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Of "Ugly Stiks" and Uglier Case Law: A Comment on the Federal Registration of Functional Designs After *Shakespeare Co. v. Silstar Corp. of America*

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Of "Ugly Stiks" and Uglier Case Law: A Comment on the Federal Registration of Functional Designs After *Shakespeare Co. v. Silstar Corp. of America*

Theodore H. Davis, Jr.*

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I. Introduction

In *Shakespeare Co. v. Silstar Corp. of America*,¹ the United States Court of Appeals for the Fourth Circuit reversed the District Court for the District of South Carolina's cancellation under the federal Lanham Act² of an "incontestable" federal registration covering the configuration of the plaintiff's UGLY STIK line of fishing rods. In so holding, the appellate

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1. 9 F.3d 1091 (4th Cir. 1993), *cert. denied*, 114 S. Ct. 2134 (1994).

2. 15 U.S.C. §§ 1051-1127 (1988 & Supp. V 1993).

court applied the literal language of section 14 of the Act³ to limit the grounds upon which such a cancellation can be effected. The result of this analysis was the continued maintenance on the Principal Register of the Patent and Trademark Office (PTO) of a trade dress consisting of an apparently wholly functional product configuration.

This Article addresses the doctrinal and practical problems associated with the federal trade dress registration of product configurations under the Lanham Act. Part II surveys the degree of protection afforded to unregistered designations of origin under unfair competition law, including those deemed to be functional. Part III then examines the federal registration system established by the Act, with a particular focus on the Act's so-called "incontestability" provisions. Finally, the Article addresses the *Shakespeare* litigation itself. Part IV argues that the Fourth Circuit's opinion in *Shakespeare* represents not only an incorrect statement of trademark law, but one that promises to have significant deleterious effects on the balance between competition and monopoly. This Part proposes an alternative interpretation of the Lanham Act that would encompass cancellation actions on facts similar to those in *Shakespeare*, a framework compatible not only with the underlying purposes of the Act, but with the Constitution as well.

II. Acquisition of Rights to Unregistered Designations of Origin

A. Trademarks and Service Marks

The Lanham Act, which was intended in most respects to be a codification of the common law at the time of its passage, recognizes and defines several designations that may qualify for protection under its provisions. A "trademark," for example, may be "any word, name, symbol, or device, or any combination thereof" that may be used by its owner "to identify and distinguish his or her goods, including a unique product, from those manufactured and sold by others and to indicate the source of the goods, even if that source is unknown."⁴ In contrast, a "service mark" performs the same functions for its owner's services.⁵

3. 15 U.S.C. § 1064 (1988). For the text of § 14(3), see *infra* note 131 and accompanying text.

4. 15 U.S.C. § 1127 (1988 & Supp. V 1993).

5. *Id.* In addition to trademarks and service marks, the Act also establishes other categories of marks. A "certification mark," for example, is a mark that certifies such things as a product's regional origin or mode of manufacture, while "collective marks" include designations indicating membership in a union, an association, or other organization.

All trademarks and service marks are not created equal, nor are their owners automatically entitled to protection against a competitor's use of a confusingly similar mark.⁶ First and foremost, neither the Lanham Act nor the common law affords protection to terms with a primarily generic meaning, or, in other words, terms "that refer[] to the genus of which the particular product [or service] is a species."⁷ Thus, a plaintiff claiming trademark or service mark rights to a generic word will be precluded from securing relief.⁸

The policy behind preventing competitors from claiming and protecting generic words as marks is readily apparent. Because generic terms delineate general categories of goods or services, they do not differentiate or identify the goods or services of any one provider and therefore cannot function as trademarks or service marks.⁹ Thus, the rationale for denying

Id. Because the differences between these types of marks and the more conventional trademarks and service marks are not relevant for purposes of this Article, the term "marks" as used herein collectively refers to all of these designations unless otherwise noted.

6. "[T]he essential question in any case of alleged trademark infringement brought under the Lanham Act or under the law of unfair competition is 'whether a substantial number of ordinarily prudent purchasers are likely to be misled or confused as to the source of the different products.'" *Information Clearing House, Inc. v. Find Magazine*, 492 F. Supp. 147, 154 (S.D.N.Y. 1977) (quoting *Mushroom Makers, Inc. v. R.G. Barry Corp.*, 441 F. Supp. 1220, 1225 (S.D.N.Y.), *aff'd*, 580 F.2d 44 (2d Cir. 1978), *cert. denied*, 439 U.S. 1116 (1979)). For the tests employed by the various circuits to determine whether confusion is likely, see *Boston Athletic Ass'n v. Sullivan*, 867 F.2d 22, 29 (1st Cir. 1989); *Beer Nuts, Inc. v. Clover Club Foods Co.*, 805 F.2d 920, 925 (10th Cir. 1986); *Mutual of Omaha Ins. Co. v. Novak*, 775 F.2d 247, 248 (8th Cir. 1985); *Fuji Photo Film Co. v. Shinohara Shoji Kabushiki Kaisha*, 754 F.2d 591, 595 (5th Cir. 1985); *Pizzeria Uno Corp. v. Temple*, 747 F.2d 1522, 1527 (4th Cir. 1984); *Interpace Corp. v. Lapp, Inc.*, 721 F.2d 460, 463 (3d Cir. 1983); *Frisch's Restaurants, Inc. v. Elby's Big Boy, Inc.*, 670 F.2d 642, 648 (6th Cir.), *cert. denied*, 459 U.S. 916 (1982); *AMF, Inc. v. Sleekcraft Boats*, 599 F.2d 341, 348-49 (9th Cir. 1979); *Helene Curtis Indus., Inc. v. Church & Dwight Co.*, 560 F.2d 1325, 1330 (7th Cir. 1977), *cert. denied*, 434 U.S. 1070 (1978); *In re E.I. DuPont de Nemours & Co.*, 476 F.2d 1357, 1361 (C.C.P.A. 1973); *Polaroid Corp. v. Polarad Elec. Corp.*, 287 F.2d 492 (2d Cir.), *cert. denied*, 368 U.S. 820 (1961).

7. *Park 'N Fly, Inc. v. Dollar Park and Fly, Inc.*, 469 U.S. 189, 194 (1985).

8. See, e.g., *Bayer Co. v. United Drug Co.*, 272 F. 505, 514 (S.D.N.Y. 1921) (declining to enforce rights to putative ASPIRIN mark); *Du Pont Cellophane Co. v. Waxed Prods. Co.*, 85 F.2d 75, 82 (2d Cir.) (denying relief to owner of putative mark CELLOPHANE), *cert. denied*, 299 U.S. 601 (1936). Perhaps the earliest statement of this principle in an American court occurred in the celebrated "Dessicated Codfish Case," which denied the plaintiff exclusive rights to that phrase. See *Town v. Stetson*, 5 Abb. Pr. (n.s.) 218, 220 (N.Y. Common Pleas Ct. 1868).

9. See, e.g., *Bayer*, 272 F. at 514 (holding that plaintiff cannot "deprive [a]

protection to generic words is firmly grounded in competitive necessity. As the *Restatement of Unfair Competition* has noted of this policy:

Recognition of exclusive rights in generic terms would impede competition in the market for the goods or services denominated by the generic designation. Competitors denied access to a term that identifies the goods or services to prospective purchasers would be left at a distinct disadvantage in communicating information regarding the nature or characteristics of their product. Consumers would be forced either to expend additional time and money investigating the characteristics of competing goods or to pay a premium price to the seller with trademark rights in the accepted generic terminology.¹⁰

Significantly, the economic necessity of guaranteeing access to generic designations trumps the otherwise pervasive policy of unfair competition law that encourages competitors to develop enforceable rights to their trademarks and service marks through promotion and careful cultivation.¹¹ "[N]o matter how much money and effort the user of a generic term has poured into promoting the sale of its merchandise and what success it has achieved in securing public identification, it cannot deprive competing manufacturers of the product of the right to call an article by its name."¹²

defendant, and the trade in general, of the right effectually to dispose of [a product] by the only description which will be understood").

10. RESTATEMENT (THIRD) OF UNFAIR COMPETITION § 15 cmt. a, at 85 (Tentative Draft No. 2 1990) [hereinafter RESTATEMENT]. As another commentator has observed:

The extent to which the owner of a mark is given exclusive rights in it is determined by a tension between the desire to secure to producers the benefits of their labors by preventing consumer deception as to the source of goods, and the desire to keep free the means of expression necessary for effective competition. The public interest in preventing consumer deception or injury has rarely been thought of as the primary rationale behind trademark protection.

Note, *Recent Development in the Law: Trade-Marks and Unfair Competition*, 68 HARV L. REV 814, 816 (1955).

11. In cases in which generic designations are not concerned, trademarks and service marks generally are regarded as "the essence of competition. To protect trade-marks [and service marks], therefore, is to protect the public from deceit, to foster fair competition, and to secure to the business community the advantages of reputation and good will by preventing their diversion from those who have created them to those who have not." S. REP. NO. 1333, 79th Cong., 2d Sess. 4 (1946) *microformed on* CIS No. 11015 (Congressional Info. Serv.).

12. *Abercrombie & Fitch Co. v. Hunting World, Inc.*, 537 F.2d 4, 9 (2d Cir. 1976).

Simply put, the generic name for a product or service cannot become a trademark or service mark.¹³

Consistent with its policy of precluding the protection of generic designations, unfair competition law also imposes costs on plaintiffs seeking to protect marks that are "merely descriptive" of their associated goods or services.¹⁴ These types of marks identify the "qualities, ingredients, effects, or other features" of the product or service, the "problem or condition" remedied by the product or service, or "the use to which the product or service is put."¹⁵ They also include the personal names of providers of the relevant goods or services,¹⁶ as well as terms corresponding to their geographic origin.¹⁷

13. See, e.g., *A.J. Canfield Co. v Honickman*, 808 F.2d 291, 297 (3d Cir. 1986); *Technical Publishing Co. v. Lebhar-Friedman, Inc.*, 729 F.2d 1136, 1139 (7th Cir. 1984); *Weiss Noodle Co. v Golden Cracknel & Specialty Co.*, 290 F.2d 845, 847-48 (C.C.P.A. 1961).

14. See, e.g., *Estate of P.D. Beckwith, Inc. v Commissioner of Patents*, 252 U.S. 538, 543-44 (1920). Descriptive marks are far from uncommon. As Judge Learned Hand once observed of these designations:

I have always been at a loss to know why so many marks are adopted which have an aura, or more, of description about them. With the whole field of possible coinage before them, it is strange that merchants insist upon adopting marks that are so nearly descriptive. Probably they wish to interject into the name of their goods some intimation of excellence, and [they] are willing to incur the risk.

Franklin Knitting Mills, Inc. v Fashionit Sweater Mills, Inc., 297 F.2d 247, 248 (S.D.N.Y. 1923), *aff'd*, 4 F.2d 1018 (2d Cir. 1925).

15. *20th Century Wear, Inc. v Sanmark-Stardust Inc.*, 747 F.2d 81, 88 (2d Cir. 1984), *cert. denied*, 470 U.S. 1052 (1985); see also *Zatarans, Inc. v Oak Grove Smokehouse, Inc.* 698 F.2d 786, 792 (5th Cir. 1983).

16. *Investacorp, Inc. v. Arabian Inv. Banking Corp.*, 931 F.2d 1519, 1522 (11th Cir.), *cert. denied*, 112 S. Ct. 639 (1991); see also *ConAgra, Inc. v Singleton*, 743 F.2d 1508, 1513 (11th Cir. 1984).

17 As the Supreme Court has noted of geographical designations:

Their nature is such that they cannot point to the origin (personal origin) or ownership of the articles of trade to which they may be applied. They point only at the place of production, not to the producer, and could they be appropriated exclusively, the appropriation would result in mischievous monopolies.

Canal Co. v. Clark, 80 U.S. (13 Wall.) 311, 324 (1871); see also *Continental Motors Corp. v. Continental Aviation Corp.*, 375 F.2d 857, 860-62 (5th Cir. 1967) (holding CONTINENTAL mark to be descriptive); *Continental Ins. Co. v Continental Fire Ass'n*, 101 F.2d 255, 257 (5th Cir. 1900) (same).

Obviously, just as with generic terms, "[a]ppropriation of descriptive words can limit the ability of others to emphasize the characteristics of their own goods, services, or business by restricting the manner in which the descriptive term may be used or displayed."¹⁸ Because of the competitive need for industry participants to have access to descriptive words,¹⁹ a plaintiff using such a word as a mark will be able to protect it only if the word acquired a "secondary meaning" other than its primary descriptive one,²⁰ prior to the time at which the defendant's use began.²¹ Although the concept of this acquired distinctiveness defies easy definition, secondary meaning generally is found to exist if, in the minds of the public, the primary significance of a term is to identify the source of the product or service rather than the product or service itself.²² Thus, a plaintiff owner of a descriptive mark will be able to proceed in an infringement suit only if, by virtue of its long-standing use and advertising expenditures, it can demonstrate that "the primary significance of the term

Significantly, some courts have held that "[t]here are certain words, which while containing the germ of geographic significance, cannot be identified with any specific geographic unit or are not used in a descriptive sense." *World Carpets, Inc. v. Dick Littrell's New World Carpets*, 438 F.2d 482, 486 (5th Cir. 1971); *see also* *Spice Islands Co. v. Spice Land Prods., Inc.*, 262 F.2d 356 (2d Cir. 1959) (SPICE ISLANDS mark for spice); *Health Indus., Inc. v. European Health Spas*, 489 F. Supp. 860 (D.S.D. 1980) (EUROPEAN mark for health spas).

18. RESTATEMENT, *supra* note 10, § 14 cmt. a, at 57-58.

19. At least three circuits have held that "whether competitors would be likely to need the terms used in the [mark]" is probative of the degree to which a particular designation is "merely descriptive" of its associated goods or services. *See* *Vision Ctr. v. Opticks, Inc.*, 596 F.2d 111, 116 (5th Cir. 1979), *cert. denied*, 444 U.S. 1016 (1980); *Union Carbide Corp. v. Ever-Ready, Inc.*, 531 F.2d 366, 379 (7th Cir.), *cert. denied*, 429 U.S. 830 (1976); *accord* *Investacorp, Inc. v. Arabian Inv. Banking Corp.*, 931 F.2d 1519, 1523 (11th Cir.), *cert. denied*, 112 S. Ct. 639 (1991).

20. *See, e.g.*, *Freedom Sav. and Loan Ass'n v. Way*, 757 F.2d 1176, 1182 n.5 (11th Cir.), *cert. denied*, 474 U.S. 845 (1985); *see also* *Coca Cola Co. v. Koke Co. of Am.*, 254 U.S. 143, 146 (1920).

21. *See, e.g.*, *Scott Paper Co. v. Scott's Liquid Gold, Inc.*, 589 F.2d 1225, 1231 (3d Cir. 1978).

22. *See* *Inwood Lab., Inc. v. Ives Lab., Inc.*, 456 U.S. 844, 851 n.11 (1982); *see also* *Charcoal Steak House, Inc. v. Staley*, 139 S.E.2d 185, 187 (N.C. 1964) ("When a particular business has used words *publici iuris* for so long or so exclusively or when it has promoted its product to such an extent that the words do not register their literal meaning on the public mind but are instantly associated with one enterprise, such words have attained a secondary meaning.").

in the minds of the consuming public is not the product but the producer."²³

Significantly, even if the owner of a descriptive mark has succeeded in creating the requisite secondary meaning, it still may not enjoy the right of wholesale appropriation of that mark. Rather, because preventing competitors from using the same words in their primary descriptive sense would needlessly impede communication in the marketplace, infringement actions to protect descriptive marks at common law are subject to the so-called "fair use" defense.²⁴ Pursuant to this doctrine, a defendant may escape liability in a suit brought by the plaintiff owner of a descriptive mark if the defendant's mark is used fairly and in good faith merely to describe its own goods or services.²⁵ Moreover, "a name may be arbitrary or fanciful as applied to one or more products, but not yet be entitled to unlimited protection as against its good faith tradename adoption and use upon a product of which, because of its inherent properties, is plainly and accurately descriptive in ordinary meaning."²⁶

A lower threshold for protection attaches to word marks considered to be "suggestive" of their associated goods and services. Suggestive

23. *Vision Ctr.*, 596 F.2d at 118; *accord* *American Heritage Life Ins. Co. v. Heritage Life Ins. Co.*, 494 F.2d 3, 12 (5th Cir. 1974).

Although the precise factors used by courts to determine whether a descriptive mark has, in fact, achieved the requisite secondary meaning differ, the test applied by the Eleventh Circuit is characteristic:

The factors to consider are: (1) the length and manner of its use; (2) the nature and extent of advertising and promotion; (3) the efforts made by the plaintiff to promote a conscious connection in the public's mind between the name and the plaintiff's product or business; and (4) the extent to which the public actually identifies the name with the plaintiff's product or venture.

ConAgra, Inc. v. Singleton, 743 F.2d 1508, 1513 (11th Cir. 1984); *see also* *American Television & Communications Corp. v. American Communications & Television, Inc.*, 810 F.2d 1546, 1548 (11th Cir. 1987); *Volkswagenwerk Aktiengesellschaft v. Rickard*, 492 F.2d 474, 478 (5th Cir. 1974).

24. *See* RESTATEMENT, *supra* note 10, § 14 cmt. a, at 58.

25. *See, e.g., Day-Brite Lighting, Inc. v. Sta-Brite Fluorescent Mfg.*, 308 F.2d 377, 382 (5th Cir. 1962) (observing, in dictum, that "the plaintiff cannot secure any right to the exclusive use of such a descriptive term as 'bright' when applied to any kind of light, and when not used in such a manner as 'is likely to cause confusion or mistake or to deceive purchasers'") (quoting 15 U.S.C. § 1114(1) (1988 & Supp. V 1993)).

26. *Creamette Co. v. Conlin*, 191 F.2d 108, 112 (5th Cir. 1951), *cert. denied*, 342 U.S. 945 (1952).

marks also convey information, but unlike their descriptive counterparts, they do not do so by using competitively necessary terminology. Rather:

It cannot be said that they are primarily descriptive or that they are purely arbitrary or fanciful without any indication of the nature of the goods which they denominate. Such terms, indeed, shed some light on the characteristics of the goods, but so applied they involve an element of incongruity, and in order to be understood as descriptive, they must be taken in a suggestive or figurative sense through an effort of the imagination²⁷

Consequently, such a relationship with its goods or services does not render a suggestive word mark ineligible for protection and, in fact, "suggestive words may be and frequently are very good trademarks."²⁸

Finally, also protectable even in the absence of secondary meaning are "arbitrary" and "coined" marks.²⁹ An arbitrary mark "is a word in common use, but applied to a product or service unrelated to its meaning, so that the word neither describes nor suggests the products or service."³⁰ In contrast, "coined" words are "purely fanciful" words with no apparent meaning,³¹ including such famous marks as EXXON,³² KODAK,³³ and XEROX.³⁴ Coined terms are particularly favored by unfair competition law in substantial part because their monopolization does not impose competitive penalties on the rest of the industry. "Recognition of trademark rights in [a] fanciful term[] protects the significance of the designation as a symbol of

27. *General Shoe Corp. v. Rosen*, 111 F.2d 95, 98 (4th Cir.), *reh'g denied*, 112 F.2d 561 (4th Cir. 1940); *see also Stix Prods., Inc. v. United Merchants & Mfrs., Inc.*, 295 F. Supp. 479, 488 (S.D.N.Y. 1968) ("A term is suggestive if it requires imagination, thought and perception to reach a conclusion as to the nature of [the] goods.").

28. *Continental Scale Corp. v. Weight Watchers Int'l Inc.*, 517 F.2d 1378, 1380 (C.C.P.A. 1975).

29. *See, e.g., Coach House Restaurant, Inc. v. Coach & Six Restaurants, Inc.*, 934 F.2d 1551, 1559-60 (11th Cir. 1991).

30. *Tisch Hotels, Inc. v. Americana Inn, Inc.*, 350 F.2d 609, 611 n.2 (7th Cir. 1965); *accord Jellibeans, Inc. v. Skating Clubs*, 716 F.2d 833, 841 n.18 (11th Cir. 1983).

31. *Amstar Corp. v. Domino's Pizza, Inc.*, 615 F.2d 252, 260 (5th Cir.), *cert. denied*, 449 U.S. 899 (1980).

32. *See Exxon Corp. v. Xoil Energy Resources, Inc.*, 552 F. Supp. 1008, 1014 (S.D.N.Y. 1981).

33. *See Soweco, Inc. v. Shell Oil Co.*, 617 F.2d 1178, 1184 (5th Cir. 1980), *cert. denied*, 450 U.S. 981 (1981).

34. *See Amstar*, 615 F.2d at 260.

identification without diminishing the vocabulary by which competitors can convey information about similar products."³⁵

The lower threshold for the "inherently distinctive" categories of suggestive, arbitrary, and coined marks to qualify for protection is consistent with the primary economic rationale of unfair competition law. Specifically, through the use of these marks, producers can

reduce the cost of information to consumers by making it easy for them to identify the products or producers with which they have had either good experiences, so that they want to keep buying the product or bad experiences, so that they want to avoid the product or the producer in the future.³⁶

"By identifying the source of the goods, [inherently distinctive trademarks] convey valuable information to consumers at lower costs. Easily identified trademarks reduce the costs consumers incur in searching for what they desire, and the lower the costs of search the more competitive the market."³⁷

B. Trade Dresses

Although the most common and publicly recognized indicators of origin of a producer's goods or services are verbal trademarks and service marks, both the common law and the Lanham Act extend protection to "trade dresses" as well. In contrast to trademarks and service marks, which are expressly defined by the Act, the concept of protectable trade dress is largely a judicial creation. Although not lending itself to succinct definition, trade dress generally is the overall image used to present a product or service to purchasers.³⁸ In its most common form, trade dress consists of the particular packaging and labels associated with a particular product.³⁹ It also, however, can include such characteristics of a good as

35. RESTATEMENT, *supra* note 10, § 13 cmt. c, at 40.

36. *W.T. Rogers Co. v. Keene*, 778 F.2d 334, 338 (7th Cir. 1985).

37. *Scandia Down Corp. v. Euroquilt, Inc.*, 772 F.2d 1423, 1429-30 (7th Cir. 1985), *cert. denied*, 475 U.S. 1147 (1986).

38. *See, e.g., Two Pesos, Inc. v. Taco Cabana, Inc.*, 112 S. Ct. 2753, 2755 n.1 (1992); *John H. Harland Co. v. Clarke Checks, Inc.*, 711 F.2d 966, 980 (11th Cir. 1983).

39. "[T]he majority of trade dress claims involve a manufacturer's container or packaging for a product." *Original Appalachian Artworks, Inc. v. Toy Loft, Inc.*, 684 F.2d 821, 831 (11th Cir. 1982). For representative cases addressing the protectability of container appearances, see generally *AmBrit, Inc. v. Kraft, Inc.*, 812 F.2d 1531 (11th Cir. 1986) (foil wrapper for frozen ice cream bar), *cert. denied*, 481 U.S. 1041 (1987); *Sun-Fun*

its size, shape, and color.⁴⁰ In less common situations, cognizable trade dress can even consist of the physical appearance of buildings associated with a plaintiff's services⁴¹ or a plaintiff's unique sales techniques.⁴²

As with word marks, trade dresses are protectable only if they are distinctive of their associated goods and services. Distinctiveness may be inherent in a trade dress, in which case a plaintiff need not demonstrate secondary meaning.⁴³ Inherent distinctiveness in turn may be determined by treating the trade dress in the manner as a word mark, classifying it as either descriptive, suggestive, arbitrary, or coined.⁴⁴ It also may be

Prods., Inc. v Suntan Research & Dev Inc., 656 F.2d 186 (5th Cir. Unit B Sept. 1981) (exterior of suntan lotion bottle).

40. *See, e.g.*, *Bauer Lamp Co. v. Shaffer*, 941 F.2d 1165 (11th Cir. 1991) (per curiam) (configuration of electric lamp); *Brunswick Corp. v. Spinit Reel Co.*, 832 F.2d 513 (10th Cir. 1987) (configuration of fishing reel cover); *LeSportsac, Inc. v. K Mart Corp.*, 754 F.2d 71 (2d Cir. 1985) (appearance of gym bag); *Brooks Shoe Mfg. Co. v. Suave Shoe Corp.*, 716 F.2d 854 (11th Cir. 1983) ("V" design affixed to side of running shoe); *John H. Harland Co. v. Clarke Checks, Inc.*, 711 F.2d 966 (11th Cir. 1983) (appearance of bank checks); *Dallas Cowboys Cheerleaders, Inc. v. Pussycat Cinema, Ltd.*, 604 F.2d 200 (2d Cir. 1979) (appearance of cheerleaders' uniforms); *Kentucky Fried Chicken Corp. v. Diversified Packaging Corp.*, 549 F.2d 368 (5th Cir. 1977) (design of chicken cartons and napkins); *Truck Equip. Serv. Co. v. Fruehauf Corp.*, 536 F.2d 1210 (8th Cir.) (shape of truck trailer), *cert. denied*, 429 U.S. 861 (1976); *Alum-A-Fold Shutter Corp. v. Folding Shutter Corp.*, 441 F.2d 556 (5th Cir. 1971) (configuration of aluminum shutters).

41. For representative cases addressing the protectability of restaurant appearance as trade dress, *see, e.g.*, *Two Pesos, Inc. v. Taco Cabana, Inc.*, 112 S. Ct. 2753 (1992); *Fuddrucker's, Inc. v. Doc's B.R. Others, Inc.*, 826 F.2d 837 (9th Cir. 1987); *Prufrock Ltd. v. Lasater*, 781 F.2d 129 (8th Cir. 1986); *T.G.I. Friday's, Inc. v. International Restaurant Group, Inc.*, 569 F.2d 895 (5th Cir. 1978); *McDonald's Corp. v. Moore*, 363 F.2d 435 (5th Cir. 1966); *White Tower Sys., Inc. v. White Castle Sys. of Eating Houses Corp.*, 90 F.2d 67 (6th Cir.), *cert. denied*, 302 U.S. 720 (1937); *House of Hunan, Inc. v. Hunan at Pavilion*, 227 U.S.P.Q. (BNA) 803, 805-06 (D.D.C. 1985); *Warehouse Restaurant v. Customs House Restaurant*, 217 U.S.P.Q. (BNA) 411, 419 (N.D. Cal. 1982).

42. *Compare Original Appalachian Artworks, Inc. v. Toy Loft, Inc.*, 684 F.2d 821, 831 (11th Cir. 1982) (holding "adoption" procedures associated with plaintiff's dolls protectable as trade dress) *with Haagen-Dazs, Inc. v. Frusen Gladje, Ltd.*, 493 F. Supp. 73 (S.D.N.Y. 1980) (declining to protect plaintiff's use of Scandinavian motif in marketing of ice cream).

43. *See Two Pesos, Inc. v. Taco Cabana, Inc.*, 112 S. Ct. 2753, 2761 (1992).

44. *See, e.g.*, *Paddington Corp. v. Attiki Importers & Distribs.*, 996 F.2d 577, 583 (2d Cir. 1993) (acknowledging possibility of trade dress being "generic"); *AmBrit, Inc. v. Kraft, Inc.*, 812 F.2d 1531, 1537 (11th Cir. 1986) (holding that trade dress of plaintiff's wrapper design "does not describe the [plaintiff's] ice cream product, rather it suggests to the consumer the coldness of the product. Such trade dress is inherently distinctive"),

evaluated by examining whether the plaintiff's design is "common" or unique in a particular field or, alternatively, whether the design is a mere refinement of a commonly adopted and well-known form of ornamentation for a particular class of goods viewed by the public as such.⁴⁵ Competitors seeking to protect trade dress found not to be inherently distinctive are subject to the same condition as owners of descriptive word marks, namely the requirement that they demonstrate secondary meaning.⁴⁶

As with the generic classification of word marks, there are circumstances under which a trade dress will not be protectable, namely if it is found to be "functional" or, in other words, if "it is essential to the use or purpose of the article or if it affects the cost or quality of the article."⁴⁷ Protection thus will not attach to a particular design that is a necessary result of the least expensive and most efficient way to manufacture the product.⁴⁸ Nor may a plaintiff protect a design found to be the "best" one possible,⁴⁹ particularly if to do so would hinder competition or impinge upon the rights of others to compete effectively in the sale of similar goods or services.⁵⁰

The requirement of nonfunctionality reflects the principle that federal law *encourages* the liberal use of functional designs unless the owners of those designs have secured utility patents for their creations.⁵¹ Specifically,

cert. denied, 481 U.S. 1041 (1987); *Sun-Fun Prods., Inc. v. Suntan Research & Dev. Inc.*, 656 F.2d 186, 191 n.5 (5th Cir. Unit B Sept. 1981) (observing, in dictum, that trade dress of plaintiff's suntan bottles "arguably has many of the indicia of a suggestive mark and is therefore entitled to protection").

45. *See, e.g.*, *Wiley v. American Greetings Corp.*, 762 F.2d 139, 140-41 (1st Cir. 1985); *Brooks Shoe Mfg. Co. v. Suave Shoe Corp.*, 716 F.2d 854, 857-58 (11th Cir. 1983); *Seabrook Foods, Inc. v. Bar-Well Foods, Ltd.*, 568 F.2d 1342, 1344 (C.C.P.A. 1977).

46. *See, e.g.*, *Brooks Shoe*, 716 F.2d at 858.

47. *Inwood Lab. v. Ives Lab., Inc.*, 456 U.S. 844, 850 n.10 (1982) (dictum).

48. *J.R. Clark Co. v. Murray Metal Prods. Co.*, 219 F.2d 313, 320 (5th Cir. 1955).

49. *See, e.g.*, *United States Golf Ass'n v. St. Andrews Sys.*, 749 F.2d 1028, 1034 (3d Cir. 1984) (upholding summary judgment of functionality on ground that even if alternatives exist to perform function in question, "a particular method of serving that function may be superior to others").

50. *See, e.g.*, *Schwinn Bicycle Co. v. Ross Bicycles, Inc.*, 870 F.2d 1176, 1191 (7th Cir. 1989); *Hartford House, Ltd. v. Hallmark Cards, Inc.*, 846 F.2d 1268, 1274 (10th Cir.), *cert. denied*, 488 U.S. 908 (1988); *Brunswick Corp. v. Spinit Reel Co.*, 832 F.2d 513, 519 (10th Cir. 1987); *Sno-Wizard Mfg., Inc. v. Eisemann Prods. Co.*, 791 F.2d 423, 426 n.3 (5th Cir. 1986); *Prufrock Ltd. v. Lasater*, 781 F.2d 129, 133 (8th Cir. 1986).

51. As Professor McCarthy has observed, "the primary rationale behind the public policy requirement of non-functionality is the need to accommodate trademark and unfair

federal laws "protect more than the right of the public to contemplate the abstract beauty of an otherwise unprotected intellectual creation—they assure its efficient reduction to practice and sale in the marketplace."⁵² Therefore, in the absence of a utility patent, use of a functional design is "legitimate competitive activity"⁵³

This principle applies even in cases in which a defendant intentionally and willfully misappropriates a plaintiff's design. As the Eighth Circuit has explained:

[The appropriation of a competitor's unpatented improvements] is one of the privileges of our system of competitive enterprise. It insures to the public the benefit of all natural, useful progress in the industrial and commercial arts. Any article, structure or design, which is unpatented, may accordingly be imitated or appropriated in its functional aspects, if no unfair competition [e.g., palming off] is involved in the manner of its use. In permitting unpatented functional features to be subjected to competitive commercial appropriation, the law treats a non-functional aspect of goods as constituting in effect a mere form of merchandising or a business method.⁵⁴

This observation was echoed by the First Circuit in *Fisher Stoves, Inc. v All Nighter Stove Works, Inc.*,⁵⁵ in which the court denied relief to the manufacturer of a wood-burning stove:

Because of the consuming public's "interest in free competition and in economic and technological progress," functional features which are not the subject of a valid [utility] patent or copyright may be imitated with impunity

competition law with utility patent law. In the U.S. system of intellectual property, there is only one legal source of exclusive rights for functional, utilitarian shapes and features: utility patent law." 1 J. THOMAS MCCARTHY, MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 7.26[1], at 7-113 (3d ed. 1992).

52. *Bonito Boats, Inc. v Thunder Craft Boats, Inc.*, 489 U.S. 141, 164 (1989).

53. *Inwood Lab., Inc. v Ives Lab., Inc.*, 456 U.S. 844, 863 (1982) (White, J., concurring).

54. *J.C. Penney Co. v H.D. Lee Mercantile Co.*, 120 F.2d 949, 953-54 (8th Cir. 1941); see also *Keene Corp. v Paraflex Indus., Inc.*, 653 F.2d 822, 824 (3d Cir. 1981); *American Safety Table Co. v Schreiber*, 269 F.2d 255, 272 (2d Cir.), cert. denied, 361 U.S. 915 (1959); *West Point Mfg. Co. v Detroit Stamping Co.*, 222 F.2d 581, 589 (6th Cir.), cert. denied, 350 U.S. 840 (1955); *Pope Automatic Merchandising Co. v McCrum-Howell Co.*, 191 F. 979, 981-82 (7th Cir. 1911), cert. denied, 223 U.S. 730 (1912).

55. 626 F.2d 193 (1st Cir. 1980).

Plaintiff designed a stove with several functional innovations. These were enthusiastically received in the marketplace. Defendant, in imitating them, is doubtless sharing in the market formerly captured by the plaintiff's skill and judgment. While we sympathize with plaintiff's disappointment at losing sales to an imitator, this is a fact of business life.⁵⁶

Thus, under federal law, "[i]t must not be forgotten that there is absolutely nothing legally or morally reprehensible about exact copying of things in the public domain."⁵⁷

Moreover, if the expiration (or absence) of a utility patent precludes protection for functional designs under federal unfair competition law, the Supreme Court has made it clear that an identical rule holds under state law as well. Beginning with its *Sears-Compco* decisions in 1964,⁵⁸ the Court consistently has held that "[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 with the objectives of the federal patent laws."⁵⁹ Thus, as a practical matter: (1) states may not extend protection to functional or utilitarian designs in the public domain whose inventors have chosen not to seek utility patent protection;⁶⁰ and (2) state law is preempted to the extent that it attempts to provide protection to designations that are not inherently distinctive or do not otherwise possess secondary meaning.⁶¹ In cases in which functional designs are at issue, states and the federal government alike therefore may act only to prohibit defendants from affirmatively palming off their wares.⁶²

56. *Fisher Stoves, Inc. v. All Nighter Stove Works, Inc.*, 626 F.2d 193, 195-96 (1st Cir. 1980) (citations omitted).

57. *Brooks Shoe Mfg. Co. v. Suave Shoe Corp.*, 716 F.2d 854, 860 (11th Cir. 1983) (quoting 1 J. THOMAS MCCARTHY, *TRADEMARKS AND UNFAIR COMPETITION* § 15:4, at 531 (1973)).

58. See *Sears, Roebuck & Co. v. Stiffel Co.*, 376 U.S. 225 (1964); *Compco Corp. v. Day-Brite Lighting, Inc.*, 376 U.S. 234 (1964).

59. *Sears*, 376 U.S. at 231.

60. See *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*, 489 U.S. 141, 156-57 (1989).

61. See *id.* at 157.

62. As the Court conceded in *Sears*:

Doubtless a State may, in appropriate circumstances, require that goods, whether patented or unpatented, be labeled or that other 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

III. Federal Registration Under the Lanham Act

A. The Registration Process

Although the 1946 Lanham Act "was enacted for the purpose of codifying, modernizing and improving the trade-mark statutes of the United States,"⁶³ nowhere are the Seventy-ninth Congress's goals of modernization and improvement more apparent than in the registration process. Despite the Constitution's provision for federal protection of patents and copyrights,⁶⁴ that document makes no mention of trademarks or service marks, much less contemplates a national register for such designations. In the absence of express constitutional guidance, Secretary of State Thomas Jefferson proposed a system of registration at the various federal district courts limited to those marks used in international and interstate commerce, as well as with the various Native American tribes.⁶⁵

In its first efforts to codify this informal registration system under the Commerce Clause,⁶⁶ Congress initially adhered so literally to that provision's express text⁶⁷ that in 1881 it granted the Commissioner of Patents⁶⁸ the authority only to register trademarks used in commerce with

misleading purchasers as to the source of the goods.

Sears, 376 U.S. at 232.

63. *Burgess Battery Co. v. Marzall*, 101 F Supp. 812, 813 (D.D.C. 1951), *aff'd*, 204 F.2d 35 (D.C. Cir.), *cert. denied*, 346 U.S. 822 (1953).

64. *See* U.S. CONST. art. I, § 8, cl. 8.

65. *See* HAL MORGAN, *SYMBOLS OF AMERICA* 9-10 (1986). Jefferson envisioned a system "permitting the owner of every manufactory to enter in the record of the court of the district wherein his manufactory is, the name with which he chooses to mark or designate his wares, and rendering it penal to others to put the same mark on any other wares." EDWARD S. ROGERS, *GOOD WILL, TRADE-MARKS, AND UNFAIR TRADING* 47-48 (1914) (citation omitted). Registration of marks with local courts apparently also was the rule for mark owners anxious to protect their marks under state law: "In 1772, George Washington, then only a farmer and businessman, went to the [Fairfax County, Virginia] court to get a trademark for his brand of flour, which he proposed to name, simply 'G. Washington.' The presiding Justices so ordered." Thomas Grubisich, *Washington's Flour: Court Records of 1700s Put in Order*, CHI. SUN-TIMES, Apr. 23, 1976, at 46.

66. For a discussion of congressional efforts to enact trademark legislation under the auspices of the Patent and Copyright Clause of the Constitution, see *infra* notes 259-63 and accompanying text.

67. The Commerce Clause grants Congress the plenary power to "regulate Commerce with foreign Nations, and among the several States, and with the Indian tribes." U.S. CONST., art. I, § 8, cl. 3.

68. Pursuant to Pub. L. No. 93-596, 88 Stat. 1949 (1975), the office of "Commission-

foreign nations or with Native American tribes.⁶⁹ These limitations did not change until passage of the Trademark Act of 1905,⁷⁰ when Congress opened the Patent Office's registers to owners of all marks used in interstate commerce, subject to certain restrictions.⁷¹ Of perhaps equal significance, and in contrast to the 1881 Act, which contained little more than cursory registration provisions, the 1905 Act set forth detailed procedures governing applications to register marks.⁷²

Despite this apparent liberalization, however, the 1905 Act also for the first time allowed interested parties to block the registration of particular marks. Section 6 of the 1905 Act, for example, provided that "[a]ny person who believes he would be damaged by the registration of a mark may oppose the same by filing [a] notice of opposition, stating the grounds therefor, in the Patent Office."⁷³ Interested parties failing timely to notice their opposition to a pending application did not necessarily forfeit their rights to challenge the applied-for registration, however, because the Commissioner of Patents enjoyed the authority to declare "interferences" between competing would-be registrants.⁷⁴ Moreover, under section 13 of the 1905 Act, "whenever any person shall deem himself injured by the registration of a trade-mark in the Patent Office he may at any time apply to the Commissioner of Patents to cancel the registration thereof."⁷⁵ Opposition, interference, and cancellation actions initially were heard by the supervising examiner for interferences, with appeals possible to the

er of Patents" became the "Commissioner of Patents and Trademarks," and the "Patent Office" similarly became the "Patent and Trademark Office." For the sake of convenience, this Article uses the terminology established by contemporary law.

69. See Act of Mar. 3, 1881, ch. 138, 21 Stat. 502.

70. Act of Feb. 20, 1905, ch. 592, 33 Stat. 724 [hereinafter 1905 Act].

71. Section 5 of the 1905 Act barred from registration only those marks that: (1) consisted of immoral or scandalous matter; (2) consisted of the flag or coat of arms of the United States or that of any state, municipality, or foreign nation; (3) were confusingly similar to a prior registered mark; (4) were descriptive; or (5) consisted of a portrait of a living individual without his or her consent. See *id.* § 5, 33 Stat. at 725-26. In contrast to the substantively identical restrictions enacted as part of the Lanham Act, see *infra* notes 79-84 and accompanying text, a mark otherwise falling afoul of § 5 of the 1905 Act nevertheless would be eligible for registration if it had been in use for ten years prior to the Act's passage. See 1905 Act § 5, 33 Stat. at 726.

72. See 1905 Act §§ 1-4, 33 Stat. at 724-25.

73. *Id.* § 6, 33 Stat. at 726.

74. See *id.* § 7, 33 Stat. at 726.

75. *Id.* § 13, 33 Stat. at 728.

Commissioner and then to the Court of Appeals for the District of Columbia.⁷⁶

With the passage of the Trademark Act of 1920,⁷⁷ Congress undertook to provide guidance on an issue largely unaddressed by the 1905 Act, namely on what grounds an "injured" interested party could preclude the registration of a particular mark. It did so, however, only in the cancellation context, with a provision that made no reference to the grounds upon which the Commissioner might have denied registration in the first place. Specifically, section 2 of the 1920 Act provided:

If it appear[s] after a hearing before the examiner that the registrant was not entitled to the exclusive use of the mark at or since the date of his application for registration thereof, or that the mark is not used by the registrant[] or has been abandoned, and the examiner shall so decide, the commissioner shall cancel the registration.⁷⁸

The Seventy-ninth Congress built upon this framework with its 1946 passage of the Lanham Act. Like its predecessors, the Lanham Act provides generally for an expansive system of registration with relatively few express limitations on the types of marks eligible for registration.⁷⁹ Some of these restrictions reflect "political" determinations by Congress, such as the content-based bars contained in subsections (a)-(c) of section 2 of the Act.⁸⁰ For the most part, however, the Act's prohibitions are firmly

76. See *id.* § 6, 33 Stat. at 726; *id.* § 7, 33 Stat. at 726; *id.* § 9, 33 Stat. at 727; *id.* § 13, 33 Stat. at 728.

77. Act of Mar. 19, 1920, ch. 104, 41 Stat. 533 [hereinafter 1920 Act].

78. *Id.* § 2, 41 Stat. at 534.

79. "[T]he registration scheme of the Trademark Act is one more inclined to inclusion than exclusion, the obvious idea being to give as comprehensive notice as possible of the trademarks and service marks in which others have claimed rights." *In re Old Glory Condom Corp.*, 26 U.S.P.Q.2d (BNA) 1216, 1220 n.3 (T.T.A.B. 1993).

80. These provisions bar from the federal registers matter that:

(a) Consists of or comprises immoral, deceptive, or scandalous matter; or matter [that] may disparage or falsely suggest a connection with persons, living or dead, institutions, beliefs, or national symbols, or bring them into contempt, or disrepute[;]

(b) Consists of or comprises the flag of the United States, or of any State or municipality, or of any foreign nation, or any simulation thereof[; and]

(c) Consists of or comprises a name, portrait, or signature identifying a particular living individual except by his written consent, or the name, signature, or portrait of a deceased President of the United States during the life of his widow, if any, except by the written consent of the widow.

grounded in the common law's goal of precluding confusion in the marketplace without allowing the monopolization of competitively necessary language, as reflected in the remainder of section 2:

No trademark by which the goods of the applicant may be distinguished from the goods of others shall be refused registration on the principal register on account of its nature unless it—

(d) Consists of or comprises a mark which so resembles a mark registered in the Patent and Trademark Office, or a mark or trade name previously used in the United States by another and not abandoned, as to be likely, when used on or in connection with the goods of the applicant, to cause confusion, or to cause mistake, or to deceive .[; and]

(e) Consists of a mark which (1) when used on or in connection with the goods of the applicant is merely descriptive or deceptively misdescriptive of them, (2) when used on or in connection with the goods of the applicant is primarily geographically descriptive of them, , (3) when used on or in connection with the goods of the applicant is primarily geographically deceptively misdescriptive of them, or (4) is primarily merely a surname.⁸¹

Consistent with the common law's treatment of descriptive marks, the Act allows their owners to escape from section 2(e)'s statutory bar upon a demonstration of secondary meaning.⁸² Descriptive marks lacking secondary meaning are eligible for the so-called "Supplemental Register," a roll for marks capable over time of distinguishing their owner's goods and services.⁸³ Once a mark registered on the Supplemental Register has achieved secondary meaning, its registration may be converted at any time to the Principal Register.⁸⁴

15 U.S.C. § 1052(a)-(c) (1988 & Supp. V 1993).

81. *Id.* § 1052(d)-(e).

82. *See id.* § 1052(f). Consistent with the methodology used by courts evaluating the protection afforded to descriptive marks, *see supra* notes 14-23 and accompanying text, the PTO generally considers probative of secondary meaning such factors as an applicant's advertising expenditures, sales of the goods in question, and the nature of the applicant's use. *See In re Owens-Corning Fiberglas Corp.*, 774 F.2d 1116, 1125 (Fed. Cir. 1985); *In re Hollywood Brands, Inc.*, 214 F.2d 139, 141 (C.C.P.A. 1954); *In re Motorola Inc.*, 3 U.S.P.Q.2d (BNA) 1142, 1143 (T.T.A.B. 1986); 37 C.F.R. § 2.41 (1993).

83. *See* 15 U.S.C. § 1091(c) (1988).

84. 37 C.F.R. § 2.75 (1993). Because "[t]he Commissioner may accept as prima facie evidence that the mark has become distinctive, as used on or in connection with the applicant's goods in commerce, proof of substantially exclusive and continuous use thereof

Would-be registrants on the Principal Register can fall afoul of the Act's prohibitions on registration in three ways. First, an incoming application will be assigned by the PTO to an Examining Attorney for an *ex parte* determination⁸⁵ of whether the mark applied for complies with the Act's substantive barriers to registration.⁸⁶ Initially unsuccessful applicants are entitled to respond with appropriate legal arguments or additional submissions.⁸⁷ This process continues until: (1) the applicant abandons the application; (2) the Examining Attorney withdraws the objection(s) upon reconsideration; or (3) the application receives a final rejection,⁸⁸ upon which the applicant may appeal to the PTO's administrative appellate body, the Trademark Trial and Appeal Board (Board).⁸⁹ If the mark ultimately is approved for registration, the PTO notices that approval by publishing the mark in its *Official Gazette*, with a registration normally issuing within six months.⁹⁰

as a mark by the applicant in commerce for the five years before the date on which the claim of distinctiveness is made," 15 U.S.C. § 1052(f) (1988 & Supp. V 1993), owners of descriptive marks frequently escape the distinctiveness bar merely by retaining a supplemental registration for five years and then converting their registrations to the Principal Register.

85. For purposes of this article, the term "*ex parte*" refers to cases in which an applicant challenges the PTO's determination that the applicant's mark is not entitled to registration. In contrast, the term "*inter partes*" refers to conflicts between: (1) competing applicants for registration; (2) an applicant and another party seeking to block registration of the applicant's mark; and (3) a federal registrant and another party seeking to cancel the registrant's registration.

86. See generally *Glenwood Lab., Inc. v American Home Prods. Corp.*, 455 F.2d 1384, 1387 (C.C.P.A. 1972). Examining Attorneys also are responsible for determining whether the application (as opposed to the underlying mark) complies with the purely formal requirements of the application process. Thus, for example, the PTO's Trademark Examining Section might reject an application because it does not include the required specimens demonstrating that the mark is being used in conjunction with the specified goods or services. See 37 C.F.R. § 2.56 (1993).

87. See 15 U.S.C. § 1062 (1988).

88. See JAMES E. HAWES, *TRADEMARK REGISTRATION PRACTICE* § 1.08[2], at 1-14 to 1-15 (1991); 2 MCCARTHY, *supra* note 51, § 19:40[1], at 19-214.

89. 15 U.S.C. § 1070 (1988). An applicant whose application has foundered on purely procedural requirements still may petition the Commissioner to waive the requirement. See 37 C.F.R. § 2.146 (1993). The Commissioner does not, however, have the authority to waive statutory requirements. See, e.g., *In re Krusman, Inc.*, 199 U.S.P.Q. (BNA) 110 (Comm'r Pat. 1977).

90. 37 C.F.R. § 2.80 (1993).

At this stage, the second possible method of blocking a registration comes into play. Like its 1905 predecessor, the Lanham Act allows any party who believes that she will be damaged by the registration of a mark or trade dress to challenge an application to register the mark or trade dress in a formal *inter partes* proceeding before the Board after the mark's publication in the *Official Gazette*.⁹¹ The Act does not expressly define the circumstances under which an opposer may block an application. Under prevailing case law, however, and assuming that the opposer can satisfy the constitutional requirements of standing,⁹² she may proceed by alleging any legal defect that might bar the application's maturation into a registration, including any of the grounds set forth in section 2 of the Act.⁹³

Similarly, the same party facing an existing registration of the mark less than five years old and allegedly issued in violation of the Act's provisions may petition to cancel it under section 14 of the Act⁹⁴ by alleging that the registration was improperly issued.⁹⁵ In contrast to opposition proceedings, which must be brought before the Board in its capacity as an administrative fact finder, petitions for cancellation may be brought in federal court "[i]n any action involving a registered mark."⁹⁶ Thus, although a would-be petitioner for cancellation may not wholly bypass the Act's administrative cancellation procedures by filing a

91. 15 U.S.C. § 1063 (1988); 37 C.F.R. § 2.101-.107 (1993).

92. Standing to oppose generally is restricted to parties who can demonstrate "a personal interest in the outcome [of the proceeding] beyond that of the general public." *Lipton Indus. Inc. v. Ralston Purina Co.*, 670 F.2d 1024, 1028 (C.C.P.A. 1982).

93. *See, e.g., Greyhound Corp. v. Both Worlds Inc.*, 6 U.S.P.Q.2d (BNA) 1635, 1638 (T.T.A.B. 1988). Significantly, a successful opposition to an application does not prevent the applicant from continuing to use its mark:

The *refusal* of registration does *not* serve to protect the public because refusal to register has almost no effect on trademark use, which use always precedes [the] application to register, continues during the prosecution of the application, and usually goes on after registration is finally refused, unless something other than that refusal intervenes to stop such use

In re National Distillers & Chem. Corp., 297 F.2d 941, 948 (C.C.P.A. 1962) (Rich, J., concurring).

94. 15 U.S.C. § 1064 (1988); *see also* 37 C.F.R. § 2.111-.115 (1993).

95. *See International Order of Job's Daughters v. Lindeburg & Co.*, 727 F.2d 1087, 1091 (Fed. Cir. 1984).

96. 15 U.S.C. § 1119 (1988).

declaratory judgment action in federal court,⁹⁷ counterclaims for cancellation of a plaintiff's registration are frequent responses to infringement suits.⁹⁸

If dissatisfied with a decision by the Board, parties to *inter partes* proceedings and unsuccessful applicants may appeal to the United States Court of Appeals for the Federal Circuit.⁹⁹ Alternatively, they also may elect to have their cases heard on a *de novo* basis by a federal district court.¹⁰⁰ Cancellation actions initially heard by federal district courts as

97 See *Universal Sewing Mach. Co. v. Standard Sewing Equip. Corp.*, 185 F Supp. 257, 259-60 (S.D.N.Y. 1960); see also *Jeno's Inc. v. Commissioner of Patents & Trademarks*, 498 F Supp. 472, 478 (D. Minn. 1980); *Homemakers, Inc. v. Chicago Home for the Friendless*, 313 F Supp. 1087, 1089 (N.D. Ill. 1970), *aff'd*, 169 U.S.P.Q. (BNA) 262 (7th Cir.), *cert. denied*, 404 U.S. 831 (1971).

98. See, e.g., *Keebler Co. v. Rovira Biscuit Corp.*, 624 F.2d 366 (1st Cir. 1980). Significantly, and notwithstanding frequent semantic confusion over this point, see, e.g., F.T. Alexandra Mahaney, Comment, *Incontestability: The Park 'N Fly Decision*, 33 UCLA L. REV 1149, 1163-64 (1986), cancellation attaches to a mark's registration and not to the mark itself:

It is important to keep in mind that what is in issue in a cancellation proceeding is the cancellation of a *registration*, not the cancellation of a trademark. Although a federal registration will give the owner of a mark important legal rights and benefits, the registration does not [alone] create the trademark. Thus, the cancellation of a registration does not invalidate state or federal rights in the trademark which do not flow from federal registration.

2 MCCARTHY, *supra* note 51, § 20.12[1], at 20-74; see also *In re McGinley*, 660 F.2d 481, 484 (C.C.P.A. 1981) ("[T]he PTO's refusal to register [an applicant's] mark does not affect his right to use it. No conduct is proscribed, and no tangible form of expression is suppressed.") (citation omitted); *In re Hershey*, 6 U.S.P.Q.2d (BNA) 1470, 1472 (T.T.A.B. 1988) (Cissel, Member, concurring) ("[T]his is not a [case] involving the right to free speech. Applicant has used and might well continue to use this mark whether or not we find it is entitled to registration under the Lanham Act."); *In re Tinseltown, Inc.*, 212 U.S.P.Q. (BNA) 863, 865-66 (T.T.A.B. 1981) (applicant's right to use mark unrelated to refusal to register).

99. See 15 U.S.C. § 1071(a) (1988); 28 U.S.C. § 1295 (1988 & Supp. V 1993). Prior to October 1, 1982, appeals from the Board were heard by the Court of Customs and Patent Appeals (C.C.P.A.). On that date, however, the C.C.P.A. merged with the United States Claims Court to form the new United States Court of Appeals for the Federal Circuit. Pub. L. No. 97-164, 96 Stat. 25 (1982). Pursuant to the Federal Circuit's decision in *South Corp. v. United States*, 690 F.2d 1368 (Fed. Cir. 1982) (en banc), all decisions of the C.C.P.A. are binding precedent in the Federal Circuit.

100. See 15 U.S.C. §§ 1071(b), 1121 (1988). An appellant electing to proceed before the Federal Circuit thereby waives his right to an appeal before a district court. *Id.* § 1071(b)(1). Nevertheless, an *inter partes* appellee may direct the appeal to a district court

counterclaims to infringement suits are subject to the same appellate process applicable to all such suits,¹⁰¹ a process that ultimately led to the Fourth Circuit's reversal of the District Court for the District of South Carolina in *Shakespeare*.

B. "Incontestability"

Owners of marks and trade dresses registered on the Principal Register enjoy a number of advantages over their unregistered counterparts. Federal registrants, for example, enjoy the benefits of the anti-infringement cause of action established by section 32 of the Act.¹⁰² Registration also confers nationwide constructive notice of use and ownership of the underlying mark or trade dress, thereby precluding defendants in infringement suits from claiming good faith ignorance of the registrant's rights.¹⁰³ A federal court hearing charges of the infringement of a registered mark or trade dress enjoys jurisdiction over the conflict without regard to the residence of the

even if the appellant has appealed to the Federal Circuit by filing a notice of appeal in the district court within 20 days after the filing of the appeal to the Federal Circuit. 37 C.F.R. § 2.145(c)(3) (1993).

The primary advantage of an appeal to a district court is that a party may submit any additional evidence it feels necessary, whereas an appellant before the Federal Circuit is limited to the record before the Board. *See generally* *Squirtco v Tomy Corp.*, 697 F.2d 1038 (Fed. Cir. 1983). On the varying standards of appellate review applied by district courts in reviewing actions by the Board, compare *Aloe Creme Lab., Inc. v Texas Pharmacal Co.*, 335 F.2d 72, 74 (5th Cir. 1964) ("In trademark cases 'a finding of fact by the Patent Office as to confusing similarity of marks must be accepted as controlling, unless the contrary is established by evidence "which, in character and amount carries thorough conviction."'") (quoting *Esso Standard Oil Co. v Sun Oil Co.*, 229 F.2d 37, 40 (D.C. Cir.) (quoting *Morgan v Daniels*, 153 U.S. 120, 125 (1894)), *cert. denied*, 351 U.S. 973 (1956)) with *Wells Fargo & Co. v. Stagecoach Properties, Inc.*, 685 F.2d 302 (9th Cir. 1982) (Board's decision to be accorded "substantial weight" by reviewing district court but can be overcome by persuasive evidence).

101. *See, e.g.*, *Aloe Creme Lab. v Estee Lauder, Inc.*, 533 F.2d 256 (5th Cir. 1976) (*per curiam*).

102. Section 32 of the Lanham Act creates a cause of action on behalf of the owner of a federally registered trademark, service mark, collective mark, certification mark, or trade dress against anyone who, without consent, uses in interstate commerce a "reproduction, counterfeit, copy, or colorable imitation" of the registered mark or trade dress. 15 U.S.C. § 1114 (1988 & Supp. V 1993). In the absence of a federal registration, mark owners seeking to proceed under federal law may rely upon § 43(a) of the Act, which allows the owners of registered or unregistered marks or trade dresses to bring infringement actions against defendants using "false designation[s] of origin." *See id.* § 1125(a).

103. *See id.* §§ 1057, 1072 (1988).

parties or the amount in dispute.¹⁰⁴ Registrants also may employ the resources of the United States Customs Service to exclude at the border goods bearing infringing copies of their designations.¹⁰⁵ Perhaps the most significant—and most controversial—of the advantages adhering to a registration on the Principal Register, however, are those of "incontestability "

The Lanham Act contemplates two types of "incontestability " The first of these, and the only one expressly designated as such by the Act, is that created by the interplay of sections 15 and 33 of the Act.¹⁰⁶ As between unregistered users of two confusingly similar designations of origin, the plaintiff bears the burden of demonstrating superior rights to its mark or trade dress in an infringement suit.¹⁰⁷ Under section 33(a), and in contrast to the limited evidentiary presumptions attaching to registration under the Lanham Act's predecessors,¹⁰⁸ "[a]ny registration owned by a party to an action shall be admissible in evidence and shall be prima facie evidence of the validity of the registered mark in commerce on or in connection with the goods or services specified in the registration."¹⁰⁹ In an infringement suit, registration thus shifts the burden of proof on the issues of validity and ownership to the defendant,¹¹⁰ who must then introduce evidence sufficient to rebut these presumptions.¹¹¹ As one court has explained:

104. *See id.* § 1121(a).

105. *Id.* §§ 1124, 1125(b); *see also* 19 U.S.C. § 1526 (1988 & Supp. V 1993).

106. 15 U.S.C. §§ 1065, 1115 (1988).

107. *See, e.g.,* National Conference of Bar Examiners v. Multistate Legal Studies, Inc., 692 F.2d 478, 488 (7th Cir. 1982), *cert. denied*, 464 U.S. 814 (1983).

108. The 1905 Act, for example, did not address the validity of marks underlying registrations issued under that statute and provided only that "the registration of a trademark under the provisions of this Act shall be prima facie evidence of ownership." 1905 Act § 16, 33 Stat. 724, 728. Thus, this provision did little to create rights where none had been before. *See United Drug Co. v Theodore Rectanus Co.*, 248 U.S. 90, 99 (1918).

109. 15 U.S.C. § 1115(a) (1988); *see also id.* § 1057(b) ("A certificate of registration of a mark upon the principal register provided by this [Act] shall be prima facie evidence of the validity of the registered mark and of the registration of the mark, of the registrant's ownership of the mark, and of the registrant's exclusive right to use the registered mark in commerce ").

110. *See, e.g.,* Keebler Co. v Rovira Biscuit Corp., 624 F.2d 366, 373 (1st Cir. 1980); Coit Drapery Cleaners, Inc. v Coit Drapery Cleaners of N.Y., Inc., 423 F Supp. 975, 978 (E.D.N.Y. 1976); *see also* Wynn Oil Co. v Thomas, 839 F.2d 1183, 1190 (6th Cir. 1988).

111. Obviously, as with all presumptions, the statutory shift in the burden of proof on these issues can be overcome by an appropriate showing by the defendant. *See, e.g.,* Vision Ctr. v Opticks, Inc., 596 F.2d 111, 119-20 (5th Cir. 1979), *cert. denied*, 444 U.S. 1016 (1980). Nevertheless, as the Second Circuit has noted, the prima facie evidentiary status

Under [section 33(a) of] the Act, registration is prima facie evidence of the registrant's ownership of the mark and of the registrant's exclusive right to use the mark in commerce in connection with the [goods or] services specified in the registration certificate. Thus registration is sufficient to establish prima facie (1) the required prior use (2) of a registrable mark (3) which is likely to be confused with another's use of the same or a similar mark.¹¹²

Subsequent to the fifth anniversary of a registration's issuance, section 15 of the Act allows the owner to file with the PTO an affidavit averring that the underlying mark or trade dress has been in continuous and exclusive use since its registration and that there has been no final decision adverse to the registrant's ownership of the designation.¹¹³ Upon the PTO's acceptance of the "section 15 affidavit,"¹¹⁴ "the right of the registrant to use [its] registered mark in commerce for the goods or services on or in connection with which such registered mark has been in continuous use for five consecutive years subsequent to the date of such registration shall be incontestable."¹¹⁵ Once the registrant's "exclusive right to use" its mark or trade dress has become incontestable within the meaning of section 15, section 33(b) of the Act in turn provides that "the registration shall be *conclusive* evidence of the validity of the registered mark and of the registration of the mark, of the registrant's ownership of the mark, and of the registrant's exclusive right to

of a registration "means 'not only that the burden of going forward is upon the contestant of the registration but that there is a strong presumption of validity so that the party claiming invalidity has the burden of proof [and] must put something more into the scales than the registrant.'" *Abercrombie & Fitch Co. v Hunting World, Inc.*, 537 F.2d 4, 14 (2d Cir. 1976) (alteration in original) (quoting *Aluminum Fabricating Co. v Season-All Window Corp.*, 259 F.2d 314, 316 (2d Cir. 1958)).

112. *American Heritage Life Ins. Co. v Heritage Life Ins. Co.*, 494 F.2d 3, 10 (5th Cir. 1974) (citation omitted).

113. 15 U.S.C. § 1065 (1988); *see also* 37 C.F.R. §§ 2.167-.168 (1993).

114. The standards for the PTO's acceptance of the affidavit are not particularly strict:

The Office neither examines the merits of affidavits under § 15 nor "accepts" affidavits under § 15. If a § 15 affidavit is filed at the proper time for an eligible registration, the Office places it in the file without regard to its substantive sufficiency and notifies the registrant that the affidavit has been placed in the file.

UNITED STATES PATENT & TRADEMARK OFFICE, U.S. DEP'T OF COMMERCE, TRADEMARK MANUAL OF EXAMINING PROCEDURE § 1604, at 1600-10 to 1600-11 (2d ed. 1993) [hereinafter T.M.E.P.].

115. 15 U.S.C. § 1065 (1988).

use the registered mark in commerce on or in connection with the goods and services specified in the [registration.]¹¹⁶

Prior to 1985, the relationship between sections 15 and 33 was the subject of considerable debate among the circuits. The Seventh Circuit, for example, held that the owner of a descriptive mark whose registration had become "incontestable" under section 15 enjoyed a conclusive presumption of secondary meaning and therefore need not allege distinctiveness as part of its prima facie case.¹¹⁷ The Ninth Circuit, however, adopted the contrary rule, holding that a registrant on these facts would enjoy the right to an injunction only if it could demonstrate, separately and independently of its registration, that its mark had achieved secondary meaning.¹¹⁸

The Supreme Court resolved this conflict in 1985 in *Park 'N Fly, Inc. v. Dollar Park and Fly, Inc.*,¹¹⁹ in which it adopted the Seventh Circuit's interpretation of sections 15 and 33.¹²⁰ Rejecting the respondent's claims that the petitioner's registration could not be used in an offensive capacity, the *Park 'N Fly* Court held that "[w]ith respect to incontestable marks, § 33(b) provides that registration is *conclusive* evidence of the registrant's exclusive right to use the mark, subject to the conditions of § 15 and the defenses enumerated in § 33(b) itself."¹²¹ Noting that "[m]ere descriptiveness is not recognized [by the Act] as a basis for challenging an incontestable mark,"¹²² the Court concluded that a "[d]efendant faced with an incontestabl[y] registered mark cannot defend [itself] by claiming that the mark is invalid because it is descriptive."¹²³ *Park 'N Fly* thus arguably precludes extratextual defenses to the evidentiary presumptions attaching to a federal registration.¹²⁴

116. *Id.* § 1115(b) (emphasis added).

117. *See, e.g.,* Union Carbide Corp. v. Ever-Ready Inc., 531 F.2d 366, 377 (7th Cir.), *cert. denied*, 429 U.S. 830 (1976).

118. *See* *Park 'N Fly, Inc. v. Dollar Park and Fly, Inc.*, 718 F.2d 327, 331 (9th Cir. 1983), *rev'd*, 469 U.S. 189 (1985).

119. 469 U.S. 189 (1985).

120. *Park 'N Fly, Inc. v. Dollar Park and Fly, Inc.*, 469 U.S. 189, 196 (1985).

121. *Id.*

122. *Id.*

123. *Id.* at 205 (first alteration in original) (citation omitted) (quoting Union Carbide Corp. v. Ever-Ready Inc., 531 F.2d 366, 377 (7th Cir.), *cert. denied*, 429 U.S. 830 (1976)).

124. For representative holdings with similar effect prior to *Park 'N Fly*, see, e.g., *United States Jaycees v. Philadelphia Jaycees*, 639 F.2d 134, 143 (3d Cir. 1981); *John R. Thompson Co. v. Holloway*, 366 F.2d 108, 113-14 (5th Cir. 1966); *see also* American

Under this reading of section 15 incontestability, section 33's presumptions are subject only to certain narrowly drawn exceptions set forth in section 33(b)(1)-(8),¹²⁵ including but not limited to the Act's codification of the common-law "fair use" defense applicable to descriptive marks generally.¹²⁶ Significantly, however, judicial interpretations of this provision have held that "[t]he 'fair use' defense does not encompass use

Express v. American Express Limousine Serv., Ltd., 772 F. Supp. 729, 732 (E.D.N.Y. 1991).

125. 15 U.S.C. § 1115(b)(1)-(8) (1988).

126. Codifying the common-law "fair use" defense, *see supra* notes 24-26 and accompanying text, § 33(b)(4) establishes the defense:

That the use of the name, term, or device charged to be an infringement is a use, otherwise than as a mark, of the party's individual name in his own business, or of the individual name of anyone in privity with such party, or of a term or device which is descriptive of and used fairly and in good faith only to describe the goods or services of such party, or their geographic origin.

15 U.S.C. § 1115(b)(4) (1988). Aside from the fair use defense of § 33(b)(4), the other defenses to the incontestable evidentiary presumptions created by § 33 include:

- (1) That the registration or the incontestable right to use the mark was obtained fraudulently; or
- (2) That the mark has been abandoned by the registrant; or
- (3) That the registered mark is being used by or with the permission of the registrant or a person in privity with the registrant, so as to misrepresent the source of the goods and services on or in connection with which the mark is used; or
- (5) That the mark whose use by a party is charged as an infringement was adopted without knowledge of the registrant's prior use and has been continuously used by such party or those in privity with him from a date prior to the date of constructive use of the mark. *Provided, however,* That this defense or defect shall apply only for the area in which such continuous prior use is proved; or
- (6) That the mark whose use is charged as an infringement was registered and used prior to the registration under this [Act] or publication under subsection (c) of section 1062 of this title of the registered mark of the registrant, and not abandoned: *Provided, however,* That this defense or defect shall apply only for the area in which the mark was used prior to such registration, or
- (7) That the mark has been or is being used to violate the antitrust laws of the United States; or
- (8) That equitable principles, including laches, estoppel, and acquiescence, are applicable.

Id. § 1115(b)(1)-(8).

that will lead to consumer confusion as to the source or origin of the goods at issue."¹²⁷ Thus, "[i]t would be somewhat anomalous to hold that the confusing use of another's trademark is 'fair use.'"¹²⁸

Separate and independent of the concept of incontestability under sections 15 and 33 of the Act are the provisions of section 14,¹²⁹ which sharply limit the circumstances under which a petitioner for cancellation may proceed against a registration that is more than five years old. Specifically, section 14(3)¹³⁰ on its face provides that the validity of a registration that has passed its fifth-year anniversary may be contested:

[I]f the registered mark becomes the generic name for the goods or services, or a portion thereof, for which it is registered, or has been abandoned, or its registration was obtained fraudulently or contrary to the provisions of subsection (a), (b), or (c) of section [2] for a registration under this chapter, or contrary to similar prohibitory provisions of such prior Acts for a registration under such Acts, or if the registered mark is being used by, or with the permission of, the registrant so as to misrepresent the source of the goods or services on or in connection with which the mark is used.¹³¹

In contrast to the language of sections 15 and 33, section 14 is a defensive measure addressing the validity of *the registration itself*¹³² and not

127 *Cullman Ventures, Inc. v Columbian Art Works, Inc.*, 717 F Supp. 96, 134 (S.D.N.Y. 1989).

128. *Schering Corp. v Schering Aktiengesellschaft*, 667 F Supp. 175, 189 (D.N.J. 1987) (quoting *Dallas Cowboys Cheerleaders, Inc. v Pussycat Cinema, Ltd.*, 604 F.2d 200, 206 n.9 (2d Cir. 1979)), *remanded without op.*, 870 F.2d 652 (3d Cir.), *vacated on other grounds*, 709 F Supp. 529 (D.N.J. 1988); *see also Cullman Ventures*, 717 F Supp. at 134 ("The primary purpose of the trademark laws is to protect the public from confusion; hence, the confusing use of another's trademark is not within the purview of the 'fair use' defense.").

129 15 U.S.C. § 1064 (1988).

130. Pursuant to the Trademark Law Revision Act of 1988, Pub. L. No. 100-667, 102 Stat. 3935 [hereinafter TLRA], the original "section 14(c)" of the Act was redesignated "section 14(3)." In light of this change—the reasons for which are unclear—this Article's use of "section 14(3)" collectively refers to the subsection's pre-TLRA incarnation (originally "section 14(c)") and to its current formulation.

131. 15 U.S.C. § 1064(3) (1988). Although an examination of these provisions is beyond the scope of this article, § 14 provides certain additional grounds for the cancellation of registrations of certification marks. *See id.* § 1064(5).

132. *See Wallpaper Mfrs., Ltd. v. Crown Wallcovering Corp.*, 680 F.2d 755, 761 n.6 (C.C.P.A. 1982). The leading architect of the Lanham Act explained the rationale for this form of incontestability as follows:

the validity of its evidentiary significance as an offensive weapon in infringement litigation.¹³³ For this reason, and notwithstanding frequent confusion on this point,¹³⁴ the existence of section 14 incontestability is not dependent on, and is unrelated to, incontestability under section 15.¹³⁵ Thus, "a registration that is over five years old may be cancelled solely on the grounds set forth in Section 14[(3)], irrespective of whether or not the owner of the registration has filed an affidavit under Section 15."¹³⁶

As the exceptions to the incontestability of registrations under section 14 suggest, the owner of a federal registration over five years old is largely

Of course the purpose of this incontestable business is to clean house. The existing law is that a trade-mark of the registrant may be canceled at any time, and the courts interpret "at any time" to mean just that. The result is that old marks that have been registered under the act of 1881 and that have been renewed from time to time are always subject to cancel[ation], which tends to a feeling of insecurity in trade-mark property

Then there is the second [reason], that small users frequently are out to get what they can. They will conserve a small use and wait and hide behind the bush until a man who has spent a lot of money in a trade-mark begins to get to the point where he cannot abandon it without enormous loss, and then our small user hops out from behind the bush and barks and says[:] "All right, you can have it if you pay me so much." And that is bad. Something ought to be done to stop that kind of thing, and it seems to me, and it seemed to the committee last year, that after a mark had been on the register for 5 years, and registration being made notice, if anyone had any objection he ought to come in with it in 5 years and state his objection, and if he does not do it, he ought to be foreclosed.

Hearings on H.R. 4744 Before the Subcomm. on Trade-marks of the House Comm. on Patents, 76th Cong., 1st Sess. 106-07 (1939) (statement of Edward S. Rogers) microformed on Sup. Docs. No. Y 4.P27/1:T67/23 (U.S. Gov't Printing Office); see also Hearings on H.R. 82 Before the Subcomm. of the Senate Comm. on Patents, 78th Cong., 2d Sess. 21 (1944) microformed on Sup. Docs. No. Y 4.P27/2:T67/4 (U.S. Gov't Printing Office).

133. Likewise, and notwithstanding occasional judicial confusion on this point, *see, e.g., Money Store v Harriscorp Fin., Inc.*, 689 F.2d 666, 671 (7th Cir. 1982), incontestability of the registration of the mark does not translate into incontestability of the mark itself.

134. *See, e.g., Abercrombie & Fitch Co. v Hunting World, Inc.*, 537 F.2d 4, 13 (2d Cir. 1975) (noting, in context of defendant's counterclaim for cancellation, that plaintiff's registrations "appear to have become incontestable by virtue of the filing of affidavits under §15(3)").

135. *See Imperial Tobacco, Ltd. v Philip Morris, Inc.*, 899 F.2d 1575, 1579 n.5 (Fed. Cir. 1990).

136. *Western Worldwide Enters. Group Inc. v Qinqdao Brewery*, 17 U.S.P.Q.2d (BNA) 1137, 1139 (T.T.A.B. 1990).

in a position to control its own destiny. Assuming that its mark or trade dress was not registered in violation of the content-based subsections (a)-(c) of section 2 of the Act,¹³⁷ a federal registrant conceivably can renew its registration at ten-year intervals as long as the designation remains in use.¹³⁸ Thus, incontestability within the meaning of section 14 effectively grants a limited statutory monopoly to a registrant otherwise able to avoid the pitfalls of section 14.¹³⁹

IV *The Shakespeare Litigation*

A. *The Opinions*

It was against the backdrop of the competing conceptions of incontestability represented by sections 14 and 15 of the Lanham Act that the plaintiff's appeal reached the Fourth Circuit in *Shakespeare Co. v Silstar Corp. of America*.¹⁴⁰ The subject of the litigation in *Shakespeare* was the plaintiff's "immensely successful" line of UGLY STIK brand fishing rods.¹⁴¹ In contrast to most competing models, the majority of rods making up the plaintiff's UGLY STIK line featured a clear translucent tip attached to a darker body. As described by the Fourth Circuit, "[t]his composition represented the culmination of a series of techniques developed by Shakespeare and it resulted in a superior rod that is both lightweight and very strong."¹⁴² On May 5, 1978, Shakespeare applied to register the trade

137. For the text of these provisions, see *supra* note 80.

138. See 37 C.F.R. §§ 2.181-.184 (1993).

139. As the Board has explained:

This balancing of property rights and public interest seems to us to have resulted in a statutory scheme whereby, once a trademark owner has had a registration for five years, his property interests come to the fore, and his registration will thenceforth be safe from attack unless he makes the registration vulnerable through his own actions, or unless he was never entitled to the registration to begin with. For example, if the registrant fails to perform actions which are within his control, e.g., he abandons his mark or uses his mark so as to misrepresent the source of the goods or allows the mark to become, or promotes it as, the generic name for the goods, his registration can be canceled because he has, in effect, participated in its destruction.

Consorzio del Proscuitto di Parma v Parma Sausage Prods. Inc., 23 U.S.P.Q.2d (BNA) 1894, 1899 (T.T.A.B. 1992).

140. 9 F.3d 1091 (4th Cir. 1993), *cert. denied*, 114 S. Ct. 2134 (1994).

141. *Shakespeare Co. v Silstar Corp. of Am.*, 9 F.3d 1091, 1092 (4th Cir. 1993), *cert. denied*, 114 S. Ct. 2134 (1994).

142. *Id.*

dress of its UGLY STIK design with the PTO and described the subject of its application as follows:

The mark is used by applying it to the goods in that the mark is the color configuration of the fishing rod as shown in the drawing in which the tip portion of the shaft between the tip and the second line guide elements consists of a whitish, translucent material in contrast to the opaque remainder of the shaft.¹⁴³

In processing Shakespeare's application, the PTO Examining Attorney did not make an *ex parte* inquiry into the possible functionality of the UGLY STIK design, but instead objected to the application on the ground that the "mark appears to be in the nature of an ornamental design and, as such, does not serve the purpose of indicating origin of the goods in [Shakespeare]." ¹⁴⁴ On Shakespeare's request for reconsideration, the Examining Attorney accepted the company's evidence of secondary meaning and allowed issuance of a registration on the Principal Register covering the design on December 20, 1983. Shakespeare later filed a section 15 affidavit, and the registration became incontestable under that statute on November 13, 1989 ¹⁴⁵

Subsequent to that time, Silstar Corporation, with full knowledge of Shakespeare's claimed rights in the design,¹⁴⁶ introduced under the SILSTAR POWER TIP CRYSTAL mark a line of fishing rods that "featured a color combination, with a clear fiberglass section, similar to that of the Shakespeare clear-tip line."¹⁴⁷ Other than the color combination, the Silstar design apparently was readily distinguishable from Shakespeare's UGLY STIK rods.¹⁴⁸ In response, Shakespeare filed suit in the District

143. *Id.* at 1092-93.

144. *Id.* at 1093.

145. *Id.*, see *supra* notes 113-16 (discussing procedure for § 15 incontestability).

146. Shakespeare Co. v Silstar Corp. of Am., 802 F Supp. 1386, 1393 (D.S.C. 1992), *rev'd*, 9 F.3d 1091 (4th Cir. 1993), *cert. denied*, 114 S. Ct. 2134 (1994).

147. *Shakespeare*, 9 F.3d at 1093.

148. As the district court noted:

Other than the similarity between the color configurations of the rod base and tip, the [Silstar] and [Shakespeare] rods differ significantly in appearance. For example, Shakespeare uses silver colored line guides, a silver colored extreme tip portion, and red and yellow diamond wrap at the base of the rod above the handle. In contrast, Silstar uses gold colored line guides, a gold colored extreme tip portion, and no wrap at the base of the rod. Moreover, the handles differ significantly in shape (cylindrical vs. tapered) and the reel sets differ in color (black vs. gold). Finally, Shakespeare places its Ugly Stik logo

Court for the District of South Carolina, alleging that Silstar's confusingly similar composite rod design constituted federal and common-law trademark infringement and unfair competition.¹⁴⁹ Simultaneously with its complaint, Shakespeare applied for a temporary restraining order and a preliminary injunction.¹⁵⁰ Although finding the former application moot, the district judge initially assigned to the case entered a preliminary injunction against further distribution of the Silstar rods.¹⁵¹

Silstar fared considerably better upon reassignment of the case to another judge and after a full trial on the merits. First, although acknowledging that the incontestable status of the evidentiary presumptions attaching to Shakespeare's registration placed the burden on Silstar of demonstrating one of the applicable defenses under section 15,¹⁵² the district court found that Silstar's design constituted a "fair use" of the clear tip within the meaning of section 33(b)(4),¹⁵³ in that the color combination communicated the "positive characteristics" of a "graphite base with a solid fiberglass tip"

in prominent, white letters on its rods, while Silstar's lower tip Crystal logo appears in gold letters with a red background.

Shakespeare, 802 F Supp. at 1392-93.

149. As Justice Stevens has explained:

[T]he test for liability [for trademark infringement] is likelihood of confusion: "[U]nder the Lanham Act, the ultimate test is whether the public is likely to be deceived or confused by the similarity of the marks. Whether we call the violation infringement, unfair competition or false designation of origin, the test is identical—is there a "likelihood of confusion?"

Two Pesos, Inc. v Taco Cabana, Inc., 112 S. Ct. 2753, 2763 (1992) (Stevens, J., concurring) (footnote omitted) (quoting *New West Corp. v NYM Co. of Cal.*, 595 F.2d 1194, 1201 (9th Cir. 1979)). To determine whether confusion is likely, courts in the Fourth Circuit consider the factors set forth in *Pizzeria Uno Corp. v Temple*, 747 F.2d 1522 (4th Cir. 1984), which include: (1) the strength of the plaintiff's mark; (2) the similarity of the parties' marks; (3) the similarity of the parties' goods and services; (4) the similarity of the parties' trade outlets and channels of distribution; (5) the similarity of the parties' advertising; (6) the defendant's intent in adopting its mark; and (7) any evidence of actual confusion as to whether the defendant's goods or services are produced, sponsored, certified, or approved by the plaintiff. *See id.* at 1527 These factors are also generally applicable to determine infringement and unfair competition under South Carolina law. *See, e.g., Taylor v Hoppin' Johns, Inc.*, 405 S.E.2d 410, 413 (S.C. Ct. App. 1991).

150. *Shakespeare*, 9 F.3d at 1093.

151. *Id.*

152. *Shakespeare*, 802 F Supp. at 1395.

153. *See supra* notes 125-28 and accompanying text.

and that Silstar had used the design in good faith.¹⁵⁴ Thus, the district court concluded, Silstar was "entitled to prevail on Shakespeare's federal trademark infringement claim and it may use the mark on its rods."¹⁵⁵

Going beyond this conclusion, however, the district court further held that Silstar's eligibility for the fair use exception to the evidentiary presumptions of sections 15 and 33 applied with equal force to destroy the incontestability of the registration itself under section 14. Although correctly noting that "because Silstar has proven its fair use defense, the registration now has the same *evidentiary value* that it had during the five-year period of continuous use preceding the point in time in which it became incontestable,"¹⁵⁶ the district court erroneously concluded that "the fair use defense has destroyed the incontestable status of the registration."¹⁵⁷ Compounding its failure to recognize that section 14 incontestability is not dependent on its section 15 counterpart,¹⁵⁸ the district court held that the latter statute did not protect Shakespeare's registration against cancellation on the ground that its UGLY STIK design was functional.¹⁵⁹

On Shakespeare's appeal to the Fourth Circuit, however, the appellate court reversed.¹⁶⁰ The Fourth Circuit began its analysis by addressing the distinction between administrative cancellations of registrations by the

154. *Shakespeare*, 802 F Supp. at 1396.

155. *Id.* at 1396-97 (footnote omitted).

156. *Id.* at 1397 (emphasis added).

157. *Id.* (emphasis added).

158. See *supra* notes 132-36 and accompanying text.

159. The underlying functionality of the design does not appear to have been a seriously disputed issue between the parties. As the district court noted:

[T]here is no alternative design to Shakespeare's mark which would be as effective in communicating to consumers the fact that the rod is made of a graphite base and a solid fiberglass tip since the clear tip and the opaque base represent the natural colors of the graphite and fiberglass resin which compose the rod. To allow Shakespeare to have a perpetual monopoly on the color configuration would unquestionably hinder competition since it would preclude all competitors from using the most natural and most effective means of marketing their products, and would require them to use a less effective and more costly method. This hindrance to competition would ultimately result in a detriment to consumers.

Shakespeare, 802 F Supp. at 1398 (footnote omitted). On the functionality of fishing rod coloration generally, see also *R.L. Winston Rod Co. v. Sage Mfg. Co.*, 838 F Supp. 1396, 1400 (D. Mont. 1993) (holding that manufacturing process restricts producers to "a few dark shades").

160. *Shakespeare*, 9 F.3d at 1091.

Board under section 14 and the authority under section 37 of the Act for courts "[to] determine the right to registration, order the cancellation of registrations, in whole or in part, and otherwise rectify the register with respect to the registrations of any party to [an] action."¹⁶¹ Noting that section 37 did not contain any express restrictions on judicial cancellation power, the Fourth Circuit framed the disposition of the case as turning on "whether [a] district court's authority to cancel under [section 37] is circumscribed by the same limitations that restrain the Board in an administrative cancellation proceeding."¹⁶²

Although acknowledging that "the central issue in *Park 'N' Fly* [sic] differs from that of the case at bar,"¹⁶³ the court nevertheless held the Supreme Court's decision in that case to mandate an affirmative answer to this question. Finding persuasive *Park 'N' Fly*'s holding that district courts could not depart from the express texts of sections 15 and 33 when determining whether a particular mark is distinctive, the Fourth Circuit concluded that "[i]f the power of the district court under [section 37] is implicitly constrained by the specific provisions of one subsection of the Lanham Act, [section 33(b)], it is reasonable to conclude that it is limited by another related subsection, [section 14]."¹⁶⁴ As the court further explained:

We are persuaded that the rationale enunciated by Justice O'Connor in *Park 'N' Fly* [sic] would apply so as to limit cancellation to the grounds set forth in [section 14]. Functionality is not one of such grounds and it may not be used as a basis for cancellation of a registration more than five years old.¹⁶⁵

The appellate court therefore reversed and remanded the case to the district court with the additional instruction that "any inquiry into an alleged 'fair use' of the clear tip must be accompanied by an analysis of the likelihood of confusion among consumers that may be created by Silstar's use of the clear tip."¹⁶⁶

One member of the Fourth Circuit panel dissented.¹⁶⁷ First, the dissent objected to the majority's conclusion that the evidentiary presumptions of

161. 15 U.S.C. § 1119 (1988).

162. *Shakespeare*, 9 F.3d at 1096.

163. *Id.*

164. *Id.* at 1097

165. *Id.*

166. *Id.* at 1099.

167. *See id.* at 1099-1106 (Niemeyer, J., dissenting).

sections 15 and 33 could apply to a functional design. As the dissent noted, "[e]ven if every presumption is made in favor of the existence of a trademark—that the mark enables determination of source, that it distinguishes the relevant goods, and that it has secondary meaning—these factors will not allow a functional feature to be monopolized."¹⁶⁸ Thus, in the dissent's judgment, "[e]ven if the registration is allowed to stand, that does not preclude us from denying enforcement of a mark when such enforcement would be repugnant to the policies embodied in this nation's laws."¹⁶⁹

Second, although noting that "[w]hether this court should order cancellation of the plaintiff's trademark [registration] on the grounds of functionality is a secondary, not a dispositive, question,"¹⁷⁰ the dissent argued that cancellation was in order. Distinguishing cases cited by the majority for the proposition that judicial cancellation authority was concurrent with that of the PTO, the dissent asserted that "[t]his may well be true as a general matter, but the present case involves a claim that the office has attempted an act beyond its power and undertaken actions repugnant to federal policy."¹⁷¹ Invoking no less an authority than *Marbury v. Madison*,¹⁷² the dissent would have held that the federal courts are able to assess the registrability of marks independently of any administrative restrictions contained in the Lanham Act.¹⁷³

B. "Incontestable" Registrations of Functional Configurations:
A Critique

In upholding Shakespeare's federal trade dress registration of an apparently functional design, the Fourth Circuit committed two errors, one statutory and the other constitutional. First, by confusing the differing concepts of incontestability under sections 14 and 15, the court assumed without serious consideration that *Park 'N Fly* governed its disposition of the case. In contrast to the facts in *Shakespeare*, however, *Park 'N Fly* dealt with only the scope of the incontestable evidentiary presumptions attaching to the registration at issue and not, as the Fourth Circuit apparently believed, with the validity of the registration itself. Specifically,

168. *Id.* at 1099.

169. *Id.* at 1106.

170. *Id.*

171. *Id.*

172. 5 U.S. (1 Cranch) 137 (1803).

173. *Shakespeare*, 9 F.3d at 1106 (Niemeyer, J., dissenting).

although the defendant in *Park 'N Fly* originally sought the cancellation of the plaintiff's registration,¹⁷⁴ the pleadings before the Supreme Court in that case focused on whether the plaintiff was excused from its burden of proving secondary meaning through the operation of sections 15 and 33. *Park 'N Fly's* holding that the plaintiff's registration in that case was entitled to a "conclusive" evidentiary presumption on that issue presupposed the validity of the registration itself,¹⁷⁵ a question not directly presented to the Court by the procedural disposition of the case.¹⁷⁶

The distinction between incontestability under sections 14 and 15 is more than an academic one. Prior to the Supreme Court's decision in *Park 'N Fly*, the Ninth Circuit stood alone in recognizing the extrastatutory defense of descriptiveness to the operation of sections 15 and 33.¹⁷⁷ In overturning this holding, therefore, the Court adopted an approach consistent with all other jurisdictions to address the subject.¹⁷⁸ Of perhaps equal importance, and as the *Park 'N Fly* Court correctly noted,¹⁷⁹ the express intent of the Seventy-ninth Congress to target descriptiveness in particular for exclusion from the list of permissible defenses to sections 15 and 33 is amply reflected in the legislative history of the Act.¹⁸⁰

174. See *Park 'N Fly, Inc. v. Dollar Park & Fly, Inc.*, 718 F.2d 327, 330-31 (9th Cir. 1983), *rev'd*, 469 U.S. 189 (1985).

175. See Suman Naresh, *Incontestability and Rights in Descriptive Trademarks*, 53 U. CHI. L. REV. 953, 976 (1986) ("No incontestable right to use [under § 15] arises if the registration is cancellable [under § 14]").

176. See *Park 'N Fly*, 469 U.S. at 198 n.5.

177. The only other jurisdiction to adopt the position that descriptiveness could serve as a defense to §§ 15 and 33, the Seventh Circuit, had abandoned it prior to the filing of the complaint in *Park 'N Fly*. See *John Morrell & Co. v. Reliable Packing Co.*, 295 F.2d 314, 316 (7th Cir. 1961), *overruled by Union Carbide Corp. v. Ever-Ready, Inc.*, 531 F.2d 366, 373, 377 (7th Cir.), *cert. denied*, 429 U.S. 830 (1976).

178. See, e.g., *United States Jaycees v. Philadelphia Jaycees*, 639 F.2d 134, 137 (3d Cir. 1981); *Soweco, Inc. v. Shell Oil Co.*, 617 F.2d 1178, 1184-85 (5th Cir. 1980), *cert. denied*, 450 U.S. 981 (1981); *Abercrombie & Fitch Co. v. Hunting World Inc.*, 537 F.2d 4, 12 (2d Cir. 1976); *Union Carbide*, 531 F.2d at 377; *Ansul Co. v. Malter Int'l Corp.*, 199 U.S.P.Q. (BNA) 596, 599-600 (T.T.A.B. 1978).

179. See *Park 'N Fly*, 469 U.S. at 197-202.

180. On this point, if in no other respect, the issue presented in *Shakespeare* differs dramatically from that in *Park 'N Fly*, as the potentially incontestable status of registrations covering descriptive marks was hotly debated, and subsequently and repeatedly ratified, in proceedings leading to the passage of the Lanham Act. See, e.g., H.R. CONF. REP. NO. 2322, 79th Cong., 2d Sess. 4-5 (1946) (declining to recognize descriptiveness as defense to § 15); *Hearings on S. 895 Before the Subcomm. of the Senate Comm. on Patents*, 77th

Nevertheless, even if *Park 'N Fly* is characterized as barring all nontextual defenses to sections 15 and 33,¹⁸¹ as opposed to the descriptiveness defense specifically, such a literal approach has not been characteristic of interpretations of section 14.¹⁸² Rather, courts historically have recognized that, under certain circumstances, registrations may be void whether or not the Act's relatively liberal registrability provisions¹⁸³

Cong., 2d Sess. 45-47 (1942) (rejecting inclusion of descriptiveness as defense in infringement action to protect incontestably registered mark), *microformed on Sup. Docs. No. Y 4.P27/2:T67/3* (U.S. Gov't Printing Office); *see also Hearings on H.R. 82 Before the Subcomm. of the Senate Comm. on Patents*, 78th Cong., 2d Sess. 59-60 (1944) (reflecting debate over wisdom of allowing registration of descriptive mark to become incontestable), *microformed on Sup. Docs. No. Y 4.P27/2:T67/4* (U.S. Gov't Printing Office); *Hearings on H.R. 102, Subcomm. on Trade-marks of the House Comm. on Patents*, 77th Cong., 1st Sess. 106-07, 109-11, 175 (1941) (same), *microformed on Sup. Docs. No. Y 4.P27/1.T67/24* (U.S. Gov't Printing Office).

181. Perhaps significantly, a number of cases subsequent to *Park 'N Fly* expressly rejected this interpretation of §§ 15 and 33 by allowing defendants to assert the equitable, but extrastatutory, defenses of laches and acquiescence. *See, e.g., United States Jaycees v Cedar Rapids Jaycees*, 794 F.2d 379, 382 (8th Cir. 1986) (holding that literal application of § 33 would "wipe away the discretion which is inherent in the [court's] equitable power"); *see also Pyrodyne Corp. v Pyrotronics Corp.*, 847 F.2d 1398, 1402-03 (9th Cir.), *cert. denied*, 488 U.S. 968 (1988); *Citibank, N.A. v Citytrust*, 644 F. Supp. 1011, 1013 (E.D.N.Y. 1986). *But see Montgomery Ward & Co. v Ward's Home Prods.*, 6 U.S.P.Q.2d (BNA) 2053, 2055 (N.D. Ill. 1988) ("Were an infringer able to prevent enforcement proceedings against it on equitable grounds, the registrant's right to use the mark would cease to be exclusive. Congress has determined that incontestability begets exclusivity, and we are not at liberty to expand the exceptions expounded in section [33(b)]."). Congress legislatively ratified this approach in 1988 through the passage of the Trademark Law Revision Act, Pub. L. No. 100-667, § 128, 102 Stat. 3935, 3944-45 (1988), which amended § 33(b) to recognize equitable defenses to that provision. *See 15 U.S.C. § 1115(b)(8)* (1988).

182. For representative case law prior to *Park 'N Fly* recognizing extrastatutory exceptions to § 14, *see Stanspec Co. v American Cham & Cable Co.*, 531 F.2d 563, 566 (C.C.P.A. 1976) (holding that when registration in question has been amended in manner that enlarges registrant's rights, § 14's statute of limitations begins to run from date of amendment, not date of registration, *per statute's express text*); *Continental Gummi-Werke AG v. Continental Seal Corp.*, 222 U.S.P.Q. (BNA) 822, 824 (T.T.A.B. 1984) (same); *see also Williamson-Dickie Mfg. Co. v. Mann Overall Co.*, 359 F.2d 450, 453-55 (C.C.P.A. 1966) (allowing counterclaim for cancellation on grounds not expressly recognized by § 14(3) when registrant's filing of opposition occurred immediately prior to fifth anniversary of issuance of registrant's registration, but counterclaim was filed afterwards); *Sunbeam Corp. v Duro Metal Prods. Co.*, 106 U.S.P.Q. (BNA) 385, 386 (Comm'r Pat. 1955) (same).

183. *See Morehouse Mfg. Corp. v. J. Strickland & Co.*, 407 F.2d 881, 888 (C.C.P.A.

expressly authorize their cancellation. In *Robi v Five Platters, Inc.*,¹⁸⁴ for example, the Ninth Circuit upheld the cancellation of a registration on the basis of the registrant's fraudulent section 15 affidavit,¹⁸⁵ notwithstanding the fact that section 14 on its face contemplates cancellation only if the registration itself, rather than section 15 incontestability, "was obtained fraudulently"¹⁸⁶ More to the point, in *F.R. Lepage Bakery, Inc. v Roush Bakery Products Co.*,¹⁸⁷ the Federal Circuit upheld the cancellation of an otherwise "incontestable" thirty-two year old registration on the ground that:

A basic principle pertaining to cancellation of registrations is that they were obtained contrary to the statute. The same principle logically applies (*though the statute is silent on this point*) if ownership is transferred to one who has no right, or would have had no right to obtain the registration.¹⁸⁸

1969) ("It is in the public interest to *maintain* registrations of technically good trademarks on the register so long as they are still in use. The register then reflects commercial reality.").

184. 918 F.2d 1439 (9th Cir. 1990).

185. *Robi v. Five Platters, Inc.*, 918 F.2d 1439, 1444 (9th Cir. 1990). For a pre-*Park 'N Fly* decision to a similar effect, see *Crown Wallcovering Corp. v. Wall Paper Mfrs., Ltd.*, 188 U.S.P.Q. (BNA) 141, 142 (T.T.A.B. 1975).

186. See 15 U.S.C. § 1064(3) (1988). The subject of fraudulent post-registration filings is one on which courts are remarkably willing to disregard § 14's express text in favor of extrastatutory exceptions to its five-year statute of limitations. Although the statute itself allows for the cancellation "at any time" of only registrations that have been fraudulently *obtained*, rather than fraudulently renewed or maintained, post-*Park 'N Fly* courts routinely have concluded that virtually any type of fraud on the PTO is a ground for cancellation. See, e.g., *Torres v. Cantine Torresella S.r.l.*, 808 F.2d 46, 48 (Fed. Cir. 1986) (upholding cancellation of fraudulently renewed, rather than fraudulently obtained, registration on ground that "[f]raud in obtaining renewal of a registration amounts to fraud in obtaining a registration within the meaning of section [14(3)]"); *General Car & Truck Leasing Sys. Inc. v. General Rent-A-Car Inc.*, 17 U.S.P.Q.2d (BNA) 1398, 1401 (S.D. Fla. 1990) (holding maintenance of registration through fraudulent affidavit of use filed under § 8 of Act, 15 U.S.C. § 1058 (1988), to be ground for cancellation). Indeed, as the cancellation for a fraudulent § 15 affidavit in *Robi* demonstrates, courts are willing to reach this result even in cases in which the fraudulent filing is not in any way necessary to the continued maintenance of the registration on the PTO's registers:

Each eligible registrant has the option of whether or not to take advantage of [§ 15]. A registrant may choose to claim the benefits of incontestability and file an appropriate affidavit or may elect to retain the registration without those benefits. The *term* of the registration, for the purpose of renewal, is not affected in either event.

T.M.E.P., *supra* note 114, § 1604, at 1600-10.

187. 851 F.2d 351 (Fed. Cir.), *vacated*, 863 F.2d 43 (Fed. Cir. 1988).

188. *F.R. Lepage Bakery, Inc. v. Roush Bakery Prods. Co.*, 851 F.2d 351, 354 (Fed.

Significantly, each decision issued after the Supreme Court's opinion in *Park 'N Fly*, yet neither decision discussed that case.¹⁸⁹

That nontextual exceptions may exist under section 14 even if they are unavailable under sections 15 and 33 does not, of course, resolve the separate inquiry of whether functionality is a relevant consideration under the former. On this issue, the *Shakespeare* court was correct that the Lanham Act does not expressly recognize functionality as a basis for the cancellation of *any* registration, much less one that has passed its fifth anniversary.¹⁹⁰ Indeed, it is apparent that Congress did not give extended thought to the registrability on the Principal Register of trade dresses at all when drafting the Act. With the arguable exception of the statutory definition of a "trademark,"¹⁹¹ which encompasses "any device" identifying the owner's goods,¹⁹² the Act's registrability provisions speak in such terms as "generic,"¹⁹³ "descriptive,"¹⁹⁴ "geographically descriptive,"¹⁹⁵ and "primarily merely a surname,"¹⁹⁶ all phrases uniquely suited for word

Cir.) (emphasis added), *vacated*, 863 F.2d 43 (Fed. Cir. 1988). For an expanded discussion of *F.R. LePage Bakery*, see *infra* notes 231-41 and accompanying text.

189. Although their examination is beyond the scope of this Article, other post-*Park 'N Fly* decisions have recognized additional extrastatutory grounds for the cancellation of registrations less than five years old. See, e.g., *Qualitex Co. v. Jacobson Prods. Co.*, 13 F.3d 1297, 1301 (9th Cir.) (directing cancellation of registration covering allegedly distinctive product color, notwithstanding court's observation that "[r]egistration of mere color is not explicitly barred by the Lanham Act"), *cert. granted*, 63 U.S.L.W. 3255 (1994); *Global Maschinen GmbH v. Global Banking Sys., Inc.*, 227 U.S.P.Q. (BNA) 862, 866-67 (T.T.A.B. 1985) (invoking, subsequent to *Park 'N Fly*, Paris Convention to cancel registration on extrastatutory ground that registrant was domestic distributor for owner of same mark in foreign country).

190. See *Shakespeare*, 9 F.3d at 1097-98; cf. *In re Deister Concentrator Co.*, 289 F.2d 496, 501 (C.C.P.A. 1961) ("[A]ppellant tells us that nowhere in the statute is a 'functional' mark mentioned pro or con.").

191. See 15 U.S.C. § 1127 (1988).

192. See *id.* It was not until the late 1980s—well after the enactment of § 14, as well as the issuance of the registration at issue in *Shakespeare*—that Congress evinced any recognition whatsoever that this definition might sweep in product configurations. See S. REP. NO. 515, 100th Cong., 2d Sess. 44 (1988) (noting that definition of "trademark" under Lanham Act is intentionally broad and uses "the words 'symbol or device' so as not to preclude the registration of colors, shapes, sounds or configurations where they function as trademarks").

193. See 15 U.S.C. § 1064(3) (1988).

194. See, e.g., *id.* § 1052(e)(1) (1988 & Supp. V 1993).

195. See *id.* § 1052(e)(2).

196. See *id.* § 1052(e)(4).

marks, but with little apparent applicability to nonverbal designations of origin.

The Fourth Circuit failed to recognize in *Shakespeare*, however, that common law principles for decades have been fully applicable to the federal registration of trade dresses, whether or not those principles are expressly set forth in the Lanham Act. It is true that, consistent with the lack of congressional attention to trade dresses, the Patent Office initially was reluctant to extend registration to containers and product configurations under the Act.¹⁹⁷ In part, this reluctance was the result of judicial hostility towards the limited and sporadic issuance of such registrations under the Act's predecessors.¹⁹⁸ Moreover, refusals by the Commissioner of Patents to register containers and product configurations generally were upheld on judicial review by enthusiastic courts,¹⁹⁹ including but not limited to the Fourth Circuit itself.²⁰⁰

Beginning in the 1950s, however, the Patent Office began to allow the registration of container shapes under the Act under the same standards as those used to determine their eligibility for protection in common-law infringement suits. In *Ex parte Haig & Haig Ltd.*,²⁰¹ for example, the Commissioner reversed the Examiner of Trademarks' refusal to register the configuration of the applicant's well-known "pinch bottle" and held the bottle eligible for the Principal Register.²⁰² This apparent switch in the

197. See, e.g., *Ex parte Alan Wood Steel Co.*, 101 U.S.P.Q. (BNA) 209 (Examiner in Chief 1954), *aff'd sub nom. Alan Wood Steel Co. v Watson*, 150 F. Supp. 861 (D.D.C. 1957); *Ex parte Boye Needle Co.*, 100 U.S.P.Q. (BNA) 124 (Examiner in Chief 1953).

198. See generally John A. Diaz & Warren H. Rotert, *Principal Registration of Contours of Packages and Containers Under the Trademark Act of 1946*, 49 TRADEMARK REP. 13, 16-18 (1959).

199. See, e.g., *In re Winchester Repeating Arms Co.*, 69 F.2d 567 (C.C.P.A. 1934); *In re Dennison Mfg. Co.*, 39 F.2d 720 (C.C.P.A. 1930); *Sheaffer Pen Co. v Coe*, 27 F. Supp. 380 (D.D.C. 1939).

200. See *Goodyear Tire & Rubber Co. v Robertson*, 25 F.2d 833, 834-35 (4th Cir. 1928).

201. 118 U.S.P.Q. (BNA) 229 (Comm'r Pat. 1958).

202. As Assistant Commissioner of Patents Daphne Leeds explained:

Where the record shows that a container of distinctive appearance is adopted for the purpose of identifying an applicant's brand of product and distinguishing it from other brands, and there is no way of identifying or asking for such brand of product other than by describing the contour or conformation of the container, and both the trade and public, for many years, use the description of the contour or conformation of the container in ordering the applicant's brand of product, the contour or conformation of the container may be a trademark—a

Patent Office's position on the subject soon led to applications for the registration of other containers including, for example, one covering the configuration of the contoured Coca-Cola bottle, a registration for which issued in 1960.²⁰³

The newly recognized registrability of container trade dress initially left open the question of whether similar treatment was available to product configurations. Specifically, prevailing interpretations of the Act held that, unlike word marks, such configurations were incapable of possessing distinctiveness as indicators of origin. Prior to the decision in *Haig*, for example, there was ample authority for the proposition that federal registration could at most be extended to particular features of a product and not its overall shape.²⁰⁴ Indeed, even Judge Giles Rich, who would become the most notable jurist of the Court of Customs and Patent Appeals (C.C.P.A.) on the subject,²⁰⁵ expressed doubts as to whether configurations ever could serve as indicators of origin.²⁰⁶

Nevertheless, in 1964, the C.C.P.A. reversed a refusal to register the shape of a triangular chemical cake in *In re Minnesota Mining & Mfg. Co.*²⁰⁷ The court ordered the product's configuration entered on the Supplemental Register for non-inherently distinctive marks lacking the secondary meaning necessary to entitle them to registration on the Principal Register.²⁰⁸ The decision thereby recognized the possibility that the shape could, at some later date, acquire secondary meaning and function as a protectable—and fully registrable—mark.²⁰⁹ Taking the lead of its reviewing court in 1965, the Board in *In re Superba Cravats, Inc.*²¹⁰ found

symbol or device—which distinguishes the applicant's goods, and it may be registrable on the Principal Register.

Ex parte Haig & Haig Ltd., 118 U.S.P.Q. (BNA) 229, 230-31 (Comm'r Pat. 1958).

203. See Julius R. Lunsford, Jr., *The Protection of Packages and Containers*, 56 TRADEMARK REP. 567, 573 (1966).

204. See, e.g., *Ex parte Mars Signal-Light Co.*, 85 U.S.P.Q. (BNA) 173 (Comm'r Pat. 1950).

205. See, e.g., *In re R.M. Smith, Inc.*, 734 F.2d 1482 (Fed. Cir. 1984); *In re Morton-Norwich Prods., Inc.*, 671 F.2d 1332 (C.C.P.A. 1982).

206. See *In re McIlhenny Co.*, 278 F.2d 953, 958 (C.C.P.A. 1960) (Rich, J., concurring) ("Personally I doubt that goods in their entirety can be their own trademark." (emphasis omitted)).

207. *In re Minnesota Mining & Mfg. Co.*, 335 F.2d 836, 840 (C.C.P.A. 1964).

208. *Id.*, see 15 U.S.C. §§ 1091-1095 (1988 & Supp. V 1993).

209. See *supra* notes 83-84 and accompanying text.

210. 145 U.S.P.Q. (BNA) 354 (T.T.A.B. 1965).

the configuration of a hanger device for neckties inherently distinctive and therefore eligible for registration on the Principal Register.²¹¹ These decisions therefore established a two-tiered classification system equivalent to that recognized under the common law of word marks: Registrable configurations must be inherently distinctive (as are coined, arbitrary, and suggestive word marks) or must have acquired distinctiveness (as is the case with descriptive word marks that have achieved secondary meaning).²¹²

The incorporation of the common law into the doctrine governing the registrability of product configurations did not work exclusively to the benefit of designers, however, as the applicant in *In re Deister Concentrator Co.*²¹³ discovered to its disappointment. In 1957, Deister applied to register "a substantially rhomboidal outline applied to the goods by configuring the working surface thereof so that the exterior outline of such surface is substantially rhomboidal in plan" as a trademark for "ore concentrating and coal cleaning tables."²¹⁴ Reviewing a refusal of registration, the C.C.P.A. noted that Deister's configuration was covered by two utility patents, upon the expiration of which the company's competitors would be entitled to make full use of the design under the patent laws.²¹⁵ The court also found relevant industry references recognizing that the rhombohedral shape of Deister's tables offered substantial advantages by saving floor space and enhancing processing speed.²¹⁶ Indeed, even Deister's own advertising stressed the apparent efficiency of the design.²¹⁷

On these facts, the court affirmed the refusal to register, not on the basis of prohibitory language in the Lanham Act's registrability provisions, but instead on the common law's well-established distaste for extending trade dress protection to functional designs. Concluding that its functional nature precluded Deister's design from acting as a trademark *under any circumstances*,²¹⁸ the court viewed this lack of cognizable ownership to be a fatal

211. *In re Superba Cravats, Inc.*, 145 U.S.P.Q. (BNA) 354, 355 (T.T.A.B. 1965).

212. *See, e.g., In re Morton-Norwich Prods., Inc.*, 671 F.2d 1332, 1343 (C.C.P.A. 1982).

213. 289 F.2d 496 (C.C.P.A. 1961).

214. *In re Deister Concentrator Co.*, 289 F.2d 496, 497 (C.C.P.A. 1961).

215. *Id.* at 498-99.

216. *Id.* at 504-05.

217. *Id.* at 504.

218. The *Deister* court observed:

It seems to us that this case perfectly exemplifies what we mean by a functional or utilitarian shape which is incapable of acquiring a legally recognizable "secondary meaning" or of becoming an enforceable trademark for

deficiency in the application:

The fundamental distinction [the applicant] overlooks is that between "functional" shapes that are never capable of being monopolized, even when they become "distinctive of the applicant's goods," and shapes which can be monopolized because they are of such an arbitrary nature that the law does not recognize a right in the public to copy them, even if some incidental function is associated with them.²¹⁹

Deister's recognition of a nonfunctionality requirement in the Act's registrability provisions is significant in that it occurred in an appeal from a refusal to register rather than in an action to cancel an already existing registration. Section 2 of the Act, which defines categories of marks eligible for registration, expressly excludes the possibility of extrastatutory grounds for the rejection of applications to register particular marks.²²⁰ Although, as the *Deister* court correctly noted, functionality is not listed as a ground for a refusal to register,²²¹ no tribunal to address the issue has held that functional configurations are thereby eligible for registration. Rather, the PTO, the Board, and courts alike routinely apply the extrastatutory doctrine of nonfunctionality to reject applications to register these designs.²²² In light of the far more permissive language of section 14, which provides only that a five year old registration "may" be cancelled on certain grounds, without expressly excluding others,²²³ there is no readily apparent reason why

the simple reason that the public has the right to copy the shape and enjoy its advantages. *Under no circumstances can it be accorded the legal protection to which trademarks are entitled.* This being so, there is no need to consider the extensive efforts made by the use of what [the applicant] calls advertising "gimmicks" to turn this outline shape of the goods, per se, into a registrable mark. *It has attempted the impossible.*

Id. at 505 (emphasis added).

219. *Id.* at 503.

220. See 15 U.S.C. § 1052 (1988 & Supp. V 1993) ("No trade-mark by which the goods of the applicant may be distinguished from the goods of others shall be refused registration on the principal register on account of its nature unless [one of the enumerated exceptions applies]."); see also *supra* notes 79-81 and accompanying text.

221. See *Deister*, 289 F.2d at 501.

222. See, e.g., *In re R.M. Smith, Inc.*, 734 F.2d 1482 (Fed. Cir. 1984); *Best Lock Corp. v Schlage Lock Co.*, 413 F.2d 1195 (C.C.P.A. 1969); *In re Oscar Mayer & Co.*, 189 U.S.P.Q. (BNA) 295 (T.T.A.B. 1975); *In re Telesco Brophrey Ltd.*, 170 U.S.P.Q. (BNA) 427 (T.T.A.B. 1971).

223. See 15 U.S.C. § 1064(3) (1988).

functionality should be an appropriate nontextual consideration under one of these provisions, but not the other.²²⁴

What is apparent, however, is that since *Deister* neither the C.C.P.A. nor its successor court, the Federal Circuit,²²⁵ has retreated from the proposition that because a functional design is not properly registrable, a mistakenly issued registration covering such a design is subject to cancellation.²²⁶ Indeed, the Federal Circuit in recent years increasingly has applied a more stringent nonfunctionality standard to product configurations such as that in *Shakespeare*. If an applicant's trade dress consists of the packaging for its product, it may include both functional and nonfunctional components,²²⁷ and, under these circumstances, the PTO may consider the trade dress as a whole.²²⁸ The standard is different, however, if an applicant claims protectable rights in the design of the product itself because "before an overall product configuration can be recognized as a trademark

224. By the same token, nonfunctionality is not an express statutory prerequisite for a successful trade dress infringement suit brought under § 43(a) of the Act, 15 U.S.C. § 1125(a) (1988 & Supp. V 1993), to protect an unregistered design. Nevertheless, "[i]t is clear that eligibility for protection under § 43(a) depends on nonfunctionality." *Two Pesos, Inc. v Taco Cabana, Inc.*, 112 S. Ct. 2753, 2758 (1992). Although, because it owned a federal registration, the plaintiff in *Shakespeare* proceeded under § 32 of the Act, 15 U.S.C. § 1114 (1988 & Supp. V 1993), as well as § 43(a), "[i]t would be anomalous for the imitation of a functional feature to constitute infringement for purposes of § 32, while the same activity is not a 'false designation of origin' under § 43(a)." *Inwood Lab., Inc. v Ives Lab., Inc.*, 456 U.S. 844, 864 (1982) (White, J., concurring).

225. See *supra* note 99.

226. See, e.g., *International Order of Job's Daughters v. Lindeburg & Co.*, 727 F.2d 1087 (Fed. Cir. 1984) (ordering cancellation of registration less than five years old); *Kasco Corp. v Southern Saw Serv Inc.*, 27 U.S.P.Q.2d (BNA) 1501 (T.T.A.B. 1993) (same); see also *Mechanical Plastics Corp. v Titan Technologies, Inc.*, 823 F Supp. 1137 (S.D.N.Y. 1993).

227. See, e.g., *In re Morton-Norwich Prods., Inc.*, 671 F.2d 1332, 1342 (C.C.P.A. 1982).

228. See *In re Mogen David Wine Corp.*, 328 F.2d 925, 933 (C.C.P.A. 1964) (Rich, J., concurring). This rule presupposes that the applicant is seeking to register the appearance of its packaging as a trademark for the enclosed goods, rather than for the configuration of the packaging itself. Although a "trademark right can be claimed for the design for a glass container insofar as it has acquired distinctiveness by the use with respect to particular goods, for instance, beverages or perfumes," designers of putatively unique packaging often seek to protect their creations without regard to contents. See 2 STEPHEN P LADAS, PATENTS, TRADEMARK, AND RELATED RIGHTS: NATIONAL AND INTERNATIONAL PROTECTION § 489, at 843 (1975). In the event that this latter type of protection is sought in the form of a trade dress registration, the Federal Circuit will apply the standard described at *infra* note 229 and accompanying text.

[in the Federal Circuit], the *entire* design must be arbitrary or non *de jure* functional."²²⁹ Thus, unlike the combination of descriptive words at issue in *Park 'N Fly*, which conceivably *could* function as a mark (but arguably did not do so), "[f]unctional features *cannot* be trademarks."²³⁰

The Fourth Circuit's inability to recognize this point led to its failure to realize that the relevant doctrinal framework for resolving the claims before it was properly found in the Federal Circuit's decision in *F.R. Lepage Bakery, Inc. v Roush Bakery Products Co.*,²³¹ rather than the majority opinion in *Park 'N Fly*. In *F.R. Lepage Bakery*, the respondent had acquired a three-decade old registration covering a collective mark from an organization of which it was a member.²³² Because collective marks are by definition properly owned only by organizations rather than individual

229. *Textron, Inc. v United States Int'l Trade Comm'n*, 753 F.2d 1019, 1025 (Fed. Cir. 1985); *accord Petersen Mfg. Co. v Central Purchasing, Inc.*, 740 F.2d 1541, 1550 (Fed. Cir. 1984). Outside the Federal Circuit, some jurisdictions have begun to apply this distinction in infringement litigation involving unregistered trade dresses. *See, e.g.*, *Clamp Mfg. Co. v Enco Mfg. Co.*, 870 F.2d 512, 516 (9th Cir.), *cert. denied*, 493 U.S. 872 (1989); *Ohio Art Co. v Lewis Galoob Toys, Inc.*, 799 F Supp. 870, 884-85 (N.D. Ill. 1992); *Tenax Corp. v Tensar Corp.*, 19 U.S.P.Q.2d (BNA) 1881, 1889 (D. Md. 1991). Thus, under these cases, a plaintiff must prove that the particular features allegedly copied by the defendant are nonfunctional. *See, e.g.*, *Gale Group Inc. v King City Indus. Co.*, 23 U.S.P.Q.2d (BNA) 1208, 1212 (M.D. Fla. 1992).

The rationale for the difference in treatment is readily apparent. Products that serve a function, including such products as microwave ovens, food processors, and kitchen step stools, will, almost by definition, look somewhat alike. *See Litton Sys., Inc. v Whirlpool Corp.*, 728 F.2d 1423, 1446 (Fed. Cir. 1984); *Sunbeam Corp. v Equity Indus. Corp.*, 635 F Supp. 625, 635-37 (E.D. Va. 1986), *aff'd*, 811 F.2d 1505 (4th Cir. 1987); *Black & Decker Mfg. Co. v Ever-Ready Appliance Mfg. Co.*, 518 F Supp. 607, 617 (E.D. Mo. 1981), *aff'd*, 684 F.2d 546 (8th Cir. 1982). Under these circumstances, "the right to copy better working [product] designs would, in due course, be stripped of all meaning if overall functional designs were accorded trademark protection because they included a few arbitrary and nonfunctional features." *Textron*, 753 F.2d at 1025.

230. *Black & Decker, Inc. v Hoover Serv. Ctr.*, 886 F.2d 1285, 1291 (Fed Cir. 1989) (emphasis added) (alteration in original) (citation omitted). In other words, unlike a descriptive mark that initially lacks secondary meaning, "[f]unctionality trumps all evidence of actual consumer identification of source and all evidence of actual consumer confusion caused by an imitator. For 'functional' items, no amount of evidence of secondary meaning or actual confusion will create a right to exclude." 1 MCCARTHY, *supra* note 51, § 7.26, at 7-110.

231. 851 F.2d 351 (Fed. Cir.), *vacated*, 863 F.2d 43 (Fed. Cir. 1988).

232. *F.R. Lepage Bakery, Inc. v Roush Bakery Prods. Co.*, 851 F.2d 351, 353-54 (Fed. Cir.), *vacated*, 863 F.2d 43 (Fed. Cir. 1988).

entities,²³³ however, the Federal Circuit ordered the registration cancelled "on the fundamental proposition that a collective mark registration cannot be owned by one who would not be entitled to obtain it under the statute."²³⁴

That the *F.R. Lepage Bakery* court considered the impossibility of the designation at issue qualifying for collective mark status to be an implied statutory ground for cancellation *separate and independent* from those expressly set forth in the Act is apparent from the history of the case below. Considering the assignment of the mark from the collective organization that had originally registered it, the Board had concluded that the mark had been abandoned.²³⁵ Although abandonment is an express ground for cancellation of a registration that has passed its fifth anniversary,²³⁶ the Federal Circuit nevertheless declined to rest its holding on this finding.²³⁷ Rather, because the assigned mark could not possibly qualify as a collective mark, cancellation of the thirty-two year old registration covering it was appropriate,²³⁸ even if such a cancellation was not expressly contemplated by section 14.²³⁹

233. See 15 U.S.C. § 1127 (1988 & Supp. V 1993).

234. *F.R. Lepage Bakery*, 851 F.2d at 355.

235. See *Roush Bakery Prods. Co. v. F.R. Lepage Bakery, Inc.*, 4 U.S.P.Q.2d (BNA) 1401 (T.T.A.B. 1987), *aff'd on other grounds*, 851 F.2d 351 (Fed. Cir.), *vacated*, 863 F.2d 43 (Fed. Cir. 1988).

236. See 15 U.S.C. § 1064(3) (1988).

237. *F.R. Lepage Bakery*, 851 F.2d at 354-55.

238. The court concluded:

A collective mark is said to be a "trademark or service mark used by members of a cooperative, an association or other group or organization." It follows logically that only such an organization as is indicated by the statutory definition can become the owner of a collective mark and as a corollary, only such an organization, after acquiring ownership by use, can obtain a service mark registration.

Id. at 354 (quoting 15 U.S.C. § 1127 (1988 & Supp. V 1993)).

239. See *id.* (acknowledging lack of express statutory authorization for cancellation). Ultimately, the court vacated its original opinion when the respondent submitted evidence that the registration had been reassigned to the original registrant, thereby bringing the registration back into compliance with the Federal Circuit's (wholly extrastatutory) requirement for continued maintenance on the Principal Register. See *F.R. Lepage Bakery, Inc. v. Roush Bakery Prods. Co.*, 863 F.2d 43 (Fed. Cir. 1988). Significantly, the court did not mention § 14 in either its first opinion, which upheld cancellation of the registration at issue, or its second opinion, which vacated the cancellation.

F.R. Lepage Bakery strongly suggests that, as a matter of statutory interpretation, the availability of section 14's statute of limitations turns on the extent to which a designation of origin underlying a registration is eligible for common law protection. If, as in *Park 'N Fly*, the designation at issue can conceivably function as a mark or trade dress under appropriate circumstances, then section 14 properly operates to quiet the registrant's title to that designation. If, however, as in *F.R. Lepage Bakery*, the existence of rights to the putative "mark" underlying a registration is impossible, then this fact will remove the registration from the protection of this section of the Act. Under such an analysis, of course, the impossibility of functional features qualifying for trademark or trade dress status²⁴⁰ would prevent them from being the subject of a valid registration.²⁴¹

Shakespeare's contrary holding promises to have significant effects on the competitive process. Under federal law, the patent statutes are the intended vehicles for fostering innovation and progress.²⁴² Rather than encouraging the designer of a functional configuration to secure a utility patent for its design,²⁴³ however, *Shakespeare* creates incentives to seek

240. See *Sno-Wizard Mfg., Inc. v Eisemann Prods.*, 791 F.2d 423, 427 n.4 (5th Cir. 1986) ("[A] design cannot be found both legally functional—that is, not entitled to trademark protection—and 'sufficiently distinctive' to serve as an indicator of source.").

241. See *In re Pollak Steel Co.*, 314 F.2d 566, 567 (C.C.P.A. 1963) ("[N]othing which the public has or would have a right to copy, in the absence of valid patent or copyright protection, can be the subject of a valid trademark registration."); see also *In re Bose Corp.*, 215 U.S.P.Q. (BNA) 1124, 1126 (T.T.A.B. 1982) ("A shape or configuration of an article which is in its concept essentially or primarily utilitarian or functional cannot function as a trademark under the Federal trademark statute, and cannot be registered either on the Principal or Supplemental Register."), *aff'd*, 772 F.2d 866 (Fed. Cir. 1985). As the Board noted in cancelling the respondent's registration in *Kasco Corp. v Southern Saw Serv Inc.*, 27 U.S.P.Q.2d (BNA) 1501 (T.T.A.B. 1993):

Having determined that [the registrant's] green wrapper is functional, [the registrant] would not be entitled to maintain its registration even if it established that the green wrapper had become distinctive of [the registrant's] saw blades in that it now functioned as a trademark to identify [the registrant] as the source of the blades.

Id. at 1505.

242. See, e.g., *Kohler Co. v Moen Inc.*, 12 F.3d 632, 643 (7th Cir. 1993); *Stormy Clime Ltd. v Progroup, Inc.*, 809 F.2d 971, 977-78 (2d Cir. 1987).

243. Although this Article's focus is on the potential legal advantages of an incontestably registered trade dress over a utility patent under the *Shakespeare* rule, it is perhaps significant that the costs of securing a trademark registration typically are substantially lower than those associated with the issuance of such a patent. For example, the PTO's filing fee for an application to register a particular trade dress currently is

possibly perpetual trademark protection instead.²⁴⁴ Although, unlike a utility patent, a federal trade dress registration covering a functional design can be invalidated within five years of its issuance,²⁴⁵ the fifth anniversary of such a registration under the *Shakespeare* rule immediately would place other participants in the registrant's industry at a significant competitive disadvantage.²⁴⁶

\$210.00 per class of goods and services, the number of which for most product configurations will likely be one. See 37 C.F.R. § 2.6(a)(1) (1993). In contrast, filing fees for utility patent applications filed by applicants not qualifying for "small entity" status begin at \$710.00, with additional fees required depending on the number of "claims" contained in the application. See *id.* § 1.16. Because "patent law imposes a high standard for patentable protection," *Kohler*, 12 F.3d at 643, this disparity increases dramatically when the generally higher legal costs of preparing a utility patent application are taken into account. See, e.g., Pamela Samuelson, *Benson Revisited: The Case Against Patent Protection for Algorithms and Other Computer-Related Inventions*, 39 EMORY L. J. 1025, 1137 n.40 (1990) ("Costs per patent application can exceed \$10,000; even patent searches to make sure one is not going to tread on someone else's patent, though less costly than prosecuting patent applications, can be expensive and time-consuming and may require professional patent counsel.").

244. As one court has explained in declining to overturn the Commissioner's refusal to register a functional design:

Were the law otherwise, it would be possible for a manufacturer or dealer, who is unable to secure a patent on his product or on his design, to obtain a monopoly on an unpatentable device by registering it as a trade-mark. The potential consequences to the public might be very serious, because while a patent is issued for only a limited term, a trade-mark becomes the permanent property of its owner and secures for him a monopoly in perpetuity

Alan Wood Steel Co. v. Watson, 150 F. Supp. 861, 862 (D.D.C. 1957); see also *Lon Tai Shing Co. Ltd. v. Koch + Lowy*, 19 U.S.P.Q.2d (BNA) 1081, 1100 (S.D.N.Y. 1990) ("If a product is not patentable or if its patent has expired, the policy of promoting free competition embodied in the patent laws suggests that the product should not be entitled to protection from competitors and certainly should not receive protection in perpetuity, which may be the effect of the invocation of trademark law.").

245. See, e.g., *International Order of Job's Daughters v. Lindeburg & Co.*, 727 F.2d 1087, 1091 (Fed. Cir. 1984); *Kasco Corp. v. Southern Saw Serv. Inc.*, 27 U.S.P.Q.2d (BNA) 1501, 1505 (T.T.A.B. 1993).

246. The unenviable position of a competitor of an owner of a registration covering a functional configuration was perhaps best described by the C.C.P.A. in denying registration to another *Shakespeare* design on functionality grounds:

Were the spiral marking to be treated as a trademark the holder of the trademark rights would have a potentially perpetual monopoly which would enable it either to prevent others from using the process which results in the mark or force them to go to the trouble and expense of removing it.

Likewise, *Shakespeare* creates corresponding *disincentives* for designers to seek patent protection. Although other factors may come into play,²⁴⁷ the existence of a utility patent covering a design in which trade dress significance is alleged is very strong, if not conclusive, evidence of the functionality of the configuration.²⁴⁸ The reason for this rule is simple: "Functional patent protection and trademark protection are mutually exclusive."²⁴⁹ Thus, when determining the eligibility of a product design for trade dress protection, a "utility patent comprehending the configuration in question is adequate evidence to establish that the configuration is indeed functional in character."²⁵⁰ A prudent designer therefore would be well advised to register its design under the Lanham Act, avoid filing a utility patent application that would support a cancellation action, and then quietly wait out section 14's five-year statute of limitations²⁵¹ before

In re Shakespeare Co., 289 F.2d 506, 508 (C.C.P.A. 1961); *see also In re Pollak Steel Co.*, 314 F.2d 566, 570 (C.C.P.A. 1963) (denying registration to reflective coating of applicant's product on ground that "[f]o permit appellant to assert trademark rights in its alleged mark would clearly have the effect of unjustifiably giving appellant a perpetual monopoly on the simplest and cheapest use of a simple process of applying a functional reflective coating to a functionally designed metal fence post").

247 *See, e.g., New England Butt Co. v International Trade Comm'n*, 756 F.2d 874, 878 (Fed. Cir. 1985) (finding probative of functionality whether design owner has touted utilitarian advantages of its product in its advertising, whether acceptable alternatives exist, and whether design results from comparatively simple or inexpensive method of manufacture).

248. *See, e.g., In re Bose Corp.*, 772 F.2d 866, 871 (Fed. Cir. 1985); *In re Shenango Ceramics, Inc.*, 362 F.2d 287, 291-92 (C.C.P.A. 1966); *see also In re Oscar Mayer & Co.*, 189 U.S.P.Q. (BNA) 295, 296 (T.T.A.B. 1975).

249. 1 MCCARTHY, *supra* note 51, § 7.29, at 7-172.

250. *In re Telesco Brophrey Ltd.*, 170 U.S.P.Q. (BNA) 427, 428 (T.T.A.B. 1971). As Professor McCarthy has explained:

Although the courts treat functional patents as evidence of primary functionality, this evidence is particularly entitled to great weight if the patent was applied for by the same person who now asserts trademark significance in the same configuration. [O]ne cannot argue that a shape is functionally advantageous in order to obtain a utility patent and later assert that the same shape is non-functional in order to obtain trademark protection.

1 MCCARTHY, *supra* note 51, § 7.29, at 7-172.

251. Obviously, a plaintiff that for five years deliberately avoids litigation in which a particular defendant might bring a cancellation counterclaim runs the risk of the defendant later claiming that the plaintiff's claims are barred by laches, estoppel, or acquiescence. *See* 15 U.S.C. § 1115(b)(8) (1988). These defenses, however, likely would be available only to qualifying individual defendants and not to the industry as a whole.

driving its competitors into the ground with trade dress infringement suits.²⁵²

See, e.g., Sweetheart Plastics, Inc. v. Detroit Forming, Inc., 743 F.2d 1039, 1046-47 (4th Cir. 1984).

252. If the parties to an infringement suit are making use of the most efficient designs possible, with no nonutilitarian features, their configurations will, by definition, be identical. Under these circumstances, there are two possible avenues for relief for a registrant such as that in *Shakespeare*. First, at least one jurisdiction has held that a registration that has become incontestable within the meaning of §§ 15 and 33 gives to the registrant a private cause of action to protect its "exclusive right" to use the mark for the goods recited in the registration. *See Weil Ceramics & Glass, Inc. v. Dash*, 878 F.2d 659, 673-74 (3d Cir.), *cert. denied*, 493 U.S. 853 (1989). Because this cause of action provides an equitable remedy against any use of the "exact mark," *see id.* at 674, when linked with the holding in *Shakespeare*, it apparently would give a trade dress registrant a cause of action equivalent to that of a utility patent owner, who may proceed against any manufacture, use, or sale of the product underlying its patent. *See* 35 U.S.C. §§ 154, 271 (1988 & Supp. V 1993).

Second, even in jurisdictions not recognizing the cause of action described above, *see, e.g., Storck USA, L.P v Levy*, 18 U.S.P.Q.2d (BNA) 1965 (N.D. Ill. 1991) (rejecting independent § 33(b) cause of action), a registrant may proceed under the more traditional causes of action created by §§ 32 and 43(a), 15 U.S.C. §§ 1114, 1125(a) (1988 & Supp. V 1993), which mandate a demonstration that the defendant's use creates a likelihood of confusion in the marketplace. *See supra* notes 6 & 149 (addressing likelihood of confusion standard for liability). This requirement, however, is unlikely to pose a significant burden in the purely functional product configuration context, in which, as previously noted, both parties necessarily are using the same indicator of origin for identical products. As the Sixth Circuit has observed, "[c]ases where a defendant uses an identical mark on competitive goods hardly ever find their way into the appellate reports. Such cases are 'open and shut' and do not involve protracted litigation to determine liability." *Wynn Oil Co. v Thomas*, 839 F.2d 1183, 1190 (6th Cir. 1988) (quoting 2 J. THOMAS MCCARTHY, TRADEMARKS AND UNFAIR COMPETITION § 23:3, at 56 (2d ed. 1984)); *see also* *Reflange, Inc. v. R-Con Int'l*, 17 U.S.P.Q.2d (BNA) 1125, 1131 (T T.A.B. 1990) ("[C]onfusion between identical marks used for identical goods is inevitable."). This is particularly true in the product configuration context, in which disclaimers of affiliation are typically ineffective: "Display of the infringer's name is least likely to avoid confusion when the infringement involves the design of the item itself and not the package or the tradename." *T&T Mfg. Co. v. A.T. Cross Co.*, 449 F Supp. 813, 822-23 (D.R.I.), *aff'd*, 587 F.2d 533 (1st. Cir. 1978), *cert. denied*, 441 U.S. 908 (1979).

For this reason, although the Fourth Circuit's opinion arguably recognizes the possibility of competitors qualifying for the statutory "fair use" defense afforded by 15 U.S.C. § 1115(b)(4) (1988), its instruction that "any inquiry into an alleged 'fair use' of the clear tip must be accompanied by an analysis of the likelihood of confusion among consumers that may be created by Silstar's use of the clear tip," *Shakespeare*, 9 F.3d at 1099, renders that defense moot. Because the "fair use" defense does not encompass uses

On one level, these results might be justified as a matter of strict statutory construction. It is arguably true, for example, that the express inclusion of certain grounds for cancellation in section 14 tacitly indicates the exclusion of all others.²⁵³ By the same token, "[t]here is a basic difference between filling a gap left by Congress'[s] silence and rewriting rules that Congress has affirmatively and specifically enacted."²⁵⁴ Thus, if one assumes the potentially "faulty premise that all possible alternative or supplemental provisions were necessarily considered and rejected by [Congress],"²⁵⁵ "[t]here is no more persuasive evidence of the purpose of a statute than the words by which the legislature undertook to give expression to its wishes."²⁵⁶

Whatever the validity of the other judicially-created exceptions to section 14,²⁵⁷ the Fourth Circuit failed to recognize that there is a reason, and a compelling one, why prior courts uniformly held the Act subject to an extrastatutory nonfunctionality requirement. Although the Supreme Court has had few opportunities to hold federal trademark legislation fatally

that are likely to cause confusion, *see supra* notes 125-28 (discussing fair use defense), a plaintiff need only prove its case in chief to defeat the defense. *See, e.g.,* Cullman Ventures, Inc. v. Columbian Art Works, Inc., 717 F. Supp. 96, 134 (S.D.N.Y. 1989).

253. *See, e.g.,* Tate v. Ogg, 195 S.E. 496 (Va. 1938) (holding statute addressing "any horse, mule, cattle, hog, sheep, or goat" inapplicable to turkeys).

254. *Mobil Oil v. Higginbotham*, 436 U.S. 618, 625 (1978).

255. *National Petroleum Refiners Ass'n v. FTC*, 482 F.2d 672, 676 (D.C. Cir. 1973), *cert. denied*, 415 U.S. 951 (1974). As previously noted, the drafters of the Lanham Act clearly *did* intend to alter the common law's treatment of descriptive marks through the enactment of §§ 14, 15, and 33. *See supra* note 180 (discussing legislative history of Lanham Act). Evidence of a similar intent with respect to product configurations, however, is wholly absent from the legislative history of these provisions. In the face of contemporary doctrine that regarded these designs as inherently functional and therefore incapable of registration, *see supra* notes 190-200 and accompanying text, it is apparent that the Act's authors did not contemplate the registration of functional designs at all, much less expressly intend to immunize such registrations from challenge. In the words of the C.C.P.A.: "We think that the 1946 Act is premised on the idea that only nonfunctional configurations may be registrable thereunder." *In re Shenango Ceramics, Inc.*, 362 F.2d 287, 292 (C.C.P.A. 1966); *cf.* RICHARD A. POSNER, *THE FEDERAL COURTS: CRISIS AND REFORM* 286 (1985) ("[J]udge[s] [should] not only consider the language, structure, and history of the statute, but also study the values and attitudes, as far as they can be known today, of the period when the legislation was enacted.").

256. *United States v. American Trucking Ass'n*, 310 U.S. 534, 543 (1940).

257. *See supra* notes 182-88 and accompanying text (discussing judicially-created exceptions to § 14).

inconsistent with the Constitution's Patent and Copyright Clause,²⁵⁸ it has not shirked its duty when called upon to do so. Indeed, in *United States v Steffens (The Trademark Cases)*,²⁵⁹ the Court invalidated the first comprehensive pieces of federal trademark legislation, the Trademark Acts of 1870²⁶⁰ and 1876,²⁶¹ both of which Congress had enacted under that provision. As the Court noted of the incompatibility of these statutes with the Constitution's grant of authority "[t]o 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".²⁶²

The ordinary trade-mark has no necessary relation to invention or discovery. The trade-mark recognized by the common law is generally the growth of a considerable period of use, rather than a sudden invention. It requires no fancy or imagination, no genius, no laborious thought. It is simply founded on priority of appropriation.²⁶³

Shakespeare represents a similar constitutional violation, not because its holding fails to protect "invention or discovery," but instead because it purports to protect exclusive rights to inventions and discoveries longer than the "limited times" permitted by the Constitution.²⁶⁴ It is well established that the policies served by the Patent and Copyright Clause and the federal legislation enacted under its auspices are threefold:

First, patent law seeks to foster and reward invention; second, it promotes disclosure of inventions to stimulate further innovation and to permit the public to practice that 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.²⁶⁵

258. U.S. CONST. art. I, § 8, cl. 8.

259. 100 U.S. 82 (1879).

260. Act of July 8, 1870, ch. 230, 16 Stat. 198.

261. Act of Aug. 14, 1876, ch. 274, 19 Stat. 141.

262. U.S. CONST. art. I, § 8, cl. 8.

263. *The Trademark Cases*, 100 U.S. 82, 94 (1879). Accepting the Court's suggestion that renewed legislation on the subject might pass constitutional muster if grounded in the Commerce Clause instead, *see id.* at 96-97, Congress relied on that provision in enacting the Trademark Act of 1881. *See* Act of Mar. 3, 1881, ch. 138, 21 Stat. 502.

264. *Cf.* *Best Lock Corp. v. Schlage Lock Co.*, 413 F.2d 1195, 1199 (C.C.P.A. 1969) (denying registration on ground that "[i]f a configuration is functional then everyone has the right to use the configuration for its functional purpose, subject only to such exclusive right for a limited time as may exist under the patent laws") (emphasis added).

265. *Aronson v. Quick Point Pencil Co.*, 440 U.S. 257, 262 (1979).

Just as the legislation at issue in *The Trademark Cases* impermissibly conflicted with the first of these policies, so too does *Shakespeare's* reading of section 14 violate the second and third. Under such an interpretation, a would-be patentee of a functional design can capture the individual benefits reflected in the first cited policy, but avoid the costs and concomitant societal benefits associated with the others. As Justice White has observed under analogous circumstances, "[when] the public parts with the monopoly grant for no return, the public has been imposed upon and the patent clause subverted."²⁶⁶ Extending trade dress protection to purely functional designs thus is not merely inconsistent with the patent statutes and the federal common law of unfair competition arising under the Lanham Act; rather, "[a] prohibition against copying under such circumstances would contravene the policy of the Constitution which gives the public free access to those materials in the public domain."²⁶⁷

Against this backdrop, the Fourth Circuit's reliance on *Park 'N Fly* and concomitant failure to recognize that *Shakespeare* could not have owned rights to its "mark" sufficient to support an application in the first place,²⁶⁸

266. *United States v. Singer Mfg. Co.*, 374 U.S. 174, 199-200 (1963) (White, J., concurring); cf. *Merchant & Evans, Inc. v. Roosevelt Bldg. Prods. Co.*, 963 F.2d 628, 633-34 (3d Cir. 1992) ("To allow indefinite trademark protection of product innovations would frustrate the purpose of the limited duration of patents to foster competition by allowing innovations to enter the public domain after seventeen years.").

267. *R.M. Smith, Inc. v. Collins Ltd.*, 219 U.S.P.Q. (BNA) 465, 468-69 (W.D. Pa. 1983) (emphasis added) (finding configuration in question nonfunctional, but unprotectable under Lanham Act for lack of secondary meaning).

Although the Supreme Court has not had the opportunity to address the issue in the context of the Lanham Act, the Court's decisions overturning state restrictions on copying of product configurations make clear that the functionality doctrine is a constitutional mandate not subject to statutory abrogation. For example, in striking down a Florida ban on such activity, the Court noted that an "injunction against copying of an unpatented article, freely available to the public, impermissibly 'interfere[s] with the federal policy found in Art. I, § 8, cl. 8, of the Constitution of allowing free access to copy whatever the federal patent and copyright laws leave in the public domain.'" *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*, 489 U.S. 141, 153 (1989) (citation omitted); accord *Compco Corp. v. Day-Brite Lighting, Inc.*, 376 U.S. 234, 237 (1964). When coupled with the Court's holding in *Feist Publications v. Rural Tel. Serv. Co.*, 499 U.S. 340 (1991), that originality is a constitutional prerequisite for copyright protection, *see id.* at 345, statements such as those in *Bonito Boats* leave little doubt that, in intellectual property cases, "the Court has signaled its intentions to employ the Constitution to curtail the worst inclinations in a rapidly expanding field." David Lange, *Copyright and the Constitution in the Age of Intellectual Property*, 1 J. INTEL. PROP. L. 119, 133 (1993).

268. Perhaps significantly, this is the position taken by the PTO's Examining Division

thereby rendering its registration void *ab initio*,²⁶⁹ is even more misplaced. Neither the Supreme Court nor the lower courts in *Park 'N Fly* analyzed the relationship between the Lanham Act and the Patent and Copyright Clause for the simple reason that such an analysis was not required.²⁷⁰ Rather than

during the application process:

If the examining attorney determines that a configuration is *de jure* functional, registration should be refused on the ground that the matter presented for registration does not function as a trademark because it does not fit within the statutory definition of a trademark under §§ 1, 2 and 45 of the Trademark Act.

T.M.E.P., *supra* note 114, § 1202.03(a)(ii), at 1202-5. Thus, as the dissent in *Shakespeare* correctly noted, "[w]hile the majority treats this case as if it involved solely the cancellation of a trademark registration, such an analysis overlooks the antecedent issue of whether an enforceable trademark exists." *Shakespeare*, 9 F.3d at 1099 (Niemeyer, J., dissenting).

269. "Registrations which are void *ab initio* should be canceled without regard to the rights of the parties to the cancellation proceedings" *Coahoma Chem. Co. v Smith*, 113 U.S.P.Q. (BNA) 413, 420 (Comm'r Pat. 1957), *aff'd*, 264 F.2d 916 (C.C.P.A. 1959).

270. Indeed, *Park 'N Fly*'s failure to address this issue arguably leaves open the question of whether functionality is a constitutionally mandated defense to the evidentiary presumptions attaching to an incontestable registration under §§ 15 and 33, as well as a potential ground for cancellation. For example, in *Schwinn Bicycle Co. v Murray Ohio Mfg. Co.*, 339 F. Supp. 973 (M.D. Tenn. 1971), *aff'd*, 470 F.2d 975 (6th Cir. 1972) (*per curiam*), the plaintiff federal registrant sought to protect the trade dress of its "knurled" bicycle wheel rims, which were designed to obscure unsightly welded seams. The district court, however, entered judgment for the defendant on two apparently separate grounds. Consistent with the Ninth Circuit's holding in *Park 'N Fly*, *see supra* note 118 and accompanying text (stating Ninth Circuit's holding in *Park 'N Fly*), the *Schwinn* district court held that "the registrant may not rely upon the incontestability provision as an 'offensive' weapon in a trademark infringement action." *Schwinn*, 339 F. Supp. at 982. Finding that the putative trade dress obviated costly and time-consuming grinding and polishing, however, the district court also held that the defendant had introduced sufficient evidence of functionality to rebut the presumption of validity accompanying the plaintiff's registration under § 15. *Id.* at 981-82. On appeal, the Sixth Circuit affirmed, finding "ample evidence" that the defendant had rebutted the (supposedly "conclusive") evidentiary significance of the plaintiff's incontestable registration. *Schwinn*, 470 F.2d at 977

Park 'N Fly's holding that "the holder of a registered mark may rely on incontestability to enjoin infringement and that such an action may not be defended on the grounds that the mark is merely descriptive," *Park 'N Fly, Inc. v Dollar Park & Fly, Inc.*, 469 U.S. 189, 205 (1985), obviously overturns the first of the district court's grounds in *Schwinn*. Whether by omission or design, however, the *Park 'N Fly* Court did not address the issue of whether the Patent and Copyright Clause preserves functionality (as opposed to descriptiveness) as a defense to §§ 15 and 33. Moreover, despite targeting the Ninth Circuit for criticism, *see id.* at 196, the Court neither leveled similar wrath at the Sixth Circuit nor identified *Schwinn* as part of the "direct conflict" between the circuits existing prior to the

a utilitarian and potentially patentable article, the designation in that case was a string of written words—a subject matter that, even if falling within the ambit of federal copyright law,²⁷¹ still would be eligible for trademark protection.²⁷² Equally to the point, even had the *Park 'N Fly* courts undertaken such an analysis, they would not have encountered a constitutional provision restricting protection of descriptive word marks to "limited times," a restriction that *is* expressly contemplated with respect to useful designs such as that in *Shakespeare*. Thus, to the extent that Congress may have intended to alter the traditional incentives and disincentives associated with the protection of product configurations in the manner contemplated by the Fourth Circuit,²⁷³ such a purpose would have been constitutionally infirm.²⁷⁴

decision. *See id.* at 193. To the extent that the Court may be charged with knowledge of *Schwinn* by virtue of the respondent's express reliance on it, *see* Brief of Defendant-Respondent at 44, *Park 'N Fly, Inc. v. Dollar Park and Fly, Inc.*, 469 U.S. 189 (1985) (No. 83-1132), *microformed on* U.S. Supreme Court Records & Briefs (Congressional Info. Serv.), these factors suggest that the Court did not view that case as inconsistent with its holding in *Park 'N Fly*. *Cf.* *Inwood Lab., Inc. v. Ives Lab., Inc.*, 456 U.S. 844, 862-63 (1982) (White, J., concurring) ("It is my view that a finding of functionality offers a complete defense to [an] infringement claim predicated solely on the reproduction of a functional attribute of the product.").

271. As a general rule, "[c]lichéd language, phrases and expressions conveying an idea that is typically expressed in a limited number of stereotypic fashions, are not subject to copyright protection." *Perma Greetings, Inc. v. Russ Berrie & Co.*, 598 F Supp. 445, 448 (E.D. Mo. 1984). Thus, the eligibility of the phrase "Park 'N Fly" for copyright protection is doubtful. *See* *Magic Mktg., Inc. v. Mailing Servs. of Pittsburgh, Inc.*, 634 F Supp. 769, 771-72 (W.D. Pa. 1986).

272. Although utility patent protection for functional articles and trade dress protection for nonfunctional ones are mutually exclusive, *see supra* notes 247-52 and accompanying text (comparing utility patents with trade dress protection), dual protection under the trademark and copyright laws is not only possible, but also may be "appropriate." *See* *Frederick Warne & Co. v. Book Sales, Inc.*, 481 F Supp. 1191, 1196-97 (S.D.N.Y. 1979); *see also* *Universal City Studios, Inc. v. J.A.R. Sales, Inc.*, 216 U.S.P.Q. (BNA) 679 (C.D. Cal. 1982).

273. As previously noted, the evidence suggests the contrary. *See supra* note 255 (discussing lack of evidence of congressional intent to alter common-law protection of product configurations).

274. For an express judicial recognition of this principle subsequent to the Fourth Circuit's decision in *Shakespeare*, *see* *Kohler Co. v. Moen Inc.*, 12 F.3d 632 (7th Cir. 1993). In *Kohler*, the Seventh Circuit upheld the registrability of an admittedly nonfunctional faucet design against the appellant's claims that registration under the Lanham Act would impermissibly conflict with the Patent and Copyright Clause. This result, however, was conditioned upon the premise that "provided that a defense of functionality is recognized,

This does not, of course, mean that the incontestability provisions of sections 14, 15, and 33 are invalid *in toto* or that nonfunctional features of product configurations are not entirely proper subjects for federal registration under the Lanham Act.²⁷⁵ It does, however, suggest that the historic interpretations of the Act and common law as encompassing functionality as a complete defense to trade dress infringement actions are more consistent with the nation's organic law than the result reached in *Shakespeare*.²⁷⁶ Thus, even if the *Shakespeare* court correctly concluded that functionality is not an express statutory ground for cancellation of a registration that has passed its fifth anniversary, it incorrectly failed to recognize that such a ground appears in more persuasive authority

V Conclusion

It may be true, as the dissent noted in *Shakespeare*, that "[t]he doctrine of functionality is an extrastatutory doctrine, neither defined nor limited by the express provisions of the Lanham Trademark Act"²⁷⁷ Nevertheless, it is equally apparent that the Act on its face does not contemplate the federal registration of trade dress in any form on the PTO's records. Having tacitly upheld the extrastatutory registrability of product configurations on the Principal Register, the *Shakespeare* court failed to recognize the corresponding extrastatutory—and constitutionally mandated—limitations historically applied to the registration and protection of such designs.

there is no conflict with federal patent law." *Id.* at 638 (emphasis added) (quoting *W.T. Rogers v Keene*, 778 F.2d 334, 337 (7th Cir. 1985)). As the court additionally acknowledged in reaching its holding, "Congress could conceivably enact legislation conferring perpetual patent-like monopolies that would conflict with the Patent Clause's requirement that exclusive rights to authors and inventors be only 'for limited [t]imes.'" *Id.* at 642-43 (citation omitted). By eviscerating the availability of the functionality defense upon which *Kohler* turned, *Shakespeare* renders the Lanham Act just such a piece of legislation.

275. *Cf. Inwood Lab., Inc. v Ives Lab., Inc.*, 456 U.S. 844, 864 n.6 (1982) (White, J., concurring) ("This is not to suggest that the copying of a functional feature protects a defendant who has also reproduced nonfunctional features.").

276. *See American Communications Ass'n v Douds*, 339 U.S. 382, 407 (1955) ("[I]t is the duty of this Court to construe a statute so as to avoid the danger of unconstitutionality if it may be done in consonance with the legislative purpose."); *see also United States v. CIO*, 335 U.S. 106, 120-21 (1948); *United States v. Delaware & Hudson Co.*, 213 U.S. 366, 407-08 (1909).

277. *Shakespeare*, 9 F.3d at 1099 (Niemeyer, J., dissenting).

If left unchallenged,²⁷⁸ the outcome of the *Shakespeare* litigants' battle over the UGLY STIK design is likely to be a rule of law that lives up to the name of its subject matter. The Fourth Circuit's determination that the principles of sections 15 and 33 given effect by *Park 'N Fly* are equally applicable to the product configuration context under section 14 potentially allows federal registrants to escape the temporal limits defined by the federal patent laws and expressly mandated by the Constitution. In allowing functional configurations to remain in place on the Principal Register, *Shakespeare* affords their owners nationwide constructive notice of their claims of ownership,²⁷⁹ as well as the remedies afforded by the Lanham Act in trade dress infringement suits.²⁸⁰ At the same time, *Shakespeare* removes significant incentives for designers to apply for protection under the federal patent laws, thereby threatening to obviate those provisions. The result is a blunt and highly visible weapon neither contemplated by the Constitution nor compatible with the nation's carefully crafted balance of federal intellectual property protection.

278. Although this Article has suggested that no such revision is necessary, one possible mechanism for resolving the conflict between the Lanham Act and the Constitution created by the Fourth Circuit's decision would be to amend § 14(3) expressly to recognize functionality as a ground for cancellation "at any time." Pursuant to such an amendment, for example, the revised statute might read as follows (proposed addition is emphasized):

A petition to cancel a registration of a mark, stating the grounds relied upon, may, upon payment of the prescribed fee, be filed as follows by any person who believes that he is or will be damaged by the registration of a mark on the principal register

(3) At any time if the registered mark becomes the generic name for the goods or services, or a portion thereof, for which it was registered, or has been abandoned, or its registration was obtained fraudulently or contrary to the provisions of subsection (a), (b), or (c) of section [2] for a registration under this [Act], or contrary to similar prohibitory provisions of such prior Acts for a registration under such Acts, *if the registered mark is a functional response to problems of usage*, or if the registered mark is being used by, or with the permission of, the registrant so as to misrepresent the source of the goods or services on or in connection with which the mark is used.

Corresponding amendments to §§ 15 and 33 might also be appropriate to provide a defense to the evidentiary presumptions attaching to federal registrations.

279. See 15 U.S.C. § 1072 (1988).

280. See generally *id.* §§ 1116-1124 (1988 & Supp. V 1993).

