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Keeley Canning Luhnnow
Wake Forest University School of Law

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NOTES

TRAFFIX DEVICES, INC. V. MARKETING DISPLAYS, INC.: THE PROBLEM WITH TRADE DRESS PROTECTION FOR EXPIRED UTILITY PATENTS

KEELEY CANNING LUHNOW†

INTRODUCTION

There is a great deal of controversy over the conflict between federal trade dress protection, as codified in § 43(a) of the Lanham Trademark Act,¹ and federal patent protection. There is great disparity among circuits in decisions involving the potential trade dress protection of something included in an expired patent. Because even the Supreme Court has not been entirely consistent in its interpretation of the conflict between the two areas of law, many commentators believe a bright-line rule needs to be promulgated.

Recently, the Supreme Court had an opportunity to clear up the confusion among the circuits that have addressed the issue of trade dress protection for expired utility patents in *TrafFix Devices, Inc. v. Marketing Displays, Inc.*² Lawyers, inventors, and corporations all hoped that the Court would take the opportunity presented in this case to create a bright-line rule or a more exact test differentiating what could be protected as trade dress and what could be patented. However, as will be explained below, a unanimous Court was able to decide the case on the facts, without addressing what most thought was the core issue, and declined to extend its decision in order to resolve the controversy.

What follows in this paper is a discussion of the law as it stands now and how it evolved to its current state. Part I will first explain generally the history of patent law and the policies behind it. Then, it will explain federal trademark protection and the policies behind that.

† Wake Forest University School of Law, Class of 2002. The author would like to thank Steve Gardner, Esq., of Kilpatrick Stockton for his advice and input on this article. Thanks also to the author's mother and husband for their moral support. Finally, thanks to Brooke Garrett, who offered much-needed support and encouragement during the writing and revision processes.

¹ 15 U.S.C. § 1125 (1994).

² 532 U.S. 23 (2001).

Next, it will show the origin and evolution of federal trade dress protection. Finally, Part I will briefly address the constitutional and practical issues raised by the conflict between patent and trade dress protection. Part II will discuss relevant case law addressing the conflict. It will begin with a discussion of the *Traffix* case, highlighting the Court of Appeals decision in the case as a demonstration of the conflict among the circuits on the issue, followed by the Supreme Court's resolution of the case. Part II will continue by tracing the conflict through some pre-Lanham Act cases and some post-Lanham Act cases. The pre-Lanham Act cases will show how the Court attempted to resolve the issue before trademark law was federalized. The post-Lanham Act cases will show how federalizing trademark and trade dress law may have merely further confused the issues involved. Finally, in Part III, this paper will explain the tests used by the courts to decide if there is a conflict and then will offer some possible alternatives.

I.

FEDERAL LAWS

A. *Patent Law*

Federal patent law is authorized by Article I, Section 8, Clause 8 of the United States Constitution, known variously as the Intellectual Property Clause, the Patent Clause, or the Copyright Clause. In this clause, the Constitution gives Congress the power to grant to "Authors and Inventors the exclusive Right to their respective Writings and Discoveries."³ For an invention to be patentable, it must be new, useful, and nonobvious.⁴ The first hurdle an inventor must overcome is in demonstrating her invention's utility. If the invention is useful, then it must be proven novel, or a completely new invention (or a new improvement of a previous invention).⁵ Finally, the invention must not be obvious to one of ordinary skill in the art that the patent involves.⁶

Once it is apparent that these statutory hurdles can be overcome, the application process begins. A patent application must include a descriptive specification.⁷ The specification must include a written description of the invention, and the manner and process of making it, in such "full, clear, concise, and exact terms as to enable any person

³ U.S. Const. art I, § 8, cl. 8.

⁴ See 35 U.S.C. §§ 101, 103 (1994).

⁵ *Id.* § 101.

⁶ *Id.* § 103(a).

⁷ See *id.* § 111(a)(2)(A).

skilled in the art to which it pertains” to make and use the invention.⁸ In addition, the specification must explain the “best mode contemplated by the inventor” of carrying out the invention.⁹ The patent is granted solely based on what is stated in the claims and not the rest of the patent application.

The term of a utility patent is twenty years from the date of the filing of the application.¹⁰ Once the patent has been granted, the application is made public so that others may determine what is covered by the patent.¹¹ During the twenty years of the patent’s validity, the patentee does not necessarily have the right to make, use, or sell the invention. The inventor does have the right to *exclude others* from making, using or selling the patented invention.¹²

The purpose of the Patent Act, as stated by the Court in *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*,¹³ is to create a “carefully crafted bargain for encouraging the creation and disclosure of new, useful, and nonobvious advances in technology and design in return for the exclusive right to practice the invention for a period of years.”¹⁴ The Supreme Court has identified three specific policies advanced by the Patent Act:

First, patent law seeks to foster reward and invention; second, it promotes disclosure of inventions to stimulate further innovation and to permit the public to practice the invention once the patent expires; third, the stringent requirements for patent protection seek to assure that ideas in the public domain remain there for the free use of the public.¹⁵

The right to copy is believed by many commentators and courts to be implicit in the patent laws. The goals of the Act and the constitutional limits placed upon Congress by the Intellectual Property Clause “led the Supreme Court to articulate a right to copy flowing from the Patent Act and the Constitution.”¹⁶ Given that at the expiration of a patent the invention enters the public domain, many believe that by granting trade dress protection to anything included in a patent, the

⁸ See *id.* § 112.

⁹ See *id.*

¹⁰ See *id.* § 154(a)(2).

¹¹ See *id.* § 122(b).

¹² See *id.* § 271(d).

¹³ 489 U.S. 141 (1989).

¹⁴ See *id.* at 150-51.

¹⁵ Todd R. Geremia, *Protecting the Right to Copy: Trade Dress Claims for Configurations in Expired Utility Patents*, 92 Nw. U.L. REV. 779, 792 (1998) (quoting Aronson v. Quick Point Pencil Co., 440 U.S. 257, 262 (1979)).

¹⁶ See *id.* at 792.

patent monopoly would be extended. This would defeat the main purpose of the Patent Act.

B. Trademark Law

Prior to passage of the Lanham Trademark Act of 1946,¹⁷ trademark law was the exclusive domain of the states. Each state had its own trademark and unfair competition laws. Unlike patent law, federal trademark law is not expressly authorized by the Constitution; instead, Congress used the Commerce Clause to assert control over this area of law.¹⁸

There are two purposes behind trademark protection under the Lanham Act: “1) ‘to secure to the owner of the mark the goodwill of his business’; and 2) ‘to protect the ability of consumers to distinguish among competing producers.’”¹⁹ Protection of consumers is the main concern of the Lanham Act, but it has never been understood to offer complete protection against consumer confusion. This goal must often yield to the interest of promoting free access to the public domain.

C. Trade Dress

Section 43(a) of the Lanham Act includes protection of trade dress. Trade dress protection is intended to advance the same goals as trademark protection. Originally, the definition of trade dress referred only to the distinctive characteristics of a product’s packaging or labeling.²⁰ In 1976, the Eighth Circuit “expanded the definition of trade dress to include the design features of a product, more commonly known as the product configuration.”²¹ The definition has since been further expanded, so that today trade dress is the “‘total image’ of a product, including its color, size, shape, and texture, as well as other characteristics or traits.”²²

A trade dress claim has two parts: “validity and infringement.”²³ “To qualify as a valid, protectable trade dress under § 43(a), a product configuration must be (1) a distinctive indicator of the product’s source [in other words, have secondary meaning], and (2) nonfunctional.”²⁴ “To prove infringement, a plaintiff must demonstrate that a

¹⁷ 15 U.S.C. §§ 1051-1127 (1994).

¹⁸ Gwendolyn Gill, *Through the Back Door: Attempts to Use Trade Dress to Protect Expired Patents*, 67 U. CIN. L. REV. 1269 (1999).

¹⁹ See Geremia, *supra* note 15, at 789-90 (quoting *Park N’ Fly Inc. v. Dollar Park N’ Fly Inc.*, 469 U.S. 189, 198 (1985)).

²⁰ See *id.* at 779.

²¹ Gill, *supra* note 18, at 1280.

²² *Id.* at 1280-81 (citing *Two Pesos, Inc. v. Taco Cabana, Inc.*, 505 U.S. 763, 769 (1992)).

²³ Geremia, *supra* note 15, at 783.

²⁴ *Id.*

defendant has imitated the claimed trade dress in such a way as is likely to confuse consumers as to the source of the product.”²⁵

D. Conflict Between Patent Protection and Trade Dress Protection

1. Constitutional Conflict

Many commentators argue that there is a Constitutional conflict presented when something previously protected by a utility patent is subsequently granted trade dress protection. The patent monopoly is expressly created by the Constitution and provides that Congress may only grant exclusive rights in discoveries for “limited times.”²⁶ Therefore, Congress may not grant patents of unlimited duration or indirectly extend the patent monopoly by granting “perpetual trademark protection.”²⁷ The Lanham Act is a product of Congress’s Commerce Clause power, not an aspect of the Patent Clause. The Commerce Clause is powerful, but it does not give Congress the power to override express limits in other parts of the Constitution.²⁸ Commentators who criticize the extent of trade dress protection available to products previously protected by utility patents argue that, in establishing trade dress protection under § 43(a) of the Lanham Act, the Commerce Clause does not empower Congress to establish what can be viewed as patent monopolies of unlimited duration.²⁹

2. Conflict in Application

There are two main concepts that have led to some of the inconsistencies among the circuits with regard to trade dress protection and expired utility patents. Courts seem to have problems determining how the requirement of secondary meaning applies to the product configuration of an invention, and there is some uncertainty as to how to reconcile the functionality doctrine under patent and trademark laws.

The requirement of secondary meaning in trade dress depends on whether it is product design or product packaging. In *Two Pesos, Inc. v. Taco Cabana, Inc.*,³⁰ the Court stated that trade dress that is inherently distinctive does not require secondary meaning in order to be

²⁵ *Id.* at 783-4.

²⁶ Brief for Petitioner at 33, *TrafFix Devices, Inc. v. Marketing Displays, Inc.*, 532 U.S. 23 (2001) (No. 99-1571).

²⁷ *Id.*

²⁸ *North American Co. v. SEC*, 327 U.S. 686, 704-05 (1946) (Commerce Clause power “is limited by express provisions in other parts of the Constitution.”)

²⁹ Petitioners’ Brief at 36, *TrafFix* (No. 99-1571).

³⁰ 505 U.S. 763 (1992).

protectable under § 43(a).³¹ However, the Court later modified that holding in *Wal-Mart Stores, Inc. v. Samara Bros., Inc.*³² In *Wal-Mart*, the Court stated that inherently distinctive product packaging does not require secondary meaning, but product design trade dress cannot be inherently distinctive and therefore does require secondary meaning.³³ The Court admitted that this might cause line-drawing problems, but believed that the frequency and difficulty of deciding between product design and product packaging would be less frequent and less difficult than deciding whether a product design was inherently distinctive.³⁴ It then counseled other courts to err on the side of caution in close cases and classify ambiguous trade dress as product design and thereby require secondary meaning.³⁵

The definition of “functional” is different among the circuits under trademark law and patent law. Functionality of trade dress is an unsettled area of the law. In order for an invention to be granted a patent, it must be useful, or in other words, functional. Trade dress that is functional may not be protected under the Lanham Act.³⁶ The Supreme Court defined functional for purposes of the Lanham Act in *Inwood Laboratories, Inc. v. Ives Laboratories, Inc.*,³⁷ stating that a design feature is functional “if it is essential to the use or purpose of the article or if it affects the cost or quality of the article.”³⁸ However, in 1995, in *Vornado Air Circulation Systems, Inc. v. Duracraft Corp.*,³⁹ the Tenth Circuit interpreted functionality more generally:

Finding that functionality in “trade dress parlance” is defined in terms of “competitive need,” the court opined that a product configuration could be simultaneously useful, novel, and nonobvious—hence capable of receiving a utility patent—and nonfunctional—thus a candidate for trade dress protection. The court reasoned that “this is the case because to meet patent law’s usefulness requirement, a product need not be better than other alternatives or essential to competition.” 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.”⁴⁰

³¹ *Id.* at 774.

³² 529 U.S. 205 (2000).

³³ *See id.* at 215.

³⁴ *Id.*

³⁵ *Id.*

³⁶ *See Gill, supra* note 18, at 1291.

³⁷ 456 U.S. 844 (1982).

³⁸ *Id.* at 850 n.10.

³⁹ 58 F.3d 1498 (10th Cir. 1995).

⁴⁰ Manotti L. Jenkins, *A Request to the High Court: Don't Let the Patent Laws be Distracted by a Flashy Trade Dress*, 15 J. MARSHALL J. COMPUTER & INFO. L. 323, 331-32

This is where the patent and trademark laws “collide” and why there is such inconsistency in the area of trade dress protection for features in expired patents.

II. CASE LAW

A. *TraFFix Devices, Inc. v. Marketing Displays, Inc.*⁴¹

Marketing Displays, Inc. (MDI) had an expired patent on a wind-resistant, mobile traffic-sign stand.⁴² Shortly after the patent expired, TraFFix began producing and marketing a sign utilizing MDI’s previously patented technology.⁴³ MDI brought suit against TraFFix claiming trade dress infringement, trademark infringement (based on the similar name TraFFix gave to its sign), and unfair competition, and TraFFix counterclaimed for antitrust.⁴⁴ The district court found for MDI on the trademark claim and held that MDI was not liable on the antitrust claim.⁴⁵ The district court found against MDI on its trade dress claim.⁴⁶ The district court found that the element of MDI’s trade dress at issue was the dual-spring design and held that “no reasonable trier of fact could determine that [it] has established secondary meaning.”⁴⁷ In addition, the court found, independent of the secondary meaning issue, that the dual-spring design was functional and was therefore ineligible for trade dress protection regardless of secondary meaning.⁴⁸

The Sixth Circuit Court of Appeals reversed the grant of summary judgment on the trade dress issue.⁴⁹ The court of appeals felt that the district court had erred in deciding that there was no genuine issue of material fact with regard to the lack of secondary meaning and that MDI could not prevail at any event due to the functional product configuration.⁵⁰ The court of appeals suggested that the district court had committed legal error by considering only the dual-spring design as the trade dress at issue.⁵¹ The court said that if TraFFix

(1997) (analyzing *Vornado Air Circulation Systems, Inc. v. Duracraft Corp.*, 58 F.3d 1498 (10th Cir. 1995)).

⁴¹ 532 U.S. 23 (2001).

⁴² *Id.* at 25.

⁴³ *Id.* at 26

⁴⁴ *Id.*

⁴⁵ *Id.*

⁴⁶ *Id.*

⁴⁷ *Id.*

⁴⁸ *Id.*

⁴⁹ *Id.* at 27.

⁵⁰ *Id.*

⁵¹ *Id.*

or any other competitor wanted to use the dual-spring design, then it would have to find another way to set its sign apart from MDI's in order to avoid infringing MDI's trade dress.⁵² In determining functionality, it was not sufficient that allowing exclusive use of a feature "would hinder competition somewhat."⁵³ The correct test was whether exclusive use of the feature would "put competitors at a significant, non-reputation-related disadvantage."⁵⁴

The Supreme Court granted cert to resolve the conflict.⁵⁵ The first thing the Supreme Court did was to point out that under 15 U.S.C. § 1125(a)(3) the burden of proof of showing that a feature or design is non-functional is on the party claiming the protection.⁵⁶ The Court then pointed out that in *Wal-Mart*, it had cautioned against misuse or over-extension of trade dress and noted that product design often has a purpose other than source identification (the purpose of trademark law).⁵⁷ An additional observation made by the Court was that copying is not generally discouraged and often has benefits.⁵⁸

Turning to the facts of this particular case, the Court immediately stated two rules used to resolve the issue and reverse the decision of the court of appeals. The Court first restated the rule that "a utility patent is strong evidence that the features therein claimed are functional."⁵⁹ "If trade dress protection is sought for those features," then the second rule requires that "one who seeks to establish trade dress protection must carry the heavy burden of showing that the feature is not functional, for instance by showing that it is merely an ornamental, incidental, or arbitrary aspect of the device."⁶⁰

In analyzing MDI's product under the first rule, the Court first determined that the central claim advanced in the expired utility patent was the dual-spring design and that the dual-spring design is the essential feature in the trade dress at issue.⁶¹ It then turned to a previous case involving infringement of the same patent at issue in this case. In *Sarkisian v. Winn-Proof Corp.*,⁶² MDI had successfully sued Winn-Proof for infringement under the doctrine of equivalents for a sign it had manufactured using the dual-spring design. In light of this

⁵² *Id.*

⁵³ *Id.*

⁵⁴ *Id.* at 27-8 (quoting *Qualitex Co. v. Jacobson Products Co.*, 514 U.S. 159, 165 (1995)).

⁵⁵ 530 U.S. 1260 (2000).

⁵⁶ *TrafFix*, 532 U.S. at 29

⁵⁷ *Id.*

⁵⁸ *Id.*

⁵⁹ *Id.*

⁶⁰ *Id.* at 29-30.

⁶¹ *Id.* at 30.

⁶² 697 F.2d 1313 (9th Cir. 1983).

past ruling, the Court found that the product at issue in this case would have been covered by the claims of the expired patent.⁶³

Moving on to the second test, the Court opined that the Court of Appeals had given insufficient weight to the evidentiary significance of the expired utility patent in establishing functionality.⁶⁴ The Court found that MDI did not meet the burden of proving that its design feature was nonfunctional.⁶⁵

Looking at the test relied on by the court of appeals, the Court stated that the “significant non-reputation-related disadvantage” test was an incomplete definition of functionality. First, it is necessary to determine whether the feature is essential to the use or purpose of the device or if it affects the cost or quality of the device.⁶⁶ If any of these is the case, then the product is functional. In cases of aesthetic functionality, it is then proper to consider whether there is a competitive necessity for the feature.⁶⁷ Since the dual-spring design is an essential feature and affects the quality of the device, the feature is functional and the competitive necessity is not relevant.

The Court then addressed several points that were not specifically relevant to the *TrafFix* case, but are relevant to the conflict among the circuits. The Court reaffirmed the holding in *Two Pesos* that non-functional trade dress is permitted for product features that are inherently distinctive.⁶⁸ It also stated that, where the feature is found to be functional, possible alternative designs need not be considered and neither is it necessary for competitors to explore designs to hide the spring feature.⁶⁹ Finally, the Court addressed how the presumption of functionality might be overcome where a manufacturer seeks to protect arbitrary, incidental, or ornamental aspects of a product found in the patent claims. The Court suggested that the manufacturer might prove that those aspects do not serve a purpose within the terms of the patent by going beyond the claims and examining the patent and prosecution history to see if the feature in question is shown as a useful part of the invention.⁷⁰ In concluding, the Court noted that the issue of a Constitutional conflict between the Patent Clause and trade dress protection had been raised, but declined to resolve that question on the facts of this case.⁷¹

⁶³ *TrafFix*, 532 U.S. at 30.

⁶⁴ *Id.* at 32.

⁶⁵ *Id.*

⁶⁶ *Id.*

⁶⁷ *Id.*

⁶⁸ *Id.* at 33.

⁶⁹ *Id.* at 34.

⁷⁰ *Id.*

⁷¹ *Id.* at 35.

B. Pre-Lanham Act Case Law

One of the earliest cases involving a competitor's right to copy expired patents was *Singer Manufacturing Co. v. June Manufacturing Co.*,⁷² decided in 1896, when Singer, a sewing machine manufacturer, sued June, one of its competitors. Singer alleged that June was making and selling sewing machines that had the exact shape and general appearance [product configuration] as Singer sewing machines. June's sewing machines included design features not covered by any of Singer's patents, but which had served to distinguish Singer's products from those of its competitors.⁷³

The Court asked whether "the manufacturer, on the cessation of the monopoly, [has] the right to prevent the making by another of a like machine in the form in which it was made during the life of the patent[] . . .?"⁷⁴ With little discussion, the Court answered its question in the negative, holding that when the patent monopoly expires, "the right to make the thing formerly covered by the patent becomes public property."⁷⁵ Therefore, "on the termination of the patent there passes to the public the right to make the machine in the form in which it was constructed during the patent."⁷⁶

The Supreme Court again addressed the question of a competitor's right to copy the form of an invention covered by an expired patent in the 1938 case, *Kellogg Co. v. National Biscuit Co.*⁷⁷ In this case, National Biscuit Company made and sold shredded wheat cereal formed in pillow-shaped biscuits. The product, the process, and the machinery needed to make the cereal were all under patents owned by National Biscuit.⁷⁸ Upon expiration of the patents, Kellogg began producing a pillow-shaped biscuits marketed as shredded wheat. National Biscuit brought a state unfair competition claim against Kellogg, claiming that Kellogg was trying to pass off its product as that of National Biscuit and that National Biscuit had an exclusive right to make the cereal in pillow-shaped biscuits.⁷⁹ The Court held that Kellogg had not violated the state unfair competition statutes when it produced pillow-shaped biscuits because the machines that produced the biscuit were no longer under patent, and

⁷² 163 U.S. 169 (1896).

⁷³ See *id.* at 169.

⁷⁴ See *id.* at 184.

⁷⁵ *Id.* at 185.

⁷⁶ *Iid.*

⁷⁷ 305 U.S. 111 (1938).

⁷⁸ See *id.* at 117.

⁷⁹ See *id.* at 113.

[w]here an article may be manufactured by all, a particular manufacturer can no[t] . . . assert exclusive rights in a form in which the public has become accustomed to see the article and which, in the minds of the public, is primarily associated with the article rather than a particular producer.⁸⁰

In *Scott Paper Co. v. Marcalus Manufacturing Co.*,⁸¹ the Court made its final pre-Lanham Act statement regarding the right to copy. Scott Paper brought an action for infringement of an assigned patent against Marcalus, the assignor.⁸² Marcalus defended the infringement on the grounds that the patent was invalid as a copy of prior art, specifically an expired patent.⁸³ Rather than simply applying the doctrine of assignor estoppel, the Supreme Court looked to the purpose of patent law. The Court first addressed the limitations that legislators incorporated into patent law. Next, the Court defined the public policy behind patent law, stating that “[t]he public shall not only be free to use the information disclosed in an expired patent, but also ‘shall receive the benefits of the unrestricted exploitation, by others, of its disclosures.’”⁸⁴ The Court explicitly stated

that the patentee may not exclude the public from participating in that good will or secure, to any extent, a continuation of his monopoly by resorting to the trademark law and registering as a trademark any particular descriptive matter appearing in the specifications, drawings, or claims of the expired patent, whether or not such matter describes essential elements of the invention or claims.⁸⁵

C. Post-Lanham Act Case Law

In *Sears, Roebuck & Co. v. Stiffel Co.*,⁸⁶ Stiffel brought an unfair competition suit against Sears for copying the design of its unpatented pole lamp. The issue in this case was whether, consistent with federal patent laws, states could prevent copying of a product that was unprotected by federal statute. The Court concluded that the states could not protect articles that were covered by expired patents or were not patentable because, “[j]ust as a State cannot encroach upon the federal patent laws directly, it cannot, under some other law, such as that forbidding unfair competition, give protection of a kind that clashes

⁸⁰ *Id.* at 120.

⁸¹ 326 U.S. 249 (1945).

⁸² *See id.* at 251.

⁸³ *Id.*

⁸⁴ Glen A. Weitzer, Note, *No Trade Dress Protection for Anything Disclosed in a Patent: A Defense of the Supreme Court's Per Se Restriction*, 4 MARQ. INTELL. PROP. L. REV. 181, 185 (2000) (quoting *Scott Paper*, 326 U.S. at 255).

⁸⁵ *Scott Paper*, 326 U.S. at 256 (quoting *Kellogg*, 305 U.S. at 117-20).

⁸⁶ 376 U.S. 225 (1964).

with the objectives of the federal patent laws.”⁸⁷ Therefore, the Court held, Sears was free to copy the design of Stiffel’s pole lamp provided the producer of the lamp was made clear.⁸⁸

The Court used reasoning similar to *Sears* in *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*⁸⁹ In this case, Bonito Boats, a boat manufacturer, brought suit against Thunder Craft for violation of a Florida state statute that prohibited the copying of boat hulls using the direct molding process. The issue was whether this state statute, which merely prohibited one method of copying, was in conflict with the federal patent laws.⁹⁰ The Court initially described the patent bargain, which consists of the patent right to exclude in exchange for the disclosure of an invention.⁹¹ The Court then reaffirmed its holding in *Sears* by stating that state regulations may not conflict with the balance struck by the patent laws and that “free exploitation of ideas will be the rule, to which the protection of a federal patent is the exception.”⁹²

In *Vornado Air Circulation Systems, Inc. v. Duracraft Corp.*,⁹³ the Tenth Circuit was faced with an alleged trade dress infringement of a product design that was an element of the subject of a utility patent. Vornado, a manufacturer of fans, had been issued a utility patent for one of its fans.⁹⁴ The design of a spiral grill face for the fan was part of the claim.⁹⁵ Duracraft, a competitor, copied the grill design but did so in a way that did not literally infringe the existing patent.⁹⁶

The Tenth Circuit did not decide whether every patentable configuration or every configuration from an expired patent should be denied trade dress protection, and it did not treat design and utility patents differently. Rather, the court explored whether trade dress protection is available for product configurations of patented inventions.⁹⁷ The court answered this question by looking to Supreme Court precedent, legislative history, the functionality doctrine, and by balancing the competing policies of the Patent Act and the Lanham

⁸⁷ *Id.* at 231.

⁸⁸ *See id.* at 232.

⁸⁹ 489 U.S. 141 (1989).

⁹⁰ *See id.* at 144-45.

⁹¹ *See id.* at 150-51.

⁹² *See id.* at 151.

⁹³ 58 F.3d 1498 (10th Cir. 1995).

⁹⁴ *Id.* at 1500.

⁹⁵ *See id.*

⁹⁶ *See id.* at 1501.

⁹⁷ *See id.* at 1503.

Act.⁹⁸ In its holding, the Tenth Circuit developed the “significant inventive aspect test”:

[W]here 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.⁹⁹

Using this test, the court decided that the spiral grill at issue, while it may not be functional, was part of the product configuration disclosed in the patent and therefore entered the public domain when the patent expired.¹⁰⁰

The Seventh Circuit was faced with a case similar to *Vornado* in *Thomas & Betts Corp. v. Panduit Corp.*¹⁰¹ Thomas held a patent on a two-piece cable tie.¹⁰² Upon expiration of the patent, Panduit, the leading producer of one-piece cable ties, began producing a two-piece cable tie similar to the one in Thomas's expired patent.¹⁰³ Thomas filed suit against Panduit, claiming that the oval-shaped head of the cable tie was protectable trade dress.¹⁰⁴ After restating the policies behind the patent and trademark laws, the Seventh Circuit examined Supreme Court precedent on trade dress protection, including *Singer*, *Kellogg*, *Scott Paper*, and others.¹⁰⁵ After considering the Tenth Circuit's holding in *Vornado*, the court stated that there was no *per se* rule against trade dress protection for any feature disclosed in an expired patent.¹⁰⁶ The court determined that the functionality doctrine was effective in safeguarding against abuse of trade dress protection.¹⁰⁷ Therefore, the Seventh Circuit held that, because the oval-shaped head was not claimed in the patent, the case should be treated as any other trade dress infringement case.¹⁰⁸

⁹⁸ See *id.* at 1504-10.

⁹⁹ See *id.* at 1510.

¹⁰⁰ See *id.*

¹⁰¹ 138 F.3d 277 (7th Cir. 1998).

¹⁰² See *id.* at 282.

¹⁰³ See *id.*

¹⁰⁴ See *id.*

¹⁰⁵ See *id.* at 283-6.

¹⁰⁶ See *id.* at 288. (declining to follow *Vornado* because the feature at issue in *Vornado* was a claimed feature, whereas in *Panduit* the oval-shaped head was not specifically claimed.)

¹⁰⁷ See *id.* at 288.

¹⁰⁸ See *id.* at 290-291.

III. ANALYSIS

A. *Tests*

The key to whether a feature claimed in an expired utility patent can be granted trade dress protection appears to rest on functionality. In *TrafFix*, the Court restates the rule that an expired utility patent is strong evidence of functionality, creating a heavy burden for the patentee to show that the feature is nonfunctional.¹⁰⁹ Because an invention must be useful to be patented and a product configuration deemed functional is not valid trade dress, it would seem to follow that useful configurations previously covered by utility patents would be ineligible for trade dress protection. In the past, this was considered to reconcile the Patent Act and the Lanham Act.¹¹⁰

1. *TrafFix*

Because of the “competitive need” functionality test, many product configurations that would have been dedicated to the public domain under expired utility patents were able to receive protection as trade dress under § 43(a) of the Lanham Act. Now, under the *TrafFix* decision, it will be more difficult to prove that a product feature is nonfunctional if it has been claimed in a utility patent. By going all the way back to *Sears* and tracing functionality as defined through *Inwood Laboratories* and *Qualitex*, the Court re-established the requirement that a feature is functional “if it is essential to the use or purpose of the article or if it affects the cost or quality of the article.”¹¹¹ Only if the feature is non-essential or does not meet any of the other above-mentioned requirements is it necessary to consider whether the feature, if protected, would cause competitors to have a “significant non-reputation-related disadvantage,” as in cases of aesthetic functionality (like the green-gold color in *Qualitex*).¹¹²

2. *Significant Inventive Aspect*

Another test that would restrict trade dress protection for expired utility patents is the test developed by the Tenth Circuit in *Vornado*, referred to as the “significant inventive aspect” test. In its analysis, the Tenth Circuit first acknowledged the inadequacy of the “competitive need” functionality test, noting that the right to copy should not de-

¹⁰⁹ *TrafFix*, 532 U.S. at 29.

¹¹⁰ See Geremia, *supra* note 15, at 781.

¹¹¹ *Inwood*, 456 U.S. at 851 n.10.

¹¹² *TrafFix*, 532 U.S. at 33.

pend on the functionality of a configuration changing due to the “vagaries of the marketplace.”¹¹³

Based on this observation, the court developed and applied the “significant inventive aspect” test:

[W]here 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.¹¹⁴

This test is considered closer to the original policy underlying patent law and trademark law and if applied uniformly would allow for less confusion among the circuits, although some commentators have criticized the test, pointing out that it might invite litigation over defining the “significant inventive aspect” of the patent.¹¹⁵

B. Alternatives Outside Case Law

There are several alternatives available to courts, in addition to the rules currently in use, which might provide for more uniformity among the circuits. In order to prevent forum shopping and avoid extending the patent monopoly indefinitely, a bright line rule should be applied.

The easiest rule for courts to apply would be to deny trade dress protection across the board to any product configuration mentioned in an expired patent. The court could limit design protection to the domain of design patents and once the relevant patent (utility or design) expired, then the appearance of the product would enter the public domain with the other aspects of the invention. This alternative might be unfavorable to many manufacturers who have spent a large sum of money developing goodwill for their product.

A less strict alternative suggested by one commentator would be for Congress to amend the Lanham Act to require registration of trade dress as a prerequisite to protection under the Lanham Act.¹¹⁶

Only those designs or product configurations that were disclosed but not claimed in the patent. . . would be affected. Registration of trade dress associated with a utility patent would relieve any person wanting to copy the invention . . . of later [being] found to be infringing a trade dress. On the other side, registration would eliminate the need to prove the existence of a trade dress in an infringement action. A registry of trade dress associated with utility

¹¹³ See Geremia, *supra* note 15, at 805 (quoting *Vornado*, 58 F.3d at 1510, n.20).

¹¹⁴ *Vornado*, 58 F.3d at 1510.

¹¹⁵ See Geremia, *supra* note 15, at 807.

¹¹⁶ See Gill, *supra* note 18, at 1297.

patents could be established, which would then act as prior notice to any would be copier.¹¹⁷

Another alternative that has been proposed is to limit the right of competitors to copy the invention to the scope of the patentee's right to exclude.¹¹⁸ In *Zip Dee, Inc. v. Dometic Corp.*,¹¹⁹ the court explained that "competitors have the absolute right to copy only those product configurations that are protectable during the life of the patent."¹²⁰ "But those configurations disclosed only in dependent claims or those that are otherwise disclosed but not protectable during the life of the patent, are eligible for trade dress protection if they are nonfunctional."¹²¹

The *Zip Dee* rule would resolve inconsistency among the circuits almost as certainly as forbidding trade dress protection to all configurations mentioned in a patent. It presents a clear rule for the courts to follow, but it can be argued that it does not serve the patent policy of allowing the whole patent to be dedicated to the public domain.

A final alternative presented by many commentators is to continue to resolve the controversy on a case-by-case basis.

CONCLUSION

Trade dress protection for product configurations disclosed in utility patents is a very unsettled area of the law. Before the passage of the Lanham Act, the Supreme Court had some amount of consistency, but as the functionality doctrine evolved along with the interpretations of the Lanham Act, the consistency was lost. Hopefully, the Supreme Court's recent decision in *TrafFix* will clear up some of the inconsistency among the circuits. However, in cases where it is not as clear that the product for which trade dress protection is being sought was precisely what was claimed in the patent, courts may still be forced to struggle with the apparent conflict between trade dress law and patent law.

¹¹⁷ See *id.* at 1297.

¹¹⁸ See Geremia, *supra* note 15, at 812 (discussing *Zip Dee, Inc. v. Dometic Corp.*, 931 F.Supp. 602 (N.D. Ill. 1996)).

¹¹⁹ 931 F.Supp. 602 (N.D. Ill. 1996).

¹²⁰ See *id.* at 611-12.

¹²¹ See *id.*