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THE QUALITEX MONSTER: THE COLOR TRADEMARK DISASTER¹

I. INTRODUCTION

Traditionally, colors were not granted trademark protection unless combined with a distinctive design.² In 1985, the Federal Circuit departed from the majority rule in *In re Owens-Corning Fiberglas Corp.*³ to hold that the corporation could register the pink color of its insulation as a trademark.⁴ Thereafter, the Seventh Circuit declined to follow the *Owens-Corning* decision in *NutraSweet Co. v. Stadt Corp.*⁵ Although deciding *Master Distributors, Inc. v. Pako Corp.*⁶ on another issue, the Eighth Circuit announced its willingness to follow *Owens-Corning*. Following the majority rule among the circuits, the Ninth Circuit, in *Qualitex Co. v. Jacobson Products Co.*,⁷ held in January 1994 that color alone was not protectible.⁸ The Supreme Court granted certiorari to resolve this conflict within the circuits and unanimously reversed the Ninth Circuit, thus abandoning the traditional rule of no protection for color alone.⁹

II. STATEMENT OF FACTS

The Qualitex Company (Qualitex) has manufactured and sold

¹ See *Trademark Rights Given for Colors: High Court Rules Against Valley Firm*, L.A. DAILY NEWS, March 29, 1995 at B1 (stating comment of Jacobson's president, Sidney Jacobson that "the Supreme Court has created a monster . . . everyone will be trying to get a color (trademarked) and it's going to be a mess.").

² *NutraSweet Co. v. Stadt Corp.*, 917 F.2d 1024, 1027, 16 U.S.P.Q.2d (BNA) 1959 (7th Cir. 1990), *cert. denied*, 499 U.S. 983 (1991).

³ 774 F.2d 1116, 227 U.S.P.Q. (BNA) 417 (Fed. Cir. 1985). "Fiberglas" is a registered trademark of the Owens-Corning Fiberglas Corporation, in use since 1936. William J. Keating, *Development of Evidence to Support Color-Based Trademarks*, 9 J.L. & COM. 1, 1 n.4 (1989).

⁴ *Owens-Corning*, 774 F.2d at 1128.

⁵ 917 F.2d 1024, 1027 (7th Cir. 1990), *cert. denied*, 499 U.S. 983 (1991).

⁶ 986 F.2d 219, 224, 25 U.S.P.Q.2d (BNA) 1794 (8th Cir. 1993).

⁷ 13 F.3d 1297, 29 U.S.P.Q.2d (BNA) 1277 (9th Cir. 1994) *rev'd*, 115 S. Ct. 1300 (1995).

⁸ *Qualitex*, 13 F.3d at 1302.

⁹ *Qualitex Co. v. Jacobson Prods. Co.*, 115 S. Ct. 1300, 1302, 34 U.S.P.Q.2d (BNA) 1161 (1995).

"SUN GLOW[®]" press pads for dry cleaning presses since 1957.¹⁰ In 1989, Jacobson Products Company, Inc. (Jacobson) began selling "MAGIC GLOW" press pads dyed the same green-gold color as those made by Qualitex.¹¹ Qualitex's press pads have been prominently advertised in trade publications in color since 1970.¹² Additionally, Qualitex distributes materials picturing its green-gold press pad at trade shows and through mailings.¹³ Until Jacobson introduced its "MAGIC GLOW" press pads, no company other than Qualitex made green-gold press pads, although other press pads were sold in a variety of colors.¹⁴

Press pads function as padding on machines that press clothes in the dry cleaning and garment manufacturing industries.¹⁵ An outer layer of cloth treated to resist heat covers the padding, which is made from fiberglass, rubber, and insulating materials.¹⁶ During the pressing process, the pads become scorched and are "rendered unsightly if color is not present to mute or disguise the inevitable scorch marks."¹⁷ Thus, "[t]here is a competitive need in the press pad industry for color."¹⁸

Qualitex brought suit against Jacobson for trademark infringement and for unfair competition in violation of § 43 of the Lanham Act, seeking both an injunction and damages.¹⁹ In 1991, while the suit was pending, the Patent and Trademark Office granted

¹⁰ Qualitex Co. v. Jacobson Prods. Co., 13 F.3d 1297, 1300 (9th Cir. 1994), *rev'd*, 115 S. Ct. 1300 (1995).

¹¹ *Id.*

¹² Qualitex Co. v. Jacobson Prods. Co., 21 U.S.P.Q.2d (BNA) 1457, 1458 (C.D. Cal. 1991). "No other advertiser ever ran an ad with that color" in American Drycleaner Magazine, the leading trade publication. *Id.*

¹³ *Id.* "Qualitex also drapes its booths at trade shows with green-gold cover material. *Id.*

¹⁴ *Id.* Jacobson has sold dark green and two-tone grey and green press pads since 1988. *Id.*

¹⁵ Junda Woo, *Product's Color Alone Can't Get Trademark Protection, Court Says*, WALL ST. J., Jan. 5, 1994, at B8.

¹⁶ Qualitex, 21 U.S.P.Q.2d at 1457.

¹⁷ Appellee's Brief in Opposition to Petition for Writ of Certiorari at 11, Qualitex Co. v. Jacobson Prods. Co., 13 F.3d 1297 (9th Cir. 1994) (No. 93-1577).

¹⁸ Qualitex Co. v. Jacobson Prods. Co., 21 U.S.P.Q.2d (BNA) 1457, 1460 (C.D. Cal. 1991) (finding that number of available colors was "in the hundreds, if not thousands").

¹⁹ Qualitex Co. v. Jacobson Prods. Co., 13 F.3d 1297, 1300 (9th Cir. 1994), *rev'd*, 115 S. Ct. 1300 (1995). Qualitex sought damages for Jacobson's profits from the sale of "MAGIC GLOW" press pads and an injunction against their further manufacture and marketing. *Id.*

registration of Qualitex's green-gold color.²⁰ The District Court for the Central District of California held that Jacobson was guilty of trademark infringement and unfair competition and granted the injunction and awarded damages to Qualitex.²¹

Jacobson counterclaimed, seeking a declaration that Qualitex's trademark was invalid, arguing that color alone cannot be protected.²² The district court held that the existence of a registered trademark is "prima facie evidence" of validity and determined that Jacobson failed to prove that the mark was invalid.²³

The Ninth Circuit unanimously reversed the district court's finding that Jacobson was guilty of trademark infringement and held that color alone could not receive trademark protection.²⁴ Since the trademark for color was found invalid, the Ninth Circuit directed the district court to enter judgment cancelling the trademark.²⁵ In addition, the court affirmed the judgment of unfair competition for Qualitex, the award of monetary damages for the unfair competition claim and the injunction against Jacobson.²⁶

III. BACKGROUND OF THE APPLICABLE LAW

A. TRADITIONAL RULE PROHIBITING PROTECTION OF COLOR ALONE

The majority of courts have held that color alone was not protectible.²⁷ Three major reasons have been given to deny

²⁰ *Id.* Qualitex's registration was issued February 5, 1991 as No. 1,633,711. *Id.*

²¹ *Id.* Jacobson was ordered to pay \$82,013.13 plus costs to Qualitex. Also, Jacobson and its agents were "permanently enjoined from manufacturing, marketing or selling press pads" in the same green-gold color or any closely similar shade. *Qualitex*, 21 U.S.P.Q.2d at 1462.

²² *Qualitex Co. v. Jacobson Prods. Co.*, 13 F.3d 1297, 1300 (9th Cir. 1994), *rev'd*, 115 S. Ct. 1300 (1995).

²³ *Qualitex Co. v. Jacobson Prods. Co.*, 21 U.S.P.Q.2d (BNA) 1457, 1460 (C.D. Cal. 1991).

²⁴ *Qualitex Co. v. Jacobson Prods. Co.*, 13 F.3d 1297, 1302, 1305 (9th Cir. 1994), *rev'd*, 115 S. Ct. 1300 (1995).

²⁵ *Id.* at 1305.

²⁶ *Id.*

²⁷ *See, e.g., id.* at 1302 (listing rules in the courts of appeals); *NutraSweet Co. v. Stadt Corp.*, 917 F.2d 1024, 1027 (7th Cir. 1990), *cert. denied*, 499 U.S. 983 (1991) (noting general rule barred trademark protection for color); J. THOMAS MCCARTHY, 1 MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 7.16(1) (3d ed. 1993) (stating that only Eighth Circuit follows Federal Circuit's holding "that the overall color of a product was not precluded from

trademark protection for color alone: the color depletion theory,²⁸ the shade confusion theory,²⁹ and the functionality doctrine.³⁰

The color depletion theory rests on the assumption that a limited number of possible colors exist, and if manufacturers can monopolize colors for a product, the "list of colors will soon run out."³¹ It was understood originally that registration of a color would encompass all of its shades; thus, monopolization of a primary color has been prohibited for almost ninety years.³² Modern courts have applied the color depletion theory to bar protection for one shade of a color.³³

Additionally, the available color palette for some products is quite restricted due to the nature of the product itself.³⁴ In *R.L. Winston Rod Co. v. Sage Manufacturing Co.*,³⁵ only a few colors were shown to cover successfully black graphite fishing rods and the court held that allowing one company to monopolize green would "severely restrict competition."³⁶ In these industries, there is a "competitive need" for color and even under a rule allowing color trademarks, protection would be denied.³⁷

The color depletion theory has been criticized because thousands

registration as a trademark.").

²⁸ *Campbell Soup Co. v. Armour & Co.*, 175 F.2d 795, 798, 81 U.S.P.Q. (BNA) 430 (3d Cir. 1949), *cert. denied*, 338 U.S. 847 (1949) (originating color depletion theory to deny protection of red and white soup can labels).

²⁹ *NutraSweet Co. v. Stadt Corp.*, 917 F.2d 1024, 1027 (7th Cir. 1990), *cert. denied*, 499 U.S. 983 (1991).

³⁰ *Sylvania Elec. Prods., Inc. v. Dura Elec. Lamp Co.*, 247 F.2d 730, 733, 114 U.S.P.Q. (BNA) 434 (3d Cir. 1957) (holding blue dot on photographic flashbulbs to be functional in utilitarian sense); *Deere & Co. v. Farmhand, Inc.*, 560 F. Supp. 85, 98, 217 U.S.P.Q. (BNA) 252 (S.D. Iowa 1982), *aff'd per curiam*, 721 F.2d 253 (8th Cir. 1983) (finding color of front-end loaders to be aesthetically functional).

³¹ *Campbell Soup*, 175 F.2d at 798.

³² *Diamond Match Co. v. Saginaw Match Co.*, 142 F. 727, 729 (6th Cir. 1906), *cert denied*, 203 U.S. 589 (1906); *Campbell Soup Co. v. Armour & Co.*, 175 F.2d 795, 798 (3d Cir. 1949).

³³ *See First Brands Corp. v. Fred Meyer, Inc.*, 809 F.2d 1378, 1382-83, 1 U.S.P.Q.2d (BNA) 1779 (9th Cir. 1987) (denying protection of color yellow for antifreeze bottles).

³⁴ *R.L. Winston Rod Co. v. Sage Mfg. Co.*, 838 F. Supp. 1396, 1400, 29 U.S.P.Q.2d (BNA) 1779 (D. Mont. 1993).

³⁵ *Id.*

³⁶ *Id.* at 1400.

³⁷ 774 F.2d at 1121-22 (finding no competitive need for color in fiberglass industry and holding color pink protectible).

of shades exist through modern technology.³⁸ However, others have noted that most consumers are unable to identify between products colored with different shades of the same primary color; thus, the existence of almost infinite shades of colors does not warrant trademark registration of colors.³⁹

A similar argument against protecting color per se is the shade confusion theory. Under this theory, the contention is that litigation over trademarks would become focused on whether the colors were genuinely different.⁴⁰ Proponents of shade confusion theory argue that courts would face difficulties in distinguishing between colors, particularly because registrations of marks do not contain color samples.⁴¹

However, courts had to make these shade determinations even in jurisdictions that barred protection of mere color, thus weakening the shade confusion theory.⁴² In addition, even if consumers cannot identify different shades, courts can employ scientific evidence to precisely differentiate colors.⁴³ Moreover, courts already distinguish between other marks, such as words, which require more problematic inquiries.⁴⁴

A final argument traditionally given to deny protection rested on functionality. Under the functionality doctrine, features, such as color, cannot be protected if they are functional.⁴⁵ The functional-

³⁸ *Master Distrib., Inc. v. Pako Corp.*, 986 F.2d 219, 223, 25 U.S.P.Q.2d (BNA) 1794 (8th Cir. 1993).

³⁹ *E.g.*, MCCARTHY, *supra* note 27, § 7.16(1) (arguing that it is "naive view" to assume "fine variations in shade" will be distinguishable); Craig Summerfield, Note, *Color as a Trademark and the Mere Color Rule: The Circuit Split for Color Alone*, 68 CHI.-KENT L. REV. 973, 996 (1993) ("merely listing the number of colors . . . provides little insight").

⁴⁰ *NutraSweet Co. v. Stadt Corp.*, 917 F.2d 1024, 1027 (7th Cir. 1990), *cert. denied*, 499 U.S. 983 (1991); *In re Owens-Corning Fiberglas Corp.*, 774 F.2d 1116, 1131 (Fed. Cir. 1985) (Bissell, J., dissenting).

⁴¹ 37 C.F.R. § 2.52(e) (1994) (requiring submission of drawing with trademark application with colors indicated by patterns of lines). Note that only eight line patterns are available and four of these patterns can each represent two colors.

⁴² *E.g.*, *Master Distribs., Inc. v. Pako Corp.*, 986 F.2d 219, 223 (8th Cir. 1993) ("questions regarding shade confusion are already being answered"); MCCARTHY, *supra* note 27, § 7.16(1) ("even under the present state of the law, such questions will still arise to a limited extent").

⁴³ MCCARTHY, *supra* note 27, § 7.16(1).

⁴⁴ *In re Owens-Corning Fiberglas Corp.*, 774 F.2d 1116, 1123 (Fed. Cir. 1985).

⁴⁵ *Brunswick Corp. v. British Seagull Ltd.*, 35 F.3d 1527, 1530, 1533, 32 U.S.P.Q.2d (BNA) 1120 (Fed. Cir. 1994) (finding that color black of outboard motors was functional because it was compatible in color with boats and made motor appear smaller in size), *cert.*

ity doctrine was derived judicially to prevent one manufacturer from having a monopoly over "an advance in effectiveness of operation, or in simplicity of form, or in utility of color."⁴⁶ The functionality doctrine outweighs the manufacturer's "right to protect symbols which identify the source of particular goods" because protecting functional features, including color, would deter or eliminate competition.⁴⁷

The United States Supreme Court has said that "a product feature is functional if it is essential to the use or purpose of the article or if it affects the cost or quality of the article."⁴⁸ All the circuits recognize the doctrine of utilitarian functionality, but define functionality in different ways.⁴⁹ If protecting a product feature, such as color, would "hinder competition"⁵⁰ because it would be costly for other manufacturers "to design around or do without," then that feature is functional and cannot be protected.⁵¹

Some of the circuits also recognize aesthetic functionality as a

denied, 115 S. Ct. 1426 (1995).

⁴⁶ *Pope Automatic Merchandising Co. v. McCrum-Howell Co.*, 191 F. 979, 982 (7th Cir. 1911), *cert. denied*, 223 U.S. 730 (1912); *see Sylvania Elec. Prod., Inc. v. Dura Elec. Lamp Co.*, 247 F.2d 730, 732 (3d Cir. 1957) (stating that functionality doctrine "prevent[s] the grant of perpetual monopoly by the issuance of a trade-mark in the situation where a patent has either expired, or for one reason or another, cannot be granted").

⁴⁷ *Brunswick Corp.*, 35 F.3d at 1530 (discussing *In re Morton-Norwich Products, Inc.*, 671 F.2d 1332, 1337, 213 U.S.P.Q. (BNA) 9 (C.C.P.A. 1982)); *see* RESTATEMENT (THIRD) OF UNFAIR COMPETITION § 17 cmt. a (1995) (stating that functionality doctrine prevents "anticompetitive consequences" of exclusive rights).

⁴⁸ *Inwood Lab., Inc. v. Ives Lab., Inc.*, 456 U.S. 844, 850 n.10, 214 U.S.P.Q. (BNA) 1 (1982); *see Kellogg Co. v. National Biscuit Co.*, 305 U.S. 111 (1938) (holding that shape of product was functional because its cost would increase and its quality decrease if another shape had to be used instead).

⁴⁹ *MCCARTHY*, *supra* note 27, § 7.26[3][a] (noting that "[m]any agree that the 'ultimate question' is whether the copier is able to 'compete effectively' without copying" the first product's feature).

⁵⁰ RESTATEMENT (THIRD) OF UNFAIR COMPETITION § 17 cmt. a (1995); *see Sylvania Elec. Prod., Inc. v. Dura Elec. Lamp Co.*, 247 F.2d 730 (3d Cir. 1957) (holding that chemical air leakage indicator on photographic flashbulbs which changed color to indicate leak was functional as color is necessary for its purpose).

⁵¹ *Schwinn Bicycle Co. v. Ross Bicycles, Inc.*, 870 F.2d 1176, 1189, 10 U.S.P.Q.2d (BNA) 1001 (7th Cir. 1989); *see Black & Decker Mfg. Co. v. Ever-Ready Appliance Mfg. Co.*, 518 F. Supp. 607, 213 U.S.P.Q. (BNA) 842 (E.D. Mo. 1981) (finding black tread of stepladder functional because dirt does not show on black), *aff'd* 684 F.2d 546 (8th Cir. 1982); *Brunswick Corp. v. British Seagull Ltd.*, 35 F.3d 1527, 1532-33 (Fed. Cir. 1994) (holding that color black was functional because it "suppl[ied] a competitive advantage"), *cert. denied*, 63 U.S.L.W. 3487 (1995).

means of finding color functional.⁵² In *Deere & Co. v. Farmhand, Inc.*,⁵³ the color John Deere green was held to be functional for farm equipment because "farmers prefer to match their loaders to their tractor" and protection of the color would harm competition.⁵⁴ If the color of a product is a significant element of its success, even if for purely aesthetic reasons, the color should also be available for imitation by competitors.⁵⁵

B. *IN RE OWENS-CORNING FIBERGLASS CORP.*: DEPARTURE FROM THE TRADITIONAL RULE

In 1985, a divided Federal Circuit held that the Owens-Corning Fiberglas Corporation (Owens-Corning) was entitled to registration of the color pink in manufacturing fiberglass insulation.⁵⁶ The court found that the color pink was not functional and had acquired secondary meaning, and thus could be protected.⁵⁷ This decision marked the first time a color *alone* received trademark protection.⁵⁸ Only one other circuit treated the *Owens-Corning* decision with approval.⁵⁹

The Federal Circuit noted that the Lanham Act provided for a

⁵² MCCARTHY, *supra*, note 27, § 7.26[4][b] (noting that many circuits reject or limit doctrine); *see* First Brands Corp. v. Fred Meyer, Inc., 809 F.2d 1378, 1382 n.3 (9th Cir. 1987) (stating that "the 'aesthetic' functionality test has been limited . . . in favor of the 'utilitarian' functionality test" in the Ninth Circuit).

⁵³ 560 F. Supp. 85 (S.D. Iowa 1982), *aff'd per curiam*, 721 F.2d 253 (8th Cir. 1983).

⁵⁴ *Id.* at 98.

⁵⁵ *Id.* ("The doctrine of aesthetic functionality defines functionality in terms of consumer acceptance."); *e.g.*, R.L. Winston Rod Co. v. Sage Mfg. Co., 838 F. Supp. 1396, 1400 (D. Mont. 1993) (finding consumers preferred color of their fly rods to "evoke the natural colors of the outdoor environment in which they are used," thus green, black, and brown are functional); Black & Decker Mfg. Co. v. Ever-Ready Appliance Mfg. Co., 518 F. Supp. 607, 617 (E.D. Mo. 1981) (finding that both manufacturers chose color almond because "it was the most popular color for kitchen accessories"), *aff'd*, 684 F.2d 546 (8th Cir. 1982).

⁵⁶ *In re Owens-Corning Fiberglas Corp.*, 774 F.2d 1116, 1128 (Fed. Cir. 1985). The Trademark Trial and Appeal Board had held that "[a]nalysis of color trademarks should . . . be subject to the same analysis as any other sort of ornamentation," but Owens-Corning had not shown that "pink functions as a trademark for . . . insulation." 221 U.S.P.Q. 1195, 1198-99 (T.T.A.B. 1984).

⁵⁷ *Owens-Corning*, 774 F.2d at 1122.

⁵⁸ MCCARTHY, *supra* note 27, § 7.16[2].

⁵⁹ Master Distribs., Inc. v. Pako Corp., 986 F.2d 219, 224 (8th Cir. 1993); MCCARTHY, *supra* note 27, § 7.16[2].

broad policy of granting trademarks unless an express exception covers the type of mark.⁶⁰ The court emphasized that no exception is given for color and that analogous protection now exists for other "previously excluded indicia," such as product configurations, slogans, and sounds.⁶¹ The Federal Circuit found that color mark cases are decided on a case-by-case basis consistent with the intent of Congress in enacting the Lanham Act.⁶²

The Federal Circuit discounted or diluted the customary arguments against protection of color alone. First, the court stated that the color depletion theory is no longer applicable as a "per se prohibition" on the protection of color marks after the enactment of the Lanham Act.⁶³ However, the examples the court cited in support of its proposition are concerned with protection for color as part of a design, not for color alone.⁶⁴ Since "each case is decided upon its facts," the color depletion theory cannot bar all protection of color, but the court left open the possibility that the theory could be applied in appropriate situations.⁶⁵

Second, the court reaffirmed the rule that "when the color applied to goods serves a primarily utilitarian purpose it is not subject to protection as a trademark."⁶⁶ If a color is found to be functional, it cannot be protected because to do so would eliminate competition.⁶⁷ The question of functionality was not raised in opposition to registration, but Owens-Corning was the only manufacturer to apply any color to insulation; thus, pink did not appear to be

⁶⁰ *Owens-Corning*, 774 F.2d at 1119; 15 U.S.C. § 1052 (1988) ("No trademark by which the goods of the applicant may be distinguished from the goods of others shall be refused registration. . .").

⁶¹ *Owens-Corning*, 774 F.2d at 1119-1120.

⁶² *Id.* at 1120.

⁶³ *Id.* (finding color depletion theory to be "in conflict with the liberating purposes of the Act").

⁶⁴ *Id.*; see, e.g., *In re Hehr Mfg. Co.*, 279 F.2d 526, 528, 126 U.S.P.Q. (BNA) 381 (C.C.P.A. 1960) (allowing registration of square red label); *In re Data Packaging Corp.*, 453 F.2d 1300, 172 U.S.P.Q. (BNA) 386 (C.C.P.A. 1972) (granting registration of colored band on contrasting computer tape reel).

⁶⁵ *In re Owens-Corning Fiberglas Corp.*, 774 F.2d 1116, 1120 (Fed. Cir. 1985); see *First Brands Corp. v. Fred Meyer, Inc.*, 809 F.2d 1378, 1382 (9th Cir. 1987) (holding that "*Owens-Corning* continues to apply the color depletion theory unless there is no competitive need for the color in a particular industry").

⁶⁶ *Owens-Corning*, 774 F.2d at 1120-21.

⁶⁷ *Id.* at 1121.

functional and other manufacturers had no "competitive need" for the color pink.⁶⁸

The Federal Circuit also rejected the shade confusion theory as a reason to prohibit protection for color marks.⁶⁹ The court agreed with the Trademark Trial and Appeal Board that courts already make harder and more confusing determinations based on distinctions between word marks.⁷⁰ The court noted that previous cases have drawn distinctions between shades. However, in support of this proposition, the court cited a comparison between a dual-colored product and a product colored in only one shade.⁷¹

Having found that there was no competitive need for the color pink, the court then considered whether the color pink had acquired secondary meaning.⁷² The court held that due to the large amount of money spent on advertising pink insulation, the color pink had obtained secondary meaning.⁷³ The Lanham Act provides that a mark "which has become distinctive of applicant's goods in commerce" can be registered.⁷⁴ In order to demonstrate secondary meaning, the court required evidence of the "method of using the mark" and effectiveness of that method in "caus[ing] the purchasing public to identify the mark with the source of the product."⁷⁵

The court acknowledged that "[b]y their nature color marks carry a difficult burden in demonstrating distinctiveness and trademark character," but found that Owens-Corning presented enough evidence to be granted registration.⁷⁶ The corporation demonstrat-

⁶⁸ *Id.* at 1121-22; see also Summerfield, *supra* note 39, at 975 ("The Owens-Corning court established a 'competitive need' test for granting rights in color alone.").

⁶⁹ *Owens-Corning*, 774 F.2d at 1123.

⁷⁰ *In re Owens-Corning Fiberglas Corp.*, 774 F.2d 1116, 1123 (Fed. Cir. 1985).

⁷¹ *Id.* (citing *Youngstown Sheet and Tube Co. v. Armco Steel Corp.*, 170 U.S.P.Q. (BNA) 162 (T.T.A.B. 1971) (comparing grey and orange banded fence post and orange banded pipe)).

⁷² *Owens-Corning*, 774 F.2d at 1124.

⁷³ *Id.* at 1127.

⁷⁴ 15 U.S.C. § 1052(f) (Supp V. 1993); *Owens-Corning*, 774 F.2d at 1124 (stating that Lanham Act "codifies] the common-law doctrine of secondary meaning).

⁷⁵ *In re Owens-Corning Fiberglas Corp.*, 774 F.2d 1116, 1125 (Fed. Cir. 1985); see 15 U.S.C. § 1052(f) (1988) (stating that "proof of substantially exclusive and continuous use . . . for the five years" prior could be "prima facie evidence that the mark has become distinctive").

⁷⁶ *Owens-Corning*, 774 F.2d at 1127-28. The court also noted that an increased level of evidence was needed to find ornamentation, such as color, distinctive. *Id.* at 1124.

ed that from 1972 to 1981 it spent over forty-two million dollars in advertising its pink insulation and it presented surveys showing that fifty percent of homeowners knew that Owens-Corning Corporation made pink insulation.⁷⁷ Since "[t]he size of advertising expenditures alone has been found to serve as strong evidence of secondary meaning," the court found that Owens-Corning established secondary meaning of the color pink.⁷⁸

Thus, the Federal Circuit held that Owens-Corning was allowed to register the color pink because it was not functional, there was no competitive need for pink in the insulation market, and it had acquired secondary meaning.⁷⁹

Judge Bissell dissented from the majority in *Owens-Corning*, arguing that the traditional prohibition against trademarks for color alone should remain as law.⁸⁰ Although the majority discussed whether color could receive trademark protection, the dissent stated that the single issue litigated was whether secondary meaning had been demonstrated.⁸¹ The dissent took issue with the majority's position that the passage of the Lanham Act caused courts to abandon the traditional rule, noting that numerous decisions had continued to prohibit protection of color alone.⁸²

⁷⁷ *Id.* at 1125, 1127. The Trademark Trial and Appeals Board noted that these survey results do "not establish that those respondents associate pink insulation with a single source . . ." 221 U.S.P.Q. (BNA) 1195, 1199 (T.T.A.B. 1984).

⁷⁸ *Id.* at 1125 (quoting *Roux Lab., Inc. v. Clairol, Inc.*, 427 F.2d 823, 831 n.10, 166 U.S.P.Q. (BNA) 34, 41 n.10 (C.C.P.A. 1970)).

⁷⁹ *Owens-Corning*, 774 F.2d at 1122, 1128; Thomas A. Schmidt, *Creating Protectible Color Trademarks*, 81 TRADEMARK REP. 285, 301 (1991).

⁸⁰ *In re Owens-Corning Fiberglass Corp.*, 774 F.2d 1116, 1128 (Fed. Cir. 1985) (Bissell, J., dissenting); Keating, *supra* note 3, at 12-13 ("While dissenting opinions frequently have limited precedential value, a strong dissenting opinion in the federal Circuit is analogous to a five to four decision in the United States Supreme Court" because the court "has such a concentrated scope of subject matter jurisdiction.").

⁸¹ *Owens-Corning*, 774 F.2d at 1128 n.1.

⁸² *Id.* at 1128-1129; e.g., *Quabaug Rubber Co. v. Fabiano Shoe Co.*, 567 F.2d 154, 161, 195 U.S.P.Q. (BNA) 689 (1st Cir. 1977) (holding that color alone cannot be protected); *Dallas Cowboys Cheerleaders, Inc. v. Pussycat Cinema, Ltd.*, 467 F. Supp. 366, 374, 201 U.S.P.Q. (BNA) 740 (S.D.N.Y. 1979) (refusing to allow trademark for color alone), *aff'd*, 604 F.2d 200 (2d Cir. 1979); *Campbell Soup Co. v. Armour & Co.*, 175 F.2d 795, 798 (3d Cir. 1949), *cert. denied*, 338 U.S. 847 (1949) (rejecting trademark protection for red and white soup labels); *North Shore Lab. Corp. v. Cohen*, 721 F.2d 514, 523, 221 U.S.P.Q. (BNA) 17 (5th Cir. 1983) (stating majority rule denying protection for color); *Volkswagenwerk Aktiengesellschaft v. Rickard*, 492 F.2d 474, 480, 181 U.S.P.Q. (BNA) 611 (5th Cir. 1974) (refusing to grant rights in color blue); *Life Savers Corp. v. Curtiss Candy Co.*, 182 F.2d 4, 9, 85 U.S.P.Q. (BNA) 440

The dissent gave four reasons why the majority's position in rejecting the traditional rule was in error.⁸³ First, the majority opinion "ignore[d] the principle of comity."⁸⁴ The Federal Circuit's jurisdiction over trademark law is not exclusive, but is shared with the regional circuits.⁸⁵ Although the decisions of other circuits do not bind the Federal Circuit, the dissent declared, "they are entitled to at least a modicum of respect and deference," particularly since their jurisdiction is concurrent.⁸⁶ The majority's decision rejected the ideals of predictability and consistency and encouraged forum-shopping.⁸⁷

Second, the majority's rejection of the traditional rule was unnecessary since other protections within the Lanham Act serve to protect color when it is an element in a trademark.⁸⁸ Courts have long held that a color combined with "an arbitrary or distinctive design" can be protected.⁸⁹ The dissent concluded that the color pink was not an element of a design, but rather the overall color of the insulation, and therefore not protectible under the traditional rule.⁹⁰

(7th Cir. 1950) (denying protection in color of product); *Deere & Co. v. Farmhand, Inc.*, 560 F. Supp. 85 (S.D. Iowa 1982) (refusing to grant trademark in color green on farm machinery), *aff'd*, 721 F.2d 253 (8th Cir. 1983); *Mershon Co. v. Pachmayr*, 220 F.2d 879, 883, 105 U.S.P.Q. (BNA) 4 (9th Cir. 1955) (holding that color alone is not protectible), *cert. denied*, 350 U.S. 885 (1955); *In re Swift & Co.*, 223 F.2d 950, 955, 106 U.S.P.Q. (BNA) 286 (C.C.P.A. 1955) (recognizing traditional bar to protecting color alone).

⁸³ *Owens-Corning*, 774 F.2d at 1129.

⁸⁴ *Id.*

⁸⁵ *Id.* "Even if we had exclusive jurisdiction over trademark law, we should not lightly cast aside a settled interpretation of a statute." *Id.*

⁸⁶ *In re Owens-Corning Fiberglas Corp.*, 774 F.2d 1116, 1129 (Fed. Cir. 1985) (Bissell, J., dissenting).

⁸⁷ *Id.* (arguing that other circuits will not recognize Owens-Corning's registration).

⁸⁸ *Id.* at 1130; Keating, *supra* note 3, at 13 (declaring "argument is weak because if color may be recognized as an element of a trademark, it should also be recognized as a registrable trademark where in fact it fulfills that function").

⁸⁹ *Owens-Corning*, 774 F.2d at 1130; *see, e.g., In re Hehr Mfg. Co.*, 279 F.2d 526, 528 (C.C.P.A. 1960) (allowing protection for red square label); *Quabaug Rubber Co. v. Fabiano Shoe Co.*, 567 F.2d 154, 161 (1st Cir. 1977) (protecting yellow oval design); *Campbell Soup Co. v. Armour & Co.*, 175 F.2d 795, 798 (3d Cir. 1949) (holding red and white design was protectible); *Life Savers Corp. v. Curtiss Candy Co.*, 182 F.2d 4, 9 (7th Cir. 1950) (protecting multicolor striped label).

⁹⁰ *Owens-Corning*, 774 F.2d at 1130 (citing two cases purporting to protect color as overall surface design, note however color is only element of surface designs of products in decisions; *e.g., In re Todd Co.*, 290 F.2d 597, 600, 129 U.S.P.Q. (BNA) 408 (C.C.P.A. 1961) (registering

Third, the dissent determined that the decision "create[d] a barrier to otherwise lawful competition in the home insulation trade."⁹¹ Judge Bissell noted that Owens-Corning was the only manufacturer that colored its insulation and "its advertising claim[ed] a 75 percent market share," making Owens-Corning's pink insulation "virtually synonymous with home insulation."⁹² As a result of Owens-Corning's registration of such a well-advertised product, "new entrants may be unable to effectively compete if barred from making pink insulation."⁹³

The dissent stated the purpose of trademark law is to grant "the right to prevent confusion, but not to bar new entrants into the market."⁹⁴ Judge Bissell argued that when trademark protection is not available, manufacturers can be required to label their products "to prevent customers from being misled as to the source."⁹⁵ Therefore, Owens-Corning might have other relief available without the court granting a monopoly in the color pink.⁹⁶

The dissent's final attack on the majority's rejection of the traditional rule was grounded in a fear that "infringement actions could soon denigrate into questions of shade confusion."⁹⁷ The dissent argued that confusion between shades of colors would

pattern of green parallel lines on safety paper products); *Vuitton et Fils S.A. v. J. Young Enter., Inc.*, 644 F.2d 769, 775, 212 U.S.P.Q. (BNA) 85 (9th Cir. 1981) (protecting overall pattern of florets and letters).

⁹¹ *In re Owens-Corning Fiberglas Corp.*, 774 F.2d 1116, 1130 (Fed. Cir. 1985) (Bissell, J., dissenting).

⁹² *Id.*; "Whether or not competitors make a practice of dyeing their products should have no bearing in the functionality of a particular color chosen by one party to color its product." Brian Richard Henry, *Right Hat, Wrong Peg: In re Owens-Corning Fiberglas Corporation and the Demise of the Mere Color Rule*, 76 TRADEMARK REP. 389, 399 (1986).

⁹³ *Owens-Corning*, 774 F.2d at 1130. "[T]he record reveals that Owens-Corning dominates the field to such an extent that 'some shoppers will no longer buy fiberglass insulation unless it is pink.'" *Id.*

⁹⁴ *Id.*

⁹⁵ *Id.* (quoting *Sears Roebuck & Co. v. Stiffel Co.*, 376 U.S. 225, 232, 140 U.S.P.Q. (BNA) 524, 528 (1964)).

⁹⁶ *In re Owens-Corning Fiberglas Corp.*, 774 F.2d 1116, 1131 (Fed. Cir. 1985) (Bissell J., dissenting) ("However, even under the doctrine of unfair competition, there may be a legitimate purpose to consumers which is served by a competitor producing a product of the same color" (citing *Inwood Lab., Inc. v. Ives Lab., Inc.*, 456 U.S. 844, 858 (1982))).

⁹⁷ *Owens-Corning*, 774 F.2d at 1131.

present practical problems.⁹⁸ Since registrations are not printed in color and show colors by one of eight patterns of lines with some patterns representing more than one color, the dissent feared that "registration will add only greater imprecision."⁹⁹

Then, in *Master Distributors, Inc. v. Pako Corp.*,¹⁰⁰ the Eighth Circuit approved of the *Owens-Corning* majority but refused to "establish a *per se* prohibition against protecting color alone as a trademark."¹⁰¹ However, since the case was on appeal from a grant of summary judgment, the Eighth Circuit did not hold conclusively that Master Distributors was entitled to protection of the color blue.¹⁰² According to the Eighth Circuit, a showing that all "the normal trademark requirements" had been met would be sufficient to establish a common-law color mark.¹⁰³

IV. THE NINTH CIRCUIT'S REASONING IN *QUALITEX CO. V. JACOBSON PRODUCTS CO.*¹⁰⁴

In *Qualitex*, the Ninth Circuit unanimously followed the traditional rule that color *per se* is not protectible.¹⁰⁵ The court based its decision on the language of the Lanham Act, Ninth Circuit precedent, and arguments given for the denial of color protection in other circuits.

The court first looked at the language of the Lanham Act. The Lanham Act does not expressly prohibit trademark registration of

⁹⁸ *Id.* (citing *Deere & Co. v. Farmhand, Inc.*, 560 F. Supp. 85 (S.D. Iowa 1982), *aff'd*, 721 F.2d 253 (8th Cir. 1983)).

⁹⁹ *Owens-Corning*, 774 F.2d at 1131; 37 C.F.R. § 2.52(e) (1994); *cf. In re Hodes-Lange Corp.*, 167 U.S.P.Q. (BNA) 255 (T.T.A.B. 1970) (stating that it is "of no consequence here that the Patent Office has designated the same lining for officially indicating both the colors yellow and gold").

¹⁰⁰ 986 F.2d 219 (8th Cir. 1993). Master Distributors brought suit for infringement of its common-law trademark in the blue color of its leader splicing tape for use in photoprocessing. *Id.* at 220.

¹⁰¹ *Master Distribs.*, 986 F.2d at 224.

¹⁰² *Id.* The Eighth Circuit reversed the grant of partial summary judgment and remanded to the district court to further consider whether the color blue could be protected. *Id.* at 225.

¹⁰³ *Id.* "Although the court did not specifically specify what these normal requirements are, it mentioned functionality, likelihood of confusion, and secondary meaning were appropriate tests." Richard L. Bridge, Note, *Master Distributors, Inc. v. Pako Corporation: Equal Trademark Protection for Color Per Se*, 38 ST. LOUIS U. L.J. 485, 510 (1993-94).

¹⁰⁴ 13 F.3d 1297 (9th Cir. 1994), *rev'd*, 115 S. Ct. 1300 (1995).

¹⁰⁵ *Id.* at 1302 (choosing not to adopt "exception of *Owens-Corning*").

color.¹⁰⁶ The statute provides that “[n]o trademark by which the goods of the applicant may be distinguished from the goods of others shall be refused registration” unless one of the listed exceptions is applicable.¹⁰⁷ Although none of the statute’s express exceptions mention the color of the product, the Ninth Circuit noted that the majority rule in the circuit courts was to deny registration.¹⁰⁸

Next, the court looked at its own prior decision on trademark protection of color. In *First Brands Corp. v. Fred Meyer, Inc.*,¹⁰⁹ the Ninth Circuit distinguished *Owens-Corning*, stating that the Federal Circuit, “[c]onfronted with an unusual set of facts . . . [had] established a very limited rule that in certain situations a particular color could itself be registered as a trademark.”¹¹⁰ The court emphasized that “vast sums had been expended in advertising” on the color of the product.¹¹¹ The Ninth Circuit downplayed the case’s persuasive value by noting that the Federal Circuit was divided in its decision.¹¹²

Relying heavily on *NutraSweet Co. v. Stadt Corp.*¹¹³ to discuss the detrimental effects of color protection, the court found merit in the shade confusion and harm to competition arguments.¹¹⁴ The “fact-driven standard” that would result from granting monopolies in certain shades on particular products would lead to increased time litigating infringement cases.¹¹⁵ Furthermore, courts would be forced to engage in speculative questions over the probabilities of future competition.¹¹⁶

Finally, the Ninth Circuit found that other protections exist for manufacturers; and, therefore, registration of a color alone would

¹⁰⁶ *Id.* at 1301 (citing Lanham Act, 15 U.S.C. § 1052 (1988 & Supp V. 1993)).

¹⁰⁷ 15 U.S.C. § 1052 (1988 & Supp V. 1993).

¹⁰⁸ *Qualitex*, 13 F.3d at 1301.

¹⁰⁹ 809 F.2d 1378 (9th Cir. 1987).

¹¹⁰ *First Brands*, 809 F.2d at 1382.

¹¹¹ *Qualitex Co. v. Jacobson Prods. Co.*, 13 F.3d 1297, 1301 (9th Cir. 1994), *rev’d*, 115 S. Ct. 1300 (1995).

¹¹² *Id.* (noting 2-1 vote).

¹¹³ 917 F.2d 1024 (7th Cir. 1990), *cert. denied*, 499 U.S. 983 (1991).

¹¹⁴ *Qualitex Co. v. Jacobson Prods. Co.*, 13 F.3d 1297, 1302 (9th Cir. 1994), *rev’d*, 115 S. Ct. 1300 (1995) (discussing reasoning of *NutraSweet Co.*).

¹¹⁵ *Id.*

¹¹⁶ *Id.*

not be permitted.¹¹⁷ For example, trademark protection has been available for products with distinctive patterns or logos that are combined with colors.¹¹⁸ Additionally, manufacturers can still receive relief under the unfair competition and trade dress provisions of the Lanham Act.¹¹⁹ Ultimately, the Ninth Circuit held that Qualitex succeeded on the unfair competition claim and could thus receive damages.¹²⁰

V. THE SUPREME COURT'S REASONING IN *QUALITEX CO. V. JACOBSON PRODUCTS CO.*¹²¹

The Supreme Court reversed the Ninth Circuit in *Qualitex* and held that when a color "meet[s] ordinary legal trademark requirements . . . no special rule prevents color alone from serving as a trademark."¹²² Justice Breyer, writing for a unanimous court, considered the language of the Lanham Act and the principles of trademark law to find that color alone can be protectible.¹²³

The Court stated that under the Lanham Act a mark must act as a symbol, have acquired secondary meaning, and perform no other nontrademark function.¹²⁴ Justice Breyer found that the Lanham Act's provision for trademark protection for any "symbol, or device" also encompassed trademark protection for colors.¹²⁵ He noted that since trademarks have been granted for particular shapes,

¹¹⁷ *Id.*

¹¹⁸ *Id.*

¹¹⁹ *Qualitex Co. v. Jacobson Prods. Co.*, 13 F.3d 1297, 1302 (9th Cir. 1994), *rev'd*, 115 S. Ct. 1300 (1995).

¹²⁰ *Id.* at 1305.

¹²¹ 115 S. Ct. 1300 (1995).

¹²² *Id.* at 1302.

¹²³ *Id.*

¹²⁴ *Id.* at 1302-04.

¹²⁵ *Id.* at 1302-03; 15 U.S.C. § 1127 (1988 & Supp. V 1993) provides:

The term 'trademark' includes any word, name, symbol, or device, or any combination thereof—(1) used by a person, or (2) which a person has a bona fide intention to use in commerce and applies to use in commerce and applies to register on the principal register established by this chapter, to identify and distinguish his or her goods, including a unique product, from those manufactured or sold by others and to indicate the source of the goods, even if that source is unknown.

sounds, and scents, that colors ought to receive similar protection.¹²⁶

The Court also found that a color can develop secondary meaning in the same way that a descriptive word can "indicate a product's origin."¹²⁷ If a color, after time, "identifies and distinguishes a particular brand," then it has acquired secondary meaning.¹²⁸ Justice Breyer emphasized that a color must identify the source of the product in order to warrant trademark protection.¹²⁹

Also, a color that does not perform a "significant nontrademark function" would be protectible.¹³⁰ If a color acts to make "a product more desirable," then it cannot receive trademark protection because the color would then be "essential to the use or purpose of the article or . . . affect the cost or quality" of the product.¹³¹

The district court had found, and the Ninth Circuit had accepted, that the green-gold color met the trademark requirements of acting as a symbol, identifying the product's source, and serving no other function.¹³² Therefore, the Court concluded that Qualitex's color would be able to be protected.¹³³ However, the Court did not hold that all colors meeting the basic trademark requirements would be granted registration. Instead, the Court stated that if there is a "reason that convincingly militates against the use of color alone as a trademark," then no protection would be given.¹³⁴

The Court then considered and rejected four reasons offered by

¹²⁶ *Qualitex Co. v. Jacobson Prods. Co.*, 115 S. Ct. 1300, 1303 (1995) ("The courts and the Patent and Trademark Office have authorized for use as a mark a particular shape (of a Coca-Cola bottle), a particular sound (of NBC's three chimes), and even a particular scent (of plumeria blossoms on sewing thread).").

¹²⁷ *Id.*

¹²⁸ *Id.*

¹²⁹ *Id.*

¹³⁰ *Id.* at 1306.

¹³¹ *Qualitex Co. v. Jacobson Prods. Co.*, 115 S. Ct. 1300, 1306 (1995) (quoting *Inwood Labs., Inc. v. Ives Labs.*, 456 U.S. 844, 850 n.10 (1982)).

¹³² *Id.* See *Qualitex Co. v. Jacobson Prods. Co.*, 21 U.S.P.Q.2d (BNA) 1457, 1458-60 (C.D. Cal. 1991) (finding secondary meaning, likelihood of confusion, and nonfunctionality); *Qualitex Co. v. Jacobson Prods. Co.*, 13 F.3d 1297, 1300 (9th Cir. 1994), *rev'd*, 115 S. Ct. 1300 (1995) (stating findings of fact).

¹³³ *Qualitex Co. v. Jacobson Prods. Co.*, 115 S. Ct. 1300, 1305 (1995).

¹³⁴ *Id.*

Jacobson for denial of trademark protection for color.¹³⁵ First, Jacobson argued that allowing protection for color would produce problems of shade confusion.¹³⁶ It asserted that the difficulties in determining whether similar shades are likely to confuse consumers will be compounded by differences in lighting conditions.¹³⁷ Justice Breyer dismissed this concern stating that courts can decide whether similar words cause confusion and therefore can make these determinations between shades as well.¹³⁸ He then noted that typically “‘strong’ marks, with greater secondary meaning, receive broader protection than ‘weak’ marks.”¹³⁹

Second, Jacobson offered the color depletion argument in support of the traditional bar against color trademarks.¹⁴⁰ The Court quickly rejected the color depletion theory as “an occasional problem” that normally would be resolved by the functionality doctrine.¹⁴¹ In addition, Justice Breyer believed that other colors usually would be available for manufacturers to use.¹⁴²

Third, Jacobson argued that the majority of courts have refused to grant trademark protection for color alone, but the Court noted that all of the cited Supreme Court precedents were decided before the passage of the Lanham Act in 1946.¹⁴³ In 1985, in the case of *In re Owens-Corning Fiberglas Corp.*, the Federal Circuit interpreted the Lanham Act to allow trademark protection for color alone.¹⁴⁴ Also, the Court relied upon the Patent and Trademark Office’s explicit policy permitting colors as trademarks.¹⁴⁵ The Court found that when Congress amended the Lanham Act in 1988, it intended to allow trademark protection for color because of the

¹³⁵ *Id.*

¹³⁶ *Id.*

¹³⁷ *Id.*

¹³⁸ *Qualitex Co. v. Jacobson Prods. Co.*, 115 S. Ct. 1300, 1305 (1995).

¹³⁹ *Id.* (citing MCCARTHY, *supra* note 27, § 11.25(c)). However, this proposition is irrelevant because shade differences are not determined by the level of secondary meaning that each shade has attained.

¹⁴⁰ *Id.*

¹⁴¹ *Id.* at 1306.

¹⁴² *Id.*

¹⁴³ *Qualitex Co. v. Jacobson Prods. Co.*, 115 S. Ct. 1300, 1307 (1995).

¹⁴⁴ *Id.*

¹⁴⁵ *Id.* See U.S. COMMERCE, PATENT AND TRADEMARK OFFICE, TRADEMARK MANUAL OF EXAMINING PROCEDURE 1202-13 (2d ed. 1993) (finding that trademarks for color can be granted, but “[t]he burden of proof in such a case is substantial”).

United States Trademark Association's express recommendation that registration of color trademarks be included within the reach of the Lanham Act.¹⁴⁶

In its final argument, Jacobson noted that there are workable alternatives to a rule that color is protectible.¹⁴⁷ Specifically, manufacturers may use color as part of a design and can bring action under § 43(a) of the Lanham Act for unfair competition.¹⁴⁸ Justice Breyer responded that some products are "normally see[n] from a distance," and thus, manufacturers can use only a pure color to distinguish their products.¹⁴⁹ Finally, the Court noted that trademark law provides protections that are lacking under unfair competition laws.¹⁵⁰

VI. ANALYSIS

The Supreme Court properly granted certiorari in the case of *Qualitex Co. v. Jacobson Products Co.* because the current law regarding the availability and enforceability of trademark protection for color alone was inconsistent throughout the circuits.¹⁵¹ The Court, however, erred in holding that color alone could be granted trademark protection. The Ninth Circuit's judgment should have been upheld because manufacturers can obtain relief by other means when their products are copied.¹⁵² In addition,

¹⁴⁶ *Qualitex*, 115 S. Ct. at 1307; 133 CONG. REC. 32,812 (1987) (stating that bill was "based on the Commission's report"); see *The United States Trademark Association Trademark Review Commission Report and Recommendations to USTA President and Board of Directors*, 77 TRADEMARK REP. 375, 421 (1987) (recommending that "the terms 'symbol or device' should not be deleted or narrowed to preclude registration of such things as a color . . . which functions as a mark").

¹⁴⁷ *Qualitex*, 115 S. Ct. at 1308.

¹⁴⁸ *Qualitex Co. v. Jacobson Prods. Co.*, 115 S. Ct. 1300, 1308 (1995).

¹⁴⁹ *Id.*

¹⁵⁰ *Id.*

¹⁵¹ See Jeffrey M. Samuels and Linda B. Samuels, *Color Trademarks: Shades of Confusion*, 83 TRADEMARK REP. 554, 570 (1993) (arguing that registration for color alone granted by Federal Circuit would not be enforced in other circuits, "creat[ing] a legal anomaly which should not be allowed to persist.").

¹⁵² See *Qualitex Co. v. Jacobson Prods. Co.*, 13 F.3d 1297, 1302 (9th Cir. 1994), *rev'd*, 115 S. Ct. 1300 (1995) (discussing protection of colors combined with designs and unfair competition provisions of Lanham Act); *NutraSweet Co. v. Stadt Corp.*, 917 F.2d 1024, 1027 (7th Cir. 1990) (holding that traditional rule does not need to be changed), *cert. denied*, 499 U.S. 983 (1991).

although the Court dismissed color depletion and shade confusion as being "unpersuasive," these theories present practical concerns that may result in a reduction of judicial efficiency.¹⁵³ Also, color serves the function of psychologically attracting consumers to a product and thus should not be trademarked.¹⁵⁴ Finally, due to the American emphasis on free competition, manufacturers should not acquire exclusive rights in colors alone.¹⁵⁵

Under the traditional rule, manufacturers were not forced helplessly to watch other companies copy the colors of their products. Two methods existed for manufacturers to pursue relief: (1) combination of color with a distinctive pattern or design, and (2) unfair competition claims under § 43(a) of the Lanham Act.¹⁵⁶ Either option provides the manufacturer with protection, while neither eliminates competition.

When color is considered along with a unique design or logo, courts have liberally granted protection.¹⁵⁷ "The more distinctive and arbitrary the design upon which a color is imposed," the more

¹⁵³ *NutraSweet*, 917 F.2d at 1028; *Owens-Corning*, 774 F.2d at 1131 (Bissell, J., dissenting).

¹⁵⁴ See LOUIS CHESKIN, *COLORS—WHAT THEY CAN DO FOR YOU* 213 (discussing psychological effects of color).

¹⁵⁵ See MCCARTHY, *supra* note 27, § 1.01(1).

¹⁵⁶ *Qualitex*, 13 F.3d at 1302; 15 U.S.C. § 1125 (Supp. 1995) states:

(a) Civil action

(1) Any person who, on or in connection with any goods or services, or any container for goods, uses in commerce any word, term, name, symbol, or device, or any combination thereof, or any false designation of origin, false or misleading description of fact, or false or misleading representation of fact, which—

(A) is likely to cause confusion, or to cause mistake, or to deceive as to the affiliation, connection, or association of such person with another person, or as to the origin, sponsorship, or approval of his or her goods, services, or commercial activities by another person, or

(B) in commercial advertising or promotion, misrepresents the nature, characteristics, qualities, or geographic origin of his or her or another person's goods, services, or commercial activities,

shall be liable in a civil action by any person who believes that he or she is or is likely to be damaged by such act.

¹⁵⁷ *E.g.*, *Bridge*, *supra* note 103, at 494 ("As much as the courts denied protection to color alone, courts granted protection to colors when used . . . as part of an arbitrary design.").

likely that trademark protection will be found.¹⁵⁸ Protection of color and arbitrary designs in combination does not deter competition as much as granting exclusive rights in a color alone.¹⁵⁹

The Court dismissed this alternative because manufacturers "might find it difficult to place a usable symbol or word on a product."¹⁶⁰ Although this point may be relevant in some cases, it is not persuasive enough to justify a rule that severely limits competition. Producers of generic brands have been able to compete using similar colors as long as they refrain from using the distinctive design of the name brand. The Court's grant of trademark protection for color alone, however, significantly restricts the ability of such manufacturers to compete.¹⁶¹

Also, as the Ninth Circuit ruled in *Qualitex*, a manufacturer can be held liable for unfair competition or trade dress infringement even when the color is not registered.¹⁶² To succeed on such a claim, the manufacturer must show that the product's "trade dress is nonfunctional," that "it has acquired secondary meaning," and that "there is a likelihood of confusion between the products."¹⁶³ Since trade dress is composed of "the total impression of the package, size, shape, color, design, and name," trade dress infringement claims do not harm competition to the same extent as granting exclusive protection in only the color of a product.¹⁶⁴

The Supreme Court pointed out that manufacturers would prefer trademarks to "trade dress" protection.¹⁶⁵ While it is true that trademark law provides greater protection, it sets a dangerous

¹⁵⁸ MCCARTHY, *supra* note 27, § 7.17.

¹⁵⁹ *E.g.*, Bridge, *supra* note 103, at 494 (arguing that "possibility of color combinations and designs is limitless in contrast to color alone and therefore protection is less likely to hinder competition").

¹⁶⁰ *Qualitex Co. v. Jacobson Prods Co.*, 115 S. Ct. 1300, 1308 (1995).

¹⁶¹ See Paul M. Barrett, *Supreme Court Says a Distinctive Color Can Be Basis for a Product Trademark*, WALL ST. J., Mar. 29, 1995, at B10 (stating decision is "a defeat for makers of generic brands"); David G. Savage, *High Court Rules Color of Money Can Be Pepto-Bismol Pink*, L.A. TIMES, Mar. 29, 1995, at D1 (calling decision "a setback for store-brand products that often imitate the basic look, including the color of the leading brands").

¹⁶² *Qualitex Co. v. Jacobson Prods. Co.*, 13 F.3d 1297, 1302 (9th Cir. 1994), *rev'd*, 115 S. Ct. 1300 (1995).

¹⁶³ *Id.* at 1303.

¹⁶⁴ *Jean Patou, Inc. v. Jacqueline Cochran, Inc.*, 201 F. Supp. 861, 863 (S.D.N.Y. 1962), *aff'd*, 312 F.2d 125 (2d Cir. 1963); *Qualitex*, 13 F.3d at 1303-04.

¹⁶⁵ *Qualitex Co. v. Jacobson Prods. Co.*, 115 S. Ct. 1300, 1308 (1995).

precedent for extending the bounds of trademark law to limit competition.

A second reason for adhering to the traditional rule relies upon the color depletion and shade confusion theories. Even with current technology, color depletion and shade confusion are valid reasons to prohibit registration of colors alone, due to the resulting practical problems of trademarking colors.¹⁶⁶ When different shades of products are indistinguishable to the human eye, the consumer becomes confused and the function of trademark as a method for protecting the public from confusion is not served.¹⁶⁷

The Court analogized distinctions between shades of colors to distinctions between words and concluded that courts will be capable of easily determining differences in colors.¹⁶⁸ Justice Breyer asserted that "[l]egal standards exist to guide courts," but beyond mentioning degrees of secondary meaning, which are irrelevant to distinguishing between shades, he gave no clarification as to what those standards are.¹⁶⁹ Trademark registrations do not contain specific details of the color of a product, leaving courts with little information to distinguish between imperceptibly different shades.¹⁷⁰

Increasingly, courts will be forced to determine more shade confusion questions.¹⁷¹ Further, the Court stated that courts can replicate "lighting conditions under which a colored product is sold."¹⁷² Since lighting conditions can vary depending on the type of store, time of day, and latitude of the selling area, replicating

¹⁶⁶ See *Qualitex*, 13 F.3d at 1302 ("We recognize that there are countless shades of colors . . . but then, we could well become involved in 'shade confusion.'"); *NutraSweet Co. v. Stadt Corp.*, 917 F.2d 1024, 1027 (7th Cir. 1990), *cert. denied*, 499 U.S. 983 (1991) ("[I]nfringement actions could soon degenerate into questions of shade confusion.").

¹⁶⁷ See MCCARTHY, *supra* note 27, § 7.16 (arguing that "the ordinary person can probably distinguish only a few basic primary colors."); S. REP. NO. 1333, 79th Cong., 2d Sess. 5 (1946), *reprinted in* 1946 U.S.C.C.A.N. 1274 (stating that one purpose of Lanham Act was "to protect the public so it may be confident that, in purchasing a product bearing a particular trade-mark which it favorably knows, it will get the product which it asks for and wants to get.").

¹⁶⁸ *Qualitex Co. v. Jacobson Prods. Co.*, 115 S. Ct. 1300, 1305 (1995).

¹⁶⁹ *Id.*

¹⁷⁰ See *supra* text accompanying note 41.

¹⁷¹ *Qualitex Co. v. Jacobson Prods. Co.*, 13 F.3d 1297, 1302 (9th Cir. 1994), *rev'd*, 115 S. Ct. 1300 (1995).

¹⁷² *Id.*

lighting, while necessary to make a valid determination, will cause difficulties for the lower courts.

Justice Breyer held that the functionality doctrine will prevent color depletion from occurring, but he then set a high burden that effectively would allow most colors to receive protection.¹⁷³ The Court also noted that some colors are undesirable or are not usable which causes the supply of colors to be depleted even more.¹⁷⁴ As the number of available colors becomes depleted, particularly in some industries, competitors will be deterred from entering the market.¹⁷⁵

Additionally, color should not receive trademark protection because of the powerful psychological effect colors may have on individuals.¹⁷⁶ Since people are not aware of the influence color has upon them, it is even more harmful to grant exclusive use of a color to only one manufacturer.¹⁷⁷

"People have marked *preferences* for certain colors while other colors are less appreciated."¹⁷⁸ Some preferences result from traditionally symbolic associations, such as "the use of black to symbolize evil and wickedness and white to symbolize goodness and

¹⁷³ *Qualitex Co. v. Jacobson Prods. Co.*, 115 S. Ct. 1300, 1306 (1995) (stating that test of functionality is whether "a color serves a significant nontrademark function").

¹⁷⁴ *Id.* at 4229-30.

¹⁷⁵ See *R.L. Winston Rod Co. v. Sage Mfg. Co.*, 838 F. Supp. 1396, 1400 (D.Mont. 1993) (holding that "granting exclusive use of a color . . . would severely restrict competition; there would be little left for the rest of the world."); Summerfield, *supra* note 39, at 996-97 (discussing other industries with limited range of colors available); see also *Qualitex*, 115 S. Ct. 1300, 1306-07 (1995) (acknowledging shades similar to protected color will be unavailable for use by competitors).

¹⁷⁶ E.g., JEAN-PAUL FAVRE, *COLOR SELLS YOUR PACKAGE* 13 (1969) (discussing psychological effects of color); CHESKIN, *supra* note 154, at 55 (stating that color has "inherent psychological power"); see James Parton, Foreword to HOWARD KETCHAM, *COLOR PLANNING FOR BUSINESS AND INDUSTRY* xi-xii (1958) ("Knut Rockne kept his gridmen keyed up during the half in a red dressing room, while the visiting team was lulled with a soporific blue.").

¹⁷⁷ See CHESKIN, *supra* note 154, at 35-36 (stating that color affects people without consciousness of effects); DEBORAH T. SHARPE, *THE PSYCHOLOGY OF COLOR AND DESIGN* 51 (1974) (finding people may have "an innate or biologically mandated response to various colors").

¹⁷⁸ FAVRE, *supra* note 176, at 21; see Lynn M. Walsh et al., *Color Preference and Food Choice Among Children*, 124 J. PSYCHOL. 645, 650 (1990) (stating that "nearly half . . . of the children could give no reason beyond personal preference for their choices"); see also SHARPE, *supra* note 177, at 3 (noting that color preferences were documented by research as early as 1894).

purity.”¹⁷⁹ Also, color preferences are influenced by demographic factors, such as gender, race, and socioeconomic class.¹⁸⁰

The color of a product or its packaging can have a significant effect on sales.¹⁸¹ Color and its psychological effects can create consumer interest in a product.¹⁸² As a result of color’s importance in marketing, manufacturers try to choose colors with “maximum psychological appeal,” that are “symbolic of the contents of the package and have highest visibility.”¹⁸³ It is not enough to select a color, but the right shade or tint needs to be chosen to attract the most customers.¹⁸⁴

In addition to attracting customers to a product, package color can serve other functions. The color of a product can communicate the product’s use to the consumer.¹⁸⁵ Manufacturers often use color to “characterize the different products of the same firm.”¹⁸⁶ Certain colors have become so connected with a particular product

¹⁷⁹ SHARPE, *supra* note 177, at 47; see Eric M. Karp & H. B. Karp, *Color Associations of Male and Female Fourth-Grade School Children*, 122 J. PSYCHOL., 383, 388 (1988) (finding that children of both genders associated same emotions with traditionally symbolic colors); Randall Lane, *Does Orange Mean Cheap?*, FORBES, Dec. 23, 1991, at 146 (discussing how Ford Motor Company’s use of different shades of red to target buyers by gender).

¹⁸⁰ E.g., SHARPE, *supra* note 177, at 51 (finding that research shows “definite cultural and racial differences” in effects of color); Karp, *supra* note 179, at 388 (“The neutral stimuli which had no symbolic colors attached evoked responses that significantly distinguished between the sexes.”); CHESKIN, *supra* note 176, at 73 (stating that socioeconomic class influenced color preferences); Robert G. Smith, *Color as a Marketing Tool*, COLOR RES. AND APPLICATION, Summer 1979, at 78 (arguing that “our culture, traditions, nationality, mood, and income” affect how color is perceived).

¹⁸¹ See FAVRE, *supra* note 176, at 27 (“[Color] stamps itself better than any other factor in our memory and makes the package more easily recognizable”); Lane, *supra* note 179, at 144 (discussing fifteen percent increase in sales when Igloo changed color of coolers).

¹⁸² E.g., CHESKIN, *supra* note 154, at 213 (listing functions color performs in advertising); Seonsu Lee & James H. Barnes, Jr., *Using Color Preferences in Magazine Advertising*, J. ADVERTISING RES., Dec. 1989 - Jan. 1990, at 25 (stating that color “attract[s] attention”); see KETCHAM, *supra* note 176, at 74 (discussing how color sells products).

¹⁸³ CHESKIN, *supra* note 154, at 180.

¹⁸⁴ E.g., *id.* at 184-85 (“One kind of red may succeed where another shade or tint of red will fail.”). See also KETCHAM, *supra* note 176, at 76 (discussing psychological associations resulting from different shades of colors).

¹⁸⁵ See FAVRE, *supra* note 176, at 62 (discussing how selecting wrong color will suggest different type of product to consumers); Lane, *supra* note 179, at 145 (stating that vitamin manufacturer changed colors of package when consumers mistook yellow label with black and white lettering for ant poison).

¹⁸⁶ E.g., FAVRE, *supra* note 176, at 89 (giving example of kinds of shampoo).

that marketers find it hard not to use the traditional color scheme.¹⁸⁷ Also, the color of a package may have been chosen to protect the product from the harmful effects of light.¹⁸⁸ The manufacturer also considers the combination of colors for lettering and background to find the most legible and attractive result.¹⁸⁹ Finally, in selecting packaging color, the conditions in which the product will be displayed and handled are important.¹⁹⁰

Due to the influence of product color on sales, companies are spending more time and money researching what colors will be the most successful.¹⁹¹ Since "[m]arketers will use whatever tools they think might give them a slight edge,"¹⁹² colors should not receive trademark protection because a particular color that is psychologically attractive can give a manufacturer a competitive advantage.

The Court suggested that the psychological appeal of a product's color could make the color functional.¹⁹³ Color, through its attractiveness to consumers on a psychological level, can affect the "cost or quality of the product" or even be regarded as "essential to a product's use or purpose," but showing that this functionality is

¹⁸⁷ Ronald Alsop, *Color Grows More Important in Catching Consumers' Eyes*, WALL ST. J., Nov. 29, 1984, at 38 ("It's unwise to sell whole milk in anything but a red carton. And thanks to McDonald's, many consumers don't believe a restaurant serves fast food if its signs don't have a smidgen of red and yellow.").

¹⁸⁸ E.g., FAVRE, *supra* note 176, at 88-89 (explaining that bottles are colored green and brown to filter light rays that would harm beer).

¹⁸⁹ See KETCHAM, *supra* note 176, at 78-79 (stating that colors should be chosen so that writing can be read from distance); FAVRE, *supra* note 176, at 48-53 (demonstrating legibility of various color combinations).

¹⁹⁰ See Smith, *supra* note 180, at 78 (arguing that lighting conditions and circumstances of sale influence how color of product is perceived); KETCHAM, *supra* note 176, at 77-78 (discussing how white colored packages become discolored from handling by consumers and consequently are not saleable).

¹⁹¹ Carroll M. Gantz, *Mass-Market Color Selection*, COLOR RES. AND APPLICATION, Fall 1978, at 137-40 (explaining how selection of product colors is objective and lengthy process); Lane, *supra* note 179, at 144 (stating that selection of colors is frequently done by well-paid color consultant).

¹⁹² Lane, *supra* note 179, at 146.

¹⁹³ Qualitex Co. v. Jacobson Prods. Co., 115 S. Ct. 1300, 1304 (1995) ("sometimes color plays an important role . . . in making a product more desirable" . . .).

significant may be impossible for many products.¹⁹⁴ For this reason, the traditional rule barring trademarks of colors should have been retained.

Finally, policy arguments require a per se rule of no protection for color. One of the basic principles underlying American law is the "promotion and encouragement of competition."¹⁹⁵ Trademarks are an exception to the policy of free competition, granted to prevent "confusion, mistake and deception in commerce," as well as benefit the manufacturer.¹⁹⁶ However, the pervasive fear of monopolies limits the extent of any grant of an exclusive right.¹⁹⁷ Thus, granting protection to a color alone "create[s] a barrier to otherwise lawful competition."¹⁹⁸

VII. CONCLUSION

The Supreme Court erred in holding that color can receive trademark protection. The Court should have upheld the traditional bar on protection for color that was asserted in the Ninth Circuit decision. Congress needs to revisit the issue and amend the Lanham Act to expressly bar trademark protection for color alone.

Arguments in favor of continuing the prohibition on color trademarks include the color depletion theory, the shade confusion theory, the functionality doctrine, the availability of other remedies, the psychological effects of color, and the American emphasis on free competition.

The Court's holding in *Qualitex* sweeps too broadly and leaves lower courts with the responsibility for answering unresolved questions. Under the new rule, companies can easily register colors. A higher standard should have been required because of the need for colors in industry, the psychological impact of color, and

¹⁹⁴ *Id.* Note that six days after announcing the *Qualitex* decision, the Court declined to review a Federal Circuit case holding that aesthetically functional color could not receive trademark protection. *Brunswick Corp. v. British Seagull Ltd.*, 35 F.3d 1527 (Fed. Cir. 1994), *cert. denied*, 115 S. Ct. 1426 (1995).

¹⁹⁵ MCCARTHY, *supra* note 27, § 1.01(1).

¹⁹⁶ *Id.* at § 1.01(2).

¹⁹⁷ *Id.*

¹⁹⁸ *In re Owens-Corning Fiberglas Corp.*, 774 F.2d 1116, 1130 (Fed. Cir. 1985) (Bissell, J., dissenting). *But see* North American Free Trade Agreement, Dec. 8-17, 1993, U.S.-Can.-Mex., ___ U.S.T. ___, 32 I.L.M. 605, 672 (including color in definitions of trademark).

the longstanding tradition of denial of color protection. Although the first cases under the *Qualitex* rule may be easy, the problems of shade confusion and color depletion will likely clog the courts. The Court truly has created a monster.

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