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Protectable Trade Dress without Secondary Meaning-on Second Thought

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I. INTRODUCTION

In Two Pesos, Inc. v. Taco Cabana, Inc., the Supreme Court addressed a conflict between the Circuit Courts of Appeals with respect to the protectability of trade dress. Trade dress, a species of trademarks, has been defined as:

[A] complex composite of features. One may be size, another may be color or color combinations, another may be texture, another may be graphics and arrangement and so on. Trade dress is a term reflecting the overall general impact, usually visual, but sometimes also tactile, of all these features taken together.

For example, trade dress has been held to include such features as "a smooth back panel" of a medical cart; "engraved sentimental messages" on greeting cards and a "four-sided freestanding rotating rack" used to display the cards. Trade dress has also been held to include such features as the visibility of food preparation areas in a restaurant and things such as "stacked cartons of beer, produce and other items in the patron areas" of the restaurant. Trade dress has also covered features such as the "general appearance of the exterior of [a] restaurant, the identifying sign, the interior kitchen floor plan, the decor, the menu, the equipment used to serve food, the servers' uniforms and other features reflecting on the total image of the restaurant." Even "particular sales techniques" have been considered trade dress.

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2. Id. at 2758-60.
5. Blue Bell Bio-Medical, 864 F.2d at 1255.
6. Roulo, 886 F.2d at 934.
7. Id. at 935.
9. Id. at 839.
The issue addressed by the Court in *Two Pesos* involved a trademark concept called “secondary meaning.” A trademark has a secondary meaning if it “has become so associated in the mind of the public with [an] entity . . . or its product that it identifies the goods sold by that entity and distinguishes them from goods sold by others.”

Also central to the Court’s opinion in *Two Pesos* was a trademark notion termed “inherent distinctiveness.” Trademarks that are “inherently distinctive” are “those business symbols which are so distinctive in and of themselves that legal protection is granted immediately upon adoption and use” of such trademarks.

In *Two Pesos*, the Court attempted to resolve the conflict between the Circuit Courts of Appeals with respect to whether “inherently distinctive” trade dress, like “inherently distinctive” trademarks, can be afforded automatic protection although lacking secondary meaning. As such, the Court in *Two Pesos* framed the question simply as “whether proof of secondary meaning is essential to qualify an inherently distinctive trade dress for protection . . . .”

The Courts of Appeals for the Second, Tenth and Federal Circuits have answered the question affirmatively. Moreover, the Ninth Circuit has expressed doubts as to whether trade dress may be afforded protection without a finding of secondary meaning. On the other hand, the Fifth,

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17. “Inherently distinctive” has been defined as “those business symbols which are so distinctive in and of themselves that legal protection is granted immediately upon adoption and use.” 1 MCCARTHY, supra note 15, § 16:2.
20. Fuddruckers, Inc., 826 F.2d at 843-44.
Seventh and Eleventh Circuits have answered the question in the negative. The Court in Two Pesos unanimously agreed with the Fifth Circuit rule and held that trade dress does not need secondary meaning to come under the protection of trademark law. This Note analyzes whether the Court’s holding is well supported by either the case law or the text of the statutes governing trademark law. The Note further discusses whether the Court’s holding is well justified by the purposes of trademark law. The Note will thereafter examine the failure of the Court to define what constitutes “inherent distinctiveness” with respect to trade dress and whether it is in fact possible for trade dress to be categorized similarly to trademarks; namely, whether it is possible to categorize trade dress as generic, descriptive, suggestive, arbitrary or fanciful. The Note will then argue that by not addressing these fundamental questions, Two Pesos does not clarify many of the problems of the commercial world, and worse yet, the case injects new uncertainty into trademark law. Finally, this Note will discuss the failure of the Court to address another crucial question of whether trademark law protection of an “inherently distinctive” trade dress undermines the carefully crafted policies of patent law.

II. BACKGROUND OF TRADEMARK LAW

The primary purposes of trademark law are to “secure to the owner of the mark the goodwill of his business and to protect the ability of consumers to distinguish among competing producers.” With minor exceptions, trademarks remained a matter of common law until the


22. Two Pesos, 112 S. Ct. at 2761.

23. See infra notes 90-96 and accompanying text.

24. See infra notes 90-96 and accompanying text.

25. See infra notes 97-136 and accompanying text.

26. See infra notes 137-41, 177-81 and accompanying text.

27. See infra notes 182-204 and accompanying text.


enactment of the Lanham Act in 1946, which established the current statutory framework governing trademarks.

The Lanham Act defines a trademark as including "any word, name, symbol, or device or any combination thereof used by any person . . . to identify and distinguish his or her goods, including a unique product, from those manufactured or sold by others and to indicate the source of the goods, even if that source is unknown." In order to identify its source, a trademark must distinguish itself from other trademarks. Accordingly, trademarks have been classified based on their utility in distinguishing their underlying goods or services. The more distinctive a mark is, the better it identifies a particular source, and thus is more readily afforded trademark protection. The categories of distinctiveness, in the order of increasing distinctiveness, are (1) generic; (2) descriptive; (3) suggestive; (4) arbitrary; and (5) fanciful.

A generic mark is one that serves to "denominate a type, a kind, a genus or a subcategory of goods." For example, "Light Beer" and "Lite Beer" have been held to be generic terms for low calorie beer. Generic marks are not protected by trademark law.

Descriptive marks directly describe a particular quality, function, or characteristic of a product or service. For example, the term "Rocktober" has been held to be descriptive of rock music broadcast in October. A descriptive mark may be protected under the Lanham Act if it "has become distinctive of the applicant's goods [or services] in commerce." This acquired distinctiveness is called "secondary meaning." Thus, a descriptive term that invokes a particular source in the minds of the

31. See, e.g., Park 'N Fly, Inc., 469 U.S. at 198.
33. See infra notes 34-53 and accompanying text.
35. G. Heileman Brewing Co. v. Anheuser-Busch, Inc., 873 F.2d 985, 997 (7th Cir. 1989) (quoting Henri's Food Prods. Co. v. Tasty Snacks, Inc., 817 F.2d 1303, 1305-06 (7th Cir. 1987)).
consuming public has acquired secondary meaning and is therefore afforded protection under the Lanham Act.\textsuperscript{42}

Generic and descriptive trademarks are, by definition, not "inherently distinctive." In other words, generic and descriptive marks are not distinctive in and of themselves.\textsuperscript{43} Generic and descriptive marks "'forth-with convey[ ] an immediate idea of the ingredients, qualities or characteristics of [their underlying] goods [or services].'\textsuperscript{44} Therefore, all generic marks and those descriptive marks that lack secondary meaning fail to identify their respective sources and are not afforded trademark protection.

The remaining three categories of trademarks, namely, suggestive, arbitrary, and fanciful marks are, by definition, "inherently distinctive" and thus protectable without proof of secondary meaning.\textsuperscript{45} "'A [mark] is suggestive if it requires imagination, thought and perception to reach a conclusion as to the nature of goods.'\textsuperscript{46} An example of a suggestive mark is the trademark "Roach Motel" for insect traps.\textsuperscript{47}

An arbitrary mark, such as "Black and White" for scotch whiskey, is one which is commonly used in the language, but one that has no connection with the product.\textsuperscript{48} Arbitrary marks are also "inherently distinctive" and are thus protected without proof of secondary meaning.

Finally, a fanciful mark, such as "Polaroid" for cameras, is one coined for the purpose of serving as a trademark.\textsuperscript{49} Fanciful marks, like suggestive marks and arbitrary marks, are "inherently distinctive" and are therefore protected without proof of secondary meaning.\textsuperscript{50}

In sum, generic marks are, by definition, never "inherently distinctive" and may never acquire secondary meaning and are therefore never protected under trademark law.\textsuperscript{51} Descriptive marks are never "inherently distinctive"; however, those descriptive marks which have acquired secondary meaning are protected despite their lack of "inherent distinctiveness."\textsuperscript{52}

\textsuperscript{42} Id.; see generally 1 J. Thomas McCarthy, Trademarks and Unfair Competition § 11.05 (3d ed. 1992).
\textsuperscript{43} See 1 McCarth, supra note 42, § 11.01.
\textsuperscript{44} Abercrombie & Fitch Co., 537 F.2d at 11 (2d Cir. 1976) (quoting Stix Prods., Inc. v. United Merchants & Mfrs., Inc., 295 F. Supp. 479, 488 (S.D.N.Y. 1968)).
\textsuperscript{45} See infra notes 46-53 and accompanying text.
\textsuperscript{46} Hasbro, Inc. v. Lanard Toys, Ltd., 858 F.2d 70, 73 (2d Cir. 1988) (quoting Stix Prods., Inc. v. United Merchants & Mfrs., Inc., 295 F. Supp. 479, 488 (S.D.N.Y. 1968)).
\textsuperscript{48} Fleischmann Distilling Corp. v. Maier Brewing Co., 314 F.2d 149 (9th Cir. 1963).
\textsuperscript{49} Polaroid Corp. v. Polaraid, Inc., 319 F.2d 830, 835 (7th Cir. 1963).
\textsuperscript{50} See generally 1 McCarthy, supra note 42, § 11.02.
\textsuperscript{51} See supra notes 35-44 and accompanying text.
\textsuperscript{52} See supra notes 38-42 and accompanying text.
Finally, suggestive, arbitrary and fanciful marks are, by definition, "inherently distinctive" and are always protected whether or not they have acquired secondary meaning.53

III. FACTS OF TWO PESOS, INC. V. TACO CABANA, INC.

Taco Cabana operates a chain of fastfood Mexican restaurants.54 By 1985, Taco Cabana had opened a total of six restaurants, all in San Antonio, Texas.55 Taco Cabana described its own trade dress as:

A festive eating atmosphere having interior dining and patio areas decorated with artifacts, bright colors, paintings and murals. The patio includes interior and exterior areas with the interior patio capable of being sealed off from the outside patio by overhead garage doors. The stepped exterior of the building is a festive and vivid color scheme using top border paint and neon stripes. Bright awnings and umbrellas continue the theme.56

Two Pesos opened its first restaurant in December 1985, in Houston, Texas, and thereafter expanded rapidly in that city.57 "Two Pesos adopted a motif essentially consistent with the above description of Taco Cabana's trade dress . . . ."58 In 1986, Taco Cabana entered the Houston market.59 In 1987, Taco Cabana sued Two Pesos for trade dress infringement under section 43(a) of the Lanham Act.60 The trial court instructed the jury that

53. See supra notes 45-50 and accompanying text.
55. Id.
57. Two Pesos, 112 S. Ct. at 2755.
58. Taco Cabana, 932 F.2d at 1117. Furthermore, an expert witness testified that "Taco Cabana and Two Pesos are 'shaped the same. They look the same. When you're inside they feel the same. They have the same product.'" Id. at 1117 n.1. Even Two Pesos, in Petitioner's brief to the Supreme Court, admitted that "[t]here is little doubt in this case that Two Pesos did in fact copy Taco Cabana's restaurant concept of an upscale fast-food, Mexican restaurant with Mexican decor that also sells alcoholic beverages and has a drive-thru . . . ."
59. Two Pesos, 112 S. Ct. at 2755-56.
60. 15 U.S.C. § 1125(a) (1982). This section provides:
Any person who shall affix, apply, or annex, or use in connection with any goods or services, or any container or containers for goods, a false designation of origin, or any false description or representation, including words or other symbols tending falsely to describe or represent the same, and shall cause such goods or services to enter into commerce, and any person who shall with knowledge of the falsity of such
"Taco Cabana’s trade dress was protected if it either was inherently distinctive or had acquired a secondary meaning."61 The jury determined that Taco Cabana’s "trade dress [was] inherently distinctive"62 but that "the trade dress [had] not acquired a secondary meaning"63 in the Texas market."64 Thus, the trial court found that Taco Cabana’s trade dress was protected despite the lack of secondary meaning.65 Accordingly, the trial court awarded damages to Taco Cabana, stating that "Two Pesos had intentionally and deliberately infringed Taco Cabana’s trade dress."66 The Fifth Circuit agreed with the trial court: "The weight of the evidence persuades us . . . that Two Pesos brazenly copied Taco Cabana’s successful trade dress . . . ."67

IV. THE SUPREME COURT’S OPINION IN TWO PESOS

Justice White wrote for the unanimous Court in Two Pesos.68 The Court began by stating that "it is common ground that . . . the general principles qualifying a mark for registration under § 2 of the Lanham Act69 are for the most part applicable in determining whether an unregistered mark is entitled to protection under § 43(a)."70 Thus, the Court

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61. Two Pesos, 112 S. Ct. at 2756.
62. See supra notes 14-15 and accompanying text.
63. See supra note 16 and accompanying text.
64. Two Pesos, 112 S. Ct. at 2756.
65. Id.
66. Id.
67. Id. at 2756 n.5.
68. Id. at 2755.
69. Lanham Act, § 2, 15 U.S.C. § 1052 (1989), generally lists conditions that preclude trademarks from registration. For example, trademarks that consist of "immoral, deceptive, or scandalous matter" are precluded from registration. Id. § 1052(a). Similarly, marks that are likely "to cause confusion" on the part of consumers are precluded from registration. Id. § 1052(d).
70. Two Pesos, 112 S. Ct. at 2757.
implied that the Lanham Act protects a distinctive, though unregistered, trademark to the same extent as the Lanham Act protects a registered trademark. The Court reiterated that the basis for extending protection to a mark is its degree of distinctiveness.\(^7\) The Court explained that a trademark is entitled to protection if it is "capable of distinguishing the applicant's good from those of others."\(^2\) The Court pointed out that, to measure the capability of a mark to distinguish the applicant's goods, "[m]arks are often classified in categories of generally increasing distinctiveness: . . . (1) generic; (2) descriptive; (3) suggestive; (4) arbitrary; or (5) fanciful."\(^7\)

The Court went on to explain that "an identifying mark is [sufficiently] distinctive and capable of being protected if it either (1) is inherently distinctive or (2) has acquired distinctiveness through secondary meaning."\(^7\) Purporting to rely on both the text of the statute\(^7\) (section 43(a)), and legislative intent,\(^7\) the Court affirmed the decision of the Fifth Circuit "that proof of secondary meaning is not required to prevail on a claim under § 43(a) of the Lanham Act where trade dress at issue is inherently distinctive . . . ."\(^7\)

However, even the basic premise of the majority that "the general principles qualifying a mark for registration . . . are for the most part applicable in determining whether an unregistered mark is entitled to protection"\(^7\) was challenged by the concurring opinions of both Justice Stevens\(^9\) and Justice Thomas.\(^8\)

Justice Stevens stated that:

[T]he text of § 43(a) of the Lanham Act . . . does not mention trademarks or trade dress. Nevertheless, the Court interprets this section as having created a federal cause of action for infringement of an unregistered trademark or trade dress and concluded that such a mark or dress should receive essentially the same protection as those that are registered.\(^8\)

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71. Id.
72. Id.
73. Id.
74. Id. at 2758 (emphasis in the original).
75. Two Pesos, 112 S. Ct. at 2760.
76. Id.
77. Id. at 2761.
78. Id. at 2757.
79. Id. at 2761-66 (Stevens, J., concurring).
80. Two Pesos, 112 S. Ct. at 2766-67 (Thomas, J., concurring).
81. Id. at 2761 (Stevens, J., concurring).
Justice Stevens continued by explaining that "[t]he full text of the section makes it clear that the word 'origin' refers to the geographic location in which the goods originated, and in fact, the phrase 'false designation of origin' was understood to be limited to false advertising of geographic origin." 82 He further stated that "it is important to recognize that the meaning of the text [of section 43(a)] has been transformed by the federal courts over the past few decades." 83 Justice Stevens pointed out that "the lower courts' expansion of the [scope of] § 43(a) is unsupported by the text of the [Lanham] Act . . . ." 84 Regarding congressional intent behind the enactment of section 43(a), Justice Stevens stated that "Congress has not specifically addressed the question whether secondary meaning is required under § 43(a) . . . ." 85

Justice Stevens conceded that section 43(a) does not even imply that secondary meaning is not required for protection of an "inherently distinctive" trade dress. Nevertheless, he agreed with the "lower courts' expansion" 86 of the scope of section 43(a) because such expansion was "consistent with the general purposes of the [Lanham] Act." 87

Justice Thomas also criticized the basic premise set forth by the majority that "the principles that qualify a mark for registration under § 2 of the Lanham Act apply as well to determining whether an unregistered mark is entitled to protection under § 43(a)." 88 Justice Thomas stated that the "Court terms that [basic premise] 'common ground,' though it fails to explain why that might be so . . . ." 89

V. ANALYSIS OF THE SUPREME COURT'S OPINION IN TWO PESOS

A. The Court's Cursory Analysis of the Text and the Purpose of the Lanham Act

The criteria for protectability and infringement of trade dress are essentially not derived from the text of the Lanham Act. Indeed, the Court's opinion in Two Pesos, while attempting to portray trade dress as a

82. Id. at 2762.
83. Id. at 2761.
84. Id. at 2764.
85. Two Pesos, 112 S. Ct. at 2765 (Stevens, J., concurring).
86. Id. at 2764.
87. Id.
88. Two Pesos, 112 S. Ct. at 2766 (Thomas, J., concurring).
89. Id.
plain trademark, makes it apparent that the standard for protectability of trade dress is not specified in the text of the Lanham Act. In fact, the disparate treatment of trade dress and trademarks is evident from the provisions of the Lanham Act itself. For example, trade dress is not eligible for registration on either the Principle Register or the Supplemental Register.

Thus, unlike the protection that the Lanham Act affords to registered trademarks, no equivalent protection is provided for trade dress in the text of the Lanham Act. Section 43(a), under which the present action was brought, does not even allude to the term "trade dress." Therefore, any standards that courts contrive for protection of trade dress must stem either from legislative intent or from pure judicial creation.

The Two Pesos Court performed a very cursory analysis of both the case law and the legislative intent in approving the Fifth Circuit's standard for protection of trade dress. The Court's entire rationale in holding that secondary meaning is unnecessary for a trade dress to be afforded trademark protection was contained in two sentences: "The protection of trademark and trade dress under § 43(a) serves the same statutory purpose of preventing deception and unfair competition. There is no persuasive reason to apply different analysis to the two." This reasoning is insufficient and inaccurate. Ironically, the majority itself stated that "section [43(a)] does not mention trademarks or trade dress, whether they be called generic, descriptive, suggestive, arbitrary, [or] fanciful . . . ." Moreover, even if legislative intent dictates that section 43(a) applies to trade dress as well as to trademarks, and even if the statutory purpose of section 43(a) is to prevent deception and unfair competition, the conclusion that the standards of protection of trademarks should or can be equally applied to trade dress does not follow. The fundamental differences between trademarks and trade dress militate against the spontaneous application of certain trademark standards to trade dress.

With respect to the statutory purpose of section 43(a), the Court further stated that "[p]rotection of trade dress, no less than of trademarks, serves the Act's purpose to 'secure to the owner of the mark the goodwill of his business and to protect the ability of consumers to distinguish among

92. Two Pesos, 112 S. Ct. at 2760-61.
93. Id. at 2760.
94. Id.
95. See infra part V.C.
This rationale begs the question—what type of trade dress does in fact enable "consumers to distinguish among competing producers?" Indeed, the question addressed in this case is not whether trade dress should be protected, but rather what type of a trade dress should be protected. Specifically, should protection be extended to a trade dress that lacks secondary meaning, albeit the dress is "inherently distinctive?" The Court failed to address a fundamental question as to how one determines what types of trade dress are "inherently distinctive."

B. What Constitutes an "Inherently Distinctive" Trade Dress

The Two Pesos Court did not define what constitutes "inherent distinctiveness" with respect to trade dress. The Court simply imposed the concept of "inherent distinctiveness" on trade dress analysis as that concept is understood in the trademark domain. This dual application of the concept of "inherent distinctiveness" does not, however, bridge the real gap between the two spheres of trademarks and trade dress.

With respect to trademarks, the concept of "inherent distinctiveness" is well understood. Suggestive, arbitrary, and fanciful trademarks are, by definition, "inherently distinctive." Conversely, generic and descriptive marks are, by definition, not "inherently distinctive." Professor McCarthy has defined marks that are "inherently distinctive" as:

Those business symbols which are so distinctive in and of themselves that legal protection is granted immediately upon adoption and use. For example, such symbols are fanciful and arbitrary marks, as well as non-descriptive suggestive marks . . . . Such inherently distinctive words and symbols do not require proof of secondary meaning for protection.

Different courts may classify the same mark under different categories. However, at the very least, it should be recognized by these courts that a trademark is an identifiable set of symbols, words, or letters that is associated with the underlying goods or services. The main idea of trademark is that consumers can readily recognize that a certain mark

97. See supra notes 68-89 and accompanying text.
98. See supra notes 45-50 and accompanying text.
99. See supra notes 43-44 and accompanying text.
100. J. Thomas McCarthy is a professor of law at University of San Francisco.
101. 1 McCarthy, supra note 15, § 16:2.
attaches to certain goods or services. It is from this point of departure that one may argue that a mark, in addition to representing certain goods or services, is "inherently distinctive" since it does not "'forthwith convey[] an immediate idea of the ingredients, qualities or characteristics of [the underlying] goods [or services].'"\(^\text{102}\)

However, a parallel line of argument with respect to trade dress is almost impossible. As previously stated, the Tenth Circuit has explained that:

> Trade dress is a complex composite of features. One may be size, another may be color or color combinations, another may be texture, another may be graphics and arrangement and so on. Trade dress is a term reflecting the overall general impact, usually visual, but sometimes also tactile, of all these features taken together.\(^\text{103}\)

Another court has defined trade dress as "a commonly used term in the law of unfair competition which denotes the form in which a producer presents his brand to the market; thus a label, package, even the cover of a book might be trade dress."\(^\text{104}\)

It is difficult to imagine how such a complex set of features may be categorized as generic, descriptive, suggestive, arbitrary, or fanciful. Indeed, the lower courts have attested to the difficulty of utilizing the concept of "inherent distinctiveness" in the trade dress arena both by express statements and by inconsistent and unprincipled application of the concept to the facts before them.\(^\text{105}\)

C. Difficulty of the Lower Courts in Deciding What Constitutes an "Inherently Distinctive" Trade Dress

An analysis of lower court decisions reveals the difficulties courts face in deciding whether a trade dress is "inherently distinctive." To determine what types of trade dress are "inherently distinctive," lower courts have generally used either the Fifth Circuit's test formulated in *Chevron Chemical Co. v. Voluntary Purchasing Groups, Inc.*\(^\text{106}\) (the "Chevron" test) or the United States Court of Customs and Patent Appeals' test


\(^{103}\) Hartford House, Ltd. v. Hallmark Cards, Inc., 846 F.2d 1268, 1271 (10th Cir. 1988).

\(^{104}\) Blau Plumbing, Inc. v. S.O.S. Fix-It, Inc., 781 F.2d 604, 608 (7th Cir. 1986).

\(^{105}\) See infra part V.C.

\(^{106}\) 659 F.2d 695 (5th Cir. Unit A Oct. 1981).
developed in *Seabrook Foods, Inc. v. Bar-Well Foods, Ltd.*\(^{107}\) (the "Seabrook" test).\(^{108}\)

Under the *Chevron* test, trade dress is "inherently distinctive" if its features "are arbitrary and serve no function either to describe the product or assist in its effective packaging . . . ."\(^{109}\)

Under the alternative test developed in *Seabrook*, the inquiry is whether the trade dress is

- a common basic shape or design, whether it [is] unique or unusual in a particular field, or whether it [is] a mere refinement of commonly-adopted and well-known form of ornamentation for a particular class of goods viewed by the public as a dress or ornamentation for the goods . . . .\(^{110}\)

*Blue Coral, Inc. v. Turtle Wax, Inc.* illustrates a typical application of both the *Chevron* and *Seabrook* tests.\(^{111}\) The court in *Blue Coral* applied the two tests in deciding whether the trade dress at issue was "inherently distinctive."\(^{112}\) *Blue Coral* involved a trade dress of a wheel cleaning product named "Wheel Magic."\(^{113}\) Wheel Magic was a universal wheel cleaning product which was designed to clean different types of wheels.\(^{114}\) After *Blue Coral* introduced Wheel Magic to the market, Turtle Wax, a competitor of *Blue Coral* in the automotive appearance chemical market,\(^{115}\) introduced its own universal wheel cleaner called the "Turtle Wax All Purpose Cleaner."\(^{116}\)

Applying the *Chevron* test, the court stated that "the purely arbitrary features of the Wheel Magic['s trade dress] are the green color of the liquid, cap, and label; the clear plastic of the bottle and its actual shape;
and the size of the lettering."\textsuperscript{117} The court went on to express that "[t]he use of the high tech grid [in Wheel Magic's trade dress] is descriptive of the advanced high tech nature of the product."\textsuperscript{118}

The difficulties in using the \textit{Chevron} test are apparent from the bizarre result reached by the \textit{Blue Coral} court. On the one hand, the court held that "the clear plastic bottle," ordinarily thought of as an obvious choice for a container of a cleaning product, is "purely arbitrary" and thus "inherently distinctive" under the \textit{Chevron} test.\textsuperscript{119} On the other hand, the court reached the even more enigmatic conclusion that "the high tech grid is descriptive" and therefore not "inherently distinctive."\textsuperscript{120} To reach this conclusion, the court reasoned that:

A term or feature is merely descriptive if it specifically describes a characteristic or an ingredient of a product. The finding that the high tech look is descriptive and not arbitrary rests upon Blue Coral's representation that Wheel Magic is indeed an advanced high tech formula. \textit{If Wheel Magic is not an advanced high tech formula} and is nothing more than Clear Magic with green coloring, it may be the case that a high tech look would only be arbitrary and not descriptive. Absent such proof, the high tech look is descriptive in this case.\textsuperscript{121}

Thus, the \textit{Blue Coral} court penalized the trade dress owner for having an "advanced high tech formula," since the court would have apparently held that the "high tech look" of the trade dress was "inherently distinctive" if the "Wheel Magic [was] not an advanced high tech formula."\textsuperscript{122} Such dubious results under the \textit{Chevron} test are not surprising since the test only prescribes that a trade dress must be "arbitrary" in order to be "inherently distinctive," without supplying any guidance as to how to decide whether a trade dress is "arbitrary." As such, the test merely switches the label "inherently distinctive" with the label "arbitrary."

The alternative test enunciated in \textit{Seabrook} fares a little better than the \textit{Chevron} test because of its specificity. However, even the \textit{Seabrook} test does not provide a principled method to ascertain what types of trade dress are "inherently distinctive." In essence, the test turns upon a determination

\begin{itemize}
  \item 117. \textit{Id.} at 1160.
  \item 118. \textit{Id.}
  \item 119. \textit{Id.}
  \item 120. \textit{Id.}
  \item 121. \textit{Blue Coral}, 664 F. Supp. at 1160 n.10 (citation omitted) (emphasis added). "Clear Magic" was a predecessor to "Wheel Magic." \textit{Id.} at 1158.
  \item 122. \textit{Id.} at 1160 n.10.
\end{itemize}
of whether the trade dress is "common," 123 "unique," 124 or a "mere refinement of commonly-adopted and well-known form of ornamentation for a particular class of goods." 125 These labels do not furnish a readily applicable analytical framework necessary to grant protection to "a complex composite of features," which include "the overall general impact" of many "features taken together." 126 For example, applying the Seabrook test, the Blue Coral court said that "[o]ther than the use of a clear bottle, we do not find that the Wheel Magic trade dress is all that different than other wheel care products on the market." 127 It is therefore manifest that the application of the Seabrook test, at bottom, depends upon whether the court finds the trade dress at issue is "all that different" from other trade dress used for a "particular class of goods." 128

In sum, neither the Chevron test nor the Seabrook test employs an objective method of determining whether the trade dress at issue is sufficiently "inherently distinctive" to serve the source identifying function that a trade dress must perform to be entitled to trademark protection. 129 It follows that both the Chevron and Seabrook tests desperately require a case-by-case analysis to determine what types of trade dress are "arbitrary" or "different" enough to be afforded trademark protection. Furthermore, neither the Chevron test nor the Seabrook test makes an objective inquiry whether the trade dress at issue is viewed by the public as representing a particular source. It is therefore very likely that due to the absence of any definitive or methodic approach in determining the "inherent distinctiveness" of a particular trade dress, different courts would reach opposite results on the question whether a particular trade dress is "inherently distinctive."

To be sure, resort to subjective inquiries similar to the ones proposed by the Chevron and Seabrook tests is not limited to trade dress questions. Courts have often employed similar subjective inquiries to determine whether a trademark (as opposed to a trade dress) is "inherently distinc-

123. Chevron Chemical, 659 F.2d at 702.
124. Id.
125. Seabrook Foods, 568 F.2d at 1344.
126. See supra note 103 and accompanying text. Furthermore, see infra notes 191-96 and accompanying text relating to the more precise standards employed to deny design patent protection to designs that may well qualify for trade dress protection under the imprecise standards of Chevron or Seabrook.
128. See supra notes 110, 127 and accompanying text.
129. See supra notes 32-33 and accompanying text.
However, as the *Blue Coral* court cautioned, there are critical differences between applicability of the "inherently distinctive" concept to trademarks and the applicability of the concept to trade dress. The *Blue Coral* court asserted that an "inherently distinctive" trademark is protected because:

The mark has no meaning absent the use by the originator of the mark. With trademarks it is fairly easy to determine what is an "inherently distinctive" trademark. For example, the use of Exxon or Kodak as a company name is "inherently distinctive." These are made-up words that had no meaning until a company decided to use them. Thus, if a second comer tried to use a name confusingly similar, it would be unfair competition. It is a fairly simple process to compare one arbitrary made-up name with another arbitrary made-up name. The process is not that simple when it applies to comparing one trade dress with another. A complete trade dress can be made up of many different functional elements such as a bottle, a spray cap, and a label. It may also be made up of many descriptive elements . . . . The trade dress may also incorporate truly arbitrary elements . . . . Thus, we are to take these many varied elements and decide if together they create an inherently distinctive trade dress. This is not as easy of a process as comparing one arbitrary made-up word with another.  

Thus, not only do the *Chevron* and *Seabrook* tests lack clarity in defining "inherently distinctive" trade dress, but the application of the concept of "inherent distinctiveness" to trade dress is also intrinsically more complex than the application of the concept to trademarks.

The difficulty in applying the concept of "inherent distinctiveness" to trade dress was further illustrated in *Turtle Wax, Inc. v. First Brands Corp.* There, the court addressed the question whether the trade dress used for Liquid Crystal, a cleaning product, was "inherently distinc-

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130. See supra notes 45-50 and accompanying text.
131. "Functionality" is a defense used to justify infringement of a protected trademark or trade dress. As the court stated in Schwinn Bicycle Co. v. Ross Bicycles, Inc., 870 F.2d 1176 (7th Cir. 1989): "For purposes of a defense against trade dress infringement, 'functional' means not simply that the feature serves a function, but that the feature is necessary to afford a competitor the means to compete effectively." Id. at 1188. Therefore, for a successful infringement claim, a trade dress must be both protectable and nonfunctional.
tive.” In applying the *Seabrook* test, the court made the following statements:

Although [the Magistrate-Judge] found the individual elements of plaintiff's trade dress to be commonplace in the industry, the Magistrate-Judge did note that no product possessed those same elements in [a similar] combination. According to Turtle Wax, this finding compelled the conclusion that the Liquid Crystal trade dress was new and unique . . . . Presumably, it could be said about the trade dress of any new product that no competitive product combines precisely the same elements in its trade dress. Essentially, that is all the Magistrate-Judge found in this case. However, that fact alone does not make the product's trade dress inherently distinctive. Any other rule essentially would require a finding of inherent distinctiveness whenever a new product enters the market.35

Thus, according to the court in *Turtle Wax*, a unique combination alone does not make for an "inherently distinctive" trade dress. This finding, however, is in direct contradiction with the language of the *Seabrook* test, affording protection to designs or shapes that are unique and uncommon.36 Therefore, it is evident that the concept of "inherent distinctiveness" cannot be easily imported from the trademark sphere to the trade dress domain.

VI. PRACTICAL ADVANTAGES OF REQUIRING SECONDARY MEANING FOR "INHERENTLY DISTINCTIVE" TRADE DRESS

A. The Requirement of Secondary Meaning Avoids the Subjectivity of Determining "Inherent Distinctiveness"

The Second and Tenth Circuits have always required a finding of secondary meaning for protection of a trade dress, regardless of whether the dress is "inherently distinctive."37 In *Laureysens v. Idea Group Inc.*,38 the Second Circuit, referring to the language of section 43(a) of the Lanham Act, explained:

134. *Id.* at 1316, 1318.
135. *Id.* at 1321.
136. *See supra* note 110 and accompanying text.
137. *See supra* notes 16-19 and accompanying text.
138. 964 F.2d 131 (2d Cir. 1992).
Where there is no actual secondary meaning in a trade dress, the purchasing public simply does not associate the trade dress with a particular producer. Therefore, a subsequent producer who adopts an imitating trade dress will not cause confusion, mistake, or deception as to the "origin, sponsorship, or approval" of the goods. Second, a junior producer's use of imitating trade dress bears no "false designation of origin" because, in the absence of secondary meaning in the senior producer's trade dress, the imitating trade dress suggests no particular origin to the consuming public.... The secondary meaning requirement exists to insure that something worth protecting exists—an association that has developed in the purchasing public's mind between a distinctive trade dress and its producer—before trademark law applies to limit the freedom of a competitor to compete by copying. The imitation or even complete duplication of another's product or packaging creates no risk of confusion unless some aspect of the duplicated appearance is identified with a particular source.... "Absent confusion, imitation of certain successful features in another's product is not unlawful and to that extent a 'free ride' is permitted."\(^{139}\)

Further, the court in Blue Coral\(^ {140}\) reiterated some of the concerns of the Laureyssens court with respect to why a finding of secondary meaning is a desirable requirement in extending trademark protection to an "inherently distinctive" trade dress:

Trade dress protection is much more extensive than trademark protection. Trademark protection is limited to comparing just one aspect of a plaintiff's product with one aspect of the defendant's product, that is, the use of the trademarks. For trade dress infringement we are to compare the overall impression of the two trade dresses. The idea behind such extensive protection is to prevent a second comer from free riding on the first comer's efforts to win consumers. In order to insure that this extensive protection is properly used, the first comer has to prove the existence of secondary meaning. That is, that the consuming public had come to identify the first comer's trade dress with the first comer.... Obviously, if the consuming public had never come to associate the first comer's trade dress with the first

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139. *Id.* at 137-38 (citations omitted) (quoting Norwich Pharmacal Co. v. Sterling Drug, Inc., 271 F.2d 569, 572 (2d Cir. 1959), *cert. denied*, 362 U.S. 919 (1960)).
comer, the consuming public would not be unfairly confused when the second comer put its product on the market even if that product was confusingly similar to the first comer's.\textsuperscript{141}

The Court of Appeals for the Federal Circuit has also approved the approach taken by the Second Circuit in requiring a plaintiff to establish that his or her trade dress has acquired secondary meaning.\textsuperscript{142} In \textit{Cicena Ltd v. Columbia Telecomm Group}, the Federal Circuit asserted that:

In a trade dress infringement suit under \$ 43(a) of the Lanham Act, the Second Circuit requires the plaintiff to establish that his trade dress has acquired secondary meaning. This requirement follows naturally from the language of \$ 43(a), which offers redress for "false designation of origin." If the plaintiff cannot show that his trade dress has acquired secondary meaning, i.e., that "the purchasing public associates that dress with a single producer or source rather than just with the product itself," then use of that trade dress by a competitor will not designate any origin and there is no violation of \$ 43(a).\textsuperscript{143}

In addition to the above arguments premised on the proposition that a requirement of secondary meaning insures that "something worth protecting exists,"\textsuperscript{144} requiring secondary meaning replaces the somewhat intuitive \textit{Chevron} and \textit{Seabrook} tests with the pragmatic, well-developed, and objective test of secondary meaning. The \textit{Chevron} and \textit{Seabrook} tests pivot on the inquiry whether the trade dress at issue is sufficiently "arbitrary" or "different" to be afforded trademark protection.\textsuperscript{145} The test for defining secondary meaning is, however, much more objective. As explained by professor McCarthy, the plaintiff can establish secondary meaning by showing that "the public is aware that the product comes from a single, though anonymous source."\textsuperscript{146} In determining whether a mark has acquired secondary meaning, the courts consider both "direct evidence"\textsuperscript{147} and "circumstantial evidence."\textsuperscript{148}

\begin{thebibliography}{99}
\item 141. \textit{Id.} at 1162-63 (citations omitted).
\item 142. \textit{See, e.g.,} Cicena Ltd. v. Columbia Telecommunications Group, 900 F.2d 1546, 1549 (Fed. Cir. 1990).
\item 143. \textit{Id.} at 1548-49.
\item 144. \textit{Laureysens}, 964 F.2d at 138.
\item 145. \textit{See supra} notes 109-28 and accompanying text.
\item 146. \textit{See 1 J. Thomas McCarthy, Trademarks and Unfair Competition} \S 15:1 (2d ed. 1984).
\item 148. \textit{Id.}
\end{thebibliography}
Under "direct evidence," factors such as direct consumer testimony and consumer surveys on whether the consumers are "aware that the product comes from a single, though anonymous source" are considered.\textsuperscript{149} Under "circumstantial evidence," factors such as the exclusivity, length, and manner of use; amount and manner of advertising; amount of sales and number of customers; established place in the market; and proof of intentional copying are considered to determine whether "the public is aware that the product comes from a single, though anonymous source."\textsuperscript{150} Although the test of what constitutes secondary meaning set forth above does not embody mathematical accuracy, it can set much more accurate guidelines than those provided for in the \textit{Chevron} and \textit{Seabrook} tests.

\textbf{B. Lower Court Decisions Illustrate the Desirability of the Objective Requirement of Secondary Meaning}

The following is an illustration of how the requirement of secondary meaning results in a more methodic and desirable approach than the approaches taken by \textit{Chevron} or \textit{Seabrook} in determining protectability of trade dress. In \textit{Bristol-Myers Squibb Co. v. McNeil-P.P.C., Inc.},\textsuperscript{151} the court considered whether the trade dress for the over-the-counter analgesic "EXCEDRIN PM" had acquired secondary meaning.\textsuperscript{152} After stating that the trade dress of a product may be eligible for trademark protection only if it has acquired a secondary meaning, the court examined whether the trade dress for "EXCEDRIN PM" had in fact acquired such meaning.

The court first recounted that "[i]n order to establish that trade dress has acquired a secondary meaning, the plaintiff must show that the purchasing public associates goods designated by [the trade dress] with a particular source."\textsuperscript{153} The court then stated that "[p]roving secondary meaning entails vigorous evidentiary requirements . . . [A] plaintiff should attempt to offer evidence of consumer studies and successful advertising. Additionally, a finding that the defendant intentionally copied the plaintiff's mark 'could also be persuasive, if not conclusive, evidence of consumer

\begin{itemize}
\item \textsuperscript{149} \textit{Id.}
\item \textsuperscript{150} \textit{Id.}
\item \textsuperscript{151} 786 F. Supp. 182 (E.D.N.Y. 1992).
\item \textsuperscript{152} \textit{Id.} at 192.
\item \textsuperscript{153} \textit{Id.} at 195 (quoting Tripledge Prods., Inc. v. Whitney Resources, Ltd., 735 F. Supp. 1154, 1161-62 (E.D.N.Y. 1990)).
\end{itemize}
The court further stated that, in determining whether a trade dress has established secondary meaning, courts should consider factors such as "proof of sales success, advertising expenditures, unsolicited media coverage of the product, consumer surveys, intentional copying of the product, and length and exclusivity of the product in the market." It noted that "[t]he plaintiff need not establish all of the factors, and no one particular factor is dispositive."

The court next applied some of the above factors to the facts at bar: "In terms of advertising expenditures, Bristol-Myers presented evidence that it has expended in excess of $81 million in advertising and promoting EXCEDRIN PM over the past twenty years . . . . In addition, sales of EXCEDRIN PM have exceeded $300 million . . . ." The court further stated that "the defendant [McNeil] acknowledges that the recognition factor [of EXCEDRIN PM was] 87.9% when consumers were asked in a Gallop poll if they had ever heard of EXCEDRIN PM." The court then concluded that it found "the testimony and documentary evidence sufficient to meet the standard articulated by the Second Circuit in [Thompson Medical Co. v. Pfizer, Inc.] with regard to advertising expenditures, consumer recognition and sales success."

Next, the court applied the length and exclusivity of use factors of the secondary meaning test. It pointed out that "from 1969 to 1990, Bristol-Myers has continuously and exclusively produced EXCEDRIN PM as an analgesic with a sleep aid and has been the only such product on the market." Then, the court explained that "the most persuasive Thompson Medical factor is the finding that McNeil has intentionally copied the EXCEDRIN PM trade dress." With regard to the evidence of intentional copying, the court stated:

There is no doubt that McNeil was aware of the EXCEDRIN PM mark and trade dress when it implemented its plan to enter the

154. Bristol-Myers, 786 F. Supp. at 195 (quoting 20th Century Wear, Inc. v. Sanmark-Stardust, Inc., 815 F.2d 8, 10 (2d Cir. 1987)).
155. Id.
156. Id. at 195. It is noted that the test for secondary meaning articulated by the Bristol-Myers court is the conventional test for secondary meaning that was introduced previously in this Note. See supra notes 148-50 and accompanying text.
158. Id.
159. 753 F.2d 208, 217 (2d Cir. 1985).
161. Id. at 196-97.
162. Id. (citations omitted).
“analgesic-with-sleep-aid” market. Traditionally TYLENOL products, and in particular the analgesic items, have been marketed in a trade dress consisting of three predominant colors: red, yellow and white, with intermittent type face in black. McNeil abandoned this “family-of-products” color scheme when it introduced TYLENOL PM in 1991. McNeil surveyed EXCEDRIN PM customers in order to develop a marketing strategy for TYLENOL PM. Furthermore, McNeil personnel discussed the similarity of certain elements between EXCEDRIN PM and TYLENOL PM.

After carefully analyzing the testimony of McNeil’s key witnesses, the court questioned the lack of McNeil documents related to the packaging and design decisions in the creation of TYLENOL PM. The court also pointed out that “[a] review of the approximately sixty separate package mockups reveals that multiple options were presented to McNeil in terms of color and design... which would have moved its final product much further along the spectrum away from the EXCEDRIN PM trade dress.” Based on all the evidence, such as the testimony of key witnesses of McNeil and the lack of documentation by McNeil, the court found that “[a]n analysis of the logotype, graphic devices and color configuration of the EXCEDRIN PM and TYLENOL PM packages leads to the inescapable conclusion that the defendant intentionally copied Bristol-Myers’ analgesic-with-sleep-aid trade dress.”

Therefore, based on factors such as advertising expenditure, consumer recognition, sales success, length and exclusivity of use, and intentional copying by the defendant, the court concluded that plaintiff’s EXCEDRIN PM trade dress had in fact acquired secondary meaning.

From the above example presented by the Bristol-Myers case, it is apparent that the conventional test for secondary meaning is much more objective and structured than the standards used to determine “inherent distinctiveness” of trade dress as demonstrated by the Blue Coral case.

The objectivity and structure of the secondary meaning test is based upon the fact that all of the factors used to determine the existence of secondary meaning are ascertainable by presentation of evidence on both sides of the issue. The question is then reduced to whether the plaintiff has

163. Id. at 203-04.
164. Bristol-Myers, 786 F. Supp. at 204 (citation omitted).
166. Id. at 211 (citations omitted).
167. Id. at 197.
carried its burden of proof in showing that the factors for establishing secondary meaning have been met.\textsuperscript{168}

In contrast, the Seabrook and Chevron tests entail an analysis which is too subjective and unstructured. This is because the two tests call for a determination of whether the trade dress at issue is sufficiently "arbitrary" or sufficiently "different" from a competing trade dress. One commentator appropriately summed up the desirability of the secondary meaning requirement by stating:

To say that the overall design of a useful article is "inherently distinctive" of a particular source just by examining it and perhaps dissecting it, seems to me an impermissible exercise of intuitive judging. It substitutes an impression that the design is outstanding, or eccentric, or clever, or something, for the proofs of association with a source, gained in the marketplace, that add up to a showing of secondary meaning.\textsuperscript{169}

\textbf{C. The Analytical Framework Applicable to Trademarks Cannot and Should Not be Imported to Trade Dress Area}

If, as the Supreme Court held in Two Pesos, a trade dress may be distinctive even in the absence of secondary meaning, the resultant lack of objectivity discussed above can cause a serious nonuniformity in application of trademark concepts such as "genericness," "descriptiveness" and "suggestiveness" to trade dress problems. For example, according to the Chevron and Seabrook tests, a trade dress is "inherently distinctive" if it is "arbitrary"\textsuperscript{170} or "unique."\textsuperscript{171} Yet these concepts are unprincipled and subjective.\textsuperscript{172} Thus, as illustrated by the court's opinion in Blue Coral, different courts may reach opposite results on the question whether a particular trade dress is "inherently distinctive."\textsuperscript{173} If a court decides that a particular dress is not "inherently distinctive," the dress must be labeled

\textsuperscript{168} These factors, as previously stated, are: (1) consumer surveys demonstrating that the product comes from a single, though anonymous source; (2) the exclusivity, length, and manner of use of the trade dress; (3) amount and manner of advertising of the trade dress; (4) amount of sales and number of customers of the product; (5) established place of the product in the market; and (6) proof of intentional copying of the trade dress by the defendant. See supra notes 149-50 and accompanying text.


\textsuperscript{170} See supra note 109 and accompanying text.

\textsuperscript{171} See supra note 110 and accompanying text.

\textsuperscript{172} See supra note 129 and accompanying text.

\textsuperscript{173} See supra notes 117-29 and accompanying text.
as either "generic" or "descriptive." However, such labels lose their meaning when removed from trademarks and are applied to trade dress. For example, regarding "genericness," what type of trade dress would "serve to denominate a type, kind, a genus or a subcategory" of a Mexican restaurant? Likewise, with respect to being "descriptive," what kind of trade dress would "directly describe the particular quality, function, or characteristic" of a Mexican restaurant?

These questions were not touched by the Supreme Court in its decision in Two Pesos. Nevertheless, the answers to these questions are essential if the Court is to apply trademark concepts to trade dress. If a trade dress is not "inherently distinctive," it must be found generic or descriptive. Yet, if one cannot independently define what constitutes a "generic" or "descriptive" trade dress, then the analytical framework of "generic," "descriptive" or "inherently distinctive" trademarks cannot and should not be imported to trade dress domain. In other words, if a court finds that a certain trade dress is not "inherently distinctive," and at the same time the court finds it impossible to determine whether the trade dress is generic or descriptive, then how can the court possibly characterize the trade dress? This crucial analytical gap is a major shortcoming in the Two Pesos decision.

D. The Requirement of Secondary Meaning Ensures that the Public Has Notice of the Protected Status of a Trade Dress

Another significant difference between a trademark and a trade dress necessitates that the latter acquire secondary meaning before it is afforded protection. Under the Lanham Act, trademarks may be registered on either the "Principle Register" or the "Supplemental Register." Registration on either Register provides notice to the potential infringer and thus prevents an inadvertent infringement. This is desirable since businesses can avoid costly consequences of adopting a potentially infringing trademark.

In contrast to trademarks, no such mechanism of providing notice to

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174. See supra notes 35-44 and accompanying text.
175. See supra note 35 and accompanying text.
176. See supra note 38 and accompanying text.
177. See generally 15 U.S.C. §§ 1051-1053 (1989) (allowing registration for trademarks that are "distinctive").
178. See generally 15 U.S.C. §1091 (1989) (allowing registration for trademarks "capable of distinguishing applicant's goods or services" which are not, due to their present lack of distinctiveness, registrable on the principle register).
the business community exists in relation to an “inherently distinctive” trade dress. In other words, there is no Register to which a business planner may refer in order to investigate the wisdom of investing in the creation of a certain trade dress. Thus, a business may find itself entangled in litigation which could have been easily avoided had there been a Register on which an “inherently distinctive” trade dress were registered. For example, the investments that Two Pesos had made in its restaurants and the expenses of litigation incurred by both Two Pesos and Taco Cabana could have been easily avoided if Taco Cabana’s trade dress had been registered.

Of course, it is impractical, if not impossible, to “register” trade dress. Trade dress represents such things as “the overall general impact, usually visual, but sometimes also tactile” for a “complex composite of features.” The various definitions and uses of the phrase “trade dress” further attest to the difficulty, or impossibility, of maintaining a trade dress on a public “Register” in order to provide notice of its protected status to the business community. Indeed, even what courts have recognized as trade dress is often extremely difficult to maintain on a public “Register” such as the Principal Register that exists for trademarks.

Accordingly, the inability to provide notice of the protected status of a trade dress to the business community is another significant reason why secondary meaning should be required. Secondary meaning would ensure that the public view the trade dress as a source identifier before that dress may be afforded trademark protection. As such, much of the need to provide public notice would be automatically fulfilled by the requirement of secondary meaning.

179. See supra note 103 and accompanying text.
180. For example, the court in John H. Harland Co. v. Clarke Checks, Inc., 711 F.2d 966 (11th Cir. 1983) included “even particular sales techniques” in the definition of trade dress. Id. at 980.
181. The following cases exemplify that a trade dress is often not amenable to “registration”: Blue Bell Bio-Medical v. Cin-Bad, Inc., 864 F.2d 1253 (5th Cir. 1989) (trade dress covered such features as “a smooth back panel instead of a corrugated back panel” of a medical cart); Roulo v. Russ Berrie & Co., 886 F.2d 931 (7th Cir. 1989), cert. denied, 493 U.S. 1075 (1990) (trade dress included “engraved sentimental messages” on greeting cards and a “four-sided freestanding rotating rack” used to display the cards); Fuddruckers, Inc. v. Doc’s B.R. Others, Inc., 826 F.2d 837 (9th Cir. 1987) (trade dress included the visibility of food preparation areas in a restaurant and things such as “stacked cartons of beer, produce and other items in the patron areas”).
VII. THE RESULT IN *TWO PESOS* CIRCUMVENTS THE CAREFULLY BALANCED POLICIES OF THE PATENT LAWS

The Court in *Two Pesos* was conspicuously silent on the issue of the relation between the carefully developed policies of the patent laws and the resolution of the trade dress question before the Court. However, on many previous occasions, the Court has demonstrated its concern that the amorphous and wavering "standards" used to grant trade dress protection do not impinge upon the cautious balance struck by the federal patent laws.\(^\text{182}\) For example, the Court in *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*\(^\text{183}\) analyzed, in considerable depth, the policies of patent laws and their relation to trade dress protection. The Court began by reciting the constitutional grant of power to Congress to "promote the Progress of Science and the useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries."\(^\text{184}\) The Court went on to state that:

The Patent Clause itself reflects a balance between the need to encourage innovation and the avoidance of monopolies which stifle competition without any concomitant advance in the "Progress of Science and useful Arts." As we have noted in the past, the Clause contains both a grant of power and certain limitations upon the exercise of that power. Congress may not create patent monopolies of unlimited duration, nor may it "authorize the issuance of patents whose effects are to remove existent knowledge from the public domain, or to restrict free access to materials already available." From their inception, the federal patent laws have embodied a careful balance between the need to promote innovation and the recognition that imitation and refinement through imitation are both necessary to invention itself and the very lifeblood of a competitive economy.\(^\text{185}\)

The Court further asserted that "[t]he federal patent scheme creates a limited opportunity to obtain a property right in an idea."\(^\text{186}\) The Court

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185. *Bonito Boats*, 489 U.S. at 146 (quoting Graham v. John Deere Co. of Kansas City, 383 U.S. 1, 6 (1966)).
186. Id. at 149 (emphasis added).
then characterized patents as limited "legal monopolies" that are granted to inventors in exchange for lifting "the veil of secrecy" from their work.\textsuperscript{187}

The glaring shortcoming in the \textit{Two Pesos} decision is the Court's oversight of the vital characteristic of the patent laws. The "opportunity to obtain a property right in an idea" is \textit{limited} and not everlasting or easily attainable. As the Court expressed in \textit{Bonito Boats}, a patent results in a \textit{limited} protection.\textsuperscript{188} This protection is limited in several dimensions. First, the duration of the protection afforded by a patent is limited to seventeen years for "utility" patents,\textsuperscript{189} and to fourteen years for "design" patents.\textsuperscript{190} Second, an invention must pass certain threshold requirements before it is granted patent protection. These threshold requirements are that an invention must be both novel\textsuperscript{191} and nonobvious.\textsuperscript{192}

The novelty requirement operates to "exclude from consideration for patent protection knowledge which is already available to the public."\textsuperscript{193} The novelty requirement expresses "a congressional determination that the creation of a monopoly in . . . information [already available to the public] would not only serve no socially useful purpose, but would in fact injure the public by removing existing knowledge from public use."\textsuperscript{194} The nonobviousness requirement mandates that a "patent may not be obtained . . . if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having an ordinary skill in the art . . . ."\textsuperscript{195}

Thus, unless an idea embodied in an invention has not been available to the public and unless the invention is sufficiently complex such that it is not obvious to a person of ordinary skill in the art, the threshold requirements of novelty and nonobviousness are not satisfied and the "invention" is not patentable. The Court summed this up when it said:

\textsuperscript{187} \textit{Id.}
\textsuperscript{188} \textit{Id.}
\textsuperscript{189} 35 U.S.C. § 154 (1952) ("Every patent shall . . . grant to the patentee . . . for the term of \textit{seventeen} years . . . the right to exclude others from making, using, or selling the invention throughout the United States . . . .") (emphasis added).
\textsuperscript{190} \textit{Id.} § 173 ("Patents for designs shall be granted for the term of \textit{fourteen} years.") (emphasis added).
\textsuperscript{191} \textit{See id} § 102.
\textsuperscript{192} \textit{Id.} § 103.
\textsuperscript{193} \textit{Bonito Boats}, 489 U.S. at 148.
\textsuperscript{194} \textit{Id.}
Taken together, the novelty and nonobviousness requirements express a congressional determination that the purposes behind the Patent Clause are best served by free competition and exploitation of either that which is already available to the public or that which may be readily discerned from publicly available material . . . . The federal patent system thus embodies a carefully crafted bargain for encouraging the creation and disclosure of new, useful, and nonobvious advances in technology and design in return for the exclusive right to practice the invention for a period of years.196

The Court in Bonito Boats further explained that "[t]he novelty and nonobviousness requirements of patentability embody a congressional understanding, implicit in the Patent Clause itself, that free exploitation of ideas will be the rule, to which the protection of a federal patent is the exception."197 The Court stressed that it has "consistently reiterated the teaching of [Sears, Roebuck & Co. v. Stiffel Co.]198 and [Compco Corp. v. Day-Brite Lighting, Inc.]199 that ideas once placed before the public without the protection of a valid patent are subject to appropriation without significant restraint."200

Although the Bonito Boats decision primarily concerned the issue of whether state law may "offer substantial protection to utilitarian and design ideas which the patent laws leave otherwise unprotected,"201 the policies of the patent laws articulated in that decision apply with equal force to issues of trade dress protection. Indeed, the Court in Bonito Boats asserted that "[t]rade dress is, of course, potentially the subject matter of design patents."202

Yet, opposing a long line of precedent, epitomized by the Bonito Boats opinion, the Court in Two Pesos decided that a protection of unlimited duration may be granted to Taco Cabana's trade dress.203 Moreover, the Court did not impose any requirement of novelty or nonobviousness before granting this perpetual monopoly to Taco Cabana's trade dress. As such, the Court did not heed its own principle that "free exploitation of ideas will be the rule." Consequently, as it now stands, the Court will impose the

197. Id. at 151 (emphasis added).
200. Bonito Boats, 489 U.S. at 156 (citation omitted).
201. Id. at 143.
202. Id. at 154.
stringent requirements of novelty and nonobviousness on the work of inventors before conceding a time-limited monopoly on their inventions; but for a trade dress, as commonplace as it may be, the Court will award a timeless monopoly. Even worse, the Court in *Two Pesos* did not require that the trade dress at issue have secondary meaning. As such, trade dress can be awarded unlimited protection solely for its supposed creative configuration which makes it “inherently distinctive.” It may be argued that the vastly different treatment of trade dress in *Two Pesos* and patents in *Bonito Boats* is due to the different roles of trade dress and patents. Trade dress, the argument may be advanced, serves as a source-identifier, whereas a patent protects creative efforts. However, such a distinction between “source-identification” and “creativeness” is too flimsy an argument to result in an enormously inconsistent treatment for patents and trade dress. The inconsistent treatments of the two is even more troubling considering the Court did not even require that the trade dress have secondary meaning if the trade dress was sufficiently creative.

Hence, in *Two Pesos*, the Court awarded an everlasting protection to the creative aspects of a trade dress without requiring a concomitant source-identifying quality. In effect, a more-than-patent protection has been granted to a less-than-patentable creation.

VIII. REACHING THE DESIRED END

The *Two Pesos* decision exemplifies a situation where bad facts result in bad law. Two Pesos restaurant, in its brief, made the stark admission that “Two Pesos did in fact copy Taco Cabana’s restaurant concept of an upscale fast-food, Mexican restaurant with Mexican decor that also sells alcoholic beverages and has a drive-thru . . . .” This admission did not, of course, go unnoticed by the Court. The Court pointed out that the trial court “held that Two Pesos had intentionally and deliberately infringed Taco Cabana’s trade dress.” The Court also pointed out that the Court of Appeals agreed with this holding: “‘Two Pesos *brazenly* copied Taco Cabana’s successful trade dress . . . .’”

204. *Id.* at 2756.
207. *Id.* at 2756 n.5 (quoting Taco Cabana, Inc. v. Two Pesos, Inc., 932 F.2d 1113, 1127 n.20 (5th Cir. 1991)) (emphasis added).
Courts heavily rely on evidence of intentional copying in finding an infringement of a trademark or a trade dress. In fact, evidence of intentional copying is one of the factors used to show that the copied mark or dress has attained secondary meaning.\textsuperscript{208} Thus, it may be argued that finding Two Pesos liable for infringement of Taco Cabana's trade dress was indeed the just result on the facts of this case. However, the Court reached this result knowing that the trial court had already found that Taco Cabana's trade dress had not acquired secondary meaning.\textsuperscript{209} Furthermore, Taco Cabana had not challenged this finding of the trial court in its brief to the Supreme Court.\textsuperscript{210} Therefore, the Court had an added motivation to create its new principle—that a trade dress may be protectable despite the lack of secondary meaning—in order to hold Two Pesos liable.

\section*{IX. Conclusion}

The Court in \textit{Two Pesos} found that an "inherently distinctive" trade dress need not acquire secondary meaning to be entitled to trademark protection. Nevertheless, the Court failed to consider what constitutes an "inherently distinctive" trade dress. Moreover, the Court did not address the difficulty in the lower courts of applying the concept of "inherently distinctive" trade dress to the facts before them.

The Court in \textit{Two Pesos} departed from the well-developed and well-understood test of secondary meaning employed by many lower courts to avoid the difficulties of using the "inherently distinctive" trade dress concept. Indeed the lower courts' decisions attest to the desirability of resorting to the objective requirement of secondary meaning instead of the amorphous concept of "inherently distinctive" trade dress.

The Court further failed to consider whether it is in fact possible for trade dress to be categorized similarly to trademarks; namely, whether it is possible to categorize trade dress as generic, descriptive, suggestive, arbitrary or fanciful. This Note suggests that it is impossible to categorize trade dress in the same fashion as trademarks and therefore the concept of "inherently distinctive" trademark cannot and should not be imported to the trade dress domain.

\begin{footnotesize}
\begin{itemize}
\item \textsuperscript{208} See supra note 150 and accompanying text.
\item \textsuperscript{209} \textit{Two Pesos}, 112 S. Ct. at 2756.
\end{itemize}
\end{footnotesize}
The Court in Two Pesos failed to consider the plights that the idea of "inherently distinctive" trade dress would inject into the commercial world. For example, the Court ignored the utility of the requirement of secondary meaning in providing notice to the business community as to what constitutes infringing conduct. Therefore, the decision leaves businesses guessing as to whether they will suffer costly consequences by adopting a certain trade dress.

Moreover, the Court's decision in Two Pesos contradicted a long line of precedent in which the Court had carefully limited the scope of protection granted to patents. The Court's decision in Two Pesos granted a more-than-patent protection to a less-than-patentable creation.

The decision of the Supreme Court in Two Pesos was not well supported by the case law, the text of the Lanham Act, or the congressional intent in enacting the Lanham Act. Nor was the decision supported by the general purpose of the trademark law "to protect the ability of consumers to distinguish among competing producers." It appears that the holding, that trade dress need not acquire secondary meaning to be afforded trademark protection, was at least partially motivated by the desire to punish Two Pesos for "brazenly copying" Taco Cabana's trade dress.

When all is said and done, the decision of the Court in Two Pesos leaves trade dress law "to assume an ad hoc, separate and unduly expansive life of its own, with predictable attending consequences: like some great iceberg, with its mass below the surface, unseen and adrift[t] on the seas of commerce."212

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