



Product Configuration Trade Dress: A Case Study

One of the underlying policy considerations of the Lanham Act is to protect consumers against false or misleading representations concerning affiliation or origin. In that connection, Section 43(a) of the Lanham Act outlines certain protections that facilitate this important policy consideration. One such protection extends to a product's trade dress which can include, among other things, a product's configuration or packaging. With respect to product configuration trade dress infringement claims involving unregistered trade dress, courts generally require that a plaintiff allege:

(1) that the claimed trade dress is not functional; (2) that the claimed trade dress has acquired secondary meaning; and (3) there is a likelihood of confusion between the plaintiff's product and the defendant's product.

In addition, courts require that a plaintiff identify the precise character and scope of the trade dress. Given that



a broad application of trade dress protection may stifle open competition in the marketplace, courts carefully scrutinize product configuration trade dress claims. The level of scrutiny for such claims was recently underscored by the U.S. District Court for the Eastern District of New York in *Carson Optical, Inc. v. Prym Consumer USA, Inc.*, 11 F. Supp. 3d 317 (E.D.N.Y. 2014) ("*Carson Optical*").

Carson Optical involved a dispute between competitors that sold magnification devices to a national retailer. *Id.* at 325. Specifically, *Carson Optical, Inc.* ("*Carson*") alleged that *Prym Consumer USA, Inc.* ("*Prym*") was able to successfully displace *Carson* as a supplier to *Jo-Ann Stores, Inc.* ("*Jo-Ann*") by, among other things, infringing the trade dress affiliated with the *SureGrip* magnifier product sold by *Carson*. *Id.* *Prym* moved to dismiss several of the claims asserted by

Carson, including, *Carson's* trade dress infringement claim. After considering the arguments advanced by the parties, the court dismissed, with prejudice, *Carson's* product configuration trade dress infringement claim. *Id.* at 347. In reaching this holding, the court carefully evaluated each of the above-referenced elements.

1. Non-Functionality

The "test of non-functionality in trade dress claims that are based on product design is even more critical than in trade dress claims based on packaging, because a monopoly right in the design of the product itself is more likely to preclude competition..." *Id.* at 341 (citing *Yurman Design, Inc. v. PAJ, Inc.*, 262 F.3d 101, 116 (2d Cir. 2001)). Accordingly, trade dress will be deemed "functional, and thus not protectable, when it is essential to the use or purpose of the article." *Id.* at 340 (citing *Cartier, Inc. v. Sardell Jewelry, Inc.*, 294 F. App'x. 615, 620 (2d Cir. 2008)).

In *Carson Optical*, *Carson* alleged that the following elements of the *SureGrip* magnifier were non-functional: (1) the size, placement, and oval-shape of the label on the magnifier's handle; (2) the

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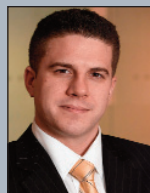
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Rivkin Radler LLP
926 RXR Plaza, Uniondale NY 11556
www.rivkinradler.com

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Michael C. Cannata, Esq. is an associate at Rivkin Radler LLP. His practice includes intellectual property litigation. In addition to his active litigation practice, Mr. Cannata is also attorney of record for over one hundred trademark registrations and applications on file in the United States Patent and Trademark Office. He can be reached at: michael.cannata@rivkin.com or 516.357.3233.

color scheme of the magnifier; (3) the positioning of the smaller magnifying lens; and (4) the ledge on the rim of the larger magnifying lens. *Id.* at 341. With respect to this element, the court concluded that the allegations supported a reasonable inference of non-functionality as effective competition in the magnifier marketplace would not require use of these particular features of the SureGrip magnifier. Stated differently, a competitor would be capable of designing a competing magnifier that did not contain these discrete design features. *Id.* at 341-42.

2. Secondary Meaning

The purpose of this element is to make certain that the trade dress identifies the source of the product. In assessing whether a product design has acquired secondary meaning, the following factors are considered: (1) advertising expenditures; (2) consumer studies; (3) unsolicited media coverage; (4) sales success; (5) attempts to plagiarize the design; and (6) the length and exclusivity of the designs use. *Id.* at 343 (citing *Cartier, Inc.*, 294 F. App'x. at 618).

Carson attempted to demonstrate secondary meaning by alleging that Carson had continuously and exclusively marketed and sold the design, engaged in a substantial advertising campaign involving the design, that the design was a sales and marketing success, was featured in numerous periodicals, and received excellent reviews. *Id.* at 343. The court rejected these allegations as conclusory and held:

[i]n sum, absent from the pleadings are facts concerning actual consumer surveys, unsolicited media coverage or specific attempts to plagiarize the trade dress at issue which would support an inference that the trade dress of the SureGrip acquired secondary meaning. In addition, plaintiffs' general and cursory allegations that Carson has sold, marketed and promoted the SureGrip trade dress design since 1998, has spent substantial sums of money advertising the product design

and that these designs have been a sales and marketing success, with no factual enhancement linking the claimed trade dress to Carson, fail to support an inference that SureGrip has acquired secondary meaning. *Id.* at 344-45.

3. Likelihood of Confusion

The likelihood of confusion component of a product configuration trade dress claim, similar to a traditional trademark infringement claim, requires the application of a multi-factored test. The purpose of that test is to determine whether prudent purchasers are likely to be confused as to the source of the product in question because of the defendant's trade dress. *Id.* at 345 (citing *Playtex Prods., Inc. v. Georgia-Pacific Corp.*, 390 F.3d 158, 161 (2d Cir. 2004)). In assessing likelihood of confusion, courts evaluate the following factors:

(1) strength of the plaintiff's mark or dress; (2) similarity between the two marks or dresses; (3) proximity of the products in the marketplace; (4) likelihood that the prior owner will bridge the gap between the products; (5) evidence of actual confusion; (6) defendant's bad faith; (7) quality of defendant's product; and (8) sophistication of the relevant consumer group.

Id. (citing *Polaroid Corp. v. Polarad Elecs. Corp.*, 287 F.2d 492, 495 (2d Cir. 1961)).

In *Carson Optical*, the court concluded that Carson did not satisfactorily allege the likelihood of confusion element of Carson's trade dress claim and that the allegations which sought to establish this particular element were "essentially a formulaic recitation of the Polaroid factors." *Id.* at 346. For example, with respect to the strength of its trade dress, Carson alleged that "the distinctive and non-functional aspects of the SureGrip enumerated above are strongly associated with Carson by the relevant market." *Id.* Likewise, with respect to the similarity between the designs at issue, Carson alleged that the Prym product "incorporates

all of the above enumerated distinctive and non-functional aspects to the SureGrip identically or nearly identically." *Id.* The court concluded that such "naked assertions" did not allow the court "to draw the reasonable inference that there is a likelihood of confusion." *Id.*

4. Character and Scope

The final requirement is that a plaintiff not only identify those components of its design that are claimed to be distinctive, but also explain how such components are distinctive. Laudatory descriptions of the designs which are claimed to be distinctive without specificity are not acceptable. *Id.* at 346 (citing *Landscape Forms, Inc. v. Columbia Cascade Co.*, 113 F.3d 373, 381-82 (2d Cir. 1997)). With respect to this element, the court in *Carson Optical* concluded that Carson properly articulated the elements that constitute the trade dress, and that such elements had been determined by the court to be non-functional. *Id.* at 347. However, the court went on to conclude that the complaint was devoid of any allegations explaining "how the asserted trade dress elements for the SureGrip magnifier are distinctive." *Id.* Accordingly, for this reason, and those outlined above, the court dismissed Carson's trade dress infringement claim.

The takeaway for both plaintiffs and defendants from *Carson Optical* is clear. Plaintiffs must make absolutely certain that they are equipped with sufficient factual allegations to adequately allege all of the elements of a product configuration trade dress claim. Likewise, defendants tasked with defending against such a claim must carefully scrutinize the allegations of the complaint, identify those allegations that are nothing more than a formulaic recitation of the legal elements of a cause of action, and assess the viability of an early dispositive motion. ■