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A REQUEST TO THE HIGH COURT: DON'T LET THE PATENT LAWS BE DISTRACTED BY A FLASHY TRADE DRESS

by MANOTTI L. JENKINS†

I. INTRODUCTION

On July 5, 1995, the United States Court of Appeals for the Tenth Circuit decided a case that could have significant implications for intellectual property law well into the next century. In *Vornado Air Circulation Systems, Inc. v. Duracraft Corp.*,¹ the Tenth Circuit framed the issue as “whether a product configuration is entitled to trade dress protection when it is or has been a significant inventive component of an invention covered by a utility patent.”² The court, after labeling the matter as one of first impression in its circuit, and involving the “intersection of the Patent Act and the Lanham Trade-Mark Act,”³ answered that question in the negative, on grounds that “patent policy dictates” such a result.⁴ The plaintiff, Vornado, appealed the decision to the United States Supreme Court on September 29, 1995, and the Court denied certiorari on January 8, 1996.

At first glance, one might conclude that the Supreme Court properly declined to consider the *Vornado* appeal when compared to some of the hot-button issues that the Court decided to review in its 1996-97 term.

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1. 58 F.3d 1498 (10th Cir. 1995), *cert. denied*, 116 S. Ct. 753 (1996). The Supreme Court denied certiorari on Jan. 8, 1996. The author regrets the Court's decision, particularly in light of the tremendous potential for widespread conflict on this policy issue, and the clear conflict in the federal circuits on this issue. However, the author is confident that the Court will recognize the need to take up this issue in the near future.

2. *Id.* at 1499.

3. *Id.*

4. *Id.* at 1500.

These issues include the right to die, gun control, English-only laws, immunity of a sitting president to civil suit, and the availability of local stations in cable television systems.⁵ However, one should be mindful of the pivotal attention that intellectual property rights demand in the modern era. The next century is very likely to witness a plethora of intellectual property conflicts pertaining to both the Internet and increasingly sophisticated information-related technology. Furthermore, the legal principles applicable to intellectual property rights go to the core of our society's continuing need for technological advancement.

In this environment, the Supreme Court must resolve a conflict between two important federal statutes in intellectual property law: the Patent Act and the Lanham Act. As is shown below, the need for Court resolution of this conflict is even more glaring in light of the disagreement among the federal circuits on how best to solve the problem. Moreover, litigants in patent and trademark disputes appear to be raising this issue in greater frequency. Several cases similar to *Vornado* have surfaced since the Tenth Circuit rendered that decision less than eighteen months ago. Hence, despite the Supreme Court's denial of certiorari for the 1996-97 term, the Court will likely hear a *Vornado*-related issue in the near future.

This article seeks to predict how the Supreme Court would rule on a *Vornado*-related issue. Enroute to that prediction, this article peruses the history of Supreme Court decisions involving similar issues in the contexts of patent, trademark, and unfair competition disputes. This article also discusses cases from three federal circuits relating to these issues. Prior to discussing the Supreme Court's and the federal circuits' decisions, however, this article briefly discusses the history and policies of the Patent Act and the Lanham Act. After careful consideration of Supreme Court precedents which discuss the principles involved, the relevant lower court decisions, and the competing policies inherent in patent and trademark law, this article concludes that the Court would likely agree with both the result and reasoning of the Tenth Circuit in *Vornado*. Such a ruling might be interpreted as the Court drawing a line in the sand regarding Lanham Act prohibition of industrial copying, particularly in light of two recent decisions by the Court on trade dress and trademark disputes.⁶

5. *Supreme Court Cases to Watch: These are Some Heavyweights for the Court's 1996-97 Term*, IND. STAR, Oct. 6, 1996, at A14.

6. The cases referred to here are *Two Pesos, Inc. v. Taco Cabana, Inc.*, 505 U.S. 763 (1992), and *Qualitex Co. v. Jacobson Products Co., Inc.*, 115 S. Ct. 1300 (1995). Arguably, the Court appeared to be announcing a willingness to give broader protection to Lanham Act plaintiffs than it had previously.

II. BACKGROUND

A. THE FEDERAL STATUTES AT ISSUE

The Tenth Circuit defined the conflict in *Vornado* as one that primarily pitted the Patent Act against the Lanham Act, two important federal statutes in intellectual property law. This section discusses the respective policies and principles that accompany both statutes.

1. *The Patent Act*

a. *Early statutes and constitutional foundation*

Article I, section 8, clause 8 of the United States Constitution empowers Congress to create a patent act by stating: "The Congress shall have power . . . to promote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries."⁷ As a result of this empowerment, Congress enacted the first patent statute in 1790.⁸ This first statute provided that patents would be granted for "any useful art, manufacture, engine, machine, or device, or any improvement therein not before known or used."⁹ Three years later, Congress replaced the 1790 Act with a new statute which authorized a patent for "any useful art, machine, manufacture, or composition of matter, or any new and useful improvement [thereon], not known or used before the application"¹⁰

In 1836, Congress enacted another patent statute which replaced the 1793 Act.¹¹ This time, Congress made substantial revisions, which included the creation of a Patent Office, as well as a new system for examining patent applications to ensure that they complied with the requirement of "novelty over the prior art."¹² Then again, in 1870, Congress replaced the 1836 statute, but the Act remained substantially the same, with some minor variations.¹³

b. *The 1952 Patent Act*

In 1952, Congress enacted the current Patent Act.¹⁴ The 1952 Act

7. U.S. CONST. art. I, § 8, cl. 8.

8. DONALD CHISUM & MICHAEL JACOBS, UNDERSTANDING INTELLECTUAL PROPERTY LAW § 2B(1), at 2-9 (1995) (citing Act of Apr. 10, 1790, ch. 7, 1 Stat. 109).

9. *Id.*

10. *Id.*

11. *Id.* § 2B(2) at 2-11.

12. *Id.* The term "prior art" as used in patent law parlance pertains to what was already known, or already in the "public domain" from prior patents, inventions, or other sources. CHISUM & JACOBS, *supra* note 8, § 2C(5), at 2-83.

13. CHISUM & JACOBS, *supra* note 8, § 2B(3).

14. CHISUM & JACOBS, *supra* note 8, § 2B(5).

largely rearranged prior statutory provisions and codified several court decisions.¹⁵ The most significant change brought about by the Act is probably the addition of a provision that specifically requires an invention to be "nonobvious" in order to receive a patent.¹⁶ Due to the addition of this provision, the 1952 Act established a three-prong standard for patentability that is now well-known among patent law practitioners and scholars: 1) novelty,¹⁷ 2) utility,¹⁸ and 3) nonobviousness.¹⁹

c. Patents and public policy

A patent law scholar explained the policy rationale for the patent system more than 100 years ago:

The granting of a patent privilege at once accomplishes three important objectives; it rewards the inventor for his skill and labor in conceiving and perfecting his invention; it stimulates him, as well as others, to still further efforts in the same or different fields; it secures to the public an immediate knowledge of the character and scope of the invention, and an unrestricted right to use it after the patent has expired. Each of these objects, with its consequences, is a public good, and tends directly to the advancement of the industrial arts. Any system of law which attains these results, without the undue restriction of natural rights, is evidently consonant with reasoning, justice, and sound public policy.²⁰

Patent policy, therefore, is based largely on a contract *quid pro quo* analysis: the federal government grants to an inventor a monopoly on her invention for a limited time, in exchange for society's technological advancement. This advancement comes through the public's immediate exposure to the character and scope of the invention, as well as an unfettered right to use the invention upon the patent's expiration. In more recent times, another patent law scholar articulated this same basic principle in another way:

15. CHISUM & JACOBS, *supra* note 8, § 2B(5).

16. CHISUM & JACOBS, *supra* note 8, § 2B(5) (stating that § 103 of the 1952 Act was the first instance where Congress had included a statutory provision on nonobviousness).

17. Section 101 of the Patent Act is the statutory basis for both the novelty and utility requirements: "Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent . . ." 35 U.S.C. §101 (1996).

18. This requirement specifically relates to utility patents, but not to design patents.

19. Section 103 delineates the nonobviousness standard:

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 . . . Patentability shall not be negated by the manner in which the invention was made.

35 U.S.C. § 103 (1996).

20. WILLIAM C. ROBINSON, ROBINSON ON PATENTS § 33 (1890).

The United States has staked its national destiny and welfare upon the basic principle that private initiative, creative talents and venture capital shall be the primary means of determining the recipients of rewards for competitive enterprise. The American Patent System is deeply imbedded in that tradition. The Constitutional provision and the laws relating to patent rights give the patentee a *limited-time exclusiveness*. *This temporary protection against free competition is awarded in the faith that it will serve the public interest . . .* The exclusiveness of patent rights is regarded as a *short-term public welfare monopoly* which promotes the competitive economy of which the Patent System is itself a vital part.²¹

These passages convey that the *raison d'être* of the American patent system is society's eventual unrestricted access to the creative fruits of inventors—fruits which the federal government permits inventors to exploit exclusively for a limited duration.

2. *The Lanham Act*

a. *Historical foundation*

Two intellectual practitioners and commentators succinctly articulated the historical foundation of the Lanham Act:

Competition is the foundation of the United States economic system. The competitive market structure's ideal is consumer benefit through lower prices and higher quality, more varied goods and services. In general, the more competitors in a given product or service market the better. The purpose of many legal doctrines and rules is to preserve and enhance competition, but the purpose of other doctrines and rules is to prevent unchecked competitive behavior from destroying the basic conditions necessary for competition itself or violating other public interests. Among these limiting doctrines and rules is the concept of unfair competition . . . the umbrella term for the doctrines and rules that prohibit competition by deceptive, improper methods and provide remedies to one competitor who is or may be injured by another's activities.²²

Hence, the concept of unfair competition is the state common law precursor to the Lanham Act, enacted by Congress in 1946 after several failed attempts to federalize unfair competition law.²³ The primary con-

21. S. Chesterfield Oppenheim, *A New Approach to Evaluation of the American Patent System*, 33 J. PAT. OFF. SOC'Y 555 (1951) (emphasis added).

22. CHISUM & JACOBS, *supra* note 8, § 5B, at 5-8.

23. See CHISUM & JACOBS, *supra* note 8, § 5B, at 5-8 (discussing congressional attempts to respond to the major national expansion of the United States economy by enacting a uniform trademark statute as one facet of unfair competition law). However, congressional intent was limited by the Constitution which, despite providing for congressional action to establish patent and copyright laws, included no such right of action in the area of unfair competition; eventually, Congress relied on the Commerce Clause as the constitutional foundation for establishing such a provision:

cern of the Lanham Act is trademarks, which have two primary functions: 1) to permit manufacturers of goods to benefit from their investments in making high-quality products; and 2) to serve as a "short-cut for the consumer who can rely on the mark as a substitute for testing of each particular product he buys in normal trade channels."²⁴ Since 1976, the federal courts have interpreted the Lanham Act as providing a federal unfair competition remedy that protects a manufacturer's trade dress through § 43(a).²⁵

*b. Section 43(a)*²⁶

Courts originally restricted trade dress coverage under § 43(a) to unlawful copying of a product's packaging.²⁷ But over time several federal court decisions extended § 43(a) trade dress coverage to include the product's configuration, ornamentation, and overall image or motif.²⁸ How-

In all subsequent trademark legislation, Congress linked federal trademark registration to use of the mark in interstate commerce. In the mid-1900's, in civil rights and other cases not involving trademarks, the Supreme Court substantially expanded Congress's constitutional power to regulate interstate commerce. As a result, the commerce limitation on Congress' power to provide trademark protection diminished.

CHISUM & JACOBS, *supra* note 8, § 5B, at 5-8 (citations omitted).

24. WILLIAM FRANCIS & ROBERT COLLINS, *CASES AND MATERIAL ON PATENT LAW* pt. 4, at 936 (1995).

25. See *Truck Equip. Servs. Co. v. Fruehauf Corp.*, 536 F.2d 1210 (8th Cir. 1976), *cert. denied*, 429 U.S. 861 (1976). In *Truck Equip. Servs.*, the court held that when the defendant copied the exterior design of the plaintiff's semi-trailer, he engaged in unfair competition. *Id.* The court granted relief to the plaintiff through § 43(a). *Id.* at 1216.

26. Section 43(a) states:

Any person who shall affix, apply, or annex, or use in connection with any goods or services, or any container 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 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 of any such false description or representation.

15 U.S.C. § 1125(a) (1994).

27. See CHISUM & JACOBS, *supra* note 8, § 5C[2][c], at 5-31.

28. See, e.g., *Coach Leatherware Co., Inc. v. Ann Taylor, Inc.*, 933 F.2d 162, 168 (2nd Cir. 1991) (section 43(a) protects a product's trade dress, which is the total image of a good, including size, shape, color, texture and graphics); *Rachel v. Banana Republic Inc.*, 831 F.2d 1503, 1506 (9th Cir. 1987) (trade dress is the overall appearance of the product); *John H. Harland Co. v. Clarke Checks, Inc.*, 711 F.2d 966, 980 (11th Cir. 1983) (stating that trade dress involves the overall image of a product and may include not only size, shape, color, and texture, but also particular sales techniques).

ever, functional trade dress cannot receive protection under § 43(a).²⁹

c. Trademarks, trade dress, and public policy

Trademark and trade dress protection under the Lanham Act serve the public by preventing consumer confusion as to the source of goods, as well as protecting the goodwill of producers who have made investments in ensuring that their goods are of high quality. While trade dress only began receiving Lanham Act protection approximately twenty years ago,³⁰ trade dress concerns the same public policy matters that traditional trademark law does. According to one commentator:

The growing interest in protecting product configurations, and the expansion of traditional trademark principles to accommodate this interest, stems from a recognition by both businesses and the courts that a product's appearance can be a repository of goodwill, and can serve as an indicator of source or origin, to the same extent as a word or logo. Hand-in-hand with this recognition is the realization that copying or imitation of product configuration by competitors can result in the same sort of consumer confusion and accompanying loss of sales and injury to goodwill as results from infringement of more traditional trademarks, such as word marks.³¹

III. THE TENTH CIRCUIT'S ANALYSIS IN *VORNADO*

In *Vornado*,³² the issue concerned the configuration of a household fan. The plaintiff, Vornado, commenced selling its spiral grilled fans in November 1988, and a few months later, applied for a utility patent on a "ducted fan with a spiral grill."³³ Vornado received a patent in May 1990, then expanded its claims and received a reissue patent in February, 1994.³⁴ Vornado's patent applications claimed a multi-featured fan, including the spiral grill, which had as its "inventive aspect . . . that the point of maximum lateral spacing between the curved vanes was moved inboard from the grill's outer radius, so that it was at the impeller blade's point of maximum power."³⁵ Vornado sold about 135,000 of these

29. See *Keene Corp. v. Paraflex Industries, Inc.*, 653 F.2d 822 (3d Cir. 1981). "One of the essential elements of the law of trademarks, even at common law where it was a part of the law of unfair competition, was the principle that no legal protection would be available for products or features that were functional." *Id.* at 824.

30. See *Truck Equip. Servs.*, 536 F.2d at 1215.

31. Lawrence R. Hefter, *Protection of Product Configurations in the United States*, 295 PLI/Pat 113, 117 (1990).

32. 58 F.3d 1498 (10th Cir. 1995), *cert. denied*, 116 S. Ct. 753 (1996).

33. *Vornado*, 58 F.3d at 1500.

34. *Id.*

35. *Id.* The court noted that plaintiff did not attempt to have the spiral grill patented by itself because the idea was already in the public domain. *Id.*

fans between January 1989 and August 1990.³⁶

The defendant, Duracraft, entered this market in August 1990.³⁷ Duracraft marketed a household fan that featured a spiral vane structure copied from the plaintiff's product. Duracraft's fan was much less expensive than Vornado's, and did not infringe on the plaintiff's patent.³⁸ Duracraft sold nearly one million of these fans between August 1990 and November 1992.³⁹

Alleging that the grill design on Duracraft's fan infringed Vornado's trade dress, the plaintiff filed suit.⁴⁰ The district court held for the plaintiff, finding that Vornado's grill design had met all the requirements for trade dress protection under § 43(a) of the Lanham Act.⁴¹ The Tenth Circuit did not rule on the propriety of this finding, but instead reversed the decision on more policy-driven grounds—that to grant Vornado trade dress protection under these circumstances would stifle federal patent policy.⁴²

A. A CLASH BETWEEN TWO FEDERAL STATUTES

Again, the Tenth Circuit squarely recognized this case as presenting a clash between two federal statutes—the Patent Act and the Lanham Act.⁴³ The court stated:

Except to the extent that Congress has clearly indicated which of two statutes it wishes to prevail in the event of a conflict, we must interpret and apply them in a way that preserves the purposes of both and fosters harmony between them Where, as here, both cannot apply, we look to their fundamental purposes to choose which one must give way.⁴⁴

The court explained that the policies and purposes of the Patent Act are: 1) fostering and rewarding invention; 2) promoting disclosure of inventions, thus stimulating more inventions, as well as permitting the public to practice the invention once the patent expires; and 3) imposing stringent requirements for patentability, thus assuring that ideas already in the public domain remain there.⁴⁵ The court concluded that “the centerpiece of federal patent policy is its ultimate goal of public dis-

36. *Id.*

37. *Id.*

38. *Vornado*, 58 F.3d at 1500-01.

39. *Id.*

40. *Id.*

41. *Id.* at 1501-02. Courts have interpreted § 43(a) of the Lanham Act as providing trade dress protection for products which are “nonfunctional,” and either “inherently distinctive” or have acquired “secondary meaning.” *Id.*

42. *Id.* at 1502.

43. *Vornado*, 58 F.3d at 1507.

44. *Id.* (citations omitted).

45. *Id.*

closure and use.”⁴⁶ In contrast, the court stated that § 43(a) of the Lanham Act is fundamentally concerned with: 1) ensuring that consumers are not confused, misled, or deceived as to whose product they are buying; 2) protecting sellers’ investment in their reputation for carrying quality products; and 3) enhancing competition among various producers and sellers of goods and services.⁴⁷ The court added:

The degree to which a producer’s goodwill will be harmed by the copying of product configurations correlates with the degree of consumer confusion as to source or sponsorship that is likely to result from copying. We do not doubt that at least some consumers are likely to ignore product labels, names, and packaging and look only to the design of product features to tell one brand from another. These consumers are likely to be confused by similar product designs, and to the degree that this confusion is tolerated, the goals of the Lanham Act will be undermined.

But the Lanham Act, like common-law unfair competition law and most state unfair competition statutes, *has never provided absolute protection against all consumer confusion as to source or sponsorship. For its first fifteen to twenty years, the Act was not even applied to the shapes of products or their containers.*⁴⁸

The court concluded that § 43(a) of the Lanham Act gave “at best . . . a peripheral concern” to protecting consumers against any confusion that may arise from the copying of “configurations that are significant parts of patented inventions”⁴⁹

B. THE FUNCTIONALITY DOCTRINE DOES NOT SOLVE THE PROBLEM

The Tenth Circuit acknowledged that courts often assume that the functionality doctrine⁵⁰ would necessarily preclude any conflicts between the Patent Act and the Lanham Act—“at least as to utility patents.”⁵¹ The court expressly disagreed with this assumption.

Finding that functionality in “trade dress parlance” is defined in terms of “competitive need,”⁵² the court opined that a product configuration could be simultaneously useful, novel, and nonobvious⁵³—hence capable of receiving a utility patent—and nonfunctional—thus a candidate for trade dress protection.⁵⁴ The court reasoned that “this is the case

46. *Id.* (citations omitted).

47. *Id.* at 1508 (citations omitted).

48. *Vornado*, 58 F.3d at 1509 (emphasis added).

49. *Id.*

50. *Id.* “If competitors need to be able to use a particular configuration in order to make an equally competitive product, it is functional, but if they do not, it may be nonfunctional.” *Id.* at 1507.

51. *Id.* at 1506.

52. *Id.* at 1507.

53. 35 U.S.C. §§ 101-103.

54. *Vornado*, 58 F.3d at 1506.

because to meet patent law's usefulness requirement, a product need not be better than other alternatives or essential to competition."⁵⁵ On the other hand, the court commented that "[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."⁵⁶

C. THE TENTH CIRCUIT'S CONCLUSION

We hold that where a disputed product configuration is part of a claim in a utility patent, and the configuration is a described, significant inventive aspect of the invention . . . so that without it the invention could not fairly be said to be the same invention, patent law prevents its protection as trade dress, even if the configuration is nonfunctional.⁵⁷

IV. ANALYSIS

The *Vornado* decision appears to present the first occasion for any federal court (including the Supreme Court) to address squarely the issue of whether the objectives of the Patent Act or the Lanham Act should prevail where there is a conflict concerning patent and trade dress law. As revealed by the following discussion, federal courts typically have circumvented direct conflict by holding that the functionality doctrine necessarily resolve the problem. Nevertheless, the Supreme Court and the federal circuits have had occasion to analyze cases within the purview of this problem.

The first section of this analysis discusses relevant cases from the Second, Seventh, and Ninth Circuits pertaining to the cross between patent and trademark policies and principles. The second section of this analysis discusses Supreme Court precedents which analyze patent, trademark, and unfair competition disputes. The Court's rulings in these cases appear strongly consistent with the Tenth Circuit's holding in *Vornado*. Furthermore, this section includes the two most recent Supreme Court cases related to this subject, which appear at first glance to be somewhat inconsistent with the line of cases dating back prior to

55. *Id.* at 1506 (citing *Stiftung v. Renishaw PLC*, 945 F.2d 1173, 1180 (Fed. Cir. 1991)).

56. *Id.* at 1507.

57. *Id.* at 1510. The Tenth Circuit included language in this opinion that will likely provide the battleground for future litigation pertaining to this issue:

In future cases, the contribution of a particular configuration to the inventiveness of a patented product may not always be clear, and we do not wish to rule out the possibility that a court may appropriately conduct a factual inquiry to supplement its reading of the patent's claims and descriptions.

Id. In other words, patent prosecutors might circumvent the "wrath of *Vornado*" for their clients that may want to retain the ability to get trade dress protection for a particular product configuration, by not claiming that configuration as part of the invention, nor describing that configuration as significant. This, however, may be easier said than done.

the turn of the century. On the contrary, this article contends that no such inconsistency exists. Finally, the last section of this analysis argues that the Supreme Court likely would agree with the Tenth Circuit's reasoning and result in *Vornado* when the Court eventually decides to hear a case on this issue.

A. IMPORTANT RELATED CIRCUIT OPINIONS

1. *Second Circuit*

a. *Crescent Tool Co. v. Kilborn & Bishop Co.*⁵⁸

In a landmark decision credited with establishing the standard for secondary meaning in trademark law, District Judge Learned Hand drew the battle line between the right of a supplier to retain customers through appropriate identification of its product, and the right of other suppliers to compete effectively for those customers. In *Crescent Tool*, Judge Hand explained the conflict as follows:

[N]either side has an absolute right, because their mutual rights conflict. Thus the plaintiff has the right not to lose his customers through false representations that those are his wares which in fact are not, but he may not monopolize any design or pattern, however trifling. The defendant, on the other hand, may copy the plaintiff's goods slavishly down to the minutest detail; but he may not represent himself as the plaintiff in their sale. When the appearance of the goods has in fact come to represent a given person as their source, and that person is in fact the plaintiff, it is impossible to make these rights absolute; compromise is essential *We can only say that the court must require such changes in appearance as will effectively distinguish the defendant's wares with the least expense to him; in no event may the plaintiff suppress the defendant's sales altogether.*⁵⁹

This case involved a plaintiff corporation's attempt to have the courts preliminarily enjoin a defendant corporation from selling a certain adjustable wrench which had an appealing appearance because of its new and original shape.⁶⁰ The plaintiff started marketing the wrench, known as the "Crescent" wrench, in 1908.⁶¹ Two years later, the defendant corporation began manufacturing and selling an adjustable wrench which was almost a direct facsimile of the plaintiff's wrench.⁶² Although there was no evidence that the defendant had attempted to imitate the packaging of the "Crescent" wrench or use the word "Crescent" in its advertisements, the court found that some customers believed that the de-

58. 247 F. 299 (2d Cir. 1917).

59. *Id.* at 301 (emphasis added).

60. *Id.* at 299.

61. *Id.*

62. *Id.*

fendant's wrenches were the plaintiff's wrenches.⁶³ The court further found the distinctive features of the "Crescent" wrench to be nonfunctional.⁶⁴

Despite these findings, the Second Circuit nevertheless refused to grant the injunction, holding that the plaintiff had failed to prove secondary meaning.⁶⁵ Judge Hand wrote:

The defendant has as much right to copy the 'nonfunctional' features of the article as any others, so long as they have not become associated with the plaintiff as manufacturer or source. The critical question of fact at the outset always is whether the public is moved in any degree to buy the article because of its source and what are the features by which it distinguishes that source. Unless the plaintiff can answer this question he can take no step forward; no degree of imitation of details is actionable in its absence.⁶⁶

Thus, in this early case involving the conflict between the right to copy and the right to prevent others from encroaching on a distinctive product look, the Second Circuit seems to have prioritized the right to copy. Despite the fact that this case did not concern patent issues directly, the court's conclusion is consistent with that of the Tenth Circuit in *Vornado*. This consistency arises because *Vornado* necessarily recognizes a right to copy by ruling that the product configuration at issue was not eligible for trade dress protection.

b. *Industria Arredamenti v. Charles Craig, Ltd.*⁶⁷

In *Industria Arredamenti*, the Second Circuit defined the issue as "whether [the plaintiff] is entitled to the exclusive use of its design after expiration of the period of patent protection."⁶⁸ In contrast to the central issue in this article, however, this case involved a product design which had previously enjoyed *design* patent protection.

The plaintiff was an Italian sofa manufacturer who in 1971, began marketing uniquely designed sofas in the United States.⁶⁹ The plaintiff constructed the sofa's back pillows so that the top of each pillow overhung the top of adjacent modules and was attached to a molded bolster or tongue, which in turn fit into a U-shaped slot between adjacent mod-

63. *Crescent Tool*, 247 F. at 299.

64. *Id.* at 300.

65. *Id.* at 301. Generally, the term "secondary meaning" is used to indicate that a trademark or trade dress "has become through use to be uniquely associated with a particular source." RESTATEMENT (THIRD) OF UNFAIR COMPETITION § 13 cmt. e (Tent. Draft No. 2, Mar. 23, 1990).

66. *Crescent Tool*, 247 F. at 301.

67. 725 F.2d 18 (2d Cir. 1984).

68. *Id.* at 19.

69. *Id.* at 18.

ules.⁷⁰ The tongue would hold the cushions in place if placed in the slot.⁷¹ The court described the sofa as "aesthetically pleasing, with a soft appearance unusual for a sofa with back pillows firmly affixed to the frame."⁷² In 1981, the defendant, an American manufacturer, began marketing sofas which the court found were "virtually identical" to the plaintiff's.⁷³ The plaintiff claimed that the design of its sofa was an unregistered trademark and sought to enjoin from further marketing the defendant's sofa.⁷⁴

The district court granted the injunction but the Second Circuit reversed on grounds that the sofa design was functional.⁷⁵ The court held that the design of a product need not be utilitarian in order to be functional; if the design enhances the "saleability" of the product, then the design is functional.⁷⁶ Because the court found the design to be functional, it did not have to consider the issue of Lanham Act protection for a formerly patented design. But the court gave important dictum:

Our patent laws provide limited protection for new and useful inventions, but, *beyond the protection of the patent laws, the general policy of our law is to favor competition*. Early comers may not exclude latecomers. One may not welcome new competition, but one may not legally complain of it. There is a *minute* exception, of course, *for one may not appropriate another's trademark*. That exception, however, tends to enhance competition and keep it fair. The newcomer may produce and sell identical goods, so long as he does not use another's figurative label.⁷⁷

One way of interpreting the Second Circuit's language here is that the court construes the patent laws⁷⁸ to be the only indisputable source of monopoly protection for new inventions, whereas trademark protection requires scrutiny as to whether trademark protection furthers the goal of fair competition. The logical conclusion from this interpretation is that the Second Circuit would recognize the supremacy of patent goals over trademark goals if the court had to rule on a matter with a conflict concerning monopoly protection. A contrasting interpretation might be that this language is relatively innocuous and reveals nothing more than

70. *Id.* at 19.

71. *Id.*

72. *Industria Arredamenti*, 725 F.2d at 19.

73. *Id.*

74. *Id.* at 18.

75. *Id.* at 20.

76. *Id.*

77. *Industria Arredamenti*, 725 F.2d at 20 (emphasis added).

78. In some instances, like here, where this article refers to the "patent laws," the reference includes copyright law as well. In other instances where copyright does not apply, the reference is solely to the patent laws.

what is generally already known: the patent laws protect new inventions from competition while the trademark laws keep competition fair.

c. *Milstein, Inc. v. Greger, Inc.*⁷⁹

In *Milstein*, the Second Circuit refused to grant trade dress protection for a product configuration which the court labeled merely an "idea or concept."⁸⁰ The court also appears to have intimated that product configurations cannot receive trade dress protection if such protection conflicts with patent law.

The plaintiff in this case was a greeting card manufacturer which sought to restrain a defendant competitor from marketing a card shaped like animals and other figures.⁸¹ In 1982, the plaintiff began to market a line of greeting cards which it claimed had a unique look that the plaintiff should have exclusive rights to use. The court described the cards:

Its [plaintiff's] greeting cards are typically a sheet of paper, folded vertically, that has been cut to the outline of an animal, person, or object depicted in a color photograph on the front panel of the card. With this die-cutting technique, the photograph completely fills the front panel. The inside panels and the back panel of the card are usually blank. The cards are packaged in clear cellophane bags.⁸²

The defendant company began marketing a substantially similar product in 1994.⁸³ However, the defendant's product differed from the plaintiff's in that it was "tri-cut" and depicted the die-cut photographic image on the face of all three panels of the card.⁸⁴ But like the plaintiff's cards, the defendant's cards also had blank interiors and were packaged in clear cellophane bags.⁸⁵

In bringing the action under § 43(a), the plaintiff alleged "infringement of the general format of its entire line of die-cut greeting cards."⁸⁶ The plaintiff claimed that its line of greeting cards was unique because its competitors' cards had an "antique" look, were not "glossy," were not completely "die-cut," or were made from "drawings rather than from photographs."⁸⁷ The court rejected these distinctions as insufficient to warrant trade dress protection for the plaintiff's product because "[plaintiff] is effectively seeking protection for an idea or concept—die-cut photo-

79. 58 F.3d 27 (2d Cir. 1995).

80. *Id.*

81. *Id.* at 30.

82. *Id.*

83. *Id.*

84. *Milstein*, 58 F.3d at 30.

85. *Id.*

86. *Id.*

87. *Id.* at 33.

graphic greeting cards.”⁸⁸

More relevant to the central issue in this paper, however, was the court’s dictum concerning the relationship between trade dress and patent protection. The court stated:

[A]lthough trade dress law may supplement . . . patent law by protecting unpatentable product configurations . . . overextension of trade dress protection can undermine restrictions in . . . patent law that are designed to avoid monopolization of products and ideas. *Consequently, courts should proceed with caution in assessing claims to unregistered trade dress protection so as not to undermine the objectives of [the patent] laws.*⁸⁹

The court strongly suggests that it would refuse to grant trade dress protection to product configurations where such protection would conflict with patent law goals. However, in the next case, a district court from the Second Circuit refused to go that far in interpreting this language from *Milstein*.

*d. Hubbell, Inc. v. Pass & Seymour, Inc.*⁹⁰

In *Hubbell*, the Southern District of New York had occasion to speak more directly to the issue at hand. Concerned with whether a product configuration which formerly received *design* patent coverage could subsequently receive trade dress protection, the court responded: “The different purposes of the two sets of laws supports the position that trade dress protection is not as a matter of law unavailable to products for which design patents have expired.”⁹¹

In this case, a plaintiff manufacturer of an electrical plug and connector sued a manufacturer and a distributor of a product which the plaintiff alleged, infringed the plaintiff’s trade dress.⁹² The product, which the plaintiff called one of its “famous and highly distinctive ‘Valise’ Trade Dress” electrical products, was the subject of an expired design patent.⁹³ The defendants answered by claiming that the plaintiff was

88. *Id.* By labeling plaintiff’s design a generalized “idea or concept,” the court in effect found the design to be “generic.” *Id.* Trademark law absolutely precludes protection of designs that are generic. The Supreme Court and all of the federal circuits have adopted the 1976 approach established by Judge Friendly of the Second Circuit, which delineated five classes of trademarks: 1) generic, 2) descriptive, 3) suggestive, 4) arbitrary, and 5) fanciful. *See* *Abercrombie & Fitch Co. v. Hunting World, Inc.*, 537 F.2d 4, 9 (2nd Cir. 1976) (stating that generic trademarks never receive protection, while descriptive trademarks may if they have acquired secondary meaning; suggestive, arbitrary, and fanciful trademarks always receive protection).

89. *Milstein*, 58 F.3d at 32 (emphasis added).

90. 883 F. Supp. 955 (S.D.N.Y. 1995).

91. *Id.* at 959.

92. *Id.* at 958.

93. *Id.* at 957-58.

unlawfully seeking to extend its monopoly through the device of the Lanham Act.⁹⁴

The court agreed with the plaintiff that the defendants' product infringed the plaintiff's trade dress.⁹⁵ The court furthermore rejected the defendants' argument that the plaintiff was attempting to extend a monopoly on the product.⁹⁶ The court stated:

These two bodies of law [patent and trademark] were designed to serve quite different purposes and may operate separately and without unavoidable conflict [T]he expiration of the design patent does not preclude a party from seeking to protect its reputation or avoid consumer confusion over products if it can demonstrate the required elements of a Lanham Act, or other non-conflicting unfair competition claim [T]he fact that the federal patent and trademark laws have co-existed for decades, provides support for the proposition that the protections offered by them can exist together now.⁹⁷

Less than three months after the decision in this case, the defendants filed a motion to have the district court certify a question to the Second Circuit. The question was: "whether the subject matter of an expired design and utility patent may form the basis for a later product configuration trade dress action."⁹⁸ In refusing to grant the defendants' motion, whereupon they claimed that the Second Circuit's language in *Milstein*⁹⁹ supported their argument, the court stated that:

The most that can be inferred from the language quoted [from *Milstein*] is that the Second Circuit has recognized that the patent and trade dress laws serve different objectives. This observation, however, is neither novel nor controversial. As this Court observed in the Opinion, the patent laws seek to foster and reward innovation, promote disclosure of inventions to the public after the patent has expired, and ensure that ideas in the public domain remain there for the free use of the public. The trademark laws, in contrast, seek to protect the public from experiencing confusion, mistake and deception in the purchase of goods and services and to protect the integrity of the trademark owner's product identity. The part of the quoted language that admonishes district courts to 'proceed with caution in addressing claims to unregistered trade dress protection' can be interpreted only as advocating a careful case by case approach in order to ensure that the objectives of the patent law are not undermined by extending protection to a product's trade dress.¹⁰⁰

94. *Id.* at 959.

95. *Hubbell*, 883 F. Supp. at 955.

96. *Id.*

97. *Id.* at 959, 961.

98. *Milstein, Inc. v. Greger, Inc.*, 1995 WL 464906 at *1 (S.D.N.Y. Aug. 4, 1995).

99. *Hubbell, Inc. v. Pass & Seymour, Inc.*, 883 F. Supp. 955 (S.D.N.Y. 1995).

100. 1995 WL 464906 at *3 (citations omitted).

As of this writing, the Second Circuit had not yet directly addressed the issue at hand. But the preceding cases appear to suggest that this court would appreciate the Tenth Circuit's view in *Vornado*. However, the case-by-case approach articulated by the Southern District of New York in *Hubbell* cannot be taken lightly, as that approach appears to be the competing view to *Vornado's* bright-line rule. A very recent case decided by a district court in the Seventh Circuit appears to substantiate that observation, as the following section reveals.

2. Seventh Circuit

a. *W.T. Rogers Co., Inc. v. Keene*¹⁰¹

In *W.T. Rogers*, the Seventh Circuit, in dictum, stated that a determination that a design is functional is a *per se* barricade to a clash between the patent and trademark laws on product configurations.¹⁰² The court stopped short of holding as such in this case, however, because the plaintiff never sought patent protection for the product in question.¹⁰³

W.T. Rogers involved competing manufacturers of office supplies.¹⁰⁴ In particular, the dispute centered around a molded plastic stacking office tray for letters and other documents.¹⁰⁵ In 1969, the plaintiff began manufacturing the tray, which had hexagonal sides, small holes on the top, and "feet" on the bottom, which allowed trays to be clamped together with other trays to form a stack.¹⁰⁶ The tray, which was a big success among consumers, differed from other trays on the market which had rectangular ends.¹⁰⁷ In 1983, the defendant company began to manufacture and market a product which was a facsimile of the plaintiff's product.¹⁰⁸

The Seventh Circuit reversed the jury's verdict, holding that the district court gave an erroneous instruction on functionality.¹⁰⁹ The court remanded the case and provided an instruction on functionality.¹¹⁰ The court instructed:

[T]he jury has to determine whether the feature for which trademark protection is sought is something that other producers of the product in question would have to have as part of the product in order to be able to compete effectively in the market—in other words, in order to give con-

101. 778 F.2d 334 (7th Cir. 1985).

102. *Id.*

103. *Id.* at 337.

104. *Id.*

105. *Id.*

106. *W.T. Rogers*, 778 F.2d at 337.

107. *Id.*

108. *Id.*

109. *Id.* at 341.

110. *Id.* at 346.

sumers the benefits of a competitive market—or whether it is the kind of merely incidental feature which gives the brand some individual distinction but which producers of competing brands can readily do without. A feature can be functional not only because it helps the product achieve the objective for which the product would be valued by a person indifferent to matters of taste, charm, elegance, and beauty, but also because it makes the product more pleasing to people not indifferent to such things.¹¹¹

Most relevant to the central issue in this paper, however, was the court's dictum: "[P]rovided that a defense of functionality is recognized, there is no conflict [between § 43(a)] and federal patent law."¹¹² That language becomes relevant due to the natural conclusion from this view, that the bright-line rule expressed in *Vornado* is unnecessary since a functionality determination solves the problem. Moreover, this court probably would have decided a case with *Vornado* facts differently than the Tenth Circuit did, since the product configuration in *Vornado* was found to be nonfunctional.

*b. Kohler Co. v. Moen Inc.*¹¹³

In *Kohler*, the Seventh Circuit defined the issue as whether "the § 45 definition of 'Trademark' in the Lanham Act . . . exclude[s] trademark protection of product configurations."¹¹⁴ In short, the court relied on legislative history to hold that "Congress intended that product configurations [be] eligible for trademark status under § 45 of the Lanham Act."¹¹⁵ The court added that Lanham Act protection in general for product configurations does not conflict with the patent laws, reasoning, *inter alia*, that "a product's different qualities can be protected simultaneously, or successively, by more than one of the statutory means for protection of intellectual property."¹¹⁶

In this case, a manufacturer of faucets challenged the Patent and Trademark Office's (PTO) granting of trademark protection to another manufacturer's faucet design and faucet handle.¹¹⁷ The PTO granted the protection after the manufacturer introduced substantial evidence that consumers recognized the source of the faucets by their distinctive

111. *W.T. Rogers*, 778 F.2d at 346.

112. *Id.* at 337.

113. 12 F.3d 632 (7th Cir. 1993).

114. *Id.* at 633. Section 45 of the Lanham Act defines trademark to include "any word, name, symbol, or device or any combination thereof adopted and used by a manufacturer or merchant to identify his goods and distinguish them from those manufactured or sold by others." 15 U.S.C. § 1127 (1988).

115. *Kohler*, 12 F.3d at 636.

116. *Id.* at 638.

117. *Id.* at 633.

configurations.¹¹⁸ The manufacturer challenging the PTO's ruling argued that protecting product configurations under the trademark laws would interfere with the patent laws and would be the equivalent of a perpetual patent.¹¹⁹ The Seventh Circuit disagreed:

Compared to patent protection, trademark protection is relatively weak because it precludes competitors only from using marks that are likely to confuse or deceive the public. Trademark protection is dependent only on public reaction to the trademark in the marketplace rather than solely on the similarity of configurations. An applicant for trademark protection need prove only that the proposed trademark is distinctive; that is, that it is either arbitrary, suggestive, or descriptive and has secondary meaning Significantly, while a patent creates a type of monopoly pricing power by giving the patentee the exclusive right to make and sell the innovation, a trademark gives the owner only the right to preclude others from using the mark when such use is likely to cause confusion or to deceive.¹²⁰

The court seems to imply that the granting of trade dress protection to a product configuration, formerly covered by a patent, is not necessarily an extension of the patent monopoly. The court seems not to interpret Lanham Act coverage as sounding in any real monopoly protection, because a competitor can copy a product as long as the competitor takes appropriate steps to prevent consumer confusion. Notwithstanding this apparent view by the Seventh Circuit in this case, the court's dicta in the following case suggests that the court would rule consistently with *Vornado* if the same facts were presented.

c. *Thomas & Betts Corp. v. Panduit Corp.*¹²¹

In *Thomas & Betts*, the Seventh Circuit could have confronted the *Vornado* decision squarely. However, the court expressly refused to consider the validity of that decision because the plaintiff failed to make out a *prima facie* case of trade dress infringement.¹²²

This case involved the two largest suppliers of cable ties, which are small nylon belts used to bundle wires.¹²³ Specifically at issue here was the two-piece tie, which the court described as follows:

In the two-piece tie, the nylon pawl is replaced by a metal barb which is inserted into the head of the tie and sits in a slot transverse to the slit for the strap. When the strap is inserted through the slit, the barb flexes into the transverse slot. When the strap is pulled taut, the tension on the strap causes the flexed barb to bite into the nylon strap and

118. *Kohler*, 12 F.3d at 633.

119. *Id.* at 636.

120. *Id.* at 637 (citations omitted).

121. 65 F.3d 654 (7th Cir. 1995), *cert. denied*, 116 S.Ct. 1044 (1996).

122. *Id.* at 660.

123. *Id.* at 655.

hold tight. Because the metal barb eliminates the need for teeth or ridges on the strap, the two-piece cable tie has a number of advantages, including infinite adjustability and a stronger strap.¹²⁴

The plaintiff obtained a patent on its two-piece cable tie in 1965 and the patent expired in 1982.¹²⁵ The plaintiff claimed the slot, head, and barb portions of the tie in the patent, and illustrated and described the oval shape of the head in the specifications.¹²⁶ Shortly after the patent expired, the plaintiff began marketing a two-piece cable tie under the trademark TY-RAP that was essentially identical to the patented tie.¹²⁷ In 1993, the defendant began marketing a two-piece cable tie under the trademark BARB-TY.¹²⁸ The defendant's tie was essentially identical to the plaintiff's tie.¹²⁹ The plaintiff sought to restrain the defendant from further marketing of the product, alleging that the BARB-TY product infringed upon the plaintiff's trade dress because of the oval-shaped head.¹³⁰

The court ruled that the plaintiff failed to prove that the oval-shaped configuration of its TY-RAP product had acquired secondary meaning, which the Seventh Circuit requires prima facie in trade dress infringement actions.¹³¹ The court acknowledged the *Vornado* decision and appears to have supported some of the analysis from that case:

The present case is distinguishable from *Vornado* but it is not clear that the differences dictate a different result. The oval shape of the cable tie head was not specifically claimed in the [plaintiff's] patent . . . while the spiral grill was a required element in at least one of the claims in the patent at issue in *Vornado*. Therefore, one could infringe [plaintiff's] patent without infringing its trade dress while any product which infringed the *Vornado* patent (at least the claim in which the spiral grill was an element) would also infringe its claimed trade dress.¹³²

Again, the court stopped short of embracing *Vornado in toto* because the plaintiff "failed to clear the initial hurdle" of establishing its oval-shaped head as protectable trade dress.¹³³ However, the court's assessment of the facts against the backdrop of *Vornado* implies support of the Tenth Circuit's reasoning.

124. *Id.* at 656.

125. *Id.*

126. *Thomas & Betts*, 65 F.3d at 656.

127. *Id.*

128. *Id.*

129. *Id.*

130. *Id.*

131. *Thomas & Betts*, 65 F.3d at 660.

132. *Id.* at 659-60 (case name not emphasized in original).

133. *Id.* at 660.

d. *Zip Dee, Inc. v. Domestic Corp.*¹³⁴

In *Zip Dee*, the Northern District of Illinois, ruling without any clear direction from the Seventh Circuit, advocated a case-by-case approach to resolving the patent law *vs.* trademark law conflict. The court defined the precise issue in that case as “whether a product configuration that played some role—dependent claim, preferred embodiment or one embodiment—in a patented invention itself can be the subject of a product configuration trademark.”¹³⁵

The plaintiff held a patent issued in 1967, for the production of awnings for recreational vehicles using a series of metal slats.¹³⁶ The plaintiff “bright dipped” the slatted metal covers, which gave the awnings a bright and shiny finish akin to a mirror.¹³⁷ Subsequent to the expiration of the patent in 1984, a company later acquired by the defendant company began producing metal awnings with slatted metal covers and a mirror-like appearance.¹³⁸ The plaintiff sued for trade dress infringement and obtained an injunction against the defendant from further trade dress infringement.¹³⁹

After acquiring the enjoined company in 1988, the defendant began producing awnings which resembled the plaintiff’s awnings, but without the “mirror-like bright shiny finish.”¹⁴⁰ The plaintiff attempted to have the defendant held in contempt for violating the injunction; however, the court ruled that the defendant’s design did not violate the injunction.¹⁴¹ Subsequently, the plaintiff successfully obtained a trademark on the “overall configuration of a slatted cover for an awning on a recreational vehicle,” and later sought to enjoin the defendant from “continuing to make similar [recreational vehicle] awnings.”¹⁴²

The Northern District of Illinois agreed in principle with the defendant’s *Vornado*-type argument that granting trademark protection for a product configuration claimed in an expired utility patent could contravene federal patent policy.¹⁴³ However, the court recast the *Vornado* issue in what it called “more familiar terms” as “whether the granting of a trademark (and thus an indefinite monopoly) on a product configuration

134. 52 PTCJ 426 (N.D. Ill. 1996).

135. *Id.*

136. *Id.*

137. *Id.*

138. *Id.*

139. *Zip Dee*, 52 PTCJ at 426.

140. *Id.* According to the defendant’s interpretation, the injunction banned only the production of awnings with a shiny finish. *Id.*

141. *Id.*

142. *Id.* The plaintiff also sought to recover damages for “past violations of [its] patent rights.” *Zip Dee*, 52 PTCJ at 426.

143. *Id.*

claimed or otherwise disclosed as part of a patented invention would prevent the invention itself from being copied and used by the public."¹⁴⁴ The court concluded that the plaintiff's claims in the expired patent for the production of recreational vehicle awnings were broad enough to permit the invention to be practiced by the public, despite the plaintiff's trademark rights on the configuration.¹⁴⁵

The court's test in *Zip Dee* amounts to a case-by-case approach to the problem of Lanham Act protection for product configurations which are or have been significant inventive components of inventions covered by utility patents. However, such an approach has institutional shortcomings and is unlikely to be embraced by the Supreme Court. Whether this case-by-case approach is the general view of the Seventh Circuit is difficult to say, as the cases cited herein do not appear to have a consistent theme.

3. Ninth Circuit

a. *Clamp Manufacturing Co. v. Enco Manufacturing Co.*¹⁴⁶

In *Clamp Manufacturing*, the issue was whether a "C" clamp configuration was functional, hence ineligible for trademark protection.¹⁴⁷ Here, a clamp manufacturer which manufactured and distributed "C" clamps brought a trademark infringement action against a competitor.¹⁴⁸ The "C" clamp was formerly the subject of a utility patent which expired in 1972. Nearly five years after expiration of the patent, the defendant company began purchasing and distributing a line of "C" clamps which very closely resembled the plaintiff's "C" clamps, but were manufactured in Korea.¹⁴⁹ The district court found that the plaintiff had fulfilled the necessary prerequisites to a valid trademark action in the Ninth Circuit, specifically that the design was "distinctive, primarily nonfunctional, and arbitrary, and that commercially feasible alternative configurations exist[ed]."¹⁵⁰ The Ninth Circuit considered the design "a close call," and refrained from reversing the decision based on the clearly

144. *Id.* The *Zip Dee* court summarized the modified terms as follows:

[T]he policies underlying patent law dictate the denial of trademark protection to a product configuration that has been claimed as part of a utility patent in either of two circumstances: (1) if the product configuration is functional within the context of the utility patent in which the product configuration is claimed; or (2) if the product configuration is functional in the more general sense that competitors in the market generally need the configuration in order to compete.

Id.

145. *Id.*

146. 870 F.2d 512 (9th Cir. 1989).

147. *Id.* at 513.

148. *Id.* at 513.

149. *Id.*

150. *Id.* at 516.

erroneous standard.¹⁵¹ In discussing the factors to be considered in determining whether a product configuration is functional, the court touched on the role that evidence of an expired utility patent on the configuration would play:

If the utilitarian aspects of the product are its essence, only patent law protects its configuration from use by competitors To assist in analyzing functionality, several factors may be examined: *the existence of an expired utility patent disclosing the utilitarian advantage of the design sought to be protected as a trademark*; the extent of advertising touting the utilitarian advantages of the design; the availability of alternative designs; and whether a particular design results from a comparatively simple or cheap method of manufacture.¹⁵²

On the one hand, one may argue that the Ninth Circuit's identification of the prior existence of a utility patent which discloses the usefulness of a design for which a party seeks trademark protection, as evidence of functionality, implies that the court would endorse a *Vornado*-type analysis. According to this argument, the court's recognition of this utility patent disclosure as evidence of functionality, indicates that the court can appreciate, on a basic level, the necessity to refuse trademark protection for a design which was formerly patented. On the other hand, the stronger argument is that the Ninth Circuit's use of the prior existence of a utility patent on a design, merely as one piece of evidence, necessarily reveals its rejection of the *Vornado* bright-line rule. The court's listing of several elements, in essence, implies a balancing test.¹⁵³ In contrast, the *Vornado* rule would absolutely preclude Lanham Act protection for a product configuration covered by a utility patent, if the configuration was a significant inventive component of the covered invention.¹⁵⁴ Another argument against the view that this case implies Ninth Circuit agreement with *Vornado* is that the court's reference to the utility patent disclosure is just another way of expressing what *Vornado* emphatically rejected: that the functionality doctrine eliminates overlap between patent and trademark law.¹⁵⁵ Hence, the Ninth Circuit does not appear to have made any significant pronouncements relating to the *Vornado* principle.

B. HISTORY OF RELATED SUPREME COURT OPINIONS

Starting with a case exactly 100 years ago, the Supreme Court has on several occasions discussed principles relevant to the issue at hand. The Court's perspective in these cases serves as the basis for this arti-

151. *Clamp Manufacturing*, 870 F.2d at 517.

152. *Id.* at 516 (emphasis added).

153. *Id.* at 514.

154. *Vornado*, 58 F.3d at 1510.

155. *Id.* at 1508.

cle's conclusion that the Supreme Court likely will agree with the result and reasoning of the Tenth Circuit's *Vornado* decision, when the Court decides to hear a case with similar facts.

1. *Singer Manufacturing Co. v. June Manufacturing Co.*¹⁵⁶

Singer presented the Supreme Court with a chance to weigh the rights of a formerly patented product manufacturer against the rights of a competitor to use the general appearance of that product after the patent on the product expired. However, the Court gave most of its attention to the issue of whether the name "Singer" had become so associated with the genus of sewing machines produced by the plaintiff, that the name had become generic and, thus, unavailable for trademark protection.¹⁵⁷

For several years, the plaintiff successfully manufactured and sold sewing machines under the name "Singer."¹⁵⁸ The machines had a distinct look and had received several utility patents.¹⁵⁹ The plaintiff brought a common law unfair competition action against a competitor for manufacturing and selling sewing machines of the exact same size, shape, ornamentation, and general external appearance as the plaintiffs.¹⁶⁰ In addition, the plaintiff accused the defendant of attempting to deceive the public with the use of the name "Singer" on the defendant's product, which the plaintiff claimed as a registered trademark.¹⁶¹ The defendant argued that the form, size, shape, and appearance of the sewing machines had entered the public domain after the expiration of the patents. The defendant further contended that the name "Singer" was the generic name for the types of machines sold by both parties.¹⁶²

The Court agreed with the defendant that the name "Singer" evolved into the generic name of the genus of sewing machines and, thus, was public property which could not be appropriated by any one manufacturer through a trademark.¹⁶³ In regard to the configuration of the sewing machines, the Court stated:

It is self-evident that on the expiration of a patent the monopoly created by it ceases to exist, and the right to make the thing formerly covered by the patent becomes public property. It is upon this condition that the patent is granted. It follows, as a matter of course, that on the termination of the patent there passes to the public the right to make the

156. 163 U.S. 169 (1896).

157. *Singer*, 163 U.S. at 203.

158. *Id.* at 171.

159. *Id.* at 172.

160. *Id.* at 169.

161. *Id.*

162. *Singer*, 163 U.S. at 169.

163. *Id.* at 203.

machine in the form in which it was constructed during the patent. We may therefore dismiss without further comment the complaint as to the form in which the defendant made his machines.¹⁶⁴

Although the modern concept of trade dress had not been coined during the *Singer* period, the Court was concerned with the same principle. Therefore, this case appears to be a century-old Supreme Court precedent for the principle that a product configuration which was the subject of an expired patent cannot be further monopolized by the former patent holder under any legal principle.

There may be a cognizable argument that because the modern concept of trade dress was not recognized during the time of this case, the case is not reliable authority for the primary issue involved in this article. The basis for this argument would be that as federal law began to recognize an enforceable right of merchants to exclude others from using a certain product look, the Supreme Court's apparent "slam dunk" analysis in *Singer* was weakened. This argument may be legitimate on a basic level. Yet when we consider the fact that trade dress protection under the Lanham Act only creates a federal cause of action for a state common law unfair competition action, the argument loses some vigor.¹⁶⁵ This is because the plaintiff's claim against the defendant in *Singer* was based on common law unfair competition.¹⁶⁶

2. *Kellogg Co. v. National Biscuit Co.*¹⁶⁷

In *Kellogg*, the Supreme Court again heard arguments in a state unfair competition action which acquired federal jurisdiction based on diversity of citizenship.¹⁶⁸ The issue was whether a product name which had become generic over time, and a product shape which was formerly covered by a design patent, were protectable trade indicia of a particular manufacturer.¹⁶⁹ The plaintiff here was a manufacturer of shredded wheat.¹⁷⁰ The plaintiff claimed exclusive rights to use the trade name "Shredded Wheat" and to make the product in a pillow-shape.¹⁷¹ The plaintiff argued that the defendant, by using the name and shape, was "passing off"¹⁷² its product for that of the plaintiff.¹⁷³ The defendant ar-

164. *Id.* at 185 (emphasis added).

165. See *Truck Equip. Servs. Co. v. Fruehauf Corp.*, 536 F.2d 1210 (8th Cir. 1976), *cert. denied*, 429 U.S. 861 (1976).

166. *Singer*, 163 U.S. at 184.

167. 305 U.S. 111 (1938).

168. *Id.* at 113.

169. *Id.* at 116.

170. *Id.* at 111.

171. *Id.*

172. "Passing off" is the term used in unfair competition actions to describe the prohibited act of deliberately deceiving consumers as to the origin of a particular product.

173. *Kellogg*, 305 U.S. at 111.

gued that the plaintiff did not have an exclusive right to use the name or the shape of the product, and also contended that it took all reasonable measures to distinguish its product from that of the plaintiff.¹⁷⁴ The lower courts found that the term "Shredded Wheat" was the generic name for the product, and that the design patent on the product covered its pillow-shaped form.¹⁷⁵

In response to the plaintiff's claim to the exclusive use of the pillow-shaped form of the product, the Supreme Court held:

The plaintiff has not the exclusive right to sell shredded wheat in the form of a pillow-shaped biscuit—the form in which the article became known to the public. That is the form in which shredded wheat was made under the basic patent. The patented machines used were designed to produce only the pillow-shaped biscuits. And a design patent was taken out to cover the pillow-shaped form. Hence, upon expiration of the patents the form, as well as the name, was dedicated to the public Moreover, the pillow-shape must be used [by the plaintiff's competitors] for another reason. The evidence is persuasive that this form is functional—that the cost of the biscuit would be increased and its high quality lessened if some other form were substituted for the pillow-shape.¹⁷⁶

The Court's holding again imparts the principle that where a product's form (configuration) has been covered by a patent, upon the patent's expiration the form becomes a part of the public domain. There may be an argument that two aspects of this case sufficiently distinguish it from *Vornado* so as to make this case unreliable as standing for that principle: first, the product shape was covered by a design patent, whereas the product configuration in *Vornado* was covered by a utility patent; and second, the Court found the shape to be functional, in contrast to the *Vornado* court's finding.

Regarding the first distinction, the fact that the product shape was formerly covered by a design patent rather than a utility patent is an irrelevant distinction in light of the *Vornado* ruling. Regardless of the type of patent, the subject matter formerly covered should become unrestricted public property upon the patent's expiration, according to the Tenth Circuit in *Vornado* and the Supreme Court in *Kellogg*. The second distinction is also inconsequential in the context of *Vornado*, since the Tenth Circuit's holding did not turn on whether the product configuration was functional. In fact, the court dismissed the functionality analysis altogether.¹⁷⁷ These different factual differences, therefore, do not lessen *Kellogg's* authoritative force for the proposition in *Vornado*.

174. *Id.*

175. *Id.* at 117-18.

176. *Id.* at 119-20, 122.

177. *Vornado*, 58 F.3d at 1499.

3. *Sears, Roebuck & Co. v. Stiffel Co.*¹⁷⁸

In *Sears*, the Supreme Court made clear to the states that federal patent policy preempted state unfair competition rights regarding product design. The Court, speaking through Justice Black, defined the issue as “whether a State’s unfair competition law can, consistently with the federal patent laws, impose liability for or prohibit the copying of an article which is protected by neither a federal patent nor a copyright.”¹⁷⁹

This case involved the manufacture and sale of pole lamps. The Court described the pole lamps as vertical tubes with lamp fixtures along the outside. The tubes were built in such a way that they stood upright between the floor and ceiling of a room.¹⁸⁰ The plaintiff acquired both design and utility patents on the poles.¹⁸¹ The lamps were a great success for the plaintiff. Shortly after the plaintiff began marketing them, the defendant introduced an almost identical lamp.¹⁸² However, the defendant sold his lamps for a cheaper price than the plaintiff.¹⁸³

The plaintiff brought suit in federal district court, claiming both federal patent infringement and unfair competition pursuant to Illinois law.¹⁸⁴ The district court first held that the plaintiff’s patents were invalid for lack of invention.¹⁸⁵ Yet the court also held that the defendant had unfairly competed by selling “a substantially exact copy” of the plaintiff’s lamp, in violation of Illinois law.¹⁸⁶ The district court thus enjoined the defendant from further sales of the lamps, and the Seventh Circuit affirmed the injunction.¹⁸⁷

Justice Black’s holding in this case is one of the most oft-quoted Supreme Court holdings concerning intellectual property rights. He wrote:

An unpatentable article, like an article on which the patent has expired, is in the public domain and may be made and sold by whoever chooses to do so. What [Defendant] did was to copy [Plaintiff’s] design and to sell lamps almost identical to those sold by [Plaintiff]. This it had every right to do under the federal patent laws To allow a State by use of its law of unfair competition to prevent the copying of an article which represents too slight an advance to be patented would be to permit the State to block off from the public something which federal law has said belongs to the public

178. 376 U.S. 225 (1964).

179. *Id.* at 225.

180. *Id.* at 226.

181. *Id.*

182. *Id.*

183. *Sears*, 376 U.S. at 226.

184. *Id.*

185. *Id.*

186. *Id.*

187. *Id.*

Doubtless a State may, in appropriate circumstances, require that goods, whether patented or unpatented, be labeled or that precautionary steps be taken to prevent customers from being misled as to the source, just as it may protect businesses in the use of their trademarks, labels, or distinctive dress in the packaging of goods so as to prevent others, by imitating such markings, from misleading purchasers as to the source of the goods. But because of the federal patent laws a State may not, when the article is unpatented and uncopyrighted, prohibit the copying of the article itself or award damages for such copying.¹⁸⁸

Although this case involved patent law *vs.* state unfair competition law, the Court's holding is very relevant to the federal trade dress *vs.* federal patent law conflict. This is because the premier principle that undergirds this holding is that patent laws, founded on federal constitutional precepts which grant monopoly rights for a limited period, may not be undermined by other legal principles which grant monopolies based on less stringent requirements.¹⁸⁹ This principle transcends any distinction between state and federal law, or statutory and common law.¹⁹⁰

One may argue that *Sears* does not stand for this principle because the Court's holding was based on federal supremacy versus state law, rather than patent supremacy versus any other laws. This argument may appear colorable at first blush, but loses much of its luster in light of the Court's many references to patent policy throughout the case.¹⁹¹ In comparison, the Court only makes two fleeting references to the Supremacy Clause of the Constitution.¹⁹²

188. *Sears*, 376 U.S. at 231-32.

189. *Id.* at 230.

190. *See also* *Compco Corp. v. Day-Brite Lighting, Inc.*, 376 U.S. 234, 238 (1964) (holding, in a case very similar to *Sears*, that a state may not use unfair competition laws to protect an unpatented or uncopyrighted product, even if the sale of the exact copy of an article by a competitor was likely to confuse consumers; such protection would impermissibly clash with federal patent laws).

191. *See, e.g., id.* at 229, where the Court stated:

Patents are not given as favors . . . but are meant to encourage invention by rewarding the inventor with the right, limited to a term of years fixed by the patent, to exclude others from the use of his invention. During that period of time no one may make, use, or sell the patented product without the patentee's authority. But in rewarding useful invention, the 'rights and welfare of the community must be fairly dealt with and effectually guarded.' To that end the prerequisites to obtaining a patent are strictly observed, and when the patent has issued the limitations on its exercise are equally strictly enforced

Id. (citations omitted).

192. *Id.* at 229, 231.

4. *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*¹⁹³

The Supreme Court announced the same general tenet from *Sears, supra*, in *Bonito Boats*. Writing for the Court, Justice O'Connor defined the issue as "what limits the operation of the federal patent system places on the States' ability to offer substantial protection to utilitarian and design ideas which the patent laws leave otherwise unprotected."¹⁹⁴

In contrast to *Sears*, this case involved a clash between a state *statute* and federal patent law. Here, the plaintiff, a Florida corporation, developed a hull design for a fiberglass recreational boat, which required substantial effort on the plaintiff's part.¹⁹⁵ The plaintiff employed a process in which it prepared a set of engineering drawings, created a hardwood model from the drawings, and sprayed the model with fiberglass to create a mold which produced the finished fiberglass boats for sale.¹⁹⁶ In 1976, the plaintiff began marketing the product, which appealed to consumers inside and outside the state.¹⁹⁷ No evidence existed that the plaintiff ever attempted to patent the process.¹⁹⁸ In 1983, the Florida Legislature enacted a statute which prevented anyone else from using the direct molding process to produce a similar boat.¹⁹⁹

The plaintiff brought suit in a Florida state court against the defendant, a Tennessee corporation, for an alleged violation of the statute.²⁰⁰ The Florida Supreme Court dismissed the plaintiff's action on grounds that the statute impermissibly interfered with federal patent laws.²⁰¹

The Supreme Court affirmed the decision of the state's highest court.²⁰² Justice O'Connor wrote:

[O]ur past decisions have made clear that state regulation of intellectual property must yield to the extent that it clashes with the balance struck by Congress in our patent laws. The tension between the desire to freely exploit the full potential of our inventive resources and the need to create an incentive to deploy these resources is constant. Where

193. 489 U.S. 141 (1989).

194. *Id.* at 143.

195. *Id.* at 144.

196. *Id.*

197. *Id.*

198. *Bonito Boats*, 489 U.S. at 144.

199. *Id.* at 144-45. The Florida statute, in pertinent part, made "[i]t . . . unlawful for any person to use the direct molding process to duplicate for the purpose of sale any manufactured vessel hull or component part of a vessel made by another without the written permission of that other person" and further made it unlawful to "knowingly sell a vessel hull or component part of a vessel duplicated in violation" of the above provision (citing FLA. STAT. § 559.94 (1987)).

200. *Id.* at 145.

201. *Id.*

202. *Bonito Boats*, 489 U.S. at 166.

it is clear how the patent laws strike that balance in a particular circumstance, that is not a judgment the States may second-guess A state law that substantially interferes with the enjoyment of an unpatented utilitarian or design conception which has been freely disclosed by its author to the public at large impermissibly contravenes the ultimate goal of public disclosure and use which is the centerpiece of federal patent policy. Moreover, through the creation of patent-like rights, the States could essentially redirect inventive efforts away from the careful criteria of patentability developed by Congress over the last 200 years.²⁰³

Despite this apparently clear mandate by the Court that state laws which seek to regulate the intellectual property arena will be invalidated to the extent that they contravene federal patent principals, a valid argument may exist that other language from this case muddies the water a little. A brief consideration of this language indicates that this argument cannot be off-handedly dismissed. The Court stated:

[O]ur decision in *Sears* clearly indicates that the States may place limited regulations on the circumstances in which . . . [trade dress] designs are used in order to prevent consumer confusion as to source. Thus, while *Sears* speaks in absolutist terms, its conclusion that the States may place some conditions on the use of trade dress indicates an implicit recognition that all state regulation of potentially patentable but unpatented subject matter is not ipso facto preempted by the federal patent laws.²⁰⁴

Thus, a valid argument may exist that this language reveals the Court's willingness to permit trade dress law, whether state or federal, to impose on patent principles under certain circumstances. This argument would conclude that the *Vornado* absolutist rule goes too far in preserving patent goals. But this would seem a strong conclusion to draw from the clear dicta in *Sears* and *Bonito Boats*.

5. *Two Pesos, Inc. v. Taco Cabana, Inc.*²⁰⁵

In *Two Pesos*, the Supreme Court provided tremendous impetus to federal trade dress plaintiffs. The Court held that § 43(a) could provide protection for a merchant's trade dress without a showing of secondary meaning.²⁰⁶ According to the Court, all that should be required for trade dress protection is that the dress be inherently distinctive.²⁰⁷

The plaintiff in this case was an operator of a chain of Mexican fast-food restaurants in the state of Texas.²⁰⁸ The defendant operated a res-

203. *Id.* at 152, 156-57.

204. *Bonito Boats*, 489 U.S. at 154 (emphasis added).

205. 112 S. Ct. 2753 (1992).

206. *Id.* at 2757.

207. *Id.* at 2761.

208. *Id.* at 2755.

restaurant in the same area.²⁰⁹ The plaintiff opened several restaurants in the San Antonio area between 1978 and 1985. These restaurants had a certain Mexican motif which the plaintiff claimed as its trade dress.²¹⁰ At the end of 1985, the defendant opened a restaurant in Houston which had a Mexican motif strikingly similar to the plaintiff's.²¹¹ A year later, the plaintiff's chain expanded to the Houston area, and after being there for a year, filed a trade dress action against the defendant in federal district court.²¹²

The district court and the Fifth Circuit held that § 43(a) only required the plaintiff to prove that its trade dress was inherently distinctive *or* had acquired secondary meaning.²¹³ Writing for the Court, Justice White acknowledged that the lower courts' holdings sharply conflicted with the standard in other federal circuits, which generally hold that trade dress can be protected *only* on a showing of secondary meaning.²¹⁴ But the Court affirmed the Fifth Circuit's reading of § 43(a).²¹⁵ Justice White reasoned that as other sections of the Lanham Act protected inherently distinctive trademarks, such as suggestive, arbitrary, and fanciful marks, without a showing of secondary meaning, there was no principled basis on which § 43(a) could be read any differently.²¹⁶ Justice White added:

Engrafting onto § 43(a) a requirement of secondary meaning for inherently distinctive trade dress also would undermine the purposes of the Lanham Act. Protection of trade dress, no less than trademarks, serves the Act's purpose to 'secure to the owner of the mark the goodwill of his business and to protect the ability of consumers to distinguish among competing producers.' National protection of trademarks is desirable, Congress concluded, because trademarks foster competition and the maintenance of quality by securing to the producer the benefits of good reputation. (citations omitted). By making more difficult the identification of a producer with its product, a secondary meaning requirement for a nondescriptive trade dress would hinder improving or maintaining the producer's competitive position.²¹⁷

An argument may be made that the Court's holding espouses a willingness to recognize broad protection for trade dress under § 43(a). However, this case in no way involved patent rights or principles, nor product

209. *Id.*

210. *Two Pesos*, 112 S. Ct. at 2755.

211. *Id.* at 2753.

212. *Id.* at 2756.

213. *Id.*

214. *Id.*

215. *Two Pesos*, 112 S. Ct. at 2761.

216. *Id.* at 2760.

217. *Id.* at 2760 (citing to a Senate Report) (citations omitted).

configurations. Therefore, this case should not be interpreted as showing an inclination by the Court to reject the *Vornado* principle.

6. *Qualitex Co. v. Jacobson Products Co., Inc.*²¹⁸

In *Qualitex*, the Supreme Court added another feather in the hat of Lanham Act protection. Defining the issue as "whether the Lanham Trademark Act of 1946 . . . permits the registration of a trademark that consists, purely and simply, of a color," the Court held that "sometimes, a color will meet ordinary legal trademark requirements . . . [a]nd, when it does so, no special legal rule prevents color alone from serving as a trademark."²¹⁹

In this case, the parties were competitors in the manufacturing and selling of pads, to dry cleaning firms, for use in the dry cleaning process.²²⁰ The plaintiff used a special shade of green-gold color on its pads for 40 years.²²¹ In 1989, the defendant began to sell similar green-gold colored press pads to dry cleaning firms.²²² Two years later, the plaintiff received trademark protection for the special green-gold color on the press pads and filed a trademark infringement suit against the defendant.²²³

The Supreme Court heard the case on appeal from the Ninth Circuit after that court refused to recognize the plaintiff's trademark for a color.²²⁴ The Court reversed the Ninth Circuit's decision, recognizing the ability of a color to serve as a trademark.²²⁵ Justice Breyer wrote for the Court:

Both the language of the [Lanham] Act and the basic underlying principles of trademark law would seem to include color within the universe of things that can qualify as a trademark. The language of the Lanham Act describes that universe in the broadest of terms. It says that trademarks 'includ[e] any word, name, symbol, or device, or any combination thereof.' Since human beings might use as a 'symbol' or 'device' almost anything at all that is capable of carrying meaning, this language, read literally, is not restrictive. If a shape, a sound, and a fragrance can act as symbols why, one might ask, can a color not do the same?²²⁶

Similar to *Two Pesos*,²²⁷ this case may be interpreted as the Court

218. 115 S. Ct. 1300 (1995).

219. *Id.* at 1302.

220. *Id.*

221. *Id.*

222. *Id.*

223. *Qualitex*, 115 S. Ct. at 1302. The plaintiff actually added the trademark infringement claim to an unfair competition suit previously filed. *Id.*

224. *Id.*

225. *Qualitex*, 115 S. Ct. at 1308.

226. *Id.* at 1302-03 (citations omitted).

227. 112 S. Ct. 2753.

conveying a willingness to recognize broad coverage for the Lanham Act. Again, however, this case in no way involved patent principles or product configurations. Therefore, no sound basis exists for an argument that this case is evidence that the Court would disagree with the Tenth Circuit in *Vornado*.

C. THE SUPREME COURT'S DECISION ON A *VORNADO*-TYPE APPEAL

The Supreme Court's rulings in the previously discussed cases appear to reveal that the Court would adopt both the reasoning and the bright-line rule of the *Vornado* court. The Supreme Court likely will hold that a product configuration, which is or has been a significant inventive component of an invention covered by a utility patent, may not receive trade dress protection, because such protection would contravene federal patent policy. In arriving at such a holding, the Court will likely give considerable attention to three major concerns: first, that state unfair competition law is analogous to federal law under § 43(a), because the courts have interpreted § 43(a) so broadly as to create a federal law of unfair competition;²²⁸ second, that the functionality doctrine does not always eliminate overlap between the Lanham Act and the Patent Act, hence a bright-line rule in this area may be appropriate; and third, that the Court's most recent cases in this area, *Two Pesos* and *Qualitex*, are not necessarily inconsistent with prior precedents discussing this overall theme.²²⁹

1. *State Unfair Competition Law and Section 43(a)*

The Supreme Court in *Singer*, *Kellogg*, *Sears*, and *Compco*, discussed the limits on state unfair competition law when that law crossed the path of federal patent law concerning the copying of product shapes. In each one of those cases, the Court ruled that unfair competition law must yield to patent law in the area of restricting the copying of product designs, where these designs were either formerly covered by patents or were denied patents for some reason.²³⁰ Because state unfair competi-

228. See J. THOMAS MCCARTHY, MCCARTHY ON TRADEMARKS & UNFAIR COMPETITION §§ 1.09[3], 27.03[1][b] (3d ed. 1994) (stating that courts have engaged in judicial legislation to engraft many principles on § 43(a) which do not exist in the language of the statute, thus creating a federal law of unfair competition).

229. See generally *Singer*, 163 U.S. 169 (1896); *Kellogg*, 305 U.S. 111 (1938); *Sears*, 376 U.S. 225 (1964); *Compco*, 376 U.S. 234 (1964); *Bonito Boats*, 489 U.S. 141 (1989) (recognizing the supremacy of patent policy over unfair competition and other trademark-related principles).

230. See *Singer*, 163 U.S. at 185; *Kellogg*, 305 U.S. at 119-22; *Sears*, 376 U.S. at 232-33; *Compco*, 376 U.S. at 238 (discussing whether unfair competition law must yield to patent law in the copying of product designs where the designs have been formerly covered by patents or previously denied patents).

tion protection is analogous to § 43(a) federal protection, the Court's principles in those cases apply equally to conflicts between § 43(a) and patent law.

The tie binding all of the unfair competition cases is the principle that patent policy requires that product shapes which enjoyed the benefit of the patent monopoly not enjoy an extended monopoly through some non-patent source. Logically, the Lanham Act is also a prohibited non-patent source. This principle amounts to no more than a basic contractual axiom: the government (hence, the public), through the patent laws, grants a monopoly to an inventor for *consideration* that after the limited monopoly period, the public gains the full benefit of the inventor's ingenuity and creativity; to permit some non-patent legal source to extend the inventor's monopoly period would in effect dissolve the public's *consideration* and thus invalidate the entire contract. The inviolability of this contract is even more salient in light of its federal constitutional foundation. The Tenth Circuit followed these principles in *Vornado*.

The *Bonito Boats* case did not involve a state unfair competition dispute, but instead a state statute which sought to restrict use of a manufacturing process.²³¹ The Supreme Court, however, generally applied the same principle just mentioned in striking down that state statute.²³² The precise principle there was that an inventor who fails to exploit the patent laws to restrict copying of his industrial process cannot use some other law, which would grant him a longer monopoly, without subjecting him to the rigors required for patent law approval.²³³ Because monopolies tend to be disfavored in free-enterprise society, when they are permitted, a great need arises for federal law to regulate and control them so that society is not harmed. Permitting a state statute to serve as an alternative means of gaining a monopoly would blatantly undermine this federal public policy objective.

This tenet also applies where the inventor seeks to extend his monopoly through a federal statute other than the patent laws. Granted, there is a difference. The inventor would be utilizing federal law which, as was previously stated, should be the source of granting and regulating the monopoly protection. But Congress did not balance the competing interests regarding monopolies in enacting the Lanham Act as it did in the Patent Act.²³⁴ Furthermore, while the Lanham Act is concerned with protecting consumers from confusion as to product source, as well as protecting producers in their goodwill generated by marketing quality goods, that statute historically falls short as it relates to product shapes.

231. *Bonito Boats*, 489 U.S. at 141.

232. *Id.* at 154.

233. *Id.*

234. *Id.* at 152.

As the Tenth Circuit noted in *Vornado*, product shapes for several years were not even protected by the Lanham Act. Moreover, courts have consistently ignored the necessity of protecting consumers from confusion or protecting producers' goodwill when it comes to functional configurations. Functional configurations may be copied *ad nauseam*, regardless of consumer confusion. Therefore, just as the Lanham Act is forced to yield to the public's right to copy functional configurations, which shows that the Act's goals are not inviolable, the Act should be curtailed where its application would do violence to the Patent Act goals. This balances competing interests involving monopoly protection. In other words, the Lanham Act should not be allowed to wreak havoc in an area with which the Act is not even fundamentally concerned—that being, the requirements for monopoly protection of product configurations. Again, Supreme Court precedent is consistent with these principles.

2. *The Functionality Doctrine's Shortcomings in Solving the Problem*

The *Vornado* court discussed the fact that several courts assumed that the functionality doctrine will automatically eliminate overlap between federal trademark law and federal patent law concerning utility patents. The Tenth Circuit explained why this assumption is inaccurate. The problem is that federal courts generally consider a product configuration functional only if competitors need to be able to use the configuration to make an equally competitive product. Consequently, as long as alternative configurations allow competitors to compete with the supplier seeking Lanham Act protection, the configuration sought to be protected is considered nonfunctional. The configuration consequently is eligible for trade dress protection. But the fact that there may be alternative satisfactory configurations does not render the configuration non-useful in patent law terms. In fact, patent law's usefulness requirement is not at all concerned with competitive need. Therefore, as was the case in *Vornado*, a product configuration can be simultaneously useful under patent law and nonfunctional under trade dress law.

The result is that an inventor who includes a product configuration—which may or may not be claimed in the patent application despite adding to the invention's ability to secure a patent—would receive a windfall. The inventor receives his windfall by securing monopoly patent protection for the invention, including the configuration, and then when the patent expires, he acquires trade dress protection for the configuration. Such a result would not only undermine patent law goals, but would also cheat the public out of a *bargained-for exchange* in the patent contract. The Supreme Court recognized the need to prevent such an anomalous result, as is clearly reflected by the Court's precedents.

The Supreme Court may decide to empower the various federal district courts to resolve subsequent *Vornado*-type conflicts, by advocating a case-by-case approach for resolving trademark and patent disputes. Such an approach would allow district court judges to determine whether a formerly patented invention could be fully practiced by the public, notwithstanding the existence of a trademark or trade dress covering a claimed or significant aspect of the invention. However, this approach would appear to be rife with institutional problems that present grave risks to the integrity of our patent system. This approach would require federal district judges and juries, who generally lack any technical training or orientation, to decide cases involving tremendously sophisticated technology. Again, the hallmark of our patent system is the notion that inventors may enjoy short-term monopoly protection in exchange for the public's eventual unrestricted right to practice the invention. A case-by-case approach would subject the entire legitimacy of our patent system to the non-technical predilections of district judges and their law clerks, not to mention the pure novices in the jury box. The only way to avoid this risk is for the Supreme Court to pronounce a bright-line rule such as the *Vornado* principle. The Court clearly places a premium on the supremacy of patent policy; accordingly, this community awaits the Courts next bright-line decision in this area.

3. *Two Pesos and Qualitex do not Present Problems*

The Supreme Court's holdings in *Two Pesos* and *Qualitex* may justify a belief that the Court is on a path of expanding Lanham Act protection. But those cases did not even remotely concern the important patent principles discussed in *Singer*, *Kellogg*, *Sears*, *Compco*, or *Bonito Boats*. Moreover, neither *Two Pesos* nor *Qualitex* discussed product shapes or configurations. Therefore, even if *Two Pesos* and *Qualitex* signaled the Court's embarkment upon a path of expansive Lanham Act protection, this writer believes that path is crawling with land mines labeled "Vornado!" Notwithstanding the Court's recognition in those two cases of the importance of the Lanham Act in protecting producers and consumers, the Court would likely limit that recognition to protect the supremacy of patent laws over product configurations.

V. CONCLUSION

Despite the fact that the Supreme Court never squarely addressed the issue involved in *Vornado*, the Court's precedents strongly reflect principles announced by the Tenth Circuit in that case. The Court has consistently held that product shapes which are the subject matter of expired patents shall not receive continued protection under non-patent laws. The Court reasoned that such continued protection runs afoul of

patent law's policy objectives, which include making certain that ideas which are in the public domain remain there. The Court also stated that patent law plays a very important role in the industrial development of this country. This is accompanied by balancing the competing interests of free use of inventive resources against the need for continued invention incentives.

The cases cited from the Second, Seventh, and Ninth Circuits appear in varying degrees to emphasize the importance of the core patent principles discussed throughout this paper. These circuits, however, clearly are in disagreement on this issue. Further, a persuasive argument could be made that the precedents within these circuits seem rather chaotic. Accordingly, the Court is likely to at least attempt to settle this confusion some time in the near future. Again, Supreme Court precedents strongly suggest adoption of the bright-line rule elaborated by the Tenth Circuit in *Vornado*. This would preclude all federal trade dress protection for any product configurations which are or have been significant inventive components of inventions covered by utility patents.

