

The Road to Trade Dress Protection for Product Configuration: Not a Dead End Despite *TraFFix* and the Functionality Roadblocks

By Susan E. Farley and Alana M. Fuierer

I. Introduction

In 2001, the Supreme Court, in *TraFFix Devices, Inc. v. Marketing Displays, Inc.*,¹ addressed the role of trade dress protection for product configuration. At first blush, *TraFFix* appeared to narrow the scope of trade dress protection by broadening the definition of functionality.² However, a more comprehensive review of how federal courts, in particular New York district courts, have applied *TraFFix* clearly indicates that the protection afforded to product configuration trade dress has not, in fact, been narrowed across the board and that it remains a viable means of protecting product configuration.



Susan E. Farley

II. The *TraFFix* Decision

In *TraFFix*, the Supreme Court recognized two distinct tests for functionality: one for utilitarian features of a product design and one for aesthetic aspects of a product. When considering utilitarian features of a product design, the Court clarified that the traditional *Inwood*³ test should be applied to determine if a feature is functional. That is, a product feature is functional “when it is essential to the use or purpose of the article or when it affects the cost or quality of an article.”⁴ Under this “traditional” test, the focus is on the utility (or usefulness) of a feature rather than on competitive necessity. Moreover, in addressing the effect of an expired utility patent on functionality, the Court indicated that a utility patent is “strong evidence” that the features claimed therein are functional under the *Inwood* test.⁵ At least as significantly, however, the Court acknowledged that if a feature is “merely an ornamental, incidental, or arbitrary aspect of the device,” it may be nonfunctional, and therefore qualify for trade dress protection, *even if* it is disclosed, or claimed, in a utility patent.⁶

When aesthetic aspects of a product configuration are at issue, the Supreme Court indicated that it is then appropriate to turn to the *Qualitex*⁷ “competitive necessity” test to determine functionality.⁸ Under this test, a functional feature is one the “exclusive use of

[which] would put competitors at ‘significant non-reputation-related disadvantage.’”⁹

III. Circuit Split Regarding Relevance of Alternative Designs Under Traditional Test

The Second Circuit has discussed only *in dicta* the functionality doctrine post-*TraFFix*.¹⁰ However, several other circuit courts have addressed the functionality doctrine and, for the most part, have focused a great deal on the relevance of “alternative designs” under the traditional test.¹¹

In *TraFFix*, the Supreme Court stated that “[w]here the design is functional under the *Inwood* formulation there is no need to proceed further to consider if there is a competitive necessity for the feature.”¹² Interpreting this language narrowly, some courts have held that alternative designs remain relevant as one factor in determining whether a product configuration is functional under the traditional test, despite the Supreme Court’s indication that “competitive necessity” is not the focus under the traditional test.¹³ For example, in *Valu Engineering, Inc. v. Rexnord Corp.*, the Federal Circuit stated that “[n]othing in *TraFFix* suggests that consideration of alternative designs is not properly part of the overall mix, and we do not read the Court’s observations in *TraFFix* as rendering the availability of alternative designs irrelevant.”¹⁴

On the other hand, some courts have interpreted the Supreme Court’s directive to preclude consideration of alternative designs under the traditional *Inwood* test.¹⁵ For example, in *Eppendorf-Netheler-Hinz GMBH v. Ritter GMBH*, the Fifth Circuit held that the eight design features of a disposable pipette tip were functional because all eight features were “essential to the operation” of the product.¹⁶ In doing so, the Court made it clear that the existence of alternative designs was *not germane* to the traditional test for functionality, stating that “[u]nder [the] traditional definition, if a product feature is ‘the reason the device works,’ then the feature is functional. The availability of alternative designs is irrelevant.”¹⁷

Regardless of the circuit split regarding whether alternative designs are relevant under the traditional test, *TraFFix* makes clear that plaintiffs cannot rely on

the “competitive necessity” test to establish that utilitarian features are nonfunctional. In other words, the availability of alternative designs can no longer turn a functional, utilitarian feature into a nonfunctional one.¹⁸

IV. Product Configuration Held Functional

Post-*Traffix*, the circuit courts have followed the Supreme Court’s lead by applying the traditional test for functionality when utilitarian features of a product configuration are at issue and, in the end, have appeared somewhat reticent to extend trade dress protection.¹⁹ For example, the following have been held to be “essential to the use or purpose” of a product or to “affect[] the cost or quality” of a product and, therefore, to be functional and not protectible as trade dress:

- fins, flange, plunger head, plunger, length of tips, sizes of tips, coloring scheme, and angle of tip stumps of a disposable pipette tip²⁰
- dual strap-hinge design, spine cover, padded album cover, and reinforced pages of a scrap book album²¹
- round, flat, and tee cross-sectional designs for conveyor guide rails²²
- shape and color combination for pharmaceutical drug tablet²³
- grip feature and shape of water bottle²⁴

Similarly, lower courts have found the following to be functional under the traditional test and, therefore, not protectible as trade dress:

- S-shape lip of disposable plastic serving tray²⁵
- white/green color, fabric, flap, and rear window of golf cart canopy²⁶
- color yellow for corrugated plastic tubing²⁷
- small round beads and colorful pieces in ice cream²⁸
- overall arrangement of five design features for a dental implant (external thread, gray color, curved upper surface, rounded bottom and solid abutment)²⁹
- fish shape for gummy candy³⁰

In many cases where the court has found functionality under the traditional test, it has expressly pointed out that the plaintiff failed to establish that there was anything “arbitrary” about the individual features, the arrangement of the features, or the overall product configuration.³¹

V. Product Configuration Held Nonfunctional

Despite the Supreme Court’s warning against the “misuse or overextension of trade dress”³² and the implication that the *Traffix* decision significantly broadened the functionality doctrine, several courts have found product configurations to be nonfunctional in view of *Traffix*. For example, some post-*Traffix* decisions have found aspects of a design to be aesthetic and thus nonfunctional.³³ Moreover, even when faced with an existing utility patent, courts have been willing to apply the Supreme Court’s “narrow” exception for product features that are “merely an ornamental, incidental or arbitrary aspect of the device.”³⁴ In fact, it can be argued that, by acknowledging that features in a utility patent claim are not necessarily functional, the *Traffix* decision has somewhat broadened the scope of trade dress protection in some circuits.³⁵

The following have been held to be nonfunctional (or at least not *necessarily* functional) under *Traffix*:

- pool hall trade dress³⁶
- arrangement of ornamental features for designer pants³⁷
- jewelry design incorporating a cable configuration³⁸
- arrangement of features for a handbag³⁹
- rabbit’s head corkscrew⁴⁰
- overall design of a bow-tying device⁴¹
- rectangular horizontal grooves on a clothing hanger⁴²
- color red for fencing products⁴³
- overall trade dress in a Hummer vehicle⁴⁴
- overall trade dress in a cutting tool comprising color scheme and shape, handles, rail guides, and hinges⁴⁵

In many cases, courts have found that a product configuration can be nonfunctional if it involves color⁴⁶ or an arbitrary arrangement of product features,⁴⁷ including an arbitrary arrangement of some functional features combined with aesthetic aspects of a product design.⁴⁸ Indeed, in some jurisdictions, trade dress protection for the arrangement, collection, or combination of *only functional* features is still available,⁴⁹ which can leave significant room for a plaintiff to protect the “overall” trade dress of a product configuration.

VI. Conclusion

The Supreme Court's *TrafFix* decision clarified the functionality doctrine and the scope of trade dress protection for product configurations and, by doing so, clearly left room for courts to extend trade dress protection to product configurations when it is warranted. Indeed, it appears the Supreme Court's *TrafFix* decision has taken product configuration trade dress in the right direction. Although there arguably are more obstacles for a plaintiff to overcome, the road to trade dress protection remains open, with *TrafFix* leading the way.

Endnotes

1. *TrafFix Devices, Inc. v. Marketing Displays, Inc.*, 532 U.S. 23 (2001).
2. In much of the commentary and scholarly debate immediately following *TrafFix*, it was surmised that the Supreme Court's decision would narrow the scope of trade dress protection considerably. See, e.g., Vincent P. Tassinari, *Claiming Trade Dress for a Feature Covered by an Expired Patent Just Got Harder*, Nat'l L.J., Apr. 30, 2001, col. 2; Robert P. Renke, *TrafFix Devices, Inc. v. Marketing Displays, Inc.: The Shrinking Scope of Product Configuration Trade Dress*, 91 Trademark Rep. 624 (2001).
3. *Inwood Laboratories, Inc. v. Ives Laboratories, Inc.*, 456 U.S. 844 (1982).
4. *TrafFix*, 532 U.S. at 33.
5. "A prior patent, we conclude, has vital significance in resolving the trade dress claim. A utility patent is strong evidence that the features therein claimed are functional." *Id.* at 29.
6. "Where the expired patent claimed the features in question, 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." *Id.* at 30.
7. *Qualitex Co. v. Jacobson Products Co.*, 514 U.S. 159 (1995).
8. *TrafFix*, 532 U.S. at 33.
9. *Id.* (quoting *Qualitex*, 514 U.S. at 165).
10. See *Nora Beverages, Inc. v. Perrier Group of Am., Inc.*, 269 F.3d 114, 120 n.4 (2d Cir. 2001) (upholding district court's finding of no trade dress infringement for water bottle design because bottle shape had not acquired secondary meaning and there was no likelihood of confusion, but stating, *in dicta*, the "district court may have found for [defendant] on the grounds of functionality in light of the Supreme Court's recent rulings which curtail trade dress protection by expanding the functionality doctrine.").
11. Compare *Valu Engineering, Inc. v. Rexnord Corp.*, 278 F.3d 1268 (Fed. Cir. 2002) (alternative designs relevant under traditional test for functionality); *Talking Rain Beverage Co. Inc. v. South Beach Beverage Co.*, 349 F.3d 601 (9th Cir. 2003) (same), with *Eppendorf-Netheler-Hinz GmbH v. Ritter GmbH*, 289 F.3d 351, 355-58 (5th Cir. 2002), *cert. denied*, 537 U.S. 1071 (2002) (alternative designs no longer relevant to functional inquiry unless feature is aesthetic); *Antioch Co. v. Western Trimming Corp.*, 347 F.3d 150 (6th Cir. 2003) (court not required to consider alternative designs under traditional test). See also *Maharishi Hardy Blechman Ltd. v. Abercrombie & Fitch Co.*, 292 F. Supp. 2d 535, 546 (S.D.N.Y. 2003) ("*TrafFix* bears strongly on the import of alternate designs to the question of functionality, but the exact holding on this point is highly elusive.").
12. *TrafFix*, 532 U.S. at 33.
13. See *Valu Engineering, Inc.*, 278 F.3d at 1276 (availability of alternate designs can be "a legitimate source of evidence to determine whether a feature is functional in the first place"); *Talking Rain Beverage Co. Inc.*, 349 F.3d at 603 ("The existence of alternative designs cannot negate a trademark's functionality. But the existence of alternative designs may indicate whether the trademark itself embodies functional or merely ornamental aspects of the product."); see also *Tie Tech, Inc. v. Kinedyne Corp.*, 296 F.3d 778 (9th Cir. 2002) (without citing *TrafFix*, court considered availability of alternative designs for webcutter but found alternative designs not sufficient to make a functional design become nonfunctional design).
14. *Valu Engineering, Inc.*, 278 F.3d at 1276. The court upheld the Trademark Trial and Appeal Board's findings that the ROUND, FLAT and TEE cross-sectional designs for conveyor guide rails were functional due to the utilitarian advantages of the design. The Board had weighed the following factors and found the design to be functional: (1) plaintiff's abandoned utility patent application disclosed utilitarian advantages in the ROUND, FLAT and TEE shapes of the guide rail designs; (2) plaintiff's advertising materials touted utilitarian advantages; (3) there were a limited number of alternate designs; and (4) the guide rail designs result in a simple, cheap method of manufacturing.
15. See *Eppendorf-Netheler-Hinz GmbH*, 289 F.3d at 358 ("[I]t is unnecessary to consider design alternatives available in the marketplace" because "alternative designs are not germane to the traditional test for functionality."); *Antioch Co.*, 347 F.3d at 155-56 (district court committed no error in rejecting proffered evidence concerning the availability of alternate designs for scrapbook albums).
16. *Eppendorf-Netheler-Hinz GmbH*, 289 F.3d at 358. Specifically, the fins, flange, plunger head, plunger, length of tips, eight sizes of tips, coloring scheme, and angle of the tips stumps were essential to the operation of the pipette tips.
17. *Id.* at 355 (citations omitted).
18. See *Antioch Co.*, 347 F.3d at 155-56 ("Critical for the present case, the Supreme Court stated that '[w]here the design is functional under the Inwood formulation there is no need to proceed further to consider if there is a competitive necessity for the feature.'"); *Baughman Tile Co., Inc. v. Plastic Tubing, Inc.*, 211 F. Supp. 2d 720, 724 n.5 (E.D.N.C. 2002) ("At a minimum, it is clear that, at any such time that functionality becomes evident based on any combination of factors, speculation regarding other possible designs is improper."). See also J. Thomas McCarthy, 1 McCarthy on Trademarks and Unfair Competition § 7.75 (4th ed. 2003).
19. Since *TrafFix*, all but one of the circuit court decisions have found the product configurations at issue to be functional under the traditional test. See *Clicks Billiards, Inc. v. Sixshooters, Inc.*, 251 F.3d 1252, 1258 (9th Cir. 2001) (pool hall trade dress).
20. *Eppendorf-Netheler-Hinz GmbH*, 289 F.3d at 355-58 (product design of a disposable pipette tip held functional because eight design features were essential to operation of the product).
21. *Antioch Co.*, 347 F.3d at 157 (product design for scrapbook album held functional because the features of the product design, namely a dual strap-hinge design, spine cover, padded album cover, and reinforced pages, whether viewed singly or collectively, were essential to the use of the album and affected its quality).
22. *Valu Engineering, Inc.*, 278 F.3d at 1276.
23. *Shire US Inc. v. Barr Laboratories, Inc.*, 329 F.3d 348 (3d Cir. 2003) (affirming district court finding that tablet shape and color combinations of an unpatented pharmaceutical drug were functional under the traditional test because similarity

in tablet appearance enhanced patient safety by promoting psychological acceptance).

24. *Talking Rain Beverage Co. Inc.*, 349 F.3d at 604–05 (bottle shape for bottled water held to be functional due to utilitarian advantages, namely, the grip feature, the essence of the water bottle design, made bottle easier to hold and offered structural support, and the bike bottle design allowed bottle to fit easily into bike holder. In addition, the plaintiff’s advertising touted utilitarian features.). See also *Nora Beverages, Inc.*, 269 F.3d at 120 n.4 (stating *in dicta*, that “district court may have found for [defendant] on the grounds of functionality because the ribbed-cylindrical bottle “fits the hand more snugly and helps prevent slippage from condensation and perspiration” and the “bottle’s ‘waist’ creates a very useful groove into which a thumb and forefinger can rest comfortably while at the same time providing a more secure grip of a relatively heavy bottle.”).
25. *Waddington North America Business Trust v. EMI Plastics, Inc.*, 2002 WL 2031372, *4 (E.D.N.Y. Sept. 5, 2002) (S-shape lip feature of disposable plastic serving tray held to be “clearly” functional because it allowed covers of the tray to lock into place, prevented spillage, and allowed the trays to nest when stacked; spokes in serving trays held to be aesthetically functional because they enhanced the aesthetic appeal rather than identified the source).
26. *Club Protector, Inc. v. J.G. Peta, Inc.*, 2001 WL 1217215, *3 (N.D.N.Y. 2001) (white/green color, fabric, flap, and rear window on back of golf cart canopy held “entirely” functional because rain-repellent fabric was essential to keeping golf clubs dry, flap held canopy in place, plastic window allowed driver to see behind, functionality of white/green color not discussed).
27. *Baughman Tile Co., Inc.*, 211 F. Supp. 2d at 722–25 (court expressly stated that “utilitarian” functionality of tubing was at issue and then held that the yellow color of corrugated plastic tubing was functional because yellow tubing was reflective and, thus, remained stiffer in heat, was more readily identified in excavation, was the best color for visibility and was the commonly-recognized color of caution; court would not consider alternative colors that performed same functions).
28. *In re Dippin’ Dots Patent Litigation*, 249 F. Supp. 2d 1346, 1372–74 (N.D. Ga. 2003) (product configuration of ice cream, comprising small round beads or pieces of colorful ice cream, was functional under the traditional test because the small beads created a creamier ice cream and the colors identified flavor. Product configuration also functional under the “competitive necessity” test because preventing competitors from making an ice cream product with these qualities would place them at a disadvantage unrelated to reputation, as well as the *Valu Engineering* test because a utility patent and advertisements disclosed utilitarian advantages of product design, and functionally equivalent designs were not available.).
29. *Straumann Co. v. Lifecore Biomedical Inc.*, 278 F. Supp. 2d 130, 135–36 (D. Mass. 2003) (overall design of dental implant held functional because, although plaintiff provided evidence that the individual features of the implant were not essential to the use or purpose of the device, plaintiff failed to establish that overall design did not affect cost or quality or was an arbitrary arrangement. Court did proceed to examine whether the two *arguably non-functional* individual features, i.e., the rounded bottom and the top of the thread, had acquired secondary meaning).
30. *Malaco Leaf, AB v. Promotion in Motion*, 287 F. Supp. 2d 355, 366 (S.D.N.Y. 2003) (Although the court primarily focused on the aesthetic functionality of the fish-shaped design and the fact that the design was necessary for competition, the court did state that the fish-shaped product design was functional because the “flat back” is a result of the manufacturing process and the head, tail and scale pattern and eye were necessary to portray a fish.).
31. See, e.g., *Talking Rain Beverage Co. Inc.*, 349 F.3d at 605 (holding that product design was not arbitrary); *Eppendorf-Netheler-Hinz GMBH*, 289 F.3d at 358 (“Each of the eight design elements . . . is not [an] arbitrary or ornamental feature[.]”); *Antioch Co.*, 347 F.3d at 158 (“[W]here individual functional components are combined in a nonarbitrary manner to perform an overall function, the producer cannot claim that the overall trade dress is nonfunctional.”) (emphasis added); *Straumann Co.*, 278 F. Supp. 2d at 136 (plaintiff failed to establish that overall design was an arbitrary arrangement). Providing evidence that aspects of a product feature are “ornamental, incidental or arbitrary” is one way to prove a product configuration is nonfunctional. However, at least one court has implied that it is not the only way. Recently, in *Eco Manufacturing LLC v. Honeywell Intern., Inc.*, 2003 WL 23096007 (7th Cir. 2003), the Seventh Circuit held that the district court did not abuse its discretion in denying a preliminary injunction based on a finding that the round external shape of a thermostat was functional because the thermostat was the subject of utility and design patents and, therefore, the plaintiff had a heavy burden to establish that the “roundness” was not essential or did not affect the price or quality of the product. The court pointed out, however, “[t]his is not to say that it would be impossible for [plaintiff] to carry its burden. *Traffix* gave ‘an ornamental, incidental, or arbitrary aspect of the device’ as a for-instance, and not as an exclusive means to show non-functionality.” *Id.* at *4 (emphasis added). The court made sure to clarify that it did not express “any ultimate view about functionality.” *Id.* at *5.
32. *Traffix*, 532 U.S. at 29 (“[I]n *Wal-Mart*, we were careful to caution against misuse or overextension of trade dress.”). See also, e.g., *Shire US Inc.*, 329 F.3d at 358 (“[W]e have the benefit of the Supreme Court’s most recent trade dress decisions which caution against the over-extension of trade dress protection.”).
33. See, e.g., *Clicks Billiards*, 251 F.3d at 1258 (although individual features of trade dress were functional, overall image of pool hall was due to decorative and aesthetic decisions); *Yurman Design, Inc. v. Golden Treasure Imports, Inc.*, 275 F. Supp. 2d 506, 512 (S.D.N.Y. 2003), *reconsideration denied*, 218 F.R.D. 396 (S.D.N.Y. 2003) (“The aesthetic value of the cable design is arguably more important than any marginal functional benefit”); *E-Z Bowz, L.L.C. v. Professional Product Research Co., Inc.*, 2003 WL 22068573, *23 (S.D.N.Y. 2003) (“Much of the coloring and placement of graphics on the bow maker serve an *aesthetic* and ornamental purpose and are unrelated to the function of the bow marker.”).
34. See, e.g., *Metrokane, Inc. v. The Wine Enthusiast*, 160 F. Supp. 2d 633, 638 (S.D.N.Y. 2001) (despite existence of prior utility patent, product design for rabbit corkscrew fit narrow exception set forth in *Traffix* because aspects of the product features clearly were more “arbitrary, incidental [and] ornamental” than merely functional); *Yurman Design, Inc.*, 275 F. Supp. 2d at 512 (“[E]ven if the plaintiffs’ prior [utility] patents were evidence of [f]unctionality . . . the plaintiffs are able to satisfy the ‘heavy burden’ of showing that the cable element is merely an ornamental or arbitrary element of the jewelry design.”); *Spotless Enterprises, Inc. v. A & E Products Group L.P.*, 2003 WL 22946431, *21 (E.D.N.Y. 2003) (despite fact that other features of a hanger design were the subject of utility patents, rectangular horizontal grooves on the top-sizer of a clothing hanger held to be nonfunctional under the narrow exception set forth in *Traffix* because they were an “ornamental flourish”).
35. Prior to *Traffix*, at least one circuit had adopted a bright-line rule precluding trade dress protection for previously patent-

