

THREE-DIMENSIONAL OBJECTS AS MARKS:
DOES A "DARK SHADOW" LOOM OVER TRADEMARK
THEORY?[♦]

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[♦] My sincere thanks to Amir Friedman, Hanoch Dagan, and Ariel Porat for their significant input during the initial stages of this research.

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INTRODUCTION

As consumer demand becomes more sophisticated, a growing number of manufacturers are not only focusing on the brands under which their respective products are sold, but also on the external, three-dimensional appearance of those products. Enter, the laws that protect design patents, or so some theorists contend. Their claim hinges on the notion that design patent laws strike a delicate balance between the interests of different market actors. Others disagree, asserting that containers or the shape of products can qualify for trademark protection. Facially, the law in many countries, including that of the United States appears to have settled the debate. Yet, there remains a substantial rift between the written law and how it is interpreted and applied by case law. Consequently, this ongoing debate begs the question: Should trademark law fully recognize three-dimensional objects or should these objects only be protected as design patents? My research offers normatively-driven and instrumentally motivated rationales as to why the first option is predominantly valid. In the foregoing section, I demonstrate that three-dimensional objects can function simultaneously as a trademark and an industrial design.

I. THE DOCTRINAL DIMENSION

According to the trademark laws of many countries, trademarks can be composed of a number of elements, including words, letters, numbers, images, and even the shape of goods or their packaging.¹ The term "three-dimensional objects" ("TDOs")

¹ The majority of trademark laws worldwide refers to trademarks as "marks." English law defines a "trademark" as "any sign capable of being represented graphically, which is capable of distinguishing goods or services of one undertaking from those of other undertakings. A trademark may, in particular, consist of words (including personal names), designs, letters, numerals or the shape of goods or their packaging." Trade Marks Act, 1994, § 1(1) (Eng.), www.ipo.gov.uk/tmact94.pdf. Canadian law grants trademark recognition for goods and packaging that have a "distinguishing guise." But this recognition is contingent on two conditions: First, that the mark has acquired distinctiveness prior to the application date, and second, that the mark will not limit the development of any art or industry. See Mark Holah, *Distinctive Shapes: When are they Protected?* (2002), http://www.inta.org/index.php?option=com_content&task=view&id=210&Itemid=126&etcontent=5; see also Practice Notice, Canadian Intellectual Property Office, Three-dimensional Marks (Dec. 6, 2000), http://strategis.ic.gc.ca/sc_mrksv/cipo/tm/tm_notice/tmn2000-12-06-e.html; European Union law states that "[a] trade mark may consist of any sign capable of being represented graphically, particularly words, including personal names, designs, letters, numerals, the shape of goods or of their packaging, provided that such signs are capable of distinguishing the goods or services of one undertaking from those of other undertakings." Council Directive 89/104/EEC, To Approximate the Laws of the Member States Relating to Trade Marks, 1989 O.J. (L 40) 1 (EC), available at <http://oami.europa.eu/en/mark/aspects/direc/direc.htm>. In Israel, "[m]ark' means letters, numerals, words, devices or other signs, or combinations thereof, whether two-dimensional or three-dimensional." Trademark Ordinance (New Version), 1972 (Isr.), available at <http://www.justice.gov.il/MOJEng/RashamPatentim/TradeMark/Law.htm> (According to French trademark law, a "mark" can also comprise holograms, computer generated images, shapes and packages. French Intellectual Property Code 1991, Art.

collectively refers to the shape of products or their packaging.² While the overwhelming majority of marks that are registered and used in commerce comprise words, logos, and two-dimensional shapes, many legal systems around the globe have come to recognize TDOs as marks.³ One example of this is the 1994 amendment to English trademark law, which expanded the definition of a mark to include the shape of goods and their packaging.⁴ Until that amendment, British trademark law and the courts' interpretation of it did not accommodate TDOs.⁵ Among other things, the

L711.). Taiwan's law recognizes that "[a] trademark may be composed of a word, figure, symbol, color, sound, three-dimensional shape or a combination thereof." Faigui Huibian art. 5 (2003), available at http://www.tipo.gov.tw/en/AllInOne_Show.aspx?guid=4a8aa2e9-3d32-4fa1-972c-a37d90f0107e&lang=en-us&path=1461. See generally Ivan Ahlert, Eduardo Russomanno, Rodrigo Cooper, *Basic Forms of Design Protection – South America*, 10 U. BALT. INTELL. PROP. L.J. 69 (2002) (commenting on the trademark laws of Brazil, Argentina, and Chile).

² See *Annual Review: The Twelfth Annual International Review of Trademark Jurisprudence*, 95 TRADEMARK REP. 267, 342 (2005) ("A three-dimensional trademark is a mark occupying three dimensions in a space (height, width and depth."). See generally *Kohler Co. v. Moen Inc.*, 12 F.3d 632 (7th Cir. 1993) (holding that product configurations are entitled to trademark protection).

³ In the United States, Japan, the United Kingdom, Germany, Sweden, France, Canada, and Venezuela, the architectural designs of some buildings have been registered as a trademark and/or service mark. For an expansive list of these designs, see Keri Christ, *Architecture and Trademarks*, 558 PRACTISING LAW INSTITUTE, 111, 113-16 (1999). For example, the U.S. Patent and Trademark Office registered trademarks for the design of the Pizza Hut Restaurant (Reg. No. 1,599,822), and the Chrysler Building in New York City. (Reg. No. 1,126,888). See also Rashida MacMurray, *Trademarks or Copyrights: Which Intellectual Property Right Affords its Owner the Greatest Protection of Architectural Ingenuity*, 3 NW. J. INT'L L. & BUS. 111 (2005).

⁴ The United Kingdom's Trade Marks Act states that "[a] trade mark may, in particular, consist of words (including personal names), designs, letters, numerals or the shape of goods or their packaging." Trade Marks Act, 1994, c. 26, Pt I, § 1 (Eng.), available at http://www.opsi.gov.uk/acts/acts1994/ukpga_19940026_en_1. See PAUL TORREMANS & J.H. HOLYOAK, *INTELLECTUAL PROPERTY LAW* 375 (Butterworths 3d ed. 2001) ("By clarifying that 'the shape of goods or their packaging' can be registerable in appropriate circumstances, the 1994 Act at once removes not only such awkward cases as *In re Coca-Cola*, thus allowing registration of a suitably distinct bottle and other containers (a picture of the container will count as a graphic representation), but also appears to go even further back to overrule cases such as *James v. Soulbey*, which prevented the registration of the distinctive shape of the thing itself, registration of the shape if distinctive, now being permissible under the 1994 Act."). In 2001, China amended its trademark laws to allow for the registration of three-dimensional objects as trademarks. See Peter Yu, *Intellectual Property Aspects of Doing Business in China*, 1626 P.L.I./CORP 109, 129 (2007); see also E. VANDERBURGH, *TRADEMARK LAW AND PROCEDURE* (New Bobb Merrill Publishers 1985) ("The design of a label or package or the configuration of the goods is registerable on the supplemental register of the 1946 Act even though it is not established that it is a trademark, provided that it is capable of distinguishing the goods or services of the applicant."). In 2000, Thailand amended its laws to recognize three dimensional objects as trademarks. Kanokporn Soraraksi & Saweeya Charusombat, *Trade Mark Law in Thailand Takes on a New Dimension*, Asia Law, <http://www.asialaw.com/default.asp?Page=20&PUB=68&ISSO=10847&SID=432835>.

⁵ *Coca-Cola Trade Marks*, [1986] R.P.C. 472, 474 (H.L.) (U.K.). The House of Lords rejected an appeal against an application to register the Coca-Cola bottle as a trademark and held that "[t]he word 'mark' both in its normal meaning and in its statutory definition is apt only to describe something which distinguishes goods rather than the goods themselves. A bottle is a container not a mark." *Id.* at 475. The Coca-Cola ruling contributed to the formulation of the 1994 amendment. See TORREMANS & HOLYOAK, *supra* note 4, at 375. The 1994 Amendment allows for registration of three-dimensional objects as marks if they are distinctive and indicative of the goods and services. See AMR

1994 amendment facilitated the registration of various marks, including the shape of the Coca-Cola bottle.⁶

Despite the fairly clear rules provided by the Lanham Act,⁷ the reluctance to accept TDOs and product configuration as marks appears to be an inherent characteristic of U.S. case law. While, in principle, the configuration of products or product designs has been accepted by the U.S. Patent and Trademark Office for registration as marks, it has been subject to certain conditions, namely "functionality" and "distinctiveness."⁸ Specifically, in *In re Caterpillar Inc.*, the Trademark Trial and Appeal Board ("TTAB") ruled that "if the design of a product is so utilitarian as to constitute a superior design which others in the field need to be able to copy in order to compete effectively, it is de jure functional and, as such, is precluded from registration for reasons of public policy."⁹

The U.S. Supreme Court also approached this topic with caution, citing both of the conditions discussed in *In re Caterpillar Inc.*¹⁰ In *Qualitex Co. v. Jacobson Products Co.*, the Court defined functionality as a feature that is "essential to [the] use or [the] purpose of [the] article or if it affects [the] cost or quality of [the] article, that is, if exclusive use of the feature would put competitors at a significant nonreputation-related disadvantage."¹¹ In the distinctiveness sphere, the Supreme Court in *Wal-Mart Stores, Inc. v. Samara Bros., Inc.* limited the recognition for TDOs as marks by holding that a product configuration can never be inherently distinctive.¹² In other words, the Court conditioned its acceptance of

FRIEDMAN, TRADEMARKS 101-06 (2d ed., Ginosar Publications 2005).

⁶ U.K. Reg. No. 2000548. Other examples include the boot shape as used by Dr. Martens Shoe Company (U.K. trade mark registration No. 2019327), available at <http://www.ipo.gov.uk/tm/t-find/t-find-number?detailsrequested=C&trademark=2019327>; for the shape of products, see also <http://www.drMartens.com> (last visited Feb. 23, 2008). For the shape of the box of chocolates containing Twilight sweets, U.K. trademark registration number 2042502, see <http://www.alotofchocolate.co.uk/products> and search "twilight" (last visited Feb. 23, 2008).

⁷ United States trademark law, namely the Lanham Act, states that "[t]he term 'trade-mark' includes any word, name, symbol, or device or any combination thereof . . . to identify and distinguish the services of one person, including a unique service, from the services of others and to indicate the source of the services, even if that source is unknown. Titles, character names, and other distinctive features of radio or television programs may be registered as service marks notwithstanding that they, or the programs, may advertise the goods of the sponsor." 15 U.S.C. § 1127 (2006). Furthermore, the Lanham Act provides that "[n]o trademark by which the goods of the applicant may be distinguished from the goods of others shall be refused registration on the principle register on account of its nature . . ." 15 U.S.C. § 1052, preamble (2006).

⁸ The Lanham Act prohibits registration (on the Principal Register) of "matter that, as a whole, is functional." 15 U.S.C. § 1052(e)(5) (2006). However, "nothing . . . shall prevent the registration of a mark used by the applicant which has become distinctive of the applicant's goods in commerce." *Id.* at § 1052(f).

⁹ *In re Caterpillar Inc.*, 43 U.S.P.Q.2d 1335, 1338 (T.T.A.B. 1997).

¹⁰ 532 U.S. 23 (2001).

¹¹ 514 U.S. 159, 255 (1995) (internal quotation marks omitted).

¹² *Wal-Mart Stores, Inc. v. Samara Bros., Inc.*, 529 U.S. 205 (2000).

a trademark application for a certain product configuration on a showing that it has acquired distinctiveness.¹³ A further weakening of the possibility of recognizing TDOs as marks, appeared one year later in *Traffix Devices, Inc. v. Samara Bros., Inc.*¹⁴ In that ruling the Court sidelined TDOs based on "functionality," holding that the configuration of TDOs is driven by functional considerations, rather than by competition.¹⁵ As a result, the recognition for TDOs as marks now faces a dual impediment (hereinafter the "*Fix-Wal axis*"). Research indicates that the *Fix-Wal axis* created a substantial hurdle for trademark applicants seeking trademark registration for their respective TDOs.¹⁶

It is worth mentioning that the TTAB in *Morton-Norwich* further prescribed the elements for determining whether a particular design is functional.¹⁷ Specifically, the board recognized four elements of functionality: (1) "the existence of an expired utility patent disclosing the *utilitarian advantages of the design*;" (2) advertising materials in which "the originator of the design touts the design's utilitarian advantages;" (3) the availability to competitors of functionally equivalent designs; and (4) "the design results from a comparatively simple or cheap method of manufacturing the article."¹⁸ Ultimately, the *Morton-Norwich*¹⁹ ruling establishes that the registration of a particular product design as a mark is contingent on whether the design has sufficient substitutes. In *Traffix*, the Supreme Court downplayed the significance of the first and third parameters.²⁰ The *Fix-Wal axis* constitutes a clear deviation from

¹³ 529 U.S. 205 (2000).

¹⁴ 532 U.S. 23 (2001).

¹⁵ *Id.*

¹⁶ John L. Welch, *Trade Dress and the TTAB: If Functionality Don't Get You, Nondistinctiveness Will*, 18 ALLEN'S TRADEMARK DIG. 9, 19 (2004) ("In light of the Supreme Court's rulings in *Wal-Mart* and *Traffix*, achieving registration of trade dress at the PTO has become increasingly difficult Even if the functionality hurdle is cleared, the product configuration trade dress applicant must then meet the 'heavier' burden of proof that applies to the establishment of secondary meaning for a product shape.")

¹⁷ *In re Morton-Norwich Prods., Inc.*, 213 U.S.P.Q. 9, 15-16 (C.C.P.A. 1982).

¹⁸ *Id.*

¹⁹ *Id.*

²⁰ *Traffix*, 532 U.S. at 29-30 ("A prior patent, we conclude, has vital significance in resolving the trade dress claim. A utility patent is strong evidence that the features claimed therein are functional Where the expired patent claimed the features in question, one who seeks to establish trade dress protection must carry the heavy burden of showing that the feature is not functional, for instance by showing that it is merely an ornamental, incidental, or arbitrary aspect of the device."). See also *Valu Eng'g, Inc. v. Rexnord Corp.*, 278 F.3d 1268, 1276 (Fed. Cir. 2002) (reflecting on the relevance of the third parameter, the court noted "[n]othing in *Traffix* suggests that consideration of alternative designs is not properly a part of the overall mix, and we do not read the Court's observations in *Traffix* as rendering the availability of alternative designs irrelevant. Rather, we conclude that the Court merely noted that once a product feature is found functional based on other considerations, there is no need to consider the availability of alternative designs because the feature cannot be given trade dress protection merely because there are alternative designs available. But that does not mean that the availability of alternative designs cannot be a legitimate source of evidence to determine whether a feature is functional in the first place.").

this earlier TTAB decision. Specifically, the *Morton-Norwich* ruling differs from the *Traffix* ruling in that *Traffix* assesses the functionality of a product based on how essential the use or purpose of the article is to society generally.²¹

Consequently, the *Traffix* ruling reflects the clear rift among "several U.S. courts of appeals over the protection to be afforded product configuration trade dress."²² Notably, in *Traffix*, the Court did not decide the patent-related trade dress issue.²³ Rather, it focused on the functionality doctrine which was codified in the Lanham Act.²⁴ The court held that:

"a utility patent is strong evidence that the features therein claimed are functional. . . . Where the expired patent claimed the features in question, one who seeks to establish trade dress protection must carry the heavy burden of showing that the feature is not functional, for instance by showing that it is merely an ornamental, incidental, or arbitrary aspect of the device."²⁵

Indeed, the decision did not contribute to quelling the disagreement between the courts and in bridging the polar positions regarding the question at hand. Even more so, it has prompted a new argument between courts as to how its "functionality-doctrine-based decision is to be interpreted."²⁶ In this regard, two points of divergence have been identified among lower courts. The first pertains to the issue of whether the design of a product feature is functional (i.e. can other designs constitute an alternative?), and the second issue address the functionality-utility dichotomy.²⁷ Thus, despite the wealth of case law there is still a need to focus on

²¹In this regard, *Traffix* reaffirmed the "traditional rule" of *Inwood Labs., Inc. v. Ives Labs., Inc.*, 456 U.S. 844 (1982).

²²Clifford W. Browning, *Traffix Revisited: Exposing the Design Flaw in the Functionality Doctrine*, 94 TRADEMARK REP. 1059 (2004) (citing *Traffix*, 532 U.S. at 28) ("A split of authority among the circuits had arisen over whether an expired U.S. utility patent forecloses the patentee, or assignee, from asserting trade dress protection in the product configurations of the invention claimed in the expired patent.")

²³*Traffix*, 532 U.S. at 28 (stating that "[the Court] need not resolve [whether the Patent Clause of the Constitution, Art. I, § 8, cl. 8, of its own force, prohibits the holder of an expired utility patent from claiming trade dress protection]. If, despite the rule that functional features may not be the subject of trade dress protection, a case arises in which trade dress becomes the practical equivalent of an expired utility patent, that will be time enough to consider the matter.")

²⁴15 U.S.C. § 1125(a)(3) (2006) ("In a civil action for trade dress infringement under [the Lanham Act] for trade dress not registered on the principal register, the person who asserts trade dress protection has the burden of proving that the matter sought to be protected is not functional."). The Lanham Act also provides that registration on the Principal Register is unavailable for any mark that "comprises any matter that, as a whole, is functional." 15 U.S.C. § 1052(e)(5).

²⁵*Traffix*, 532 U.S. at 29-30.

²⁶Browning, *supra* note 22, at 1060. See *Valu Eng'g*, 278 F.3d at 1276 ("We do not understand the Supreme Court's decision in *Traffix* to have altered the *Morton-Norwich* analysis.")

²⁷Vincent N. Palladino, *Trade Dress Functionality After Traffix: The Lower Courts Divide Again*, 93 TRADEMARK REP. 1219, 1220 (2003).

the trademarkability of TDOs.

In addition to recognition for TDOs by national laws, the international regulative framework also established rules covering these objects that have had a direct effect on these national laws. First and foremost, the Agreement on Trade Related Intellectual Property Rights ("TRIPS") offers a broad definition of the term 'mark' that includes "any sign capable of distinguishing . . . goods or services."²⁸ This expansive definition can encompass TDOs if they are, in fact, sufficiently distinctive. Moreover, the North American Free Trade Agreement ("NAFTA")²⁹ as well as the European Union's Harmonization Directive³⁰ specifically recognizes shapes or packaging as trademarks if they are capable of indicating the source of goods and services.³¹ Nevertheless, the Directive excludes objects where the shape was formulated in accordance with functional considerations.³² This exclusion has also been manifested by the *Philips v. Remington* ruling.³³ Other rulings have further limited the scope of trademark recognition for product shapes.³⁴ Clearly, there is no "one" law with respect to TDOs. The

²⁸ Agreement on Trade-Related Aspects of Intellectual Property Rights, Apr. 15, 1994, Marrakesh Agreement Establishing the World Trade Organization, Annex 1C, 33 I.L.M. 81 (1994) [hereinafter *TRIPS Agreement*] ("Any sign, or any combination of signs, capable of distinguishing the goods or services of one undertaking from those of other undertakings, shall be capable of constituting a trademark.") TRIPS Agreement, art. 15(1). The Agreement constitutes Annex 1C of the Marrakech Agreement Establishing the World Trade Organization (1994).

²⁹ North American Free Trade Agreement, U.S.-Can.-Mex., Dec. 17, 1992, 32 I.L.M. 289, art. 1708(1) (1993), available at [http://www-tech.mit.edu/Bulletins/Nafta/17.intellect=](http://www-tech.mit.edu/Bulletins/Nafta/17.intellect/) ("For purposes of this Agreement a trademark consists of any sign, or any combination of signs, capable of distinguishing the goods or services of one person from those of another, including personal names, designs, letters, numerals, colors, figurative elements, or the shape of goods or of their packaging.")

³⁰ Council Decision of 16 March 2000 on the approval, on behalf of the European Community, of the WIPO Copyright Treaty and the WIPO Performances and Phonograms Treaty (2000/278/EC), OJ no. L089 of 2000-04-11, pp. 6-7, available at <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:32001L0029:EN:HTML>.

³¹ See Council Directive 89/104, art. 2, To Approximate the Laws of the Member States Relating to Trade Marks, 1989 O.J. (L 40) 1 (EC), available at <http://oami.europa.eu/en/mark/aspects/direc/direc.htm> [hereinafter *First Directive*]; Vincent O'Reilly, *The Community Trademark System: A Brief Introduction and Overview*, 8 MARQ. INTELL. PROP. L. REV. 93, 98-101 (2004). For a discussion of three-dimensional marks and other types of non-traditional marks (i.e. colors and smells), see Nguyen Nhu Quynh, *Special Trade Marks - Legislation and the Situation in the European Community* (Spring 2002) (unpublished master's thesis, Lund University), www.copat.de/markenformen/eugh-kom/quynh.pdf.

³² See Trade Marks Act, *supra* note 1, § 3(6)(e) (excluding from protection "signs which consist exclusively of the shape which results from the nature of the goods themselves, the shape of goods which is necessary to obtain a technical result, or the shape which gives substantial value to the goods.")

³³ Case C-299/99, *Koninklijke Philips Electronics NV v. Remington Consumer Products Ltd.*, 2002 E.C.R. I-05475. For an analysis of the implications of the Philips ruling, see Jean-Christopher Troussel & Peter Van den Broecke, *Is European Community Trademark Law Getting in Good Shape?*, 93 TRADEMARK REP. 1066, 1075-80. See also TORREMAN & HOLYOAK, *supra* note 4, at 385-86.

³⁴ *Kirbi AG v. Ritvik Holdings*, 2005 SCC 65 (Can.); Richard Levy, *The LEGO Case: The Supreme Court of Canada Makes it Harder to Protect Product Shapes as Trademarks*, 96 TRADEMARK REP. 596, 615 (2006) (observing that "in the wake of *Kirbi*, it likely will be even more diffi-

international regulative system relating to trademark protection comprises an assortment of varying approaches to the issue.³⁵ Further, the international regulative system also acknowledges the discrepancies that exist among various nations' laws pertaining to the trademarkability of TDOs. The most vivid manifestation of this is the Trademark Law Treaty, application of which to TDOs in a given jurisdiction is contingent on recognition for these objects by the relevant national law.³⁶

Notwithstanding the general recognition of TDOs by national laws and international agreements, the question persists: should these objects be recognized as marks? This question cannot be aptly addressed by simply resorting to the fact that many laws sanction this outcome; rather, it requires a deeper inquiry as to the nature of marks and the impact of their recognition on the market.

II. THE NORMATIVE DIMENSION

Those who oppose the registration of TDOs as marks generally base their position on three arguments: (1) that these objects are not sufficiently distinctive because they merely function as a "container" for the product within;³⁷ (2) that TDOs can be protected as design patents; and (3) that these objects are essentially "public goods" that should remain open for use by all (i.e. within the public domain).³⁸

To formulate a substantiated position as to the possibility of protecting TDOs as marks, various issues need to be addressed. These issues include: When does a "thing" become a trademark? Do TDOs really function as trademarks? Is a legal norm that recognizes TDOs fair? Should the law also consider the ramifications

cult to obtain trademark protection for functional distinguishing guise in Canada.").

³⁵ Suffice it to note that member states comprising the European Union do not manifest a single policy with respect to the registration of nontraditional marks (i.e. colors; sounds; scents; and TDOs). See Council Regulation (EC) No. 40/94, 1994 O.J. L11/1; Frauke Henning-Bodewig & Heijo Ruijsenaars, *Alternative Protection for Product Designs: A Comparative View on German and Benelux Law*, 83 TRADEMARK REP. 439 (1993).

³⁶ Trademark Law Treaty, art. 2(a), Oct. 27, 1994, S. Treaty Doc. No. 105-35, 2037 U.N.T.S. I-35236, available at http://www.wipo.int/treaties/en/ip/tl/trtdocs_wo027.html ("This Treaty shall apply to marks consisting of visible signs, provided that only those Contracting Parties which accept for registration three-dimensional marks shall be obliged to apply this Treaty to such marks.").

³⁷ CASES & MATERIALS ON INTELLECTUAL PROPERTY, 28 (W.R. Cornish ed., 2d ed. 1996) [hereinafter *Cornish*] (referring to the opinion by Lord Templeman in *Re Coca-Cola Trademarks* [1986] R.P.C. 421 (H.L.)).

³⁸ E.g., Israeli trademark registrar opinion conditioning the registration of a three-dimensional image as a trademark, only if it satisfies two conditions, namely that the object is used as a source indicator and that it has acquired a distinguishing character. See *The Register of Trademarks in the State of Israel*, CIRCULAR NO. 28 (Aug. 17, 2004) [hereinafter *Israeli Trademark Circular*], available at <http://www.justice.gov.il/NR/rdonlyres/EF528378-E902-4146-8A8F-F7FE4204983E/0/mn28.pdf> (last visited Nov. 3, 2007). See also Arnaud Folliard-Monguiral, *The Protection of Shapes by the Community Trade Mark*, 25(4) EUR. INTELL. PROP. REV. 169 (2003).

of such recognition on competitors? Should all objects be regulated in the same manner? Should TDOs be protected as trademarks despite formally fitting the profile of design patents? Can there be an overlap in coverage between different intellectual property laws? In this chapter I provide my answers to these questions.

A. *On Becoming Marks*

In order to determine the "trademarkability" of TDOs it is imperative to muster a sound understanding of the nature of marks. Indeed, absent a sound theoretical basis of the nature of marks, any determination would remain mere speculation or educated guesswork at best.³⁹ In essence, the debate surrounding the trademarkability of TDOs is a microcosm of a broader argument relating to the nature and role of marks.

Traditionally, trademarks have been deemed to perform two interlocking functions referred to as the "guarantee and advertising functions."⁴⁰ The first indicates the source of a product, and the second distinguishes that product from other competing products.⁴¹ This traditional approach holds that trademarks are intended to "identify a product as satisfactory and thereby to stimulate further purchases by the consuming public."⁴² By using marks, businesses can assure consumers of the quality of a product or service and to encapsulate the identity of the product into the mark under which it is sold.⁴³ As such, a trademark is a "marketing symbol and its purpose comes from how it is used in the market place."⁴⁴ Thus, the core requirement for trademarkability is that the subject matter "must be indicative of the mark owner's goods and services."⁴⁵ Trademarks are an instrument of commerce and

³⁹ C. D. G. PICKERING, *TRADEMARKS IN THEORY & PRACTICE* 157 (Hart Publishing 1998) (observing that "any trade mark should be recognized for what it is, namely a vital asset of its owner and an important symbol to consumers in the market place which should receive the full protection that the law is now prepared to allow; this will only happen if the rationale of such protection is fully understood.").

⁴⁰ *Id.*; Lesley Matty, Note, *Rock, Paper, Scissors, Trademarks? A Comparative Analysis of Motion as a Feature of Trademarks in the United States and Europe*, 14 *CARDOZO J. INT'L. & COMP. L.* 557, 559 (2006) ("Trademark law seeks to preserve the consumer's association between product and producer.").

⁴¹ TORREMAN & HOLYOAK, *supra* note 4, at 369:70 ("In indicating origin, the mark, being distinctive, differentiates that product from another and, in turn, by doing so, guides the consumer in the exercise of choice. This, it is suggested, may now be seen as the "core" function of trade marks . . .").

⁴² *Id.*

⁴³ PAUL GOLDSTEIN, *COPYRIGHT, PATENT, TRADEMARK, AND RELATED STATE DOCTRINES* 21 (4th ed., Foundation Press 1997) ("the existence of trademarks allows firms to differentiate products in their unobservable features and to efficiently convey these differences to consumers.").

⁴⁴ PICKERING, *supra* note 39, at 158; see *S.B.C. Advertising, Marketing and Sales, Ltd.*, P.D. N.H. (3) 933, 936.

⁴⁵ Roberta Rosenthal Kwall, *Regulating Trademarks on Exterior Signs: Should Local Law Trump the Lanham Act and the Constitution?*, 71 *S. CAL. L. REV.* 1106, 1109 (1998) ("Trademark subject matter can take many forms since human beings might use as a 'symbol' or 'device'

should be examined accordingly.⁴⁶ In my view, this instrumentalist approach is instrumental for ensuring the vitality of efficient commercial activity.⁴⁷

Notably, a modern approach suggests that in addition to identifying the source of goods, marks have become "multi-faced creatures" addressing issues of branding, merchandizing, and licensing, wherein consumers are deemed to attach great social significance to trademarks beyond their original distinguishing attributes.⁴⁸ According to this view, marks are no longer limited to indicating type, quality, and value of the merchandise covered by that mark. Presently, customers are also willing to pay an additional price for a product bearing a recognized trademark.⁴⁹ They seek to identify themselves with the brand. This reflects the "added value" of the mark which has a direct impact on consumers' choices.⁵⁰

Notwithstanding this modern role, marks essentially remain a tool for identifying the source of goods.⁵¹ In effect, each mark creates a barrier between the product of one market-player (that is

almost anything at all that is capable of carrying a meaning"). See also *Qualitex Co. v. Jacobson Prod. Co.*, 514 U.S. 159, 162 (1995).

⁴⁶ JAMES L. HOPKINS, *THE LAW OF UNFAIR TRADE* 7 (Rothman & Co. 1997) ("The Function of a trademark is to convey to the purchaser knowledge of the origin, source, ownership or manufacture of the article to which it is applied.").

⁴⁷ *Qualitex*, 514 U.S. at 162. Specifically, in the words of Justice Breyer: "We concluded that, sometimes, a color will meet ordinary legal trademark requirements. And when it does so, no special legal rule prevents color alone from serving as a trademark It is the source-distinguishing ability of a mark - not its ontological status as color, shape, fragrance, word or sign - that permits it to serve these purposes." The *Qualitex* ruling was clarified by the Supreme Court in *Wal-Mart Stores, Inc. v. Samara Bros., Inc.*, 529 U.S. at 206, which held that color can receive trademark protection only after secondary meaning is established (i.e. color cannot be inherently distinctive).

⁴⁸ PICKERING, *supra* note 39, at 46, 49.

⁴⁹ Kevin Lane Keller, *Measuring Brand Equity*, in *THE HANDBOOK OF MARKETING RESEARCH: USES, MISUSES, AND FUTURE ADVANCES* (Sage Publications 2006); for text of this chapter, see http://www.terry.uga.edu/~rgrover/chapter_26.pdf. See also Kevin Lane Keller & Donald R. Lehmann, *Brands and Branding: Research Findings and Future Priorities* 30-31 (May 2005), available at

<http://bear.cba.ufl.edu/CENTERS/MKS/invited/BRANDS%20AND%20BRANDING.pdf> ("Brands are made, not born. The process of their construction is complex. From a manufacturer's point of view, there is a reduced form, 'stimulus-response' style simplicity to it: 1) the manufacturer takes actions (e.g., the marketing mix) and that leads to 2) customer mental responses towards the brand (perceptions, beliefs, attitudes, and so on). These perceptions (and the resulting willingness-to-pay), in turn, lead to 3) customer behavior in the product market (e.g., sales) which in turn generates 4) financial value in general and stock market and market capitalization in particular.").

⁵⁰ Courts recognize the impact of marks on consumers. See *Versa Prods. Co. v. Bifold Co.*, 50 F.3d 189, 201. The commercial impact of trademarks in every day life has been explored by Andrew W. Coleman, *National Brands, Private Labels and Unfair Competition*, 87 TRADEMARK REP. 79 (1997) ("Joanne Consumer visits a major retail store to purchase a variety of household and personal items. As she moves through the aisles, Joanne picks up the products she needs and tosses them into her basket. First, she grabs . . . a copy of TV Guide magazine, a six-pack of DIET COKE soda, and a bag of DORITOS chips. Next, she picks up a bar of IRISH SPRING soap, a tube of CREST toothpaste, and a package which she believes to contain an ORAL-B toothbrush.").

⁵¹ PICKERING, *supra* note 39, at 49.

covered by that mark) and those of his competitors.⁵² They still help prevent consumer deception. Thus, despite the “added value” of marks that entails social prestige and facilitates consumers’ self expression, the traditional role of marks remains valid and crucial for proper business conduct.⁵³ Consequently, trademark theory, in its purest (classic) form, perceives the mark to be a tool that is intended to protect the end-consumer as opposed to granting the mark’s owner a commercial advantage over his competitors.⁵⁴

As a matter of practice, TDOs can serve the above-mentioned classic purpose of marks. Consider, for example, the TOBLERONE chocolate brand (of Switzerland) that is packaged in triangular-shaped containers/wrappers. A client seeking this type of chocolate need not search for the TOBLERONE mark. Rather, he is able to find the product by simply looking for the “triangular-shaped” chocolate.⁵⁵ In addition, the container that is reminiscent of a mountain further enhances the associative connection with the Swiss Alps. The TOBLERONE manufacturer states that “TOBLERONE takes its unique shape from the most famous mountain in Switzerland – the Matterhorn.”⁵⁶ Thus, not only does the triangular-shaped container/wrapper distinguish the product from other chocolates, it also encapsulates the Alpine origins of the product. This is one example, among many, which demonstrates how TDOs are conceptually synchronized with the pure nature of marks.⁵⁷ In light of this, an all-out exclusion of ob-

⁵² This approach is reflected in numerous rulings that have been rendered by Israeli courts. See, e.g., DC (TV) 746/56 Cooperative Miners’ Union v. Yekev Ha Galil P.S.M. 71 (observing that “[t]he whole idea of a trademark is the creation of a complete link between the mark and the product, so much so that when consumers see the mark, they will immediately associate it with goods from a particular source.”). See also HCJ 144/85 Klil Metal Indus. El Barzaliot Ltd. v. Registrar of Patents, Designs & Trademarks, P.D. M.B. (1) 309, 322 (holding that “[t]he law gives the owner of a trademark registration, the right to the exclusive use of the mark, but only in order to establish a connection between the owner of the mark and his merchandise, and not for any other purpose.”).

⁵³ *Hanover Star Milling Co. v. Metcalf*, 240 U.S. 403 (1916).

⁵⁴ Pierre Leval, *Trademark: Champion of Free Speech*, 27 COLUM. J.L. & ARTS 187, 194 (2004) (“The exclusive right granted by the law pertains only to use of the mark as a trademark identifying the goods or services . . . many uses of a trademark simply fall outside the realm of trademark protection because the user is not using the mark as the identifier of its own goods or services.”).

⁵⁵ The Toblerone website attests to the value that is attached to the distinctive shape. http://www.toblerone.com/our_secret/shape_name-en.html (last visited Jan. 16, 2008) (“Toblerone is an outstanding example of brand uniqueness. With its one-of-a-kind triangular shape, its peaks, its packaging and its name, it has achieved very high recognition throughout the world.”).

⁵⁶ Toblerone, http://www.toblerone.com/our_secret/shape_name-en.html (last visited Jan. 16, 2008).

⁵⁷ Sheldon H. Klein, *Introduction to Trademarks*, in UNDERSTANDING TRADEMARK LAW 65, 67 (Prac. Law Inst. 2007) (contending various items can serve as marks including “package, designs, product configurations, restaurant décor – Kodak’s film packaging; Coca-Cola’s classic bottle shape; Taco Cabana and Fuddrucker’s restaurants.”). See Mark Holah, *Distinctive Shapes: When are they Protected?* (2002), available at http://www.inta.org/index.php?option=com_content&task=view&id=210&Itemid=126&g

jects from trademark circles constitutes an unwarranted disregard for the inherent nature of marks.⁵⁸

B. *Distinctiveness Versus Functionality*

Another argument that can be advanced against the recognition of TDOs as marks is that these objects are, by definition, common shapes (i.e., bottles, boxes and containers) and, as such, not eligible for trademark protection due to their lack of distinctiveness.⁵⁹ This view is prevalent in case law.⁶⁰ For example, the U.K. trademark registrar has rejected (based on lack of distinctiveness) a trademark application for a drill-shaped object covering drills.⁶¹ Similarly, the registrar has denied an application to register hollow tablets for candy, contending that such an object is commonly used by manufacturers of sweets.⁶² Similar rejections citing lack of distinctiveness were logged in France and in

etcontent=1 (referencing "the TOBILERONE chocolate bar, the curves of the COCA-COLA bottle, Apple's IMAC computer and Volkswagen's BEETLE car.").

⁵⁸ A similar position has been voiced by the International Trademark Association ("INTA"). *Predictability of Three-Dimensional Marks*, INTA Resolution by Board of Directors (1997), available at

http://www.inta.org/index.php?option=com_content&task=view&id=246&Itemid=153&g_etcontent=3 ("[I]t is the position of the International Trademark Association that a three-dimensional shape may function as a trademark and, therefore, in appropriate circumstances, should be entitled to trademark recognition, protection and registration."). See also *Three Dimensional Marks: the Borderline Between Trademarks and Industrial Designs*, Resolution Q148 of the International Association for the Protection of Intellectual Property (AIPPI) (2000). www.aippi.org/reports/resolutions/Q148_E.pdf (observing that "3D shapes should be protected and registered as trademarks, as is already the case under many national laws, provided they perform the trademark function.").

⁵⁹ The Japanese courts adopted a similar approach in *Suntory Co. Ltd. v. Commissioner of JPO* (Unreported, Tokyo High Ct. Aug. 29, 2003). In *Suntory*, the court determined that "shapes of goods or packaging for goods including containers (hereinafter 'goods') are chosen for the purpose of enabling the goods to carry out the expected function more effectively or for the purpose of improving aesthetic effects derived from such goods. Therefore, even when some alteration or decoration has been added to the shape, a 3-D trademark consisting of the shape of the designated goods itself is no more than a mere description of the designated goods. Such a trademark, in principle, should be regarded as an indication whose use is necessary and appropriate for businesses in the trade and therefore should not be monopolized by someone in light of public interest." *Id.*

⁶⁰ *Windsurfing Chemise Prod. GmbH v. Boots. und Segelzubehor Walter Huber*, (1997) E.T.M.R. 585. See *Procter & Gamble v. Office for Harmonization in the Global Mkt*, (2001) E.T.M.R. 75. See also Annual Review, 95 TRADEMARK REP. 267, 365 (2005) (reporting a ruling by the Danish Maritime and Commercial Court of Copenhagen).

⁶¹ *Atlas Copco Aktiebolagot v. Black & Decker Co.*, R722/2004 (opposing trademark application numbers 2200505 to 2200510). See also DC (TA) 2191/03 August Storck AG v. Alpha & Bros. Food Prod. Ltd., [2003] Takdin-86 IsrDC (4) 149 (stating that "the protection granted to the registered trademark should not be granted to the product itself.").

⁶² *Kraft Foods Holdings v. Society Des Produits Nestle S.A.*, Israeli Trademark Registrar, Opposition Proceedings Against the Registration of Trademark Application Number 2006992. The registrar recognized that "there has been much use of the POLO shape, many millions; probably billions have been eaten over nearly half a century. However, the extensive use, per-se, does not of itself necessarily make a trademark distinctive. It depends on the nature of the use and it depends on the trademark. As the court of first instance, as stated above, concluded, the public is not used to seeing the goods as the trademark. The trademark is normally used in connection with the goods. It is much more problematic where the trademarks are the goods themselves. The use is indicative of the sale of the goods rather than the awareness that it is a trademark." *Id.*

Finland.⁶³

The above-described approach prompts two cumulative responses. First, as a matter of principle, applying the distinctiveness tool is a warranted approach. Indeed, distinctiveness should constitute a crucial threshold when examining trademark applications comprising TDOs.⁶⁴ This is especially true given that TDOs can potentially function as marks, and as such should also be subjected to the same level of examination as regular marks.⁶⁵ The second response proclaims that although an object is used to contain a product, this should not derogate from its distinctiveness. In other words, a TDO can earn its distinctiveness even if it is not initially distinctive. These two responses require shedding light on the "distinctiveness phenomenon" and how it interacts with TDOs.

It is generally accepted that no two regular or two-dimensional marks possess identical levels of distinctiveness. While "coined" and suggestive marks are regarded as inherently distinctive, other marks can also attain distinctiveness.⁶⁶ Those

⁶³ International Trademark Association, 94 TRADEMARK REP. 277, 406 (2004); International Trademark Association, 94 TRADEMARK REP. 505, 610-16 (2003).

⁶⁴ See, e.g., *Dualit Ltd. v. Rowlett Catering Ltd.*, <http://www.ipo.gov.uk/o18698.pdf> (involving an opposition to register a toaster shaped object as a trademark where the registrar stated that "it appears to me that precisely the same considerations apply where the trademark in question is the shape of the goods rather than merely a picture of them. Accordingly, unless there is something inherently distinctive about the shapes applied for so as to allow them to function as badges of origin without the need to first educate the public to that perception, the shapes are *prima facie* excluded from registration by sections 3(1) (b) & (c) of the Act."). See also *MD Foods AMBA v. KLP Ltd.*, <http://www.ukipo.tv/tm/t-decisionmaking/t-challenge/t-challenge-decision-results/o06500.pdf> (involving an opposition of application 2005272, in which MD opposed the registration of a heart-shaped object as a trademark covering low fat margarine (a butter substitute). MD contended that the heart shaped object was descriptive of the dietary attributes of the applicant's products. The trademark registrar accepted the opposition and ruled that "in my view the 3D heart shape is clearly a reference to the alleged benefits of the product. The applicant acknowledges that the product name was to be called 'Kind/good Heart,' which in addition to the shape of the container would be used as a marketing strategy to promote the healthy properties of the product. As shown by the opponent's evidence, heart shapes are used extensively in the foodstuff's market as a means of promoting the message of low fat and / or low salt. The public is very conscious of the benefits of a healthy diet. Clearly the heart shape is not meaningless when applied to reduced fat content dairy products. I therefore see nothing inherently distinctive in the 3D shape, which I view as descriptive. I do not think that *prima facie* the public would regard the 3D shape [that is the subject of this application] as exclusively denoting the goods of a particular trader."); *Philips Electronics NV v. Remington Consumer Prod. Ltd.*, [1998] R.P.C. 327.

⁶⁵ Significantly, case law adopted a similar line of reasoning holding that TDOs should be examined in the same manner as other marks. See *Henkel Kga v. O.H.I.M.*, Case T-393/02 (2002) E.T.M.R. 36 (allowing the registration of a mark consisting of the shape of a white and transparent bottle. See *Kenman Kandy Austral. Pty Ltd. v. Registrar of Trade Marks*, (2002) FCAFC 273 (holding that an object can function as a trademark and that it should not be rejected on its face but must be considered on its merits).

⁶⁶ In *Qualitex Co. v. Jacobson Prod. Co.*, the Supreme Court recognized color marks. 514 U.S. at 161. The Court identified such marks as fitting into the expansive language of the Lanham Act and into the basic rationales of trademark law. However, due to the lack of distinctiveness of colors, the court conditioned the recognition on the establishment of secondary meaning in the specific color. The Court "concluded that, sometimes, a color will meet ordinary legal trademark requirements. And when it does so, no special legal rule prevents color alone from serving as a trademark." *Id.*

non-coined, descriptive marks are eligible for registration if they acquired "secondary meaning through substantiated substantial use and advertising."⁶⁷ However, this "purification" of marks may not always be invoked. For example, if a mark is deemed to be generic then it cannot be registered.⁶⁸ Accordingly, neither the words "bread" nor "butter" will be accepted for trademark registration, even if they were used by one entity for a long period of time.⁶⁹

By analogy, the distinctiveness of TDOs can vary in intensity. Just as some coined, two-dimensional marks are considered inherently distinctive, objects can also be considered as "genetically" distinctive.⁷⁰ Indeed, just as the coined mark Pepsi was entitled to trademark protection, so too might a bottle with an unconventional shape be entitled to such protection.⁷¹ The Australian trademark registrar has adopted similar reasoning with respect to a coffee container by determining that it is "not a common shape" and "not a shape which others in the same line of business would be likely to use in the ordinary course of business and without an improper motive."⁷² Even if a TDO appears to be descriptive, it can still be registered as a trademark if its owner establishes that it has acquired "secondary meaning" through use and advertising.⁷³

⁶⁷ Different types of marks are seen as having different strengths. Thus, while generic marks are not entitled to any protection, descriptive ones only have minimal strength. On the other hand suggestive and arbitrary (coined) marks are deemed to have the maximum strength. See Civil Appeal 5792/99 Jewish Religious Family Communication Ltd. v. S.B.S. Publ'n, Mktg. & Sales Ltd., P.D. NH (3) 933, 936 (1997); see also BEVERLY PATTISHALL, DAVID HILLIARD, & JOSEPH WELCH, TRADEMARKS AND UNFAIR COMPETITION 44-45 (LexisNexis 5th ed. 2002).

⁶⁸ See, e.g., Section 45 of the Lanham Act, 15 U.S.C. § 1127. For more on generic terms, see PATTISHALL, *supra* note 67, at 117.

⁶⁹ WILLIAM LANDES & RICHARD POSNER, THE ECONOMIC STRUCTURE OF INTELLECTUAL PROPERTY LAW 169 (Belknap Press 2003) (referring to generic words that denote entire products and not just individual brands, such as "Aspirin," "Brassiere," "Cellophane," "Escalator," "Thermos," "Yo-yo" and "Dry ice").

⁷⁰ CORNISI, *supra* note 37, at 670 ("All shapes must satisfy the general tests of distinctiveness, under which inherent objections are balanced against evidence of use as a mark. Shape, just as other product ingredients such as color patterning or smell, is not inherently distinctive as a mark. Whatever form it takes; it will require considerable evidence of use before it can be registered."). See also TORREMANS & HOLYOAK, *supra* note 4, at 377 ("Many things make a product or service distinctive in the minds of its customers. A preference of one type of malt whisky over another will be based on taste, while the choice of a favorite perfume or aftershave may be a response to its particular unique smell. Likewise, the choice of a new shirt may be governed by the customer's reaction to the feel or texture of the garment. There is no doubt that such features of a product are just as distinctive of them as is their name or logo"); LANDES & POSNER, *supra* note 69, at 189 ("Just as words can be classified into different types of trademark, so can shapes and other signifiers. Similar to fanciful and arbitrary words are unusual symbols and shapes or novel combinations of well-known symbols, shapes, and colors. Similar to descriptive names are common symbols (circles, squares and hearts) and individual colors (particularly primary colors).").

⁷¹ The Coca-Cola Company, U.S. Trademark Registration No. 696147 (1960).

⁷² *In re Freshfood Holding Pte Ltd Application*; see Trademarks Ordinance, *supra* note 1, § 8(a).

⁷³ The Lanham Act allows the registration, as a trademark, of a mark even if not originally descriptive, if it has acquired distinctiveness of the applicant's (i.e. "secondary meaning").

Moreover, the distinctiveness of an object might be potentially stronger than a regular (two-dimensional) mark because of its visual impact on the consumer.⁷⁴

Despite the proposed broad recognition of the trademarkability of TDOs, some limitations must apply. There are two cases in which these objects cannot qualify for trademark recognition and protection. The first case relates to a container with a basic generic form such as a regular cardboard box. In such cases, it would be illogical to argue for trademark protection given the evident lack of distinctiveness as well as the detrimental impact on competitors who also need to package their products.⁷⁵ Thus, an object depicting a regular key cannot be registered as a trademark that is intended to cover keys.⁷⁶ Consequently, generic shapes, much like generic words, cannot be registered as marks. The second limitation involves TDOs where the shapes are dictated by functional considerations.⁷⁷ In this context, a prime example in-

15 U.S.C. § 1052(e)-(f) (2006). For more on how acquiring secondary meaning can compensate for the lack of initial distinctiveness, see *Two Pesos, Inc. v. Taco Cabana, Inc.*, 505 U.S. 763 (1992) ("Marks which are merely descriptive of a product are not inherently distinctive. When used to describe a product, they do not inherently identify a particular source, and hence cannot be protected. However, descriptive marks may acquire the distinctiveness which will allow them to be protected under the Act."). United States courts have ruled that a three-dimensional illustration of a certain animal was not eligible to be registered as a trademark because that mark has not acquired distinctiveness through use. See also *Jungle Rags Inc. v. Rainbow Graphics Inc.*, 29 U.S.P.Q.2d 1704 (1993).

⁷⁴ Not all agree with this view. See, e.g., ECJ C-136/02, *Mag Instrument Inc. v. OHIM*, 2005 E.T.M.R. 30, 46 (2002) ("Average consumers are not in the habit of making assumptions about the origin of products on the basis of their shape or the shape of their packaging in the absence of any graphic or word element and it could therefore prove more difficult to establish distinctiveness in relation to such a three-dimensional mark than in relation to a word or figurative mark.")

⁷⁵ LANDES & POSNER, *supra* note 69, at 187 ("A mark that does not distinguish one brand of a product from those of another is probably created from words, symbols, shapes, or colors that are used by other producers of the product as well, and so legal protection of the mark would be likely to prevent others from using identifiers that they require in order to be able to compete effectively.")

⁷⁶ Courts have consistently ruled against the registration of marks that are considered to be descriptive or functional in nature. See HCJ 144/85 *Klil Metal Indus. El Barzalite Ltd. v. Registrar of Patents, Designs, & Trademarks*, P.D. MB (1) 309, 315 (ruling that a trademark consisting of three lines across the profiles of aluminum that they produce should not have been registered as trademarks because such line marks were being used by producers of aluminum to track their merchandise). See also *Keystone Retaining Wall Sys. Inc. v. Westrock Inc.* 997 F.2d 1444, 1448 (1993) (holding that "a product feature is functional if it is essential to the product's use or if it affects the cost or quality of the product. . . . Where the appearance of a product is essential to its intended use, the appearance may itself be functional.")

⁷⁷ A. Samuel Oddi, *The Functions of Functionality in Trademark Law*, 22 HOU. L. REV. 925 (1985); GUY TRITTON, *INTELLECTUAL PROPERTY IN EUROPE* 228 (2d ed., Sweet & Maxwell 2002) (noting that Art. 3(1)(e) of the European Directive prohibits the registration of shapes that result from the nature of the goods themselves, or that are necessary to obtain a technical result.). In Tritton's opinion, these exclusions are not based on the rationale of distinctiveness and cannot be overcome by use. That is because they are intended to prevent market actors from utilizing trademark law in order to expand their rights over technical developments. For an expansive survey of case law in the United States dealing with the relationship between functionality and trade dress protection, see Kenneth Germain, *The Interface and Conflict between Utility Patents, Design Patents and Copyrights, on the One Hand, and Trademark/Trade Dress Rights, on the Other Hand*, 834 PRAC. L. INST. 231 (2005);

volves the basic shape of a bottle. The shape of the bottle is not coincidental: Its cylindrical shape that narrows at the top is intended to enable the user to easily discharge its contents into a glass or cup. Consequently, its shape is "functional" and, as such, needs to remain open for use by all market actors.⁷⁸ Otherwise, competitors would essentially be competing with one hand tied behind their backs. Granting such protection would deprive other market players of the functional utility that is inherent in that object.⁷⁹ Indeed, how are they expected to market competing beverages absent such a central functional feature? Thus, the functionality of a mark neutralizes its trademarkability.⁸⁰

In summary, just as regular coined marks are deemed inherently distinctive, an object's shape can also be considered to be coined in the context of a specific business sector (e.g., a triangular-shaped chocolate wrapper).⁸¹ In such a case, it can be recognized as a mark without the need to establish its distinctiveness or to show that it has acquired "secondary meaning." In other words, trademark protection should be granted to a TDO if that object is capable, in and of itself, of distinguishing the products of one

TORREMANS & HOLYOAK, *supra* note 4, at 386 ("Those extreme case do not belong to trademark law, because the basic function of a trademark is not fulfilled by such a mark and perhaps such shapes should seek protection in the various design rights, reflecting their success in coming up with an esthetically pleasing design for their product.").

⁷⁸ LANDES & POSNER, *supra* note 69, at 197 ("A functional feature cannot be trademarked; and a trademarked feature loses trademark protection when it becomes functional."); Trademark Manual of Examining Procedures (T.M.E.P.), § 1202.02(a)(ii) (4th ed Apr. 15, 2005), available at http://www.bidaw.com/source/tmep/1202_02.html ("The Lanham Act does not exist to reward manufacturers for their innovation in creating a particular device; that is the purpose of the patent law and its period of exclusivity. The Lanham Act, furthermore, does not protect trade dress in a functional design simply because an investment has been made to encourage the public to associate a particular functional feature with a single manufacturer or seller. Thus, even where the evidence establishes that consumers have come to associate a functional product feature with a single source, trademark protection will not be granted in light of the public policy reasons just stated.").

⁷⁹ For further analysis of the "functionality" factor in trademarks, see Oddi, *supra* note 77, at 925; Wilhelm Pudenz, GmbH v. Littlefuse Inc., 177 F.3d 1204 (11th Cir. 1999) ("The functionality doctrine serves the extremely important function of avoiding conflict between the trademark law and the patent law. It does this by denying a perpetual exclusive right in a wholly functional product feature or configuration under trademark law, where such a grant under the patent act would be unconstitutional."). See also TORREMANS & HOLYOAK, *supra* note 4, at 306-07 ("[F]eatures of shape or configuration of an article that are dictated solely by the function which the article has to perform are also excluded. An exclusive right in them would effectively pre-empt every attempt to design and make an article that performs the same function.").

⁸⁰ LANDES & POSNER, *supra* note 69, at 198 ("Trademark protection for a functional feature would circumvent the requirements for, and the durational limit of, utility patents."); INTERNATIONAL ASSOCIATION FOR THE PROTECTION OF INTELLECTUAL PROPERTY (AIPPI), *Three Dimensional Marks: The borderline Between Trademarks and Industrial Designs* (AIPPI, 2000), www.aippi.org/reports/resolutions/Q148_E.pdf. (resolving that "[t]rademark law should not protect 3D shapes that are solely functional or necessary, namely those which solely: (a) result from the nature of the goods themselves, or (b) are necessary to obtain a technical result relating to the nature of the goods or the services covered by the mark.").

⁸¹ Reddaway v. Banham, 13 R.P.C. 218, 228 (1896) (ruling there could be no conceiving or legitimate use of a trademark by another person other than its owner. Any use by an unauthorized party would most-likely be intended to deceive).

market player from those of another. However, on the flip side, a TDO's shape that is either generic or predominantly influenced by a functional purpose cannot be the object of trademark protection.

C. *Perspectives from Different Domains: "Private," "Public," & the Public*

Beyond the debate pertaining to the definition of marks and their distinctiveness, there is another level that needs to be considered, one that is concerned with the nature of shapes and objects as "public goods." The concern stems from the fact that if trademark rights are extended to TDOs or container shapes, then competition would be rendered virtually impossible. The underlying rationale is that shapes of objects constitute a limited resource and should therefore not be awarded to specific private market players.⁸² In other words, the aim is to ensure that the public domain is not overrun by private domain interests.⁸³ This approach has prompted a trademark/product "separateness" whereby the container or the bare design of an article is not recognized as a trademark.⁸⁴ In the landmark Coca Cola bottle case, Lord Templeman recognized that the application to register the Coca Cola bottle as a trademark constituted an "attempt to expand the boundaries of intellectual property and to convert a protective law into a source of monopoly."⁸⁵ In line with this view, trademark legislation should set clear boundaries beyond which certain signs or objects would remain open for use by all. This argument applies to objects when the shape is synonymous with a functional purpose. Accordingly, regular boxes should be shielded from private domain interests and should remain open for use by all (i.e. within the public domain).⁸⁶ Otherwise, competing business entities would be prevented from packaging their products in the way that they desire and/or in the most cost-effective manner. Consider a situation wherein a certain winery is granted a trademark right over an object resembling a regular shaped bottle. As a result,

⁸² LANDES & POSNER, *supra* note 69, at 189 ("To allow a firm to appropriate one of these descriptive signifiers as its trademark would create the parallel danger that after several firms had done this the limited number of attractive symbols and colors would have been used, making it substantially more costly for other firms to compete.").

⁸³ The Court in *Compro Corp. v. Day-Brite Lighting, Inc.*, 376 U.S. 234 (1964), reasoned that "to forbid copying would be to interfere with the federal policy found in . . . the Constitution of allowing free access to copy whatever the federal patent and copyright laws leave in the public domain.").

⁸⁴ PATTISHALL *supra* note 67, at 425.

⁸⁵ CORNISH, *supra* note 37, at 521-22 (noting that Lord Templeman cautioned that if trademark protection is granted to the Coca Cola bottle, then this would "raise the specter of a total and perpetual monopoly in containers and articles.").

⁸⁶ A. Samuel Oddi, *Consumer Motivation in Trademark and Unfair Competition Law: On the Importance of Source*, 31 VILL. L. REV. 1, 15 (1986) (referring to the tension between granting trademark protection to three-dimensional goods and recognizing the right to copy products in the public domain).

other wine producers would, most likely, be reluctant to market their wine in bottles, fearing that this would provoke a civil action based on trademark infringement. This, in turn, would have a "chilling" effect on market competition and would even be outrageous given the way that wine is generally sold. Indeed, how are other business entities expected to package their beverages (and other liquids) if bottles are now someone else's trademark?

My initial response to this line of argument would be that many TDOs are much more complex in structure than the basic shape of a bottle or box. Containers of products have evolved into an art in their own right. Suffice it to note the countless types of whiskey or perfume bottles that have long transcended the basic bottle shape.⁸⁷ But quelling this concern, on a deeper level, involves addressing the following questions: Does the registration of TDOs contribute to the general welfare of society at large in a manner that counterbalances the losses that are sustained by competitors?⁸⁸ Is the resulting downsizing of the public domain justified? Should the law expand the private domain by allowing trademark protection for objects or should all of these objects remain in the public domain and, as such, open for use by all?

In my view, the answers to these questions are directly linked to the perspective that is applied. It is, so to speak, largely in the eyes of the beholder. Indeed, one should acknowledge that various actors have a stake in any given mark. Specifically, marks can be viewed from three distinct vantage-points: (1) the mark owner's; (2) his competitors'; and (3) the consumers'. First and foremost, the mark owner would typically be very keen on obtaining legal recognition for his mark and acquiring a right of sole use over that mark. That is primarily because the mark can generate consumer loyalty and, as such, help him command a significant commercial presence. Consequently, a mark owner is typically eager to expand the definition of what constitutes a mark in order to be included in the exclusive club of owners of protected marks. This trend of expansion is clearly evident in the context of "non-traditional marks" including those consisting of colors,⁸⁹ scents,

⁸⁷ See, e.g., perfume bottle designs, <http://www.nextag.com/All-zzperfume+bottle+designz1zBiz5.html> (last visited Jan. 19, 2007). See also sample whisky bottles, <http://www.geocities.com/malaysiancollectibles/minaturewhisky1.html> (last visited Mar. 1, 2008).

⁸⁸ *Kellogg Co. v. Nat'l Biscuit Co.*, 305 U.S. 111, 119 (1938) (holding that all are entitled to use an article unprotected by patent or trademark law. Such use by all is in the interest of the consuming public as well, because it fuels competition which leads to reduced prices).

⁸⁹ *Eastman Kodak Co. v. Royal Pioneer Paper Box MFG Co.*, 197 F. Supp. 132 (1961); *Smith, Kline, & French Labs. Ltd. v. Sterling-Winthorp Group Ltd.* (1976) R.P.C. 511 [hereinafter *SKF ruling*]. For a position that favors expanding trademark protection for color marks, see Keltie Sim & Heather Tonner, *Protecting Color Marks in Canada*, 94 TRADEMARK REP. 761 (2004).

sounds,⁹⁰ and even motion.⁹¹ This expansion is a tactic that is employed by mark owners in order to gain a competitive edge in the market.⁹² By the same token, the owners of TDOs would also seek to expand the definition of a mark beyond its traditional core components (i.e. words, numbers and logos).⁹³ Thus, the argument that is advanced by potential trademark owners should be viewed with some suspicion given their direct commercial interest in the relevant subject matter. Conversely, competitors would advocate for narrowing the definition of a mark to expand their access to words, designs, logos, and shapes. They, in essence, represent the flip side of the private-public domain debate. They too have a vested interest in the subject matter. Consequently, the competitors' stance should also be treated with caution and should not be adopted simply based on its face-value.

However, unlike the former two market actors who possess idiosyncratic interests in the mark, the consumers' perspective is of a cardinality different nature. For consumers, marks are merely tools that facilitate the identification of products or services. For consumers, a mark encapsulates the totality of characteristics embedded in a given product. The mark reduces their search costs and narrows the margin of error between competing products or services.⁹⁴ Consumers can rely on the mark and need not conduct a "market survey" prior to every new purchase of goods or services.⁹⁵ As such, trademarks empower consumers to effectively

⁹⁰ The USPTO has accepted the sound of a thunderclap as a sound mark. United States Patent and Trademark Office site, <http://www.uspto.gov/main/trademarks.htm> (select "Search" under "Get a Trademark Registration," and enter registration number 1746090 under "basic" search).

⁹¹ Matty, *supra* note 40, at 557; *id.* at 590 (referring to the Nokia, "Connecting People"). For an expansive discussion about color marks, sound marks, and scent marks in European and U.S. law, see Melissa E. Roth, Note, *Something Old, Something New, Something Borrowed, Something Blue: A New Tradition in Nontraditional Trademark Registrations*, 27 CARDOZO L. REV. 457 (2005).

⁹² Seiko Hidaka et al., *A Sign of the Times? A Review of Key Trade Mark Decisions in the European Court of Justice and Their Impact Upon National Trademark Jurisprudence in the EU*, 94 TRADEMARK REP. 1105, 1120 (2004) ("Brand owners are always looking for new and exciting ways to make their products more distinctive than those of their competitors. Shapes, sounds, colours and now even smells are becoming increasingly popular ways to promote goods and services.").

⁹³ CORNISH, *supra* note 37, at 523 (noting that Lord Templeman rejected the use of the SKF ruling (which recognized color marks) and reasoned that "the SKF case only related to the colour of goods and has no application to the goods themselves or to a container for goods. A colour combination may tend to an undesirable monopoly in colours but does not create an undesirable monopoly in goods or containers. I do not consider that the SKF case is of assistance to the Coca-Cola Co. I would accordingly dismiss the appeal").

⁹⁴ ROBERT COOTER & THOMAS ULEN, *LAW AND ECONOMICS* 128 (3d ed. 2000); *see also* Stanley Besen & Leo Raskind, *An Introduction to the Law and Economics of Intellectual Property*, 5 J. ECON. PERSP. 3, 20-21 (1991). Roth, *supra* note 91, at 459 ("Trademark law protects against consumer confusion about the source of products sold under a trademarks, instilling confidence in consumer purchases and reducing information and transaction costs in the marketplace.").

⁹⁵ In the majority of cases, the consumers' determination as to the quality of the product is

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identify the products that they seek.⁹⁶ It follows that any mark, notwithstanding its shape, form, or content, harnesses substantial value for consumers. Importantly, while consumers benefit from marks, they have neither a vested commercial interest in, nor do they profit from, any specific mark. Furthermore, any social benefit or prestige that they might reap from identifying themselves with a mark would ultimately be factored into the price of the product or service that is covered by it. Significantly, while the consumer, as a repeat player, tends to foster loyalty to certain brands, he has no vested interest in the mark *per se* or in the type of signs that are eligible for trademark registration and protection. A consumer's motivation to purchase an item that bears a mark does not hinge on the type of the mark it is, but rather on what he perceives the mark to symbolize.⁹⁷ Consequently, of the three feasible perspectives, the consumer's stance is the only one that can be labeled as objective or impartial. As such, it is the consumers' perspective that should constitute the measuring stick for trademarkability, including cases involving the interface between trademark law and TDOs.⁹⁸ Notably, this approach was prevalent in cases dealing with disputes involving generic names. In those cases, the courts attempted to mimic the consumers' perspective relating to the mark.⁹⁹

In my view, TDOs can and do contribute to the differentiation between competing products and thus help prevent consumer deception. Recognition for TDOs as marks helps to enhance market efficiency by reducing transaction (search) costs that are incurred by consumers. In addition to these benefits, protection for TDOs might act as a catalyst for the creation of aesthetically pleasant products.¹⁰⁰ Consequently, recognition for

correlated to the financial resources that the trademark owner is willing to spend on promoting his brand. See John Coverdale, *Trademark and Generic Words: An Effect on Competition Test*, 51 U. CHI. L. REV. 868, 874-79; *Qualitex*, 515 U.S. 159; *Scandia Down Co. v. Euroquilt Inc.*, 772 F.2d 1423, 1429; see also D. GOREN, COMMUNICATION AND REALITY, BASIC CONCEPTS IN MASS COMMUNICATION 38 (Keter Pub'g Ltd. 1994).

⁹⁶ LANDES & POSNER, *supra* note 69, at 168 ("The value of a trademark to the firm that uses it to designate its brand is the saving in consumers' search costs made possible by the information that the trademark conveys or embodies about the quality of the firm's brand."); Coverdale, *supra* note 95, at 868 (using the brand the consumer can reassure himself that "I need not investigate the attributes of the brand that I am about to purchase because the trademark is a shorthand way of telling me that the attributes are the same as that of the brand I enjoyed earlier.").

⁹⁷ For a discussion of consumer motivation in the context of trademarks, see Oddi, *supra* note 86, at 1.

⁹⁸ Troussel & Van den Broecke, *supra* note 33, at 1095 (noting that "it is the public's perception, and not their own trademark owners, that is conclusive.").

⁹⁹ The most notable of these cases, *Bayer Co., Inc. v. United Drug Co.*, 272 F. 505 (S.D.N.Y. 1921), involved the dispute over the "Asprin" mark. In that case Judge Learned Hand articulated a factual test inquiring as to what customers "understand by the word for whose use the parties are contending." See also PATTISHALL, *supra* note 67, at 126 ("[T]he critical issue is public perception of the term.").

¹⁰⁰ TRITTON, *supra* note 77, at 230 (opposing the exclusion of "shapes which give substan-

TDOs as marks not only creates social costs for competitors but also generates social benefits for consumers. In fact, these benefits outweigh the public domain constraints prompted by such recognition, primarily because competitors are still able to compete in the market, notwithstanding these TDO entitlements. Therefore, a legal system that recognizes the trademarkability of TDOs is better than a system that offers no such recognition at all.¹⁰¹

Now that I have established the distinction between the competing domains, should there be a rule recognizing the interests of all concerned parties? One method for achieving this might involve a “split-the-difference” approach, whereby objects would be considered to be *quasi marks*, thus only enabling partial legal protection (e.g. the tort of passing-off). In other words that these TDOs would not qualify for trademark registration but would still be protected if sufficiently known to consumers. In such a case, protection for the shape of a product can be awarded as part of the general get-up of a product. Such a grant would typically be contingent on renowned goodwill. But this solution cannot constitute a complete substitute for trademark protection. Only trademark protection can secure rights over the shape of TDOs without requiring goodwill in the product. Trademark law assumes a flawless property right that is granted to a single market actor. Thus, a “split-the-difference” approach does not constitute a viable option given that trademark rights inherently entail a right for sole use assigned to a single person or entity. Indeed, given the role of trademarks as a commercial tool that is protected by a crystallized property doctrine, a “winner-takes-all” principle needs to be applied.¹⁰² Consequently, there is no possibility of bridging the divide that exists between the public domain and the private domain by applying a “split-the-difference” remedy. In

tial value to the goods.”). *Id.* (stating that such an exclusion that is prescribed by art. 3(1)(e) of the European Directive, “seems to penalize the good designer. It also has the potential of drastically limiting the possibility of registering product shapes as marks because, either the 3D shape is purely functional, in which case it is unregistrable, or it has a capricious element to the design which is designed to appeal to the consumer, and thus is deprived of protection under this provision, as such elements add value to the design.”).

¹⁰¹ For a similar discussion about the relationship of property and utility, see Abraham Bell & Gideon Parchomovsky, *A Theory of Property*, 90 CORNELL L. REV. 531, 558 (2005). See also Karl Raustiala & Christopher Sprigman, *The Piracy Paradox: Innovation and Intellectual Property in Fashion Design* 92 VA. L. REV. 1687 (2006) (observing an inverted account of the linkage between protection and innovation); *id.* at 1775 (arguing that “the lack of IP rights for fashion design has not quashed innovation, as the orthodox account would predict.”). In my view, while this might hold true for specific cases such as the fashion industry, it remains an exception to the general utilitarian rationale of intellectual property protection.

¹⁰² Parchomovsky and Siegelman advocate for applying the “split-the-difference” principle in property, torts, and contracts. Gideon Parchomovsky, Peter Siegelman & Steve Thel, *Of Equal Wrongs and Half Rights*, 82 N.Y.U. L. REV. 738 (2007). Although, in principle, I agree with this method, I believe that it cannot apply in the context of TDOs that act as marks.

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other words, the possibility of "sharing" marks is not a viable option, especially in the TDO context.

Another dimension that needs to be considered in the public-private-domain dichotomy relates to the issue of time. Specifically, while protection for design patents reserves the protected item for a limited time, generally ten years,¹⁰³ trademark laws grant protection by extracting these objects from the public domain for unlimited periods of time, and possibly indefinitely.¹⁰⁴ In this regard, the skeptics contend that the trademark mechanism should not be utilized to salvage a design patent right. In their view, resorting to trademark protection for TDOs would undermine the rationales of design patent protection because the limited term of protection that is set for design patents aims to ensure the ultimate restoration of the relevant subject matter back to the public domain.¹⁰⁵ Others disagree and cite the inherently different market goals that each system (i.e. trademarks and design patents) is intended to achieve.¹⁰⁶ I opt for this latter position and believe the "time" issue should not derogate from the need to recognize TDOs as marks. This is because the time that is allotted to different intellectual property subject matter rests on the particular rationales that support their respective existence. The term of protection is not an end in itself, but rather consequential to the role of the relevant subject matter. Indeed, since trademarks are symbols that function as a commercial tool, the duration of their validity should not be limited.¹⁰⁷ Their role is not provisional or time-specific, but rather continuous and potentially unlimited. Specifically, since TDOs can fulfill the function of trademarks, they need to be recognized as such even if it entails an extended or unlimited duration of protection.

D. Trademark Rights and Competing Social Values

When pondering the optimal scope of trademark coverage, it

¹⁰³ TRIPS Agreement, *supra* note 28, art. 26.

¹⁰⁴ Vincenzo Vinciguerra, Article, *A Brief Essay on the Importance of Time in International Conventions of Intellectual Property Rights?*, 39 AKRON L. REV. 635, 648 (2006) ("[T]he time factor (whatever the length) underpins the interests of the IPR holder, and it shapes the scope of protection given by law. . . . The time factor is the essence of the intellectual bundle of rights.").

¹⁰⁵ *Vornado Air Sys. v. Duracraft Corp.*, 58 F.3d 1498 (10th Cir. 1995); Joseph Hosteny, *Can a Trademark Be Used to Extend an Expired Patent?*, INTELL. PROP. TODAY (Aug. 1998) at 40; Jan Weir et al., *The Intellectual Property Clause Prohibits the Protection of a Product Shape as a Trademark*, AM. INTELL. PROP. L. ASS'N (1998).

¹⁰⁶ Karl Hanson, *Intellectual Property Strategies for Protecting the Looks of a New Product*, 81 J. PAT. & TRADEMARK OFF. SOC'Y 922 (1999) (referring to various court rulings to this effect, including *Thomas and Betts Corp. v. Panduit Corp.*, 138 F.3d 277 (7th Cir. 1998), *cert. denied* 119 S. Ct. 336 (1998), and *Kohler Co. v. Moen Inc.*, 12 F.3d 632 (7th Cir. 1993)).

¹⁰⁷ LANDES & POSNER, *supra* note 69, at 186 ("to make the producer of a good give up the name before he ceased selling the good would impose added search costs on consumers because the information embodied in the trademark would disappear.").

is also necessary to consider their impact on other "freedoms," namely the right to compete and the right to assume a certain occupation. These rights constitute fundamental social values because they secure market competition, which, in turn, contributes to improving the quality of goods and services and invigorates efficiency.¹⁰⁸ Furthermore, society's collective interest dictates that certain resources such as ideas,¹⁰⁹ concepts, and methods of expression should remain accessible to all in order to facilitate market entry by newcomers.¹¹⁰ Therefore, the trademark regulative scheme should avoid an outcome that encroaches upon the market entry of other competitors.¹¹¹ Indeed, it appears that by awarding a trademark right in a TDO to one party, other competitors are likely to be harmed. For one thing, their respective "freedom of occupation" would be downsized because they would have a narrower selection of objects in which to package their products or which they can utilize in their marketing endeavors. Furthermore, such broad trademark coverage would encroach upon market entry of new competitors by rendering it more expensive and less commercially viable. As such, the concept of freedom of competition or fair dealing can potentially clash with a position supporting the expansion of the boundaries of trademark law in terms of its coverage.¹¹² This position, which is highly concerned with the erosion of the public domain, carries the hallmarks of the

¹⁰⁸ Mark A. Lemley, *A New Balance Between IP and Antitrust* 5 (Stanford Law and Economics Olin, Working Paper No. 340, 2007), available at <http://ssrn.com/abstract=980045> ("For a variety of valid reasons, our legal system has not gone that route with information. Instead, government has created IP rights in an effort to give authors and inventors control over the use and distribution of their ideas, and therefore encourage them to invest efficiently in the production of new ideas and works of authorship. Thus, the economic justification for IP lies not in rewarding creators for their labor, but in assuring that they (and other creators) have appropriate incentives to engage in creative activities.")

¹⁰⁹ For an in-depth analysis of the impact that protecting ideas has on innovation and the public domain, see Oren Bar-Gill & Gideon Parchmovsky, *Essay, A Market Place for Ideas?*, 84 TEX. L. REV. 395, 422-23 (2005).

¹¹⁰ David W. Barnes, *Article, Trademark Externalities*, 10 YALE J.L. & TECH 1, 42 (2007) ("In trademark law, those interests are the creation of incentives to engage in trademarking activity and the use of marks to lower search costs and increase competition. Balancing these interests for any type of use of a mark requires weighing the benefits of exclusive rights and the benefits of free access.")

¹¹¹ INTELLECTUAL PROPERTY: TRADE, COMPETITION AND SUSTAINABLE DEVELOPMENT 238 (Petros C. Mavroidis & Thomas Cottier eds., U. of Michigan Press 2003) (observing that "recently, concerns about possible anti-competitive uses of intellectual property have been reinforced by perceptions that the scope of intellectual property rights as applied under national legislation may, in some circumstances, be excessively broad, or at least that trends are at work that may eventually result in over-broad protection for such rights.")

¹¹² Case 192/73, *Van Zuylen Frères v. Hag AG*, (1974) E.C.R. 731,743 (reasoning that "one cannot allow the holder of a trademark to rely upon the exclusiveness of a trademark right - which may have the consequence of a territorial limitation of national legislations - with a view to prohibiting the marketing in a Member State of goods legally produced in another Member State under an identical mark having the same origin."). See also Case C-317/91, *Deutsche Renault AG v. Audi AG*, (1993) E.C.R. I-06227; Gert Würtenberger, *Determination of Risk of Confusion in Trade Mark Infringement Proceedings in the European Union: The Quattro Decision* 7 E.I.P.R. 302 (1994); B. Reich, *The November Revolution of the European Court of Justice: Keck, Meng and Audi Revisited*, 31 C.M.L.R. 459, 463 (1994).

"Monopoly Phobia" of the post-Great Depression years.¹¹³ Its apprehension of expanding the categories and types of trademarkable things (and thus expanding the coverage of the private domain) has caused it to adopt a more restrained approach to intellectual property coverage.¹¹⁴

Although, on its face, the clash between awarding trademark rights in TDOs and the social value of fair competition seems imminent, it can, in my view, be averted. I submit that the competitors' interests need not necessarily clash with a rule that sanctions recognition for TDOs as marks. A legal norm that provides such recognition is not intended to award trademark protection to basic objects or shapes. Those objects lack distinctiveness that cannot be remedied by resorting to the "secondary meaning" mechanism. Furthermore, despite the fact that granting trademark rights in a TDO shrinks the "domain" of others, this fails to provide sufficient ground for an all-out revocation of such a grant. Marks are the guardians of the purest form of fair competition whereby competitors are banned from trespassing or free riding on another's goodwill.¹¹⁵ In addition, one needs to bear in mind that the freedoms of "occupation" and "competition" attach not only to competitors but also to the mark owner himself. All market players are entitled to these rights. Accordingly, there are two competing sets of interests, namely those of the mark's owner and those of his competitors. As such, the situation involves a "horizontal" clash between the competing interests of both parties, both of whom have legitimate claims as to their rights to engage in business conduct and practices.¹¹⁶ Indeed, while granting trademark protection for TDOs is likely to reduce the scope of the "bundle of objects" available in the public domain, its revocation is likely to limit the mark owner's freedom of competition because

¹¹³ Beverly Pattishall, *Trademarks and the Monopoly Phobia*, 50 MICH. L. REV. 967 (1952). See also PATTISHALL, *supra* note 67, at 15 ("This phobia seems to have been directly incident to the anti-business philosophy that grew out of the Great Depression years and was largely fostered by the courts whose judges were appointed during the new deal era.")

¹¹⁴ For a discussion about the interface between public goods and intellectual property protection, see H. J. Onsrud, *Balancing Intellectual Property Rights and Public Goods Interests in Geolibraries*, INTERNATIONAL FEDERATION OF SURVEYORS (FIG), vol. 3, pp. 222-26 (1998), <http://www.spatial.maine.edu/~onsrud/pubs/balanceIP&PG.pdf>.

¹¹⁵ PATTISHALL, *supra* note 67, at 15 ("Rather than a restraint on trade, trade identity rights are more appropriately viewed as a benefit to consumers, reducing consumer search cost and giving firms the incentive to maintain consistent product quality so as to make the investment of resources in developing and maintaining a strong trade identity worthwhile."). In addition, trademark protection also encourages newcomers into a market under a distinctive brand and to invest time and resources in building that brand. See Case-16/74 Centrafarm BV v. Wintrop BV, (1974) E.C.R. 1183, 1194; Case C-352/95 Pytheron Intern'l SA v. Jean Bourdon (1997) E.C.R. I-1729; Case 102/77 Hoffmann - La Roche v. Centrafarm, (1978) E.C.R. 1139.

¹¹⁶ This position was advanced by the Israeli High Court in various rulings including, 389/80 Yellow Pages Ltd. v. Broadcast Authority, P.D. 35 (1) 421; 1452/93 Iglo Contracting Co. for Bldg. Piping Works & Dev. Ltd. v. Minister of Indus. & Commerce, P.D. 47 (5) 610; 256/88 Medi-Invest Med. Center Hertzelia Ltd. v. Ministry of Health, P.D. 44 (1) 19.

the selection of marks that he can utilize in his commercial activity will be downsized.¹¹⁷ Consequently, the ideal regulatory system should not, as a matter of course, rule out trademark recognition for TDOs. Rather, it should be attuned to the conflicting interests involved and grant such recognition where warranted. By analogy, consider the debate pertaining to the rights over a surname. Just as in the TDO context, a surname constitutes a resource owned by a large number of individuals with that specific surname. However, case law and literature have adopted the view that "there is no paramount 'right' to use a surname in business where it is likely to be confused with a name that has already acquired source indicating significance."¹¹⁸

Significantly, this face-off between competing rights is not limited to trademark law, but is prevalent within the wider discourse pertaining to other intellectual property laws.¹¹⁹ Those laws grant the right holders a right to prevent others from using their respective patent, design, or copyrighted work. Understandably, this "monopoly," clashes with the rights of competitors who wish to compete in the marketplace while using the protected subject matter.¹²⁰ Thus, it would appear that all intellectual property

¹¹⁷ Not all agree with this view. See, e.g., Kenneth Germain, *The Interface and Conflict Between Utility Patents, Design Patents and Copyrights, on the One Hand, and Trademark/Trade Dress Rights, on the Other Hand*, 834 PRAC. L. INST. 231, 237 (2005) (envisioning a "Great Sea of Free Competition" vis-à-vis "Islands Afloat in the Great Sea," and stating this balance between the rule based on competition and the exceptions concerning a sole right to ensure consumer recognition, is "threatened when trademark doctrine is expanded to protect the product itself through trade dress regarding product configurations.").

¹¹⁸ PATTISHALL, *supra* note 67, at 78 (referring to *Ford Motor Co. v. Ford d/b/a Ford Records*, 462 F.2d 1405 (C.C.P.A. 1972), *cert. denied* 409 U.S. 1109 (1973), and *Floyd A. Mandell, Personal Name Trademarks – Your Name May Not be Your Own*, 70 TRADEMARK REP. 326 (1980)).

¹¹⁹ With respect to this clash of interests, see HOLYOAK, *INTELLECTUAL PROPERTY LAW* 41 (Butterworth's 2d ed., London 1998). Holyoak observes that "the consumer wants new products – so grants patents readily – but not at any price – so restricts the scope of the monopoly. A business wants the advantage of monopoly as a reward – but not at any price – so insists on public disclosure as its price. Society wants increased trade and wealth – but not at any price – hence the various restrictions and limitations." See also *Civil Appeal 2600/90 Elite Israeli Chocolate & Candy Indus. Ltd. v. Serenga*, P.D. 49/ (5) 796, 804 (acknowledging the need to balance between these two interests and that the competing interests are anchored in fundamental values of the highest importance in a free market culture. The court holds the need to balance between two competing sets of interests. On the one hand is the freedom of occupation, the principle of free trade and the need to secure the unimpeded flow of knowledge and information that form the basis of all progress and development. On the other hand, there stand the interests of the business or factory owner to protect his commercial rights, the knowledge, the time and the resources that he invested in his business, the production methods that he has developed and all the components that make up his business).

¹²⁰ William Landes & Richard Posner, *An Economic Analysis of Copyright Law*, 18 J. LEGAL STUD. 325, 328 (1989) ("Copyright protection – the right of the copyright's owner to prevent others from making copies – trades off the costs of limiting access to a work against the benefits of providing incentives to create the work in the first place. Striking the correct balance between access and incentives is the central problem in copyright law."). See also COOTER & ULEN, L. & ECON. 145 (Glenview 1988) ("the dilemma is that without a legal monopoly too little of the information will be protected but with the legal monopoly too little of the information will be used.").

rights are in a constant tug-of-war with the "freedom of competition" of other market players.¹²¹ Nevertheless, intellectual property rights remain justified due to their beneficial, or utilitarian, impact on the economy at large.¹²² Consequently, the "freedom of competition" should be construed in a manner that does not undermine the social efficiency emanating from the protection afforded to intellectual property rights.¹²³

E. *The Mutual Exclusivity of Intellectual Property Laws*

There remains the looming challenge of explaining why these objects should qualify for trademark protection when they are, in fact, extremely typical of what the laws of design patents are intended to cover. The challenge of classifying TDOs into a defined legal category is accentuated by the fact that these objects are located on the borderline between two distinctly different legal fields, namely, trademarks and design patents. This unusual state of affairs begs the question: Can these objects be simultaneously covered by both legal genres or should they be categorized into only one of them?

Those not in favor of recognizing these objects as marks contend that such recognition dodges the requirements of originality and novelty that constitute conditions for receiving design patent protection.¹²⁴ According to the view of skeptics, trademark recognition of TDOs effectively provides an unlimited term of protection, thereby circumventing the ten-year term that is generally granted to design patents.¹²⁵ This, in turn, creates unjustified lev-

¹²¹ TORREMANS & HOLYOAK, *supra* note 4, at 15 ("But how does such a legally created monopolistic exclusive property right fit in with the free market ideal of perfect competition? At first sight every form of monopoly might seem incompatible with free competition.").

¹²² *Id.* ("some form of property right is required to enhance economic development as competition can only play its role as market regulator if the products of human labour are protected by property rights The market mechanism is more sophisticated than the competition/monopoly dichotomy.").

¹²³ *Id.* ("It is not correct to see intellectual property rights as monopolies which are in permanent conflict with the fundamental rule of free competition. Free competition can only exist and a market economy can only flourish when certain restrictions in furtherance of competition are accepted."). Civil Appeal 5768/94 A.S.I.R. Imp., Prod. & Distrib. v. Forum Accessories & Consumer Goods Ltd., P.D. 52 (4) 289, 326 (reasoning that freedom of competition cannot sanction cases that involve copying of another's products or creations because such actions do not contribute to the public's welfare); E.A. 2600/90 Elite Israeli Chocolate & Candy Indus. Ltd. v. Serenga, P.D. 49/ (5) 796; SodaGal Ltd. v. Spielman, P.D. 47 (3) 459.

¹²⁴ *Sears Roebuck & Co. v. Stiffel Co.*, 376 U.S. 225 (1964) ("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 consumers from being misled as to the source But because of the federal patent laws a state may not, when the article is unpatented and uncopyrighted, prohibit the copying of the article itself or award damages for such copying. The judgment below did both and in so doing gave Stiffel the equivalent of a patent monopoly on its unpatented lamp. That was error.").

¹²⁵ The Israeli Trademark Registrar conveyed this concern that while one party maintains the confidentiality of a design and obtains a design patent and a limited term of protection, another party that registers its design as a trademark, attains unlimited protection. See Israeli Trademark Circular, *supra* note 38.

erage for those who are prevented from registering their designs due to lack of originality or choose not to register their designs in order to save costs and, more importantly, to receive a potentially unlimited term of protection through trademark law.¹²⁶ Those that oppose the use of trademarks to protect TDOs further caution that owners of TDOs should not be rewarded for their cunning actions.¹²⁷

Notwithstanding these compelling concerns, these opposers still fail to provide sufficient reasons as to why trademark law should not grant protection to TDOs. This is primarily because their line of argument fails to take stock of the whole picture with respect to the overlap between trademarks and design patents.¹²⁸ In order to respond to these concerns and to formulate a substantiated policy regarding this overlap, there is a need to shed light on the fine line that separates trademarks from design patents. From the outset it should be noted that design patent protection is contingent on originality and novelty. In other words, for an object to qualify for protection under the design patent laws, it must never have been used in the relevant jurisdiction or around the world. Design patent doctrine focuses on protecting the aesthetic characteristics, designs, and contours of an object. In this regard, design patents resemble copyrights because both are intended to reward creativity and originality. Due to this similarity, many legal systems perceive these two laws to be mutually exclusive and provide that where an object is eligible for design patent protection, it is not eligible for copyright protection, and vice versa.¹²⁹

Conversely, the relationship between design patents and trademarks hinges on the dissimilarities between both fields.¹³⁰

¹²⁶ DAVID I. BAINBRIDGE, *INTELLECTUAL PROPERTY* (6th ed., Longman 2006) ("The danger is that the proprietor of a patent or design right (whether a registered design or the unregistered design right) may be able to extend protection indefinitely through registration as a trade mark, a shape protected directly or indirectly under the patent or design right system.").

¹²⁷ Israeli Trademark Circular, *supra* note 38.

¹²⁸ This debate regarding the overlap or preemption of the different intellectual property subject matter has been under debate for some decades. For an overview of the debate, see Gideon Parchomovsky & Peter Siegelman, *Towards an Integrated Theory of Intellectual Property*, 88 VA. L. REV. 1455 (2002).

¹²⁹ Notwithstanding the similarity, there are differences between design patents and copyrights. Thus, while copyrights require that a modicum of creativity be applied and that the work is not copied from someone else, design patents need to meet various conditions, namely originality, novelty, non-obviousness, ornamental, or non-functionality. In this regard copyrights demand less originality than design patents. See Ryan Vacca, *Design Patents: An Alternative When the Low Standards of Copyright are Too High?*, 31 S. ILL. U. L.J., 325 (2007); see also TORREMANS & HOLYOAK, *supra* note 4, at 315-19; John Shepard Wiley, Jr., *Copyright at the School of Patent*, 58 U. CHI. L. REV. 119, 133 (1991). Furthermore, while copyrights focus mainly on authorship and art, design patents are geared towards mass production.

¹³⁰ *Pebble Beach Co. v. Tour 18 I Ltd.*, 155 F.3d 526 (5th Cir. 1998) ("[T]he Patent laws and the trademark laws have two entirely different and consistent purposes, addressing entirely different concerns.").

While design patents are geared towards mass production of objects and designs, trademarks facilitate commercial dealings and trade.¹³¹ Furthermore, while protection for an industrial design is contingent on its originality and innovative traits, trademark protection is not. It is not surprising that while a trademark as a commercial tool can be protected for an unlimited time – subject to use and payment of renewal fees – the right over a design patent is generally limited to a maximum term of ten, or possibly fifteen, years.¹³² Consequently, in light of these inherent and cardinal differences between trademarks and design patents, it is possible to envision such dual coverage where a certain object performs the distinct functions that underlie each of the two systems.¹³³ In fact, the concept of “hybrid” protection exists, without reservation, in the interrelationship between trademarks and copyrights. Consider, for example, that the Walt Disney Company’s Mickey Mouse character is protected by copyright law and by trademark law. This duality is not surprising given that this character, or drawing, appears on merchandise and also constitutes an original, copyrightable work of authorship. According to “utilitarian” theory, copyright law protects original works of authorship or art and aims to incentivize the creation of new works.¹³⁴ All this is done with a view towards boosting literary and artistic expression.¹³⁵ Evidently, both intellectual property laws (i.e. copyright and trademark) are intended to achieve cardinally

¹³¹ Trademarks are viewed as a marketing tool that is primarily intended to protect the consumer. A design patent is viewed as a product that is worthy of protection due to its creative attributes. For a historical account of the comparison between trademarks and design patents, see BRAD SIEMAN & LIONEL BENTLY, *THE MAKING OF MODERN INTELLECTUAL PROPERTY LAW: THE BRITISH EXPERIENCE, 1760-1911* 199 (Cambridge U. Press 1999) (“If we take the case of trademarks and designs, for example, these two categories were distinguished in terms of the social, economic and commercial benefits they provide and the manner in which their value was acquired. More specifically, while trademarks and designs shared many features in common, they were distinguished in terms of the different purposes which they served: trademarks signified the source or origin of goods, whereas designs, which were beautiful objects, were pleasing in themselves. Another difference was that while designs attracted the greater part of their value from their novelty, trademarks acquired their value through time.”).

¹³² LANDES & POSNER, *supra* note 69, at 186 (“One of the striking differences between trademarks on the one hand and copyrights and patents on the other is that trademarks have no fixed term. This difference makes economic sense.”). The design patent grants its owners a property right and a right of exclusivity over his design. Thus, he alone is entitled to revenues that are generated by that design patent.

¹³³ *Id.* at 332 (“The overlap of design patents with both copyrights and trademarks is great, because the distinctive design of a branded product is an expressive work and because it is also a common way in which the producer identifies his brand to consumers . . .”).

¹³⁴ TORREMANS & HOLYOAK, *supra* note 4, at 15 (“The perspective that they will be able to have a property right in the results of their investment will stimulate individuals and enterprises to invest in research and development.”).

¹³⁵ Another rationale of copyright protection emanates from Locke’s labor theory that is based on a moral stance of rewarding labor and effort. For a broad discussion of “labor theory” and its modern implications, see Yuval Feldman, *The Behavioral Foundations of Trade Secrets: Tangibility, Authorship and Legality* (Bar Ilan Univ. Pub. Law Working Paper No. 1-05 July 6, 2004), available at <http://ssrn.com/abstract=562233>.

different purposes. This allows for a synthesis of coverage between them without triggering a conceptual crisis.

The precedent has been set such that, in some cases, intellectual property laws can, and should, overlap in their coverage.¹³⁶ Indeed, while the various types of intellectual property subject matter do not completely overlap, they are not wholly detached either.¹³⁷ Compartmentalizing items into clear-cut categories of intellectual property law would be counterproductive to achieving the particular social and commercial purposes of these laws.¹³⁸

While copyrights and design patents are both intended to reward creativity, trademarks are intended to prevent confusion. Thus, it is not surprising that while the former two fields are viewed as mutually exclusive, the latter field is compatible with both. Accordingly, a TDO can, in addition to its basic nature as a potential design patent, also distinguish between competing products and, as such, qualify for trademark protection. As a result, TDOs should be regarded as *sui generis* creations that could meet the criteria of both systems of intellectual property protection. The mere fact that these objects can be the subject of design patent protection does not preclude them from also being trademarks. That is because, while an object's appearance may satisfy the requirements of a design patent (i.e. novelty and originality), it may also be eligible for trademark protection due to its ability to distinguish between competing products. Furthermore, it may be possible to identify cases involving TDOs that do not satisfy the requirements for design patent protection but do, in fact, qualify for trademark protection. Consider a situation wherein a half-moon shaped container is used to package a cream cheese product. While the law might not recognize this basic shape, which lacks novelty and originality, to be a design patent, it might still allow its registration as a trademark if it is capable of distinguishing the specific cheese it contains from other cheeses on the market. The interface between intellectual property laws need not be resolved by invoking a "zero-sum" conception of intellectual property laws.

F. *Assessing the Normative Analysis*

Those that oppose the inclusion of TDOs in the term "mark"

¹³⁶ For example, while an animation character such as Mickey Mouse is protected under copyright law because it is an original work of authorship, it is also protected as a trademark and service mark because goods and services are sold and rendered under it.

¹³⁷ For a discussion on the overlap between design patents and utility patents, see SHERMAN & BENTLY, *supra* note 131, at 84-88.

¹³⁸ Rashida MacMurray, *Trademarks or Copyrights: Which Intellectual Property Right Affords Its Owner the Greatest Protection of Architectural Ingenuity*, 3 NW. J. OF TECH. & INTELL. PROP. 111, 129 (2005) (indicating the owner of an architectural design needs to select one course of action, i.e. copyright or trademarks. "The best protection should be determined on a case by case basis.").

contend that such recognition undermines the just distribution of resources (i.e. public goods) and circumvents the rationales of protection for design patents. In their view, if owners of TDOs receive trademark protection, then their incentive to seek protection under the laws of design patents would be severely undercut.¹³⁹ They also voice concern that owners of non-original industrial designs would be able to attain an unlimited term of protection for their designs by accessing a legal "backdoor" in the form of trademark protection. This, they believe, would undermine the rationale behind the shorter term of protection for design patents, namely to minimize the placement of designs in the private domain. While this skepticism manifests some merit, it is not without error.

In my view, although awarding trademark protection to TDOs entails the "social cost" of limiting the scope of the public domain, this cost is offset by the greater advantages of protecting consumers from confusion and of guarding the goodwill that a market player has attained in a distinctive object. Furthermore, I submit that granting trademark protection to certain TDOs is warranted given the nature of these objects and their function as full-fledged marks. In other words, despite the costs that might be incurred by market competitors, commercially motivated social interests justify treating these objects as trademarks.¹⁴⁰ As a matter of principle, any trademark, notwithstanding its form or dimensions is eligible for registration if it is distinctive or has acquired distinctiveness.

With that being said, my argument is not about automatically applying trademark protection to all TDOs. Such an approach would be without merit, because it would completely undermine competitors' rights to compete in the market. To refer to an earlier example, how would one winery market its wine if another competing winery controls the rights over the use of bottles! To my mind, for a TDO to be recognized and registered as a mark, the owner of that object must demonstrate that it is utilized to identify the source of his goods and that registration of the object will not functionally impede the rights of others to compete in the marketplace. Thus, a TDO can qualify for trademark protection only if it is capable of distinguishing the goods of one entity from the goods of another, is not a generic form of the goods themselves,¹⁴¹ and is not dictated by functional needs.¹⁴²

¹³⁹ While design patents are generally protected for a limited time of fifteen years, trademark protection is not limited in time, as long as the requirements of distinctiveness and timely renewal are met.

¹⁴⁰ Bar-Gill & Parchmovsky, *supra* note 109, at 547.

¹⁴¹ *E.g.*, the basic form of a battery will not be recognized as a trademark because it constitutes the product itself.

¹⁴² Folliard-Monguiral, *supra* note 38, at 169. *See also* A.Y. McDonald & Morrison Mfg. Co. v. H. Mueller Mfg. Co., 183 F. 972 (8th Cir. 1910); Sterling Remedy Co. v. Eureka Chemi-

Importantly, such trademark recognition for TDOs can exist in conjunction with the laws of design patents. This holds true despite the fact that intellectual property laws do not always tolerate an overlap of coverage (i.e. the interface between copyrights and design patents). Nevertheless, systematic compartmentalization of intellectual property laws should not be the only applicable approach. In fact, such "segregation" would not only negate the law as it is but would stand counter to what the law ought to be. In my view, intellectual property laws need not always be mutually exclusive because a single subject-matter can simultaneously serve more than one purpose and, as such, be eligible for protection under more than one law. Specifically, while copyright-design patent exclusivity is justified, such outright exclusivity in the interface between marks and design patents is not warranted.¹⁴³ This is primarily because marks function as commercial tools that are utilized by consumers in order to identify products, while design patents and copyrights both protect innovation and creativity.¹⁴⁴ Thus, in the TDO context, the law should tolerate simultaneous protection. In those cases, the "Election of Protection" doctrine, whereby a market player needs to select only one means of protection, should not apply.¹⁴⁵

III. FROM THEORY TO PRACTICE: THE "SHADOW TEST"

After overcoming the hurdles in the normative domain, the challenge of resolving the TDO problem in the practical realm persists. Even if registration of TDOs as marks is conceptually possible, formulation of a model to identify cases in which objects can, and should, receive trademark protection remains necessary. It would appear that any rule that attempts to comprehensively address the interface between TDOs and trademark law falls into the general heading of "hard cases."¹⁴⁶ That is because TDOs can-

cal & Mfg. Co., 80 F. 105 (7th Cir. 1897); *Fleischmann v. Newman*, 2 N.Y.S. 608 (1888); *In re E. S. Robbins Co.*, 30 U.S.P.Q.2d 1540 (1992).

¹⁴³ *Parchomovsky & Siegelman*, *supra* note 128, at 1474 (arguing even further that "leveraging patents through trademarks may improve social welfare.").

¹⁴⁴ *Id.* at 1472-73 (submitting that even in the case of copyrights and patents, there can be some overlap which has been very beneficial in the context of protecting computer software.).

¹⁴⁵ *Id.* at 1472-74. In 1995, the U.S. Copyright Office amended 37 CFR § 202.10, which gave rise to the "election of protection" doctrine. That section now declares that "[t]he availability of protection or grant of protection under the law for a utility or design patent will not affect the registrability of a claim in an original work of pictorial, graphic, or sculptural authorship." It is worth noting that the USPTO had also revoked this policy line in 1994 following the decision in *In re Yardley*, 493 F.2d 1389 (C.C.P.A. 1974). For a discussion of the situation prior to the 1995 amendment, see David Goldberg & Robert Bernstein, *The Either/Or Protection Issue*, N.Y. L.J. (Mar. 19, 1993), 3.

¹⁴⁶ Lord John Campbell stated, "Hard cases, it is said, make bad law." All Great Quotes, available at http://www.allgreatquotes.com/law_quotes.shtml (last visited Feb. 29, 2008).

not all be treated in the same manner. Thus, the final challenge lies in formulating a rule that is both conclusive in scope and flexible in approach.

The model I propose and to which I refer as the "shadow" test, hinges on a single primary question and two auxiliary queries. The primary question in the proposed model could be articulated in the following fashion: If a given object is "darkened" whereby all other markings are no longer perceptible, would the consumer still be able to identify the product or service that it denotes? In other words, can a "shadow" image of the object still be, in and of itself, indicative of the product? If the answer with respect to a specific object is in the affirmative, then the conclusion would be that this TDO is eligible for trademark protection. In this case, the TDO would be deemed as sufficiently distinctive so as to identify the source or type of a product or service. That object would have transcended its original nature as a design patent and would have undergone a commercial-metamorphosis into the realm of trademarks.¹⁴⁷

An affirmative response to the above-mentioned primary question paves the way for two auxiliary questions. First, is the shape of the product dictated by predominantly functional considerations? Second, does placing the object in the private domain deprive competitors of a generic public good? In order for a competitor to prevail in such a dispute, both auxiliary questions need to be answered affirmatively.

The examples I presented in this research leave no room for doubt that at least some TDOs are capable of distinguishing the goods of one entity from those of another. Consequently, trademark law should not determine trademark recognition based on form but rather based on substance.¹⁴⁸ In other words, trademarks that are comprised of TDOs should not be treated differently from regular two-dimensional marks.

CONCLUSION

When pondering the "trademarkability" of TDOs, the easy solution would be to treat them as objects that ought to be protected under the laws of design patents (industrial designs). I submit that despite the apparent logic of this argument, one should not be lured into its rhetorical trap; this argument lacks a comprehen-

¹⁴⁷ For a list of tactical considerations that need to be considered when attempting to obtain trademark protection for three-dimensional objects, see Hanson, *supra* note 106, at 919-22.

¹⁴⁸ The Registrar of Trademarks is authorized to register the shape of a bottle for soft drinks (trademark number 49458) and the shape of a salt shaker for spices (trademark number 48872). In the U.S., a rod for rolling carpets, designed in an original form, was accepted as a trademark. See *Lowell Mfg. Co. v. Larned*, 15 F. 1024 (1873).

sive philosophy regarding the nature of marks.

It is almost a self-evident truth that marks primarily function as commercial tools that help consumers to distinguish between competing products or services. The law grants the owner of a mark a right of sole use in order to prevent competitors from using an identical or similar mark that is likely to cause consumer deception. I have demonstrated how a TDO, in and of itself, can assist the consumer to identify the product and encapsulate its quality and characteristics. Thus, the law should recognize it as a mark. My analysis leads me to the conclusion that, in principle, trademark protection should be bestowed on TDOs that meet the basic requirement of distinctiveness.

Since trademarks are primarily a commercial tool, the scope of trademark coverage should be determined with consumers' interests in mind. The public-private domain face-off should also be settled with the public's, or consumers', interests in mind. Given all of the above, the intellectual property regulatory system should not shun the trademarkability of TDOs. My argument is one of instrumentalism, meaning that as long as a TDO performs the function of a trademark it should be protected as such, without regard for other potential avenues of legal protection (i.e. design patents). To my mind, these two laws are not, and should not be, mutually exclusive, because they serve the economy in distinctly different ways. The rationales that underlie both laws are manifestly dissimilar. Furthermore, I assert that the laws of design patents and the laws of trademarks complement, rather than substitute, each other. I submit that it is feasible and logical to utilize both legal forms of protection jointly.

My thesis is that a TDO can function as a trademark while simultaneously being considered an industrial design. This matches the language of conventional trademark laws, but, more importantly, agrees with the recognition that these two laws are propelled by different, albeit compatible, policy considerations. Consequently, the overlap between both laws is not an oversight but rather a "mouthpiece" of reality.

Finally, the model I propose is intended to be applied by trademark registrars and the courts. It hinges on the factors that transform a certain sign into a mark. I submit that, given the normative backdrop of my research, my proposed three-tier "shadow" test constitutes a practical instrument for determining the trademarkability of any given TDO.