(a)(2) (2006) (providing a twenty year term from the application filing date).

²⁹ See, e.g., *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*, 489 U.S. 141, 146 (1989) (“From their inception, the federal patent laws have embodied a careful balance between the need to promote innovation and the recognition that imitation and refinement through imitation are both necessary to invention itself and the very lifeblood of a competitive economy.”).

³⁰ 35 U.S.C. § 173; 17 U.S.C. § 302.

³¹ Lee B. Burgunder, *Product Design Protection after Bonito Boats: Where it Belongs and How it Should Get There*, 28 AM. BUS. L.J. 1, 7–10 (1990); Margreth Barrett, *Internet Trademark Suits and the Demise of “Trademark Use”*, 39 U.C. DAVIS L. REV. 371, 377 (2006); see Mark P. McKenna, *The Normative Foundations of Trademark Law*, 82 NOTRE DAME L. REV. 1839, 1884–85 (2007); Burgunder, *supra* note 25, at 586–90 (discussing the purposes of trademarks).

³² Burgunder, *supra* note 31, at 7–10.

³³ See Barrett, *supra* note 31, at 376.

³⁴ See Burgunder, *supra* note 31, at 8.

³⁵ See *id.* at 8–10.

³⁶ See *id.* at 9.

merchandise. Thus, totally free competition encourages unethical conduct, which ultimately burdens consumers and discourages investments in goodwill.

The trademark system is designed to solve these problems, without diminishing the benefits of free competition, by granting exclusive rights to identification symbols that consumers can use to distinguish the sources of goods and services in the marketplace.³⁷ In theory, trademarks enhance the operation of free markets because they facilitate the identification function without depriving competitors from anything that they need to fairly compete.³⁸ For instance, Nike's® sole right to place the Swoosh on its shoes helps consumers locate its merchandise; yet protection does not provide Nike® with a competitive advantage because competitors have innumerable alternative options that they may choose to serve as identifiers for their products.

Based on these considerations, trademarks have several essential attributes. Perhaps most importantly, they are simply the identifying characteristics that are included with products or services to help consumers locate what they want.³⁹ The trademark system prevents competitors from mimicking the representational device, but it does not stop them from freely duplicating the underlying product or service that the device serves to identify.⁴⁰ Also, a properly functioning trademark must be capable of distinguishing the product or service from others in the market so that customers may readily find what they seek without being confused.⁴¹ If the identifier is already used by a competitive firm, or is commonly used with similar products, then it cannot serve requisite trademark functions.⁴² Finally, trademark protection should not result in a market advantage.⁴³ If competitors do not have a sufficient number of equally informative or desirable ways to designate the sources of their products or services, then trademark protection should be denied.

B. The Lanham Act and Application of Federal Trademark Principles

U.S. trademark policy first developed through state common law principles under the rubric of unfair competition.⁴⁴ Federal protection, as codified in the Lanham Act, was primarily adopted to extend similar protections at a national level.⁴⁵ It does this with a registration system that provides nationwide rights to exclusive use of a mark.⁴⁶ Specifically, the Lanham Act allows the registration of

³⁷ See 15 U.S.C. § 1115 (2006); see, e.g., Burgunder, *supra* note 31, at 7–10.

³⁸ See *United Drug Co. v. Theodore Rectanus Co.*, 248 U.S. 90, 98 (1918) (“In truth, a trademark confers no monopoly whatever in a proper sense, but is merely a convenient means for facilitating the protection of one’s good-will in trade by placing a distinguishing mark or symbol—a commercial signature—upon the merchandise or the package in which it is sold.”).

³⁹ Burgunder, *supra* note 31, at 9.

⁴⁰ *Id.* at 9.

⁴¹ Barrett, *supra* note 31, at 378.

⁴² Burgunder, *supra* note 31, at 9.

⁴³ Lee B. Burgunder, *Trademark and Copyright: How Intimate Should the Close Association Become?*, 29 SANTA CLARA L. REV. 89, 96 (1989).

⁴⁴ MARY LAFRANCE, UNDERSTANDING TRADEMARK LAW 3–4 (2005).

⁴⁵ See 15 U.S.C. §§ 1051–1141 (2006); see, e.g., *Ideal Toy Corp. v. Plawner Toy Mfg. Corp.*, 685 F.2d 78, 81 (3d Cir. 1982); *SK&F, Co. v. Premo Pharm. Labs.*, 625 F.2d 1055, 1065 (3d Cir. 1980).

⁴⁶ See 15 U.S.C. § 1115.

“any word, name, symbol or device” that is capable of identifying and distinguishing goods or services.⁴⁷ The Act also includes federal unfair competition policies that protect unregistered identification marks from uses that are likely to cause confusion or dilution.⁴⁸

As you might suspect, fundamental trademark principles are easiest to apply when protection is sought for words, names, or symbols because these kinds of marks are clearly separate from the products or services that they represent.⁴⁹ Thus, in these instances, the focus of the evaluation is limited to the distinctiveness of the mark and whether exclusive rights to the mark could provide a competitive advantage.⁵⁰ The framework for considering names and words was best articulated in the case, *Abercrombie & Fitch Co. v. Hunting World, Inc.*,⁵¹ which established a spectrum of protection that provides increasingly greater rights.⁵² At the low end of the spectrum are generic words, such as amplifier, which cannot be registered or protected.⁵³ Such marks, by definition, cannot be distinctive for a particular manufacturer or service provider because the words used designate the entire class of products.⁵⁴ Also, exclusive rights to a generic term certainly would be unfair to other manufacturers, who would then have to take extra measures to inform consumers that their products are within the same competitive class.⁵⁵

Next on the scale are descriptive terms, which describe the nature or features of the article or service.⁵⁶ These words cannot be immediately protected because consumers will initially understand them as a descriptor of the product rather than a designator of source.⁵⁷ Therefore, they do not serve to identify products in the marketplace. Also, there may only be a limited supply of words or phrases that suitably describe the products with equal force. Thus, there is some danger of competitive harms, albeit less than with the sole generic term, because the number of available options may be too few to serve all market participants.⁵⁸ The situation changes, however, if one company exclusively uses a descriptive term for sufficient time backed by effective advertising, since consumers then may come to understand that the word has source-designation properties. In this instance, the term is said to

⁴⁷ *Id.* § 1127.

⁴⁸ *Id.* § 1125.

⁴⁹ See William M. Landes & Richard A. Posner, *Trademark Law: An Economic Perspective*, 30 J.L. & ECON. 263, 268 (1987).

⁵⁰ *Id.* at 287–88.

⁵¹ 537 F.2d 4 (2d Cir. 1976).

⁵² *Id.* at 9 (identifying the four categories of protection: generic, descriptive, suggestive, and fanciful/arbitrary).

⁵³ *Id.*

⁵⁴ *Id.*

⁵⁵ *Id.* at 10 (stating that the protection of generic terms “must be denied since this in effect would confer a monopoly not only of the mark but of the product by rendering a competitor unable effectively to name what it was endeavoring to sell”).

⁵⁶ *Induct-O-Matic Corp. v. Inductotherm Corp.*, 747 F.2d 358, 362 (6th Cir. 1984).

⁵⁷ 15 U.S.C. § 1052(e) (2006); see Landes & Posner, *supra* note 49, at 289–90 (noting that a given product only has “so many attributes that interest buyers”).

⁵⁸ Landes & Posner, *supra* note 49, at 289–90 (explaining that if one producer takes the word that describes a product, he has the competitive edge over his rivals who cannot use the word to describe a similar product).

have secondary meaning, which refers to the resultant identifying capacity.⁵⁹ Despite potential competitive concerns, the Lanham Act then allows protection, since the harms from potential confusion outweigh the dangers raised by competitive needs.⁶⁰

At the top of the spectrum are suggestive and totally arbitrary terms, which can serve as trademarks immediately.⁶¹ Since their meanings have little or no relationship to the products or services they represent, they will almost certainly identify source in the eyes of consumers.⁶² Therefore, they are appropriately distinctive in a trademark sense.⁶³ Also, the number of equivalent options open to competitors is extremely high, if not unlimited. Thus, there are no concerns that competitors will be disadvantaged because they cannot legally use the word.⁶⁴

The Lanham Act provides protection to, *inter alia*, any distinguishing device.⁶⁵ The courts have interpreted this term expansively to include numerous product attributes under the umbrella term *trade dress*, which includes such attributes as product shapes, designs, colors, odors and sounds.⁶⁶ Unlike names, words and symbols, many of these characteristics cannot be readily separated from the represented product because they are part of the product, itself.⁶⁷ This leads to

⁵⁹ *E.g.*, *Inwood Labs., Inc. v. Ives Labs., Inc.*, 456 U.S. 844, 851 n.11 (1982) (noting that secondary meaning occurs when “in the minds of the consuming public, the primary significance of a [mark] is to identify the source of the product rather than the product itself”); see Landes & Posner, *supra* note 49, at 289–90 (explaining how over time the dictionary definition of a word might go out of common use and the word might come to signify a particular brand).

⁶⁰ 15 U.S.C. § 1052(f). The rationale for allowing protection of descriptive marks with proof of secondary meaning was explained in *Abercrombie* as follows: With descriptive terms, the law strikes the balance, with respect to registration, between the hardships to a competitor in hampering the use of an appropriate word and those to the owner who, having invested money and energy to endow a word with the good will adhering to his enterprise, would be deprived of the fruits of his efforts.

Abercrombie, 537 F.2d at 10. See also Landes & Posner, *supra* note 49, at 290 (adding that once a descriptive mark signifies a brand name in customers’ minds, the word reduces confusion and search costs “more than the costs to rivals being forbidden to use the same word”).

⁶¹ *Abercrombie*, 537 F.2d at 10–11.

⁶² See Landes & Posner, *supra* note 49, at 289 (stating that an arbitrary term is “a word in common use” that is unrelated to the product it names).

⁶³ *George & Co., LLC v. Imagination Entm’t Ltd.*, 575 F.3d 383, 394 (4th Cir. 2009) (quoting *Sara Lee Corp. v. Kayser-Roth Corp.*, 81 F.3d 455, 464 (4th Cir. 1996)) (explaining that arbitrary marks are inherently distinctive because “they do not suggest or describe any quality, ingredient, or characteristic,” allowing the mark to be seen as “arbitrarily assigned”).

⁶⁴ *Abercrombie*, 537 F.2d at 11.

[T]he reason for restricting the protection accorded descriptive terms, namely the undesirability of preventing an entrant from using a descriptive term for his product, is much less forceful when the trademark is a suggestive word since . . . “[t]he English language has a wealth of synonyms and related words with which to describe the qualities which manufacturers may wish to claim for their products . . .”

Id. (quoting *Aluminum Fabricating Co. of Pittsburgh v. Season-All Window Corp.*, 259 F.2d 314, 317 (2d Cir. 1958)); accord Landes & Posner, *supra* note 49, at 290.

⁶⁵ 15 U.S.C. § 1127.

⁶⁶ See, e.g., *Wal-Mart Stores, Inc. v. Samara Bros., Inc.*, 529 U.S. 205, 209 (2000); *Two Pesos, Inc. v. Taco Cabana*, 505 U.S. 763, 764 (1992); *Abercrombie & Fitch Stores, Inc. v. Am. Eagle Outfitters, Inc.* 280 F.3d 619, 629–30 (6th Cir. 2002).

⁶⁷ See *Abercrombie & Fitch*, 280 F.3d at 637.

additional factors that must be considered before granting trademark protection. In fact, the issues are so difficult that many of the Supreme Court's most recent trademark cases have explored the limits of trademark protection for trade dress.⁶⁸

1. *The Issue of Distinctiveness for Trade Dress*

With traditional trademarks, consumers can readily determine that the names, words or symbols are intended to serve identification functions.⁶⁹ With trade dress, however, the line may not always be so clear.⁷⁰ For instance, when a designer first introduces a chair with an unusually tall backrest, customers will typically first perceive the entire item, including the backrest, as simply a new product on the market. Over time, though, the public may begin to associate the high back with a particular source, perhaps because the designer started selling other chairs with the same feature or due to advertising that highlighted the connection. Thus, as with descriptive marks, the trademark function of the particular feature only arises over time when consumers recognize the secondary meaning.⁷¹

One issue addressed by the Supreme Court is whether product designs, such as with the chair, can ever be so unique or unusual that consumers will automatically perceive the trademark function.⁷² In other words, could their source-identification properties be so inherently distinctive that trademark registration should be allowed, as with fanciful names, without proof of secondary meaning? In *Wal-Mart Stores, Inc. v. Samara Bros, Inc.*,⁷³ the Court determined that the likelihood of such inherent distinctiveness with product designs is extremely unlikely, and it therefore created a blanket rule requiring proof of secondary meaning.⁷⁴

With other kinds of trade dress, however, such as designs in packaging, the Court concluded that consumers might readily perceive the separate source identifying attributes, and so held that immediate protection could be warranted based on inherent distinctiveness.⁷⁵ The Court followed the spectrum analysis of *Abercrombie & Fitch*, and determined that inherently distinctive packaging elements—those that are unique or unusual in a particular field—can serve as

⁶⁸ *E.g.*, *Traffix Devices, Inc. v. Mktg. Displays, Inc.*, 532 U.S. 23, 26 (2001); *Samara Bros.*, 529 U.S. at 207; *Qualitex Co. v. Jacobson Prods. Co.*, 514 U.S. 159, 173 (1995); *Two Pesos*, 505 U.S. at 764–65.

⁶⁹ *See, e.g.*, *Samara Bros.*, 529 U.S. at 212–13 (“[T]he very purpose of attaching a particular word to a product, or encasing it in a distinctive packaging, is most often to identify the source of the product.”).

⁷⁰ *Id.* at 213 (“[P]roduct design almost invariably serves purposes other than source identification. . .”).

⁷¹ *See id.* at 211–12.

⁷² *Id.* at 213 (noting that consumers understand that product designs, even the most unusual, are not intended to “identify the source, but to render the product itself more useful or more appealing”).

⁷³ *Id.* at 205.

⁷⁴ *Id.* at 214 (“[G]iven the unlikelihood of inherently source-identifying design, the game of allowing suit based upon alleged inherent distinctiveness seems to us not worth the candle.”).

⁷⁵ For instance, packaging might be the shape or design of a cereal box or a wine bottle. *See, e.g.*, *Samara Bros.*, 529 U.S. at 214–15 (adding that the Court made the distinction between packaging designs and product designs).

trademarks without further proof, in the same way as arbitrary or fanciful words.⁷⁶ The Court also recognized that generic elements, those that are common in the industry, can never be protected.⁷⁷ All other kinds of packaging designs should be treated like descriptive marks, therefore requiring proof of secondary meaning.⁷⁸ For instance, these might be designs that are refinements of those commonly adopted for a particular class of goods.⁷⁹

The difficulty with these two sets of standards is that it is not always easy to differentiate between the product and the packaging. For instance, the Court believed that the trade dress for a Mexican restaurant, which included its paintings, artifacts, patio structures, and awning colors, should be treated like packaging, and so allowed protection without proof of secondary meaning based on a finding of inherent distinctiveness.⁸⁰ On the other hand, it would be easy to argue that the service provided by the restaurant is more than its food, and includes the ambiance of the surroundings.⁸¹ With this perspective, the trade dress is an inseparable

⁷⁶ *Id.* at 214. The Court noted that the following factors are relevant in determining the distinctiveness of packaging design: (1) whether it is a common basic shape or design; (2) whether it is unique or unusual in a particular field; and (3) whether it is a mere refinement of a commonly-adopted and well-known form of ornamentation for a particular class of goods. *Id.* The Court also indicated that these factors were developed to address distinctiveness in a packaging case, but that they are not applicable to product design. *Id.* The factors were first devised in *Seabrook Foods, Inc. v. Bar-Well Foods, Ltd.*, 568 F.2d 1342, 1344 (C.C.P.A. 1977), and are often called the *Seabrook* factors. *Id.*; *Two Pesos, Inc. v. Taco Cabana*, 505 U.S. 763, 768–69 (1992).

⁷⁷ This may be inferred from *Two Pesos* since the Court based its decision on *Abercrombie's* spectrum of increasing distinctiveness while also determining that the Lanham Act provides no basis for distinguishing between protection for trademarks and trade dress. *Two Pesos*, 505 U.S. at 773. See also *Abercrombie & Fitch Stores, Inc. v. Am. Eagle Outfitters, Inc.* 280 F.3d 619, 638 (6th Cir. 2002) (“Thus *Samara Brothers* leaves in place the rule that generic product configurations are not protectable as trade dress. . . .”); *W.T. Rogers Co. v. Keene*, 778 F.2d 334, 339 (7th Cir. 1985) (“[I]f the feature is not ornamental or fanciful or whimsical or arbitrary, but is somehow intrinsic to the entire product consisting of this manufacturer’s brand and his rivals’ brands, trademark protection will be denied.”).

⁷⁸ *Abercrombie & Fitch*, 280 F.3d at 636 (noting that the United States Supreme Court decided that product packaging is inherently distinctive, but product configuration must show secondary meaning to acquire distinctiveness).

⁷⁹ This is inferred from the *Seabrook* factors, which correspond to generic, descriptive, and inherently distinctive word marks. *Seabrook*, 568 F.2d at 1344. See Lee B. Burgunder, *Trademark Protection of Product Characteristics: A Predictive Model*, 16 J. PUB. POL’Y & MKTG. 277, 280 (1997); see also *Nova Beverages, Inc. v. Perrier Grp. of Am., Inc.*, 164 F.3d 736, 745 (2d Cir. 1998) (finding a one and a half liter ribbed PET water bottle’s design and label to be descriptive elements capable of protection, even though those elements were common within the industry); *Carillon Imps. Ltd. v. The Frank Pesce Grp., Inc.*, 913 F. Supp. 1559, 1564 (S.D. Fla. 1996) (“Despite the commonplace use of some of these individual components [of the at-issue trade dress] in the marketing of alcoholic beverages other than ultra premium vodkas, their use here is a fanciful addition to the vodka market.”).

⁸⁰ *Two Pesos*, 505 U.S. at 775–76. The Court indicated that the trade dress for the Mexican restaurant should be evaluated as packaging, saying that: “[T]he décor of a restaurant seems to us not to constitute product design. It was either product packaging . . . or else some *tertium quid* that is akin to product packaging.” *Id.*

⁸¹ Willajeanne F. McLean, *The Birth, Death, and Renaissance of Secondary Meaning in the Making*, 42 AM. U.L. REV. 737, 775–76 (1993) (explaining that a restaurant’s trade dress is not protectable if the purpose is just to merely please the diners or bring up the restaurant’s attributes, adding, however, that an aesthetically pleasing ambiance is important in a restaurant’s success and thus should be protectable).

component of the restaurant's "product," and so should be treated no differently than the backrest of the chair.

At the end of the day, the outcome of this debate probably does not affect the trademark status of Al Johnson's goats on the lawn roof. The notion of goats on a roof certainly is not generic, and so the feature is subject to registration under either formulation with proof of secondary meaning. Since the Lanham Act provides that five years of exclusive use is *prima facie* evidence of secondary meaning, registration was likely appropriate even with a secondary meaning requirement.⁸² Of course, if the goats and lawn roof are considered part of the packaging for the restaurant, as the Supreme Court suggests, then they might have been subject to immediate protection based on a determination of inherent distinctiveness.⁸³ As we shall see, the only question here is how the service class is defined. For instance, if the service is "Swedish restaurants," then goats on the roof seems pretty unique. On the other hand, if the class is "Swedish restaurants with a rural atmosphere including live farm animals," then putting them on the roof may be viewed as something closer to a refinement.

2. *The Issue of Functionality for Trade Dress*

Since product designs and processes are subject to patent protection, one must be careful to ensure that the trademark system does not overstep its bounds and thereby interfere with the carefully crafted balance of the patent regime.⁸⁴ In this regard, the courts are concerned with two somewhat separate issues. The first is based on the general notion that useful inventions and product designs are supposed to be subject to free competition unless they are covered by a patent.⁸⁵ Thus, tensions inevitably arise when trademarks protect unpatented useful attributes. The other issue relates to the goal of patents—to provide incentives through potential profits by the protection of superior competitive characteristics.⁸⁶ For this reason, trademarks are especially bothersome when they, too, offer competitive advantages.⁸⁷

⁸² 15 U.S.C. § 1052(f) (2006).

⁸³ *Two Pesos*, 505 U.S. at 787 (Thomas, J., concurring).

⁸⁴ See, e.g., *Traffix Devices, Inc. v. Mktg. Displays, Inc.*, 532 U.S. 23, 29 (2001); *Qualitex Co. v. Jacobson Prods. Co.*, 514 U.S. 159, 164–65 (1995); *W.T. Rogers Co. v. Keene*, 778 F.2d 334, 338 (7th Cir. 1985). This is particularly true when litigants claim exclusive rights to product attributes through state unfair competition laws due to the supremacy of the federal patent statute. See *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*, 489 U.S. 141, 151 (1989); *Sears, Roebuck & Co. v. Stiffel Co.*, 376 U.S. 225, 230–31 (1964); *Compco Corp. v. Day-Brite Lighting, Inc.*, 376 U.S. 234, 237–38 (1964).

⁸⁵ See, e.g., *Traffix*, 532 U.S. at 29 ("In general, unless an intellectual property right such as a patent or copyright protects an item, it will be subject to copying.").

⁸⁶ If an invention had no advantages over existing technologies for any set of consumers, then patent protection would not be economically profitable. See Burgunder, *supra* note 25, at 593 ("Only the patent and copyright laws are designed to allow a producer to achieve supranormal profits."); *Qualitex*, 514 U.S. at 164–65 (stating that it is the province of patents to encourage invention by granting a monopoly over product designs, but color may be protected as long as it is not more desirable than other colors could be).

⁸⁷ Daniel M. McClure, *Trademarks and Competition: The Recent History*, 59 LAW & CONTEMP. PROBS. 13, 16–17 (1996) (explaining that in the 1960s and 1970s, trademarks came under attack for being "inherently anticompetitive").

To address these concerns, the courts have developed the functionality doctrine and Congress has adopted it by explicitly prohibiting federal trademark registration or protection if a feature is functional.⁸⁸

According to the Supreme Court, “a product is functional,’ and cannot serve as a trademark, ‘if it is essential to the use or purpose of the article or if it affects the cost or quality of the article.’”⁸⁹ This is true, according to the Court, even if the design has acquired secondary meaning.⁹⁰ Unfortunately, the application of the functionality definition has been controversial and confusing, and now depends on whether the features are useful or merely attractive.⁹¹ In this regard, the courts have divided the functionality doctrine into two categories: utilitarian functionality and aesthetic functionality.

a. Utilitarian Functionality

In *Traffix Devices, Inc. v. Marketing Displays, Inc.*,⁹² the Supreme Court considered whether the appearance of a previously patented dual-spring sign design could serve as a trademark.⁹³ The Court of Appeals had held that the design could be protected by a trademark because there were other ways to achieve the goal of wind resistance without duplicating the look of the sign.⁹⁴ That is, the dual-spring design was not a competitive necessity, or in other words, was not essential to the use or purpose of the article.⁹⁵ The Supreme Court reversed, stating that a feature is “essential” not because it is competitively necessary, but because it makes an important contribution to the use of an article.⁹⁶ The Court determined that a previous patent is strong evidence that a useful feature is functional, but it indicated that the same principle applies even when a useful feature has never been patented.⁹⁷

⁸⁸ 15 U.S.C. §§ 1052(e)(5), 1125(a)(3) (2006).

⁸⁹ *Inwood Labs., Inc. v. Ives Labs., Inc.*, 456 U.S. 844, 850 n.10 (1982).

⁹⁰ *Traffix*, 532 U.S. at 26 (noting that if dual-spring design is functional, secondary meaning is irrelevant).

⁹¹ *Id.* at 33.

⁹² *Id.* at 28.

⁹³ *Id.* at 25.

⁹⁴ *Mktg. Displays, Inc. v. Traffix, Inc.*, 200 F.3d 929, 940 (6th Cir. 1999).

⁹⁵ *Id.*

⁹⁶ *Traffix*, 532 U.S. at 32–33.

⁹⁷ *Id.* at 35 (stating that product designs are functional under the same standard, “whether a utility patent has expired or there has been no utility patent at all”). Despite the ruling in *Traffix*, some courts still consider the availability of alternative designs to be a relevant factor when addressing functionality. See, e.g., *Talking Rain Beverage Co. v. S. Beach Beverage Co.*, 349 F.3d 601, 603 (9th Cir. 2003). In this courts’ view, alternative designs cannot negate a finding of functionality, but may indicate whether a design embodies merely ornamental or incidental aspects of the product. *Id.*

b. Aesthetic Functionality

Although *Traffix* takes an absolute stand that important useful features cannot be protected by trademarks, the courts recognize that different standards should apply to attractive designs.⁹⁸ One reason for the difference is that the market could be a dull and unimaginative place if designers had to rely solely on the design patent system to protect aesthetic innovation.⁹⁹ In addition, trademarks, by nature, are aesthetic identifiers that are included with useful products, so it would be overly limiting to deny protection based solely on the aesthetic qualities.¹⁰⁰ Also, with service marks, aesthetic identifiers less clearly overstep into the realm of patents, because design patents only apply to “articles of manufacture.”¹⁰¹ For these reasons, the functionality doctrine with aesthetic attributes is founded on the more general notion of competitive need, which, as explained in *Abercrombie & Fitch*, is relevant even with word marks.¹⁰²

The concept of aesthetic functionality has raised troubling issues in the courts.¹⁰³ In some cases, courts have denied protection to aesthetic features when they are “an important ingredient in the commercial success of the product.”¹⁰⁴ For instance, a court denied protection for the design of an Italian sofa because the stylistic attributes enhanced the salability of the goods.¹⁰⁵ In the court’s view, the

⁹⁸ See, e.g., *Traffix*, 532 U.S. at 33; *In re Morton-Norwich Prods., Co.*, 671 F.2d 1332, 1338 (C.C.P.A. 1982).

⁹⁹ See *LeSportsac, Inc. v. K Mart Corp.*, 754 F.2d 71, 77 (2d Cir. 1985) (criticizing a strict application of the functionality doctrine to aesthetic features because “it provides a disincentive for development of imaginative and attractive design”); *Keene Corp. v. Paraflex Indus., Inc.*, 653 F.2d 822, 825 (3d Cir. 1981) (“As our ambience becomes more mechanized and banal, it would be unfortunate were we to discourage use of a spark of originality which could transform an ordinary product into one of grace.”).

¹⁰⁰ See *W.T. Rogers Co. v. Keene*, 778 F.2d 334, 340 (7th Cir. 1985) (stating that if giving aesthetic pleasure is a function, then “[f]unctionality would swallow up much, perhaps all, of trademark law”).

¹⁰¹ 35 U.S.C. § 171 (2006).

¹⁰² See *Abercrombie & Fitch Stores, Inc. v. Am. Eagle Outfitters, Inc.*, 280 F.3d 619, 636 (6th Cir. 2002); *Rogers*, 778 F.2d at 339 (“A functional feature . . . is unlike those dispensable features of the particular brand that, like an arbitrary identifying name, rivals do not need in order to compete effectively.”).

¹⁰³ See, e.g., *Sicilia Di R. Biebow & Co. v. Cox*, 732 F.2d 417, 422 (5th Cir. 1984); Robert Unikel, *Better by Design: The Availability of Trade Dress Protection for Product Design and the Demise of “Aesthetic Functionality”*, 85 TRADEMARK REP. 312 (2005). Some courts once denied the applicability of aesthetic functionality in all circumstances. See, e.g., *Click Billiards v. Sixshooters, Inc.*, 251 F.3d 1252, 1260 (9th Cir. 2001) (“Nor has this circuit adopted the ‘aesthetic functionality’ theory, that is, the notion that a purely aesthetic feature can be functional.”); *Pebble Beach Co. v. Tour 18 I Ltd.*, 155 F.3d 526, 540 n.6 (5th Cir. 1998) (“This circuit has rejected the doctrine of aesthetic functionality.”). These rulings have been superseded by the Supreme Court’s opinion in *Traffix* which explicitly accepts aesthetic functionality. *Traffix*, 532 U.S. at 33 (“It is proper to inquire into a ‘significant non-reputation related disadvantage’ in cases of aesthetic functionality.”).

¹⁰⁴ *Pagliero v. Wallace China Co.*, 198 F.2d 339, 343 (9th Cir. 1952) (finding that floral design pattern on china cannot be protected as a trademark because of functionality). Some courts have greatly criticized or rejected this standard. See, e.g., *Keene Corp.*, 653 F.2d at 825. However, the Supreme Court recently noted this standard in *Qualitex Co. v. Jacobson Products Co.*, 514 U.S. 159 (1995).

¹⁰⁵ *Industria Arredamenti Fratelli Saporiti v. Charles Craig, Ltd.*, 725 F.2d 18, 20 (2d Cir. 1984).

design did not act like a trademark because it was not simply a label but a principal characteristic of the sofa.¹⁰⁶

An aesthetic feature that does not have such inherent marketing importance may still be functional, but only if it is more pleasing than potential alternative designs.¹⁰⁷ In this regard, the leading case is *Qualitex Co. v. Jacobson Products Co.*,¹⁰⁸ which dealt with the aesthetic functionality of the overall green-gold color of dry cleaning pads. Unlike with the design of the sofa, the color of the pads was not an important reason for purchase.¹⁰⁹ Yet, the Court recognized that an evaluation of aesthetic functionality was still required to ensure that there was no competitive need for the specific green-gold color.¹¹⁰ To this end, the court determined that the color was not functional since other colors were equally usable.¹¹¹ The Court reiterated the point in *Traffix*, claiming that “it is proper to inquire into a significant non-reputation-related disadvantage in cases of aesthetic functionality.”¹¹²

As we shall see, the notion of competitive need requires one to first define the relevant competitive market.¹¹³ The more broadly one defines the market, the greater will be the number of competitive possibilities. The history of antitrust laws demonstrates that this is a difficult exercise.¹¹⁴ Antitrust law also instructs that one may need to focus on competitive submarkets that target specific types of

¹⁰⁶ *Id.* (denying trademark protection based on aesthetic functionality because the “overall design makes the sofas attractive to buyers despite enormously expensive price tags, and there is no arbitrary embellishment or label which might be considered a trademark”).

¹⁰⁷ See *Rogers*, 778 F.2d at 340 (“It would also be unreasonable to let a manufacturer use trademark law to prevent competitors from making pleasing substitutes for his own brand; yet that would be the effect of allowing him to appropriate the most pleasing way of configuring the product.”).

¹⁰⁸ *Qualitex*, 514 U.S. at 166.

¹⁰⁹ *Id.* The Court ruled that the color could be protected as a trademark because it would not “permit one competitor (or a group) to interfere with legitimate (non-trademark-related) competition through actual or potential exclusive use of an important product ingredient.” *Id.* at 170.

¹¹⁰ *Id.* (quoting RESTATEMENT (THIRD) OF UNFAIR COMPETITION § 7, cmt. c (1993)) (“[I]f a design’s ‘aesthetic value’ lies in its ability to ‘confer a significant benefit that cannot practically be duplicated by the use of alternative designs,’ then the design is ‘functional.’”).

¹¹¹ *Id.* at 166.

¹¹² *Traffix Devices, Inc. v. Mktg. Displays, Inc.*, 532 U.S. 23, 33 (2001). The qualification regarding non-reputation-related advantages ensures that the aesthetic need arises from the inherent desirability of the feature, rather than from the goodwill in a mark. For instance, a maker of key chains does not have the right to copy the trademarks of auto manufacturers just because the owners of car brands prefer to have key chains with matching logos. *Au-Tomotive Gold, Inc. v. Volkswagen of Am., Inc.*, 457 F.3d 1062, 1064 (9th Cir. 2006). See also *Rogers*, 778 F.2d at 344 (“A design feature to be aesthetically functional must be pleasing in itself; it is not enough that a person who owns two items with that feature wants a matched pair.”).

¹¹³ See Burgunder, *supra* note 79, at 285; Anna F. Kingsbury, *Market Definition in Intellectual Property Law: Should Intellectual Property Courts Use an Antitrust Approach to Market Definition?*, 8 MARQ. INTELL. PROP. L. REV. 63, 68 (2004) (noting that an assessment of functionality requires that a court “identify competitors, which in turn requires identification of the market in which they compete”).

¹¹⁴ See, e.g., PHILLIP AREEDA, LOUIS KAPLOW & AARON EDLIN, *ANTITRUST ANALYSIS: PROBLEMS, TEXT, AND CASES* 491–525 (6th ed., 2004); U.S. DEP’T OF JUSTICE & FED. TRADE COMM’N, *HORIZONTAL MERGER GUIDELINES* § 4, at 8 (Aug. 19, 2010) [hereinafter *HORIZONTAL MERGER GUIDELINES*].

consumers.¹¹⁵ These considerations may prove to be important when addressing the potential aesthetic functionality of the goats.

IV. ABSTRACTION AND FILTRATION: LESSONS FROM COPYRIGHT

Although trademark law protects trade dress, we have seen that protection will not extend to those elements that are generic or functional, either in a utilitarian or aesthetic sense. This means that when the PTO makes a decision to register a trademark, it must be convinced that protectable elements remain after generic and functional attributes are conceptually removed from the design or packaging.¹¹⁶ Some decisions about genericism and functionality, though, depend on an accepted definition of the relevant product or service class.

As just noted, there may be several ways to define the relevant class, and minds may differ on the proper choice. The same difficulty arises in copyright where one must choose among the numerous ways that the ideas of works may be abstracted.¹¹⁷ In fact, the copyright system provides a good model for the evaluation of trademarks because copyrights, like trademarks, demand filtration of unprotected elements.¹¹⁸ Furthermore, one must be equally careful with both copyrights and trademarks to filter unprotected material in an appropriate fashion. For instance, with copyrights, one needs to filter out public information and facts—meaning that others are free to use them in their works.¹¹⁹ Protection, however, still may extend to the selection and organization of those elements.¹²⁰ Likewise, with trademarks and trade dress, competitors are free to use generic or functional items, but may not be able to arrange them in the same way as the original firm.¹²¹

As an example, consider a pool hall that either seeks trademark registration for its overall appearance, or sues a competitor for having confusingly similar

¹¹⁵ See *Brown Shoe v. United States*, 370 U.S. 294, 325 (1962).

¹¹⁶ 15 U.S.C. § 1052 (2006); U.S. PATENT & TRADEMARK OFFICE, U.S. DEP'T OF COMMERCE, TRADEMARK MANUAL OF EXAMINING PROCEDURES § 1209.01(c) (7th ed., 2010) [hereinafter TMEP]. The notion of “conceptual separation” is also relevant in the context of copyright protection for product designs. See *Kieselstein-Cord v. Accessories By Pearl, Inc.*, 632 F.2d 989, 993 (2d Cir. 1980) (finding copyright protection of belt buckles was appropriate because the ornamental aspects were conceptually separate from the utilitarian function).

¹¹⁷ See, e.g., *Nichols v. Universal Pictures Corp.*, 45 F.2d 119, 121 (2d Cir. 1930); *Lotus Dev. v. Paperback Software Int'l*, 740 F. Supp. 37, 60–61 (D. Mass. 1990).

¹¹⁸ See *Computer Assocs., Int'l v. Altai, Inc.*, 982 F.2d 693, 707 (2d Cir. 1992) (explaining that at each level of abstraction, filtration is needed to separate elements taken from the public domain, those dictated by efficiency and those dictated by external factors). Filtration in copyright also explicitly depends on preserving appropriate competition through application of various tests, such as merger and scenes a faire that evaluate whether attributes are essential to convey an idea. See, e.g., *Hoehling v. Universal City Studios, Inc.*, 618 F.2d 972, 979 (2d Cir. 1980); *Lotus Dev.*, 740 F. Supp. at 59, 67. For a thorough discussion about the transference of copyright principles to trademarks, see Burgunder, *supra* note 43, at 113–17.

¹¹⁹ See *Feist Publ'ns, Inc. v. Rural Tel. Serv. Co.*, 499 U.S. 340, 348–50 (1991).

¹²⁰ *Id.* at 350.

¹²¹ See, e.g., *Clicks Billiards v. Sixshooters, Inc.*, 251 F.3d 1252, 1259 (9th Cir. 2001) (explaining that competitors are free to use individual functional elements of a pool hall but cannot duplicate “the overall visual impression that the combination and arrangement of those elements create”).

facilities.¹²² As a first step, one must determine a relevant service class.¹²³ This may simply be *recreational facilities*, and if so, the first business that includes several pool tables may have a distinctive appearance. In this event, other firms would not be able to provide recreation services with pool tables because they may seem confusingly similar. Even if one initially accepted this high level of abstraction, however, providing facilities to play pool would certainly be functional in a utilitarian sense. Thus, this attribute must be filtered so that it is included among the attributes that cannot serve as trademarks. In other words, the notion of a pool hall would become part of the relevant unprotected class. Of course, given the reality of the current recreational environment, a pool hall is also generic. This again means that the relevant market, at its most abstract, should be *pool halls*.

With this basis, many items within a pool hall are either generic and/or functional, such as green table felt, over-the-table lights, pool cue racks, scoring systems, an alcoholic beverage bar, and a food counter serving burgers and fries. Nonetheless, the pool hall may be able to claim that its particular selection and arrangement of these items within the facility are nonfunctional and distinctive, especially if combined with other unique elements, such as wall colors, tile choices, window covers, and wood finishes.¹²⁴ Thus, competitors would be free to use the unprotected items in their facilities, but might have to combine them in different ways to avoid confusing customers.

A few examples help to further explain these concepts. Assume the appearance of a stuffed moose hanging on a wall is generic to pool halls. If one facility, however, always placed the moose at a particular spot on the left side of the building, then this location could become distinctive of that particular pool hall. It also would not be aesthetically functional because the location of the moose is not an important ingredient in the success of the business, and other businesses have numerous other placement options to hang their moose. Of course, it is possible that a particular location, such as directly in front of the entrance, could be generic and/or better than other options due to its immediate visibility, and if so, a pool hall could not control the spot via trademark policies.¹²⁵ But even then, trademarks might cover the location in conjunction with other attributes, such as the moose's size, color and expression, if the overall combination is distinctive and nonfunctional.¹²⁶

Now suppose that a pool hall hangs a stuffed moose by each table that verbally comments when a shot is sunk. Customers are amused by the feature because it makes the pool hall more fun and interesting. The talking moose is not generic, and

¹²² *Id.* at 1258–60.

¹²³ TMEP, *supra* note 116, § 1401.

¹²⁴ *Clicks Billiards*, 251 F.3d at 1261.

¹²⁵ See Margreth Barrett, *Consolidating the Diffuse Paths to Trade Dress Functionality: Encountering Traffic on the way to Sears*, 61 WASH. & LEE L. REV. 79, 157–58 (2004) (“[E]ven purely aesthetic product features may be disqualified as ‘functional,’ if competitors are unable to compete effectively without access to them.”).

¹²⁶ See, e.g., *House of Hunan, Inc. v. Hunan at Pavillion*, No. 85-1591, 1985 WL 72671, at *1–2 (D.D.C. 1985) (finding a likelihood of success on the merits at the preliminary injunction stage for trade dress infringement where a Chinese restaurant placed two hand-carved marble lions at the entrance of the restaurant, even though other similar statues had been used previously by Chinese restaurants); see generally 1 J. THOMAS MCCARTHY, MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 7:65 (4th ed. 2010) (discussing the availability of trade dress protection for both the interior and exterior of commercial buildings).

might even be an inherently distinctive aspect of a pool hall service.¹²⁷ The moose also is not utilitarian functional because it does not affect the mechanics of playing pool.¹²⁸ However, there could be serious questions with aesthetic functionality. For instance, one might consider the moose to be an important ingredient in the commercial success of the business. Nevertheless, the feature does not appear to be as central to the buying decision as the design of a sofa. Thus, the determination of aesthetic functionality may require an appraisal of competitive need; that is, the number of suitable alternatives that are equally appealing to customers.¹²⁹

Resolving the issue of competitive need may depend on the abstraction used to define the service.¹³⁰ If one perceives the service as *a pool hall with a stuffed moose on the wall*, then having the moose talk may be one of the best things to do with the animal in terms of attracting customers.¹³¹ On the other hand, the service may be viewed as *a pool hall with a desirable novelty item*. In this event, a talking moose may be simply one of numerous other clever schemes that could appeal to players. For instance, a competitor might install a waterfall that changes color to complement the beat and mood of music. Thus, with this level of abstraction, the talking moose might serve as a trademark. So which abstraction is correct? Unfortunately, the decision, as in copyright, must be somewhat *ad hoc*.¹³² In this regard, perhaps one guidepost is that the decision should be based on competitive realities.¹³³ For instance, if it is not typical for pool halls to rely on gimmicks to attract customers, then it may be inappropriate to define the competitive market so broadly.¹³⁴

As a final scenario, consider whether trademarks might be used to control the type of food sold at the pool hall. Certain foods, such as burgers or pizza are too common to serve as identifiers, but what about a pool hall that serves Chinese food? What if over time, people begin to associate Chinese food with a particular chain of pool halls? Although food is utilitarian, the flavor of food is aesthetic, which means that the inquiry comes down to an evaluation of aesthetic functionality.¹³⁵ If the

¹²⁷ See, e.g., *Planet Hollywood, Inc. v. Hollywood Casino Corp.*, 80 F. Supp. 2d 815, 836 (N.D. Ill. 1999) (“The Court finds that this presentation of video clips [which replay past grand openings of other Planet Hollywood restaurants] is part of the distinctive look and feel of Planet Hollywood restaurants.”).

¹²⁸ E.g., *Inwood Labs., Inc. v. Ives Labs., Inc.*, 456 U.S. 844, 850 (1982); *Au-Tomotive Gold, Inc. v. Volkswagen of Am., Inc.*, 457 F.3d 1062, 1071 (9th Cir. 2006).

¹²⁹ *Vornado Circulation Air Sys. v. Duracraft Corp.*, 58 F.3d 1498, 1507 (10th Cir. 1995).

¹³⁰ See Harold R. Weinberg, *Trademark Law, Function Design Features, and the Trouble with Traffix*, 9 J. INTEL. PROP. L. 1, 48 (2001) (discussing how the definition of a market in terms of aesthetic functionality may both hinder and encourage competition).

¹³¹ If a talking moose is regarded as functional, then other attributes of the talking moose, such as its tone, inflection or vocabulary may still serve trademark functions.

¹³² See *Peter Pan Fabrics, Inc. v. Martin Weiner Corp.*, 274 F.2d 487, 489 (2d Cir. 1960) (noting that in copyright, there is a necessarily vague test for copyright infringement, as there cannot be a bright line principle).

¹³³ HORIZONTAL MERGER GUIDELINES, *supra* note 114, at 7–8.

¹³⁴ Even if the relevant market is defined in terms of novelty items, the talking moose may still be aesthetically functional. For instance, it may be more desirable because it fits more naturally into a typical pool hall environment than potential alternatives. It also may be cheaper to provide than other potential gimmicks having equivalent appeal.

¹³⁵ See Ann Gilson LaLonde & Jerome Gilson, *Getting Real With Nontraditional Trademarks: What's Next After Red Oven Knobs, The Sound of Burning Methamphetamine, and Goats on a Grass Roof?*, 101 TRADEMARK REP. 186, 209 (2011); Amanda E. Compton, *Acquiring a Flavor for*

service is defined as *pool halls that serve food*, then there are numerous possible choices of cuisine, such as Indian, Thai, and Mexican, along with burgers and pizza. Nevertheless, a significant subpopulation of consumers might prefer Chinese food to all other options. Thus, it would be unfair to competitors in terms of attracting these consumers if one pool hall had the exclusive right to serve their favored food. In addition, unlike a talking moose, the type of food may be an important criterion that customers use to select a pool hall. For both of these reasons, Chinese food is aesthetically functional, and so it needs to be filtered out from the protectable aspects of trade dress. This also means that the other components of the trade dress need to be evaluated—regarding genericism and functionality—in terms of *pool halls that serve Chinese food*.

V. APPLICATION OF TRADEMARK PRINCIPLES TO GOATS ON A ROOF

The issue at hand is whether a Swedish restaurant can claim exclusive rights through a trademark to place live goats on a grass roof. The first step in the analysis is to consider the abstraction that best defines the service that the restaurant provides to customers.¹³⁶ Although the service could be as general as *a business satisfying customer needs* or *a restaurant business*, there is little question that the broadest conception should be *a restaurant that serves Swedish food*. However, this abstraction is still too general and must also include Swedish décor because it is now common for such restaurants to provide the proper atmosphere with the food. Also, there is certainly a subgroup of Swedes, if not Americans, who would prefer to eat authentic food in surroundings that mirror the experience in their native land.¹³⁷

Al Johnson's is a rural restaurant, and it is typical for these establishments to have farm animals outside the premises.¹³⁸ This may be particularly true for Swedish restaurants that provide a complete experience. Thus, the service concept must be further particularized to *Swedish restaurants with authentic décor and farm animals on site*. Considering the farm animals, it is likely that goats are generic to Swedish establishments. Even if they are not, however, they certainly would be aesthetically functional since there are only a few different farm animal species—perhaps only cows and sheep, along with goats—that would be appropriate. This means that the abstraction must now be redefined to *Swedish restaurants with authentic décor and goats on site*. Beyond this, sod roofs are common and generic in Swedish countries, so the subgroup of Swedish diners would find this attribute

Trademarks: There's No Common Taste in the World, 8 NW. J. TECH. & INTELL. PROP. 340, 341 (2010).

¹³⁶ See Weinberg, *supra* note 130, at 28–30 (discussing consumer expectations and purchasing decisions as related to aesthetic functionality in trade dress).

¹³⁷ See *Enrique Bernat F. v. Guadalajara, Inc.*, 210 F.3d 439, 445 (5th Cir. 2000) (“The first explanation for denying trademark protection to generic foreign words is that Spanish-speakers in the U.S. will understand ‘chupa’ to be generic.”).

¹³⁸ See, e.g., *Barnyard*, JOEHUBERS.COM, http://www.joehubers.com/index.php?option=com_content&view=article&id=62&Itemid=85 (last visited June 9, 2011); *Wildlife Zoo*, FARMERS INN, <http://www.thefarmersinn.com/wildlife-zoo.htm> (last visited June 9, 2011).

indistinctive.¹³⁹ Thus, we will begin the next phase of the analysis by defining Al Johnson's service class as *Swedish restaurants with sod roofs having authentic décor and goats on site*.

Relying on the basic abstraction, a rural Swedish restaurant cannot prevent other establishments from allowing goats to graze on their properties. It is possible, albeit unlikely, that a restaurant could stake claim to a specific location that goats are penned, if the business consistently placed the goats only in that particular spot and consumers, over time, started to associate that location with the restaurant. The location would not be aesthetically functional, assuming that competitors have numerous other equally suitable locations that they can select for their goats. Note also that the restaurant could claim trademark rights to other parameters of goats, as long as the selected attributes are not competitively superior.¹⁴⁰ Thus, one might claim a unique breed of goat; or specific number of goats; or one could paint the goats with a particular color. Also, the goats could be claimed along with other features, such as the shape or type of pen fencing.

Returning to goat locations, the question is whether Al Johnson's can claim the roof for trademark rights. Based on an abstraction that includes goats anywhere on site, the roof is clearly superior to other alternatives in terms of attracting customers. Obviously, there is no place on the ground that commands the same kind of attention as having the goats graze on the roof. Thus, the goats are aesthetically functional under this abstraction based on the competitive need test.¹⁴¹ Specifying that grass is included with the goats on the roof does not cure the problem because the sod is generic to Swedish restaurants. So, unless the conception of the abstraction is changed, trademark protection must be barred.

One might argue that while goats on the ground are generic, goats on the roof are something different. One thus might compare the circumstances here with those related to the talking moose. The restaurant might logically claim that the service class is not Swedish restaurants with goats on the premises, but rather should be *Swedish restaurants with animals on the roof*, or *Swedish restaurants with novel attractions*.

Using the first abstraction, goats on a grass roof would still be aesthetically functional based on competitive needs. This is because goats may be one of the few, if not the only, animal that can walk reliably on a slanted roof without falling.¹⁴² Cows and pigs, for instance, would likely be too messy, heavy and insufficiently sure-footed. Sheep might work, but still they would be one of only a couple available options. Thus, if the competitive class includes animals on a roof, then goats, by themselves, cannot serve as trademarks.¹⁴³ As before, the addition of grass does not

¹³⁹ Gosta von Schoultz, *Construction Techniques and Interior Layouts of Swedish Folk Houses*, 12 FOLKLORE FORUM 239, 254 (1979).

¹⁴⁰ See *M-5 Steel Mfg., Inc. v. O'Hagin's, Inc.*, 61 U.S.P.Q.2d (BNA) 1086, 1096 (T.T.A.B. 2001) ("If a feature asserted as a trademark is the best, or at least one of a few superior designs for its purpose, competition is hindered.").

¹⁴¹ *Vornado Circulation Air Sys. v. Duracraft Corp.*, 58 F.3d 1498, 1507 (10th Cir. 1995).

¹⁴² Wendell H. Harmon, *Notes on Mountain Goats in the Black Hills*, 25 J. MAMMALOGY 149, 150 (1944).

¹⁴³ See, e.g., *Bonazoli v. R.S.V.P. Int'l, Inc.*, 353 F. Supp. 2d 218, 227 (D.R.I. 2005) (refusing to grant protection to plaintiff's heart-shaped measuring spoons because to do so "would interfere with legitimate (non-trademark related) competition through actual or potential exclusive use of an

change the result, not only because sod is generic, but also because the grass surface serves important functions for the animals in terms of traction, food and their general welfare.

Alternatively, the goats on the roof might be viewed as just one of many different kinds of unusual gimmicks that Swedish restaurants might use to attract patrons. Thus, along with the possibility of putting sheep on the roof, maybe Swedish restaurants could do other unusual things, such as penning zebras in the yard or shooting people out of cannons. Perhaps the main difficulty with accepting this proposition is that it just feels wrong. Maybe it is because the goats on the roof are probably still a better attraction for a Swedish restaurant than most of the other conceivable concepts.¹⁴⁴ It might also be because Al Johnson's is pushing the envelope of what trademarks are supposed to protect.

For one, trademarks should not govern key aesthetic features that are important ingredients in commercial success.¹⁴⁵ Although the goats are not the primary reason that customers go to the restaurant, they certainly are an important consideration when families with kids choose where they want to eat. In this regard, protecting the goats would be like giving a pool hall the exclusive right to serve Chinese food, which clearly is overreaching. Indeed, the advertising slogan, "Come for the goats, stay for the food," highlights that the goats are a key component of the overall restaurant experience.¹⁴⁶ Also, the goats have a utilitarian function for Swedish restaurants with authentic sod roofs because they help keep the grass trimmed.¹⁴⁷ According to *Traffix*, it might not matter that other methods exist, such as using a lawn mower.¹⁴⁸ Rather, the fact that the goats make an important contribution to the restaurant's lawn maintenance needs is enough.¹⁴⁹ Interestingly, the company lawyer illustrated the overall problem when he reportedly stated to Al Johnson's father, "Lars, you have something very valuable here."¹⁵⁰ This makes it exceedingly clear that the lawyer recognized the non-reputation-related advantage that the restaurant would enjoy through its trademark.

For these reasons, Al Johnson's should not have been granted the sole right to put goats on the roof of a food service business. This does not mean that the notion of goats on a roof are totally off limits; rather, they only can be claimed in conjunction

important product ingredient") (citing *Qualitex Co. v. Jacobson Prods. Co.*, 514 U.S. 159, 170 (1995) (internal quotation marks omitted)); RESTATEMENT (THIRD) OF UNFAIR COMPETITION § 17 cmt. c, illus. 8 (1995) (noting that a heart-shaped box would be one of a handful of desirable designs for Valentine's Day candy, such that the shape is considered aesthetically functional and not protected).

¹⁴⁴ Kristina Jennbert, *Sheep and Goats in Norse Paganism*, in *PECUS: MAN AND ANIMAL IN ANTIQUITY* 160, 160–61 (Barbro Santillo Frizell ed., 2004). The goats may be more attractive because they conform better to the overall theme of a Swedish restaurant. They also may be somewhat cheaper to provide than other equally appealing approaches.

¹⁴⁵ See *Pagliero v. Wallace China Co.*, 198 F.2d 339, 343 (9th Cir. 1952).

¹⁴⁶ Kinsella, *supra* note 15. One factor that courts often use to determine whether a utilitarian feature is functional is advertising that touts the utilitarian advantages of the design. See *Talking Rain Beverage Co. v. S. Beach Beverage Co.*, 349 F.3d 601, 603 (9th Cir. 2003); *In re Morton-Norwich Prods., Co.*, 671 F.2d 1332, 1341 (C.C.P.A. 1982). Likewise, advertising that touts the aesthetic advantages of an attribute should be indicative of aesthetic functionality.

¹⁴⁷ *Scheck & Woo*, *supra* note 1.

¹⁴⁸ *Traffix Devices, Inc. v. Mktg. Displays, Inc.*, 532 U.S. 23, 34 (2001).

¹⁴⁹ *Id.*

¹⁵⁰ *Scheck & Woo*, *supra* note 1.

with other features that make the specific combination distinctive and nonfunctional. For instance, Al Johnson's might legitimately be able to acquire exclusive rights to goats on a sod roof having a particular shape, or with other ornamental features, such as lights, colors, or the shapes of protective barriers. The PTO has registered at least one other live animal mark with these kinds of specific additional elements—for a duck march performed daily at the Peabody Hotels.¹⁵¹ Nevertheless, the agency clearly made a mistake by granting trademark rights to Al Johnson's restaurant solely for having goats on a grass roof.

VI. CONCLUSION

The notion that trademarks can provide exclusive rights to the use of live animals is an interesting new twist to the evolution of trade dress protection. This article demonstrates that there is nothing inherently wrong with protecting live animals as long as the use is distinctive and not functional in either the utilitarian or aesthetic sense. However, the PTO erred when it registered Al Johnson's goats on a roof because it did not sufficiently evaluate the functional nature of the mark. Therefore, the mark should be cancelled.¹⁵²

¹⁵¹ U.S. Trademark Registration No. 2,710,415. The mark consists of live visual and motion elements of The Peabody Duck March. The motion elements include the red carpet being rolled out, the appearance of the ducks and uniformed Duckmaster at the elevator door, and the march of the ducks down the red carpet, up the steps, and into the fountain where they begin swimming. The mark also includes the fanfare in the reverse sequence.

¹⁵² 15 U.S.C. § 1064(3) (2006) (noting that a petition to cancel a registered mark may be filed "at any time if the registered mark . . . is functional").