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# UNIVERSITY OF BALTIMORE INTELLECTUAL PROPERTY LAW JOURNAL

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## WHAT DO FLEXIBLE ROAD SIGNS, CHILDREN'S CLOTHES AND THE ALLIED CAMPAIGN IN EUROPE DURING WWII HAVE IN COMMON?

### THE PUBLIC DOMAIN AND THE SUPREME COURT'S INTELLECTUAL PROPERTY JURISPRUDENCE

David E. Shipley\*

It has been four decades since the United States Supreme Court decided *Sears*<sup>1</sup> and *Compro*.<sup>2</sup> These opinions cut a wide swath and announced several fundamental principles about the Constitution's Intellectual Property Clause,<sup>3</sup> federal intellectual property policy, the public domain, and preemption of state intellectual property laws. Although the broad pronouncements from *Sears* and *Compro* did not lead to the preemption of all state intellectual property laws,<sup>4</sup> and state unfair competition law is of diminished importance today because of increased use of section 43(a) of the Lanham Act,<sup>5</sup> these venerable decisions, together with the Court's 1989 decision in *Bonito Boats*, continue to have a significant impact on the development of our nation's intellectual property law beyond questions of federal preemption.<sup>6</sup> Their vitality is underscored during the last

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<sup>1</sup> *Sears, Roebuck & Co. v. Stiffel Co.*, 376 U.S. 225 (1964).

<sup>2</sup> *Compro Corp. v. Day-Brite Lighting, Inc.*, 376 U.S. 234 (1964).

<sup>3</sup> "The Congress shall have power . . . [t]o promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries." U.S. CONST. art. I, § 8, cl. 8. This clause is understood to be a grant of power and a limitation. *Graham v. John Deere Co.*, 383 U.S. 1, 5-6 (1966); *Feist Publ'ns, Inc. v. Rural Tel. Serv. Co.*, 499 U.S. 340, 346-47 (1991).

<sup>4</sup> Some scholars predicted that most of state intellectual property law would be preempted after *Sears* and *Compro*. *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*, 489 U.S. 141, 154 (1989).

<sup>5</sup> P. MAGGS & R. SCHECHTER, TRADEMARK AND UNFAIR COMPETITION LAW, CASES AND COMMENTS 256 (West Group 6th ed. 2002). The Lanham Act is codified at 15 U.S.C. §§ 1051 *et seq.* and section 43(a) of the Lanham Act is codified at 15 U.S.C. § 1125(a).

<sup>6</sup> Margreth Barrett, *Consolidating the Diffuse Paths to Trade Dress Functionality: Encountering TrafFix on the Way to Sears*, 61 WASH. & LEE L. REV 79, 137-43 (2004);

decade by the Supreme Court's decisions in *Qualitex*,<sup>7</sup> *Wal-Mart*,<sup>8</sup> *Traffix*,<sup>9</sup> *Moseley*,<sup>10</sup> and *Dastar*.<sup>11</sup> Although the subject matter at issue in these cases ranges from children's clothes to the famous Victoria's Secret trademark to a video series about the allied campaign in Europe during WWII led by General Eisenhower, there are common themes. These opinions, all but one unanimous,<sup>12</sup> bring some order to the often confusing intersections of copyright and patent law with trademark, trade dress, and dilution law; and they emphatically reject use of the Lanham Act to extend property-like protection beyond that afforded by copyright and patent law, confirm the primacy of the substantive restrictions on federal protection expressed in the Intellectual Property Clause,<sup>13</sup> and bolster our nation's historical competitive mandate by promoting competition.<sup>14</sup>

More importantly, these decisions protect the public domain against encroachment by making it more difficult for businesses and others to claim as their own words, colors, product shapes, and designs as well as works of authorship and inventions with expired copyrights and patents. By protecting the public domain, they stand in contrast to the Supreme Court's decision in *Eldred v. Ashcroft*, upholding the Copyright Term Extension Act of 1998

Theodore Davis, *Copying in the Shadow of the Constitution: The Rational Limits of Trade Dress Protection*, 80 MINN. L. REV. 595, 597, 611-13 (1996). *But see* R. Schechter & J. Thomas, INTELLECTUAL PROPERTY: THE LAW OF COPYRIGHTS, PATENTS AND TRADEMARKS § 28.5, at 629 (West 2003) ("Because the cases deal with conflicts between state and federal law, they have no relevance to claims asserted under § 43(a) of the Lanham Act alleging infringement of unregistered trade dress, nor do they apply in cases alleging infringement of federally registered trade dress, which implicate section 32 of the Lanham Act, because these are federal claims."). *See Eldred v. Ashcroft*, 537 U.S. 186, 202-03 n.8 (2003)(responding to a dissent by Justice Stevens, the majority said that *Sears* is rooted in the Supremacy Clause and cannot be turned around to shrink congressional choices, but no mention was made of *Compro* or whether Congress could revive protection for works in the public domain). *See also* articles cited *infra* note 34.

<sup>7</sup> *Qualitex Co. v. Jacobson Products Co.*, 514 U.S. 159 (1995).

<sup>8</sup> *Wal-Mart Stores, Inc. v. Samara Bros., Inc.*, 529 U.S. 205 (2000).

<sup>9</sup> *Traffix Devices, Inc. v. Marketing Displays, Inc.*, 532 U.S. 23 (2001).

<sup>10</sup> *Moseley v. V Secret Catalogue, Inc.*, 537 U.S. 418 (2003).

<sup>11</sup> *Dastar Corp. v. Twentieth Century Fox Film Corp.*, 539 U.S. 23 (2003).

<sup>12</sup> Justice Kennedy wrote a concurring opinion in *Moseley* and Justice Breyer did not participate in *Dastar*. Otherwise, these decisions were unanimous.

<sup>13</sup> David Gerber, *Copyright Reigns - Supreme: Notes on Dastar Corp. v. Twentieth Century Fox Film Corp.*, 93 TRADEMARK REP. 1029 (2003); Theodore Davis, *supra* note 6, at 618; Joshua Simko, "Every Artist is a Cannibal, Every Poet is a Thief": Why the Supreme Court Was Right to Reverse the Ninth Circuit in *Dastar Corp. v. Twentieth Century Fox Film Corp.*, 11 J. INTEL. PROP. L. 355, 368 (2004); Lynn McLain, *Thoughts on Dastar From a Copyright Perspective: A Welcome Step Toward Respite for the Public Domain*, 11 U. BALT. INT. PROP. L.J. 71, 72 (2004); David Welkowitz, *The Supreme Court and Trademark Law in the New Millennium*, 30 WM. MITCHELL L. REV. 1659, 1700-01 (2004); cf. Diane Zimmerman, *Is There a Right to Have Something to Say? One View of the Public Domain*, 73 FORDHAM L. REV. 297, 320-21 (2004)(discussing the impact of *Dastar*).

<sup>14</sup> *See generally*, Paul Goldstein, *The Competitive Mandate from Sears to Lear*, 59 CAL. L. REV. 873, 878 (1971); Barrett, *supra* note 6, at 151-53; Welkowitz, *supra* note 13 at 1700-03.

(CTEA).<sup>15</sup> The Court ruled that Congress had not exceeded its authority under the Intellectual Property Clause by extending the term of copyright by twenty years and applying this extension to existing copyrighted works that otherwise would have fallen into the public domain at the end of their current, nonextended, terms.<sup>16</sup> The *Eldred* majority showed considerable deference to the authority of Congress to set policy that, in its judgment, effectuates the aims of the Intellectual Property Clause.<sup>17</sup> Although the Court stated in *Bonito Boats* and other decisions that this clause serves as both a grant and a limitation on congressional power,<sup>18</sup> the deference to Congress's judgment in setting intellectual property expressed in *Eldred* adds fuel to the heated debate regarding Congressional authority under the Intellectual Property Clause and other provisions of the Constitution to alter the fundamental principles of intellectual property.

Part I of this article discusses the impact of the *Sears, Compco* and *Bonito Boats*, and the uncertainty over whether the principles of federal intellectual property announced in these decisions serve as limitations on the scope of protection that can be afforded under trademark legislation enacted by Congress under its Commerce Clause power. Part II presents the Supreme Court's reaffirmation of fundamental principles intellectual property policy in a series of cases decided in the last decade: *Qualitex*, *Wal-Mart*, *Traffix*, *Mosley* and *Dastar*. Part III summarizes some of the common themes emerging from these decisions and explains how the Court has recognized the primacy of the Intellectual Property Clause and thereby protected the public domain. This section also discusses the Supreme Court's decision in *Eldred* and the possible impact of the majority's explicit deference to the authority of Congress, under the Intellectual Property Clause, to set intellectual property policy.

## I. THE REACH OF SEARS AND COMPCO

Well before the passage of the Lanham Act in 1946, courts recognized that trademarks and trade dress could not be used to protect the designs of unpatented articles so long as the copier did not palm off his

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<sup>15</sup> *Eldred v. Ashcroft*, 537 U.S. 185, 208 (2003).

<sup>16</sup> *Id.* A First Amendment challenge against CTEA also failed. The Court said that the "speech protective purposes and safeguards" embodied in copyright law were sufficient to preclude any heightened scrutiny of CTEA. *Id.* at 219. But, it said that the D.C. Circuit went too far in stating that copyright is "categorically immune from challenges under the First Amendment." *Id.* at 221. See Marshall Leaffer, *Life After Eldred: The Supreme Court and the Future of Copyright*, 30 WM. MITCHELL L. REV. 1597, 1604-06 (2004). The result in *Eldred* arguably is counter to the trends reflected by the decisions discussed in this article. See *infra* text and notes at notes 334 to 362. Congress did not, however, attempt to revive copyright protection for domestic works that already were in the public domain.

<sup>17</sup> *Eldred*, 537 U.S. at 208.

<sup>18</sup> *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*, 489 U.S. 141, 146 (1989). See Paul Heald, *The Vices of Originality*, 1991 SUP. CT. REV. 143, 143-44.

articles as those of the original manufacturer.<sup>19</sup> Copying an unpatented improvement is a privilege of our system of competitive enterprise, and any unpatented article, structure or design, can be imitated or appropriated in its functional aspects.<sup>20</sup> *Sears* and *Compco* extended this principle to restrict state law protection of publicly distributed products unprotected by copyright or patent.<sup>21</sup> Both cases involved unauthorized copying of utilitarian articles.<sup>22</sup> The patents on Stiffel's pole lamp and Day-Brite's fluorescent lighting fixture were invalid, yet the lower courts held that the defendants' copying of these unpatented industrial designs was unfair competition under Illinois law even though there was little evidence of actual confusion or a likelihood of confusion.<sup>23</sup> The Supreme Court reversed both and held that when an article is unprotected by patent or copyright, state law may not forbid others to copy that article,<sup>24</sup> because to "forbid copying . . . interfere[s] with federal policy, found in Article I, § 8, cl. 8, of the Constitution and in the implementing federal statutes, of allowing free access to copy whatever the federal patent and copyright laws leave in the public domain."<sup>25</sup> The Court pointed out that when a patent expires, the monopoly it granted also expires.<sup>26</sup> As a result, "the right to make the [patented] article . . . in precisely the shape it carried when patented passes to the public."<sup>27</sup> Similarly, "an unpatented article [made available to the public,] like an article [once covered by an expired patent,] is in the public domain and may be made and sold by whoever chooses to do so."<sup>28</sup> The states "cannot block off from the public something which federal law has said belongs to

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<sup>19</sup> *Crescent Tool Co. v. Kilborn Bishop Co.*, 247 F. 299, 301 (2nd Cir. 1917); *William H. Keller, Inc. v. Chicago Pneumatic Tool Co.*, 298 F. 52, 57 (7th Cir. 1923), *cert. denied*, 265 U.S. 593 (1924); *J.C. Penney Co. v. H.D. Lee Mercantile Co.*, 120 F.2d 949, 953-54 (8th Cir. 1941).

<sup>20</sup> *J.C. Penney*, 120 F.2d at 953. *See also* *Kellogg Co. v. Nat'l Biscuit Co.*, 305 U.S. 111 (1938).

<sup>21</sup> *Sears, Roebuck & Co. v. Stiffel Co.*, 376 U.S. 225, 231 (1964); *Compco Corp. v. Day-Brite Lighting, Inc.*, 376 U.S. 234, 237 (1964).

<sup>22</sup> *Sears*, 376 U.S. at 225-26; *Compco*, 376 U.S. at 234.

<sup>23</sup> *Sears*, 376 U.S. at 225-27; *Compco*, 376 U.S. at 234-35.

<sup>24</sup> *Compco*, 376 U.S. at 237.

<sup>25</sup> *Id.* Definitions of the public domain are varied but central to most is the notion that its resources are available broadly for both access and use. Persons are not excluded from these commons. Anupam Chander & Madhavi Sunder, *The Romance of the Public Domain*, 92 CAL. L. REV. 1331, 1337-38 (2004).

<sup>26</sup> *Sears*, 376 U.S. at 230.

<sup>27</sup> *Id.* (citing *Kellogg Co. v. Nat'l Biscuit Co.*, 305 U.S. 111, 119-22 (1938) (holding that Kellogg was allowed to use the name "Shredded Wheat," which it held was generic, and to copy the shape and appearance of the biscuits. A utility patent had expired and a design patent on the pillow shape was invalid)). *See also* *Singer Mfg. Co. v. June Mfg. Co.*, 163 U.S. 169, 185 (1896) (stating that the condition upon which a patent is granted is that when it expires, the monopoly it created ceases to exist and the right to make the thing covered by the patent becomes public property).

<sup>28</sup> *Sears*, 376 U.S. at 232. An article that is not protected by patent or copyright can, however, be protected against copying under trade secret law or by contract. *See, e.g.*, *Kewanee Oil Co. v. Bicron Corp.*, 416 U.S. 470 (1970); *Aronson v. Quick Point Pencil Co.*, 440 U.S. 257 (1979).

[them]”.<sup>29</sup> The patent and copyright laws are the supreme law of the land, and “when state law touches upon the area of these statutes, it is ‘familiar doctrine’ that . . . federal policy ‘may not be set for naught, or its benefits denied’ by state law.”<sup>30</sup>

The Court held that state law protection of the plaintiffs’ unpatented designs was improper because, under the Supremacy Clause,<sup>31</sup> that protection would have been incompatible with the operation of the federal patent statutes.<sup>32</sup> In addition, the Court held in *Compro* that forbidding copying of those unpatented designs would interfere with fundamental policy embodied in the Intellectual Property Clause giving the public a right to copy whatever the federal patent and copyright laws leave in the public domain.<sup>33</sup> In other words, state law limitations on copying the public domain product configurations also violated the Constitution’s Intellectual Property Clause.<sup>34</sup>

While holding that the state law limitations on copying were preempted, the Supreme Court also stated in *Sears* and *Compro* that the patent and copyright laws did not prevent the states from requiring “those who make and sell copies to take precautions to identify their products as their own.”<sup>35</sup> Liability can be imposed on those who palm off their copies to the public as the original,<sup>36</sup> and steps can be taken to prevent consumers from being misled as to the source of goods they are purchasing.<sup>37</sup>

That an article copied from an unpatented article could be made in some other way, that the design is “nonfunctional” and not essential to the use of either article, that the configuration of the article copied may have a “secondary meaning” which identifies the maker to the trade, or that there may be “confusion” among purchasers as which article is which or as to who is the maker, may be relevant evidence in applying a State’s law requiring such precautions as labeling; however, and regardless of the copier’s motives, neither these facts nor any other can furnish a basis for imposing liability for or prohibiting the actual acts of

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<sup>29</sup> *Sears*, 376 U.S. at 232.

<sup>30</sup> *Id.* at 229 (quoting *Sola Elec. Co. v. Jefferson Elec. Co.*, 317 U.S. 173, 176 (1942)).

<sup>31</sup> U.S. CONST. art. VI, cl. 2.

<sup>32</sup> *Sears*, 376 U.S. at 231; *see also* *Hines v. Davidowitz*, 312 U.S. 52, 67 (1941).

<sup>33</sup> *Compro Corp. v. Day-Brite Lighting, Inc.*, 376 U.S. 234, 237 (1964).

<sup>34</sup> *Davis*, *supra* note 6, at 611-13; *cf.* *Barrett*, *supra* note 6, at 141-42. Other scholars limit *Sears* and *Compro* as preemption decisions. *See, e.g.*, Jay Dratler, *Trademark Protection for Industrial Designs*, 1988 U. ILL. L. REV. 887, 919; Dan Rosen, *A Common Law for the Ages of Intellectual Property*, 38 U. MIAMI L. REV. 769, 776 (1984); Gary Schuman, *Trademark Protection of Container and Package Configurations – A Primer*, 59 CHI.-KENT L. REV. 779, 792 (1983). *See also*, *Eldred v. Ashcroft*, 537 U.S. at 202-03 n.8 (saying that *Sears* is rooted in the Supremacy Clause without making any reference to *Compro*).

<sup>35</sup> *Compro*, 376 U.S. at 238.

<sup>36</sup> *Id.*

<sup>37</sup> *Sears*, 376 U.S. at 232.

copying and selling.<sup>38</sup>

The defendants had the right to copy the plaintiffs' unpatented articles without risk of liability so long as there was proper labeling and no confusion caused by copying distinctive nonfunctional elements of those articles.<sup>39</sup>

The Court's statements about fundamental principles of federal intellectual property policy found in the Intellectual Property Clause and the implementing statutes were reaffirmed in 1989 in *Bonito Boats Inc. v. Thunder Craft Boats*.<sup>40</sup> In holding that Florida's statutory prohibition against copying boat hulls by the direct molding process was preempted, the Court stated that "the [Intellectual Property] Clause contains both a grant of power and certain limitations on the exercise of that power."<sup>41</sup> It "reflects a balance between the need to encourage innovation and the avoidance of monopolies which stifle competition without any concomitant advance in the 'Progress of Science and useful Arts.'"<sup>42</sup> Implicit in the clause is the principle that "free exploitation of ideas will be the rule, to which the protection of a federal patent is the exception."<sup>43</sup> In these cases and in several others the Supreme Court has held that the public has a constitutional right to copy articles, designs and other works of authorship and inventions which have entered the public domain.<sup>44</sup> These principles impose restrictions on state unfair competition law, but it is debated whether they also impose limitations on protection afforded by the Lanham Act.<sup>45</sup>

<sup>38</sup> *Compco*, 376 U.S. at 238. *Cf. Sears*, 376 U.S. at 232; *see also Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*, 489 U.S. 141, 154 (1989) (stating that the *Sears* decision clearly indicates that the states may place limited regulations on circumstances in which product designs are used in order to prevent consumer confusion as to source). The Court acknowledged that trade dress – packaging or a product's configuration or shape – can identify a company's goods or services and distinguish them from another company's goods or services. *Id.*

<sup>39</sup> *Davis*, *supra* note 6, at 611.

<sup>40</sup> *Bonito Boats*, 489 U.S. 141 (1989). *See generally* Paul Heald, *Federal Intellectual Property Law and the Economics of Preemption*, 76 IOWA L. REV. 959 (1991); David Shipley, *Refusing to Rock the Boat: The Sears/Compco Preemption Doctrine Applied to Bonito Boats v. Thunder Craft*, 25 WAKE FOREST L. REV. 385 (1990); John Wiley, *Bonito Boats: Uninformed But Mandatory Innovation Policy*, 1989 SUP. CT. REV. 283.

<sup>41</sup> *Bonito Boats*, 489 U.S. at 146.

<sup>42</sup> *Id.*

<sup>43</sup> *Bonito Boats*, 489 U.S. at 151. *See also* *Graham v. John Deere Co.*, 383 U.S. 1, 5-6 (1966); *Davis*, *supra* note 6, at 618.

<sup>44</sup> *Feist Publ'ns, Inc. v. Rural Tel. Serv. Co.*, 499 U.S. 340, 350-54 (1991); *Aronson v. Quick Point Pencil Co.*, 440 U.S. 257, 262 (1979); *Singer Mfg. Co.*, 163 U.S. at 185; *Barrett*, *supra* note 6, at 141; *Davis*, *supra* note 6, at 596; *Heald*, *supra* note 18, at 143-44.

<sup>45</sup> The Lanham Act is also known as the Trademark Act of 1946, 60 Stat. 427, as amended, 15 U.S.C. §§ 1051 *et seq.* The key provision for the protection of trade dress -- a federal unfair competition statute -- is section 43(a), 15 U.S.C. § 1125(a). *See, e.g.,* Yochai Benkler, *Constitutional Bounds of Database Protection: The Role of Judicial Review in the Creation and Definition of Private Rights in Information*, 15 BERKLEY TECH. L. J. 535, 551 (2000)(*Sears, Compco, Bonito Boats, Feist, and John Deere* suggest that the Intellectual Property clause imposes a threshold constraint on Congress preventing it from creating rights functionally like those it can create under the Intellectual Property

Because of the difficulties of securing patent protection as well as its limited term,<sup>46</sup> and because copyright protection for useful articles is limited by the test of separability and independence,<sup>47</sup> manufacturers and others have turned to the Lanham Act, especially trade dress protection under section 43(a), as a way to protect the designs of their products against copying by competitors.<sup>48</sup> Nonfunctionality is required as a condition for protection of trade dress under section 43(a),<sup>49</sup> and ordinarily secondary meaning must be shown.<sup>50</sup> If protection can be secured, then it can last as long as the trade dress is used and does not lose its significance as an indication of origin.<sup>51</sup> This basis for protection avoids the limitations on copyright protection as well as the difficulty of obtaining a patent.<sup>52</sup>

Some courts have not regarded *Sears, Compco* and *Bonito Boats* as addressing the intersection of trademark and trade dress protection with the patent and copyright laws.<sup>53</sup> The impact of those preemption decisions

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clause except in compliance with the clause's limitations). On the other hand, "[o]ne can certainly argue that *Sears, Compco* and *Bonito Boats* do not affect the ability of Congress or the federal courts to extend trade dress protection to unpatentable product features pursuant to the Lanham Act." Barrett, *supra* note 6, at 141. Can the perpetual protection afforded by section 43(a) of the Lanham Act be used to avoid the limited terms of copyright and patent protection. Cf. Joshua Simko, *supra* note 13, at 356-57. See also *United States v. Moghadam*, 175 F.3d 1269, 1280 n.12 & 1281 n.15 (11th Cir. 1999)(upholding the 1994 anti-bootlegging statute under the Commerce clause but assuming without deciding that the Commerce clause could not be used to avoid a limitation in the Intellectual Property clause if the particular use of the Commerce clause were fundamentally inconsistent with the particular limitation in the Intellectual Property clause and not addressing limited times); *United States v. Martignon*, 346 F. Supp. 2d 413 (S.D.N.Y. 2004) (anti-bootlegging statute unconstitutional under the Intellectual Property clause, plus that clause's limits cannot be evaded by Congress through intellectual property legislation enacted pursuant to another Constitutional grant like the Commerce Clause); *KISS Catalog v. Passport Int'l Prods.*, 350 F. Supp. 2d 823 (C.D. Cal. 2004) (holding the anti-bootlegging statute unconstitutional).

<sup>46</sup> The nonobvious and novelty requirements are substantial hurdles plus utility patents have terms of 20 years and a design patent is for 14 years. 35 U.S.C. §§ 154(a)(2) & 173; see generally, *Graham v. John Deere Co.*, 383 U.S. 1 (1966)(the Court addressed the patent statute's nonobvious requirement); CRAIG JOYCE ET AL., COPYRIGHT LAW 199-200 (6th ed. 2003)(discussing protection of ornamental designs).

<sup>47</sup> See 17 U.S.C. §§ 102(a)(5) & 101 (pictorial, graphic and sculptural works subject matter and definitions). See, e.g., *Brandir Int'l Inc. v. Cascade Pac. Lumber*, 834 F.2d 1142 (2nd Cir. 1987); *Carol Barnhart v. Economy Cover*, 773 F.2d 411 (2nd Cir. 1985).

<sup>48</sup> Cf. David Lange, *Recognizing the Public Domain*, 44 LAW & CONTEMP. PROBS. 147, 168 (Autumn 1981). (discussing propensity of trademark owners to expand their interests, sometimes at the expense of the public domain).

<sup>49</sup> See 15 U.S.C. § 1125(a)(3) (putting the burden on persons seeking protection under section 43(a) to show nonfunctionality); Davis, *supra* note 6, at 619.

<sup>50</sup> See *Wal-Mart Stores, Inc. v. Samara Bros.*, 529 U.S. 205, 216 (2000).

<sup>51</sup> See 15 U.S.C. § 1127 (defining circumstances when a mark shall be deemed "abandoned").

<sup>52</sup> CRAIG JOYCE ET AL., *supra* note 46, at 200.

<sup>53</sup> See, e.g., *Thomas & Betts Corp. v. Panduit Corp.*, 138 F.3d 277, 286 (7th Cir. 1998); *Ferrari S.P.A. Esercizio Fabrice Automobili E Corse v. Roberts*, 944 F.2d 1235, 1241 (6th Cir. 1991); *Keene Corp. v. Paraflex Indus.*, 653 F.2d 822, 823 n.1 (3rd Cir. 1981); *In re Mogen David Wine Corp.*, 372 F.2d 539, 543 (C.C.P.A. 1967) (Smith, J., concurring).



arguably has been avoided by the federalization of unfair competition law.<sup>54</sup> Some courts have managed to read section 43(a) as “a vehicle for accomplishing precisely what *Sears-Compco* had formerly precluded, namely, prohibiting the copying and sale of unpatented and uncopyrighted articles in the public domain.”<sup>55</sup> For instance, in a case involving a knock-off of the unpatented and uncopyrighted design of the body of a stylish Ferrari that could be bolted to the chassis of a Pontiac Fiero or Corvette, the Sixth Circuit stated that “[b]ecause trademark law and patent law address different concerns, and because of the narrow focus of the Supreme Court’s inquiry in *Compco* and *Sears*, . . . these decisions do not preclude Lanham Act protection of designs.”<sup>56</sup> The Supreme Court’s *Two Pesos* decision, holding that inherently distinctive trade dress can be protected without a showing of secondary or acquired meaning as an indication of origin,<sup>57</sup> did not slow this trend.<sup>58</sup>

At the same time, there has been recognition that affording trade dress protection to product shapes and designs without paying sufficient attention to the nonfunctionality requirement could conflict with the Intellectual Property Clause.<sup>59</sup> The unresolved question is whether the right to copy inventions, works of authorship, and other items in the public domain announced in *Sears*, *Compco* and *Bonito Boats*, and recognized as well in *Feist*, also serves as a limitation on the protection that can be afforded under the Lanham Act.<sup>60</sup> *Sears*, *Compco* and *Bonito Boats* were unequivocal in holding that the states could not undermine the limitations in the Intellectual Property Clause and the patent and copyright statutes, but could these limitations be circumvented through interpretation of the Lanham Act?<sup>61</sup> For example, the Seventh Circuit upheld registration of a faucet’s nonfunctional design as a trademark notwithstanding the argument that protection would conflict with the Intellectual Property Clause as being equivalent to the grant of a perpetual patent.<sup>62</sup> The court responded that the defense of functionality as well as the sensitive application of the principles governing trademark

<sup>54</sup> *Esercizio*, 944 F.2d at 1241 (*Sears*, *Compco* and *Bonito Boats* do not apply to the Lanham Act); *Lon Tai Shing Co. v. Koch + Lowy*, 19 U.S.P.Q.2d 1081, 1107 (S.D.N.Y. 1990).

<sup>55</sup> Stephen Hilmy, Note, *Bonito Boats’ Resurrection of the Preemption Controversy: The Patent Leverage Charade and the Lanham Act “End Around,”* 69 TEX. L. REV. 729, 754-55 (1991).

<sup>56</sup> *Esercizio*, 944 F.2d at 1241. The court also said that the features of the body design that were copied by the defendant’s kit were nonfunctional and that they had secondary meaning. *Id.*

<sup>57</sup> *Two Pesos, Inc. v. Taco Cabana, Inc.*, 505 U.S. 763, 773-74 (1992).

<sup>58</sup> See *Davis*, *supra* note 6, at 625-26.

<sup>59</sup> *Feist Publ’ns Inc. v. Rural Tel. Serv. Co., Inc.*, 499 U.S. 340 (1991).

<sup>60</sup> See *Davis*, *supra* note 6, at 642-43; *Barrett*, *supra* note 6, at 141; *Heald*, *supra* note 18, at 145, 168.

<sup>61</sup> See *Welkowitz*, *supra* note 13, at 1670; cf. *Tempo Communications, Inc. v. Columbian Art Works, Inc.*, 223 U.S.P.Q. 721, 722 (N.D. Ill. 1983); *W.T. Rogers Co. v. Keene*, 778 F.2d 334, 337 (7th Cir. 1985).

<sup>62</sup> *Kohler Co. v. Moen Inc.*, 12 F.3d 632, 638, 642 (7th Cir. 1993).

protection could avoid conflict with the patent laws.<sup>63</sup> A strong dissent discussed how extending protection to this design conflicted with the right to copy announced by the Supreme Court in *Compco*, *Bonito Boats* and other cases.<sup>64</sup>

*Sears*, *Compco*, and *Bonito Boats* are regarded appropriately as landmark decisions on federal preemption of state intellectual property laws, but the Court's decisions in the last decade, discussed in the next section of this article, indicate that they stand for more.<sup>65</sup> The Court's statements about the fundamental principles of federal intellectual property policy derived from the Constitution's Intellectual Property Clause and the implementing statutes, and the Court's recognition of a constitutional right to copy materials in the public domain,<sup>66</sup> have been reaffirmed and reemphasized in cases involving color, product shape and design, dilution, and attribution.<sup>67</sup> The decisions from the last decade establish that the principles announced in *Sears*, *Compco*, and *Bonito Boats* impose limitations on what may be protected as a trademark or trade dress under the Lanham Act.<sup>68</sup> Even though the Court has avoided ruling on whether the Intellectual Property Clause trumps conflicting trademark and trade dress legislation Congress enacts under the Commerce Clause,<sup>69</sup> it has been firm in holding that trademark law should not be employed to protect product features and other articles against copying in a way that undermines the patent and copyright regimes and threatens to remove material from the public domain.<sup>70</sup> Another way to say this is that the principles announced in *Sears*, *Compco*, and *Bonito Boats* regarding the Intellectual Property Clause and federal intellectual property policy have become substantive restrictions on what can be protected under the Lanham Act, and these principles thereby protect the public domain.<sup>71</sup> By treating *Sears*, *Compco*, and *Bonito Boats* as more than

<sup>63</sup> *Id.* at 642.

<sup>64</sup> *Id.* at 644-65 (Cudahy, J., dissenting).

<sup>65</sup> *Cf.* Gerber, *supra* note 13, at 1032; Barrett, *supra* note 6, at 157.

<sup>66</sup> *Feist Publ'ns Inc. v. Rural Tel. Serv. Co., Inc.*, 499 U.S. 340, 354 (1991); *see* Davis, *supra* note 6, at 596; *cf.* McLain, *supra* note 13, at 72.

<sup>67</sup> *See Kohler*, 12 F.3d at 641 n.11.

<sup>68</sup> Davis, *supra* note 6, at 621.

<sup>69</sup> Leaffer, *supra* note 16, at 1615; *cf.* Heald, *supra* note 18, at 168-73. The Commerce Clause grants Congress plenary authority to "regulate Commerce with foreign Nations, and among the several States, and with the Indian Tribes." Art. I, § 8, cl. 3. *See* Trade-Mark Cases, 100 U.S. 82 (1879); *see also infra* articles cited at note 191.

<sup>70</sup> Trademark or trade dress protection for a product feature might be perpetual while copyright and patent protections are for limited times -- life of the author plus 70 years for copyright, 17 U.S.C. § 302 (2005), and 20 years for a utility patent and 14 years for a design patent. 35 U.S.C. §§ 154, 173 (2005). *See generally* RESTATEMENT (THIRD) OF UNFAIR COMPETITION § 16 cmt. b (1995)(rigorous application of the functionality doctrine is necessary to avoid undermining the patent and copyright limitations on the protection of useful and ornamental designs); Harold Weinberg, *Trademark Law, Functional Design Features and the Trouble with TrafFix*, 9 J. INTELL. PROP. LAW 1, 4-5 (2001).

<sup>71</sup> *Cf.* Barrett, *supra* note 6, at 84-85, 158; Davis, *supra* note 6, at 653-55; McLain, *supra* note 13, at 91; Heald, *supra* note 18, at 172-73 (discussing the impact of *Feist*). The decision in *Eldred v. Ashcroft*, 537 U.S. 186 (2003) is not to the contrary although it is a

preemption decisions, the Court has thus shown a low tolerance for statutory and judicial attempts to avoid restrictions on the protection of inventive and creative works found in the Intellectual Property Clause and our patent and copyright laws.<sup>72</sup>

## II. REAFFIRMATION OF FUNDAMENTAL PRINCIPLES

### A. *Color – Secondary Meaning and Nonfunctionality*

In *Qualitex Co. v. Jacobson Products*<sup>73</sup> the Supreme Court held that color alone can sometimes meet the requirements for trademark protection.<sup>74</sup> This holding grew out of a trademark infringement and unfair competition suit by Qualitex, a manufacturer of green-gold colored press pads used by dry cleaners, against a competing manufacturer of pads with a similar green-gold shade.<sup>75</sup> The Ninth Circuit ruled against Qualitex and held that the Lanham Act does not permit the registration of color alone as a trademark.<sup>76</sup>

The Supreme Court, seeing no reason to disqualify absolutely the use of color as a trademark,<sup>77</sup> determined that trademark law's functionality doctrine did not bar the use of color alone as a mark.<sup>78</sup> This doctrine prevents trademark law, which seeks to promote competition by protecting a firm's reputation, from instead inhibiting legitimate competition by allowing a producer to control a useful product feature. It is the province of patent law, not trademark law, to encourage invention by granting inventors a monopoly over new product designs or functions for a limited time . . . after which competitors are free to use the innovation. If a product's functional features could be used as trademarks, however, a monopoly over such features could be obtained without regard to whether they qualify as patents and could be extended forever (because trademarks may be renewed in perpetuity) . . .<sup>79</sup>

Quoting from its *Inwood Laboratories* decision, the Court explained 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,' that is, if exclusive use of the feature would put competitors at a significant non-reputation-

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source of tension. It addresses congressional authority under the Intellectual Property clause to extend the term of existing copyrights. It does not address the tension that exists between trade dress protection and patent and copyright protection, nor does it address whether Congress can revive protection for works which are in the public domain. See *supra* notes 335-363 and accompanying text.

<sup>72</sup> Gerber, *supra* 13, at 1032; cf. Barrett, *supra* note 6, at 157.

<sup>73</sup> *Qualitex Co. v. Jacobson Products Co.*, 514 U.S. 159 (1995).

<sup>74</sup> *Id.* at 166.

<sup>75</sup> *Id.* at 161.

<sup>76</sup> *Id.* (citing 13 F.3d 1297, 1300, 1302 (9th Cir. 1994)). Qualitex won at trial.

<sup>77</sup> *Qualitex*, 514 U.S. at 162-64.

<sup>78</sup> *Id.* at 164.

<sup>79</sup> *Id.* at 164-165 (quoting *Kellogg Co. v. Nat'l Biscuit Co.*, 305 U.S. 111, 119-20 (1938)(Brandeis, J.)).

related disadvantage.<sup>80</sup> The *Inwood Laboratories* decision cited *Kellogg* and *Sears* as authority for this statement.<sup>81</sup> This suggests that the Court regards *Sears* as being relevant to federal trademark and trade dress protection as well as preemption.<sup>82</sup>

Although pill colors are functional for patients, doctors and hospitals,<sup>83</sup> and although there had been several cases in which lower courts held that a color was functional for a particular kind of product, the Court stated that color is not always essential to a product's use or purpose and does not affect cost or quality.<sup>84</sup> Where color alone (Qualitex's green-gold press pads) has attained secondary meaning so that it is distinctive of a company's goods in commerce (the green-gold serves as a symbol recognized by Qualitex customers and thus identifies the source of the press pads), and there is no competitive need for that color to remain available in the industry (it is not functional),<sup>85</sup> then trademark law will protect a company's use of color alone a trademark.<sup>86</sup>

The Court held that color alone can be a trademark if it has secondary meaning and is not functional.<sup>87</sup> The converse also is important. The Court acknowledged that color alone can never be inherently distinctive,<sup>88</sup> and it recognized that color may be functional.<sup>89</sup> The *Qualitex* decision demands a rigorous analysis of functionality because this doctrine prevents anti-competitive consequences.<sup>90</sup> It is necessary to ask whether

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<sup>80</sup> *Qualitex*, at 165 (quoting *Inwood Lab., Inc. v. Ives Lab., Inc.*, 456 U.S. 844, 850 n.10 (1982)).

<sup>81</sup> *Inwood*, 456 U.S. 844.

<sup>82</sup> Barrett, *supra* note 6, at 88.

<sup>83</sup> *Inwood*, 456 U.S. at 853. The color of pills plays a role unrelated to source identification.

<sup>84</sup> *Qualitex Co.*, 514 U.S. at 165. Thus, it concluded that the functionality doctrine does not create an absolute bar to the use of color alone as a mark. For example, the color pink for insulation performs no non-trademark function. *Id.* (citing *In re Owens-Corning Fiberglass Corp.*, 774 F.2d 1116, 1123 (Fed. Cir. 1985)).

<sup>85</sup> *Id.* The press pads must have some color to avoid noticeable stains, but there is "no competitive need in the press pad industry for the green-gold color since other colors are equally usable." *Id.* (quoting 21 U.S.P.Q.2d at 1460 (1991)).

<sup>86</sup> *Qualitex*, 514 U.S. at 166. The Court also rejected four additional reasons raised by the defendant as to why trademark law should forbid the use color alone as a trademark; shade confusion, color depletion (this relates to functionality), precedent, and that there is no need to permit color alone to serve as a mark because colors are already protected as part of other marks. *Id.* at 167-74.

<sup>87</sup> *Id.* at 166. If color has developed secondary meaning then it identifies and distinguishes a particular brand.

<sup>88</sup> *Id.* at 162-63. There was still some question after *Qualitex* whether a color could be inherently distinctive notwithstanding the Court's statement that "[w]e cannot find in the basic objectives of trademark law any obvious theoretical objection to the use of color alone as a trademark, where the color has attained 'secondary meaning' and therefore identifies and distinguishes a particular brand . . ." *Id.* at 163. See generally Paul Morico, *Protecting Color Per Se in the Wake of Qualitex v. Jacobson*, 77 J. PATENT & TM OFFICE SOC. 571, 579 (1995). All doubts were resolved by the Supreme Court's statement in *Wal-Mart* that "with respect to at least one category of mark – colors – we have held that no mark can ever be inherently distinctive." 529 U.S. at 211.

<sup>89</sup> *Qualitex*, 514 U.S. at 167-70.

<sup>90</sup> *Id.* at 169-70.

color serves a significant non-trademark function, whether “it is essential to the use or purpose of an article,” whether “it affects cost or quality,” and “if exclusive use of the feature would put competitors at a significant non-reputation-related disadvantage.”<sup>91</sup> In short, it is critical to evaluate the effect of a color’s protection on competition.<sup>92</sup> As in *Sears and Compco*, the Court’s discussion of functionality cited the venerable *Kellogg* decision for the proposition that trademark law cannot be used to extend the monopoly once enjoyed by a patent holder over a product’s functional features after the expiration of the patent.<sup>93</sup> “The functionality doctrine prevents trademark law . . . from . . . inhibiting legitimate competition by allowing a producer to control a useful product feature.”<sup>94</sup> When color functions as a useful feature for a product, trademark protection for that color would enable a company to monopolize the color and thus inhibit competition.<sup>95</sup>

The Court’s approach to functionality in *Qualitex* is consistent with its emphasis in *Sears and Compco* on assuring that unpatented products and product features in the public domain are within the reach of competitors.<sup>96</sup> The Court rejects the traditional grounds for denying trademark protection to color alone but leaves intact many barriers to obtaining and maintaining trademark rights in color *per se*.<sup>97</sup> A company claiming trademark protection for color alone has the substantial burden of establishing that the particular color has acquired secondary meaning and is not functional.<sup>98</sup> There is often a competitive need for color, developing secondary meaning can be very costly,<sup>99</sup> investments in marketing can fail<sup>100</sup> and, in a manner analogous to a

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<sup>91</sup> *Id.* at 165.

<sup>92</sup> *Id.* See also James Vana, *Color Trademarks*, 7 TEX. INTEL. PROP. L.J. 387, 395-96 (1999); Weinberg, *supra* note 70, at 19-20.

<sup>93</sup> *Qualitex*, 514 U.S. at 165 (citing *Kellogg Co. v. National Biscuit Co.*, 305 U.S. 111, 119-20 (1938)).

<sup>94</sup> *Id.* at 164.

<sup>95</sup> *Id.* at 169 (citing *Inwood Labs.*, 456 U.S. 844, 850 n.10 (1982)). The Court offered several examples of color serving a non-trademark function: pill colors are often functional because they enable doctors and patients to identify particular medications; black is functional with outboard boat engines because that color decreases apparent size and goes well with many boat colors; green is functional for farm equipment because customers want their equipment to match; and, blue is functional with fertilizer because it shows the presence of nitrogen. *Id.* at 169-70. See *Deere & Co. v. Farmhand, Inc.*, 560 F. Supp. 85, 89 (S.D. Iowa 1982), *aff’d*, 721 F.2d 253 (8th Cir. 1983); *Brunswick Corp. v. British Seagull Ltd.*, 35 F.3d 1527, 1532 (Fed. Cir. 1994); *Nor-Am Chemical v. O.M. Scott & Sons, Co.*, 4 U.S.P.Q.2d (BNA) 1316, 1320 (E.D. Pa. 1987).

<sup>96</sup> Barrett, *supra* note 6, at 93.

<sup>97</sup> Morico, *supra* note 88, at 571.

<sup>98</sup> *Id.*

<sup>99</sup> *Id.* at 579. Millions of dollars were spent on advertising so that the color pink acquired a secondary meaning for fiberglass insulation. *Id.* See *In re Owens-Corning Fiberglass Corp.*, 774 F.2d 1116 (Fed. Cir. 1985).

<sup>100</sup> Morico, *supra* note 88, at 579. See, e.g., *Brunswick Corp. v. British Seagull Ltd.*, 35 F.3d 1527 (Fed. Cir. 1994). The Trademark Trial and Appeal Board did not consider Brunswick’s evidence that the color black had acquired distinctiveness for its outboard motors because evidence of distinctiveness is of no avail to counter a finding of functionality. *Id.* at 1534.

trademark becoming generic, color can become useful or functional.<sup>101</sup> Moreover, the Court emphasized in *Qualitex*, as well as in *Kellogg* and *Inwood Laboratories*, that trade dress protection must not be allowed to interfere with free competition.<sup>102</sup>

*B. Product Design -- Secondary Meaning and Nonfunctionality*

The Supreme Court returned to the requirements of secondary meaning and nonfunctionality in *Wal-Mart Stores, Inc. v. Samara Brothers*.<sup>103</sup> The Samara Brothers designed and manufactured a line of seersucker children's outfits decorated with appliques of hearts, flowers and berries, and sold these outfits through a number of retail chains.<sup>104</sup> Wal-Mart, which copied and sold sixteen of Samara's garments, was sued for copyright and trade dress infringement and, after a jury trial, was found liable for \$1.6 million in damages, interest, costs, and fees and was subjected to an injunction.<sup>105</sup> The major issue that the Supreme Court had to decide was whether unregistered product designs could be protected as trade dress under section 43(a) of the Lanham Act.<sup>106</sup>

The Court, in a unanimous opinion by Justice Scalia, noted that section 43(a) requires a producer to show that the trade dress it seeks to protect is not functional, and that although 43(a) does not explicitly require a producer to show that its trade dress is distinctive, courts have universally imposed this requirement.<sup>107</sup> Moreover, the Court pointed out that in *Two Pesos* it had held that distinctiveness is one of the general principles qualifying a trademark for registration that also is applicable in determining

<sup>101</sup> Morico, *supra* note 88, at 580-81.

<sup>102</sup> Barrett, *supra* note 6, at 93; Welkowitz, *supra* note 13, at 1675. The Court granted protection in a way that recognized the problem of expansive rights and reminded courts to assure themselves that the mark at issue in litigation is truly a mark.

<sup>103</sup> *Wal-Mart Stores, Inc. v. Samara Bros., Inc.*, 529 U.S. 205 (2000).

<sup>104</sup> *Id.* at 207.

<sup>105</sup> *Id.* at 207-08. Samara also sued several other defendants, but all of them settled. *Id.* at 208. The trial court had denied Wal-Mart's motion for judgment as a matter of law in which it claimed that there was insufficient evidence to conclude that the clothing designs could be protected as trade dress. *Id.* The Second Circuit affirmed. *Id.* The court held that Samara's designs of appliques depicting daisies, hearts and strawberries were sufficiently original for copyright protection. It noted, however, that this protection was thin and infringed only by virtually identical copying as occurred in that case. *Samara Bros., Inc. v. Wal-Mart Stores, Inc.*, 165 F.3d 120, 132 (2nd Cir. 1998). In general, clothing designs are not copyrightable. *See, e.g.*, *Galiano v. Harrah's Operating Co.*, 68 Pat. Trademark, & Copyright J. (BNA) 107 (illustrations of uniform designs are entitled to copyright protection, but the clothing designs themselves are not because they are useful articles).

<sup>106</sup> *Wal-Mart*, 529 U.S. at 216. The judgment for Samara was reversed and remanded. The Court held that a product's design is distinctive, and therefore protectable, only upon a showing of secondary meaning. *Id.* It emphasized that product design, like color, could never be inherently distinctive. *Id.* at 212.

<sup>107</sup> *Id.* at 210. The Court first reviewed the Lanham Act's provisions on the registration and protection of trademarks, and for the protection of unregistered symbols and devices including trade dress. *Id.* The relevant provisions of section 43(a) are 15 U.S.C. §§ 1125(a)(3)(nonfunctional) & 1125(a)(1)(A)(likelihood of confusion).

whether an unregistered mark can be protected under section 43(a).<sup>108</sup> It acknowledged that some marks are inherently distinctive while others acquire distinctiveness over time by coming to identify the source of the product in the public's mind,<sup>109</sup> but stated that "[n]othing in § 2, [of the Lanham Act] however, demands the conclusion that every category of mark necessarily includes some marks 'by which the goods of the applicant may be distinguished from the goods of the applicant *without* secondary meaning – that in every category some marks are inherently distinctive."<sup>110</sup> For example, the Court noted in that it had held in *Qualitex* that color alone can never be inherently distinctive, but that a color could, over time, come to signify a product's origin and thus be protected upon a showing of secondary meaning.<sup>111</sup> "[D]esign, like color, is not inherently distinctive."<sup>112</sup> "In the case of product design, as in the case of color, we think consumer predisposition to equate the feature with the source does not exist"<sup>113</sup> because product design ordinarily is intended to make the product more useful or more appealing and not to identify its source.<sup>114</sup> Further, consumers would suffer if a producer could threaten new competitors with a suit based solely on the alleged inherent distinctiveness of the producer's non-patented and non-copyrighted product design.<sup>115</sup> In addition, the Court said that the potential availability of patent or copyright protection for product design "greatly reduces any harm to the producer that might ensue from our conclusion that a product design cannot be protected under § 43(a) without a showing of secondary meaning."<sup>116</sup>

The Court took pains to distinguish *Two Pesos*,<sup>117</sup> which established the principle that trade dress can be inherently distinctive, by stating that *Two Pesos* did not establish that *product-design* trade dress can be inherently distinctive.<sup>118</sup>

*Two Pesos* is inapposite to our holding here because the trade dress at issue, the decor of a restaurant, seems to us not to constitute product *design*. It was either product packaging – which, as we have discussed, normally *is* taken by the consumer to indicate origin – or else some *tertium quid* that

<sup>108</sup> *Wal-Mart*, 529 U.S. at 210 (citing and quoting *Two Pesos, Inc. v. Taco Cabana, Inc.*, 505 U.S. 763, 768 (1992)).

<sup>109</sup> *Id.* at 210-11.

<sup>110</sup> *Id.* at 211.

<sup>111</sup> *Id.* at 211-12.

<sup>112</sup> *Id.* at 212.

<sup>113</sup> *Id.* at 213.

<sup>114</sup> *Id.*

<sup>115</sup> *Id.* at 213-14.

<sup>116</sup> *Id.* at 214.

<sup>117</sup> *Two Pesos, Inc. v. Taco Cabana, Inc.*, 505 U.S. 763 (1992). The Court held that the trade dress of a chain of Mexican restaurants – "a festive eating atmosphere having interior and patio areas decorated with artifacts, bright colors, paintings and murals" – could be protected under § 43(a) without a showing of secondary meaning. *Id.* at 765, 776.

<sup>118</sup> *Wal-Mart*, 529 U.S. at 215.

is akin to product packaging and has no bearing on the present case.<sup>119</sup>

The Court accepted that the distinction between product packaging and product design could present difficult cases, and told lower courts to “err on the side of caution [in close cases] and classify ambiguous trade dress as product design, thereby requiring secondary meaning.”<sup>120</sup>

*Wal-Mart's* conclusion that product designs cannot be inherently distinctive was justified as protecting competition and consumer interests. The Court said that consumers are not predisposed to equate product design with source as they are with symbols because design features almost always serve purposes other than source identification.<sup>121</sup> If a product design could be inherently distinctive, then the producer of a product design, alleged to serve as trade dress, could threaten suit against new competitors based on that design's inherent distinctiveness. This would be anti-competitive and deprive consumers of product choices.<sup>122</sup> Moreover, it is not enough to require a producer who wants to exclude new entrants to just show that its trade dress is nonfunctional. The Court explained that “[c]ompetition is deterred . . . by the plausible threat of [a] successful suit, and . . . the game of allowing suit based upon alleged inherent distinctiveness seems to us not worth the candle.”<sup>123</sup>

Although the *Wal-Mart* opinion did not cite *Sears*, *Compco* or *Bonito Boats*, the Court's refusal to protect product design as trade dress without a showing of secondary meaning is entirely consistent with the principles of federal intellectual property policy announced in those earlier decisions. By distinguishing and thereby cutting back on the sweep of *Two Pesos*, the Court showed great concern about the anti-competitive effects of extending trade dress protection to product designs and product features that do not serve as indications of origin.<sup>124</sup> Requiring the producer claiming trade dress protection for its product design to establish secondary meaning as well as non-functionality, coupled with the admonition that close cases should be treated like product design instead of product packaging,<sup>125</sup> restricts the availability of trade dress protection for product features and enables competitors to offer consumers products with similar design

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<sup>119</sup> *Id.*

<sup>120</sup> *Id.* at 215.

<sup>121</sup> *Id.* at 213.

<sup>122</sup> *Id.*

<sup>123</sup> *Id.* at 214.

<sup>124</sup> Hugh Hansen et al, *I'll See You Two Pesos and Raise You . . . Two Pesos*, *Wal-Mart . . . and Traffix: Where is U.S. Supreme Court Jurisprudence Heading, and How Will It Affect Trademark Practitioners?*, 11 *FORDHAM INTELL. PROP. MEDIA & ENT. L.J.* 509, 514-17, 526 (2001); Welkowitz, *supra* note 13, at 1678-79.

<sup>125</sup> The Court's statement that the protected trade dress in *Two Pesos* (the look and feel of a Mexican restaurant) was either product packaging or else some *tertium quid* (something of a third kind) akin to product packaging (529 U.S. at 215) reveals the Court's desire to limit the impact of *Two Pesos*. Hansen et al. *supra* note 109, at 526.



characteristics.<sup>126</sup> Moreover, the potential availability of design patent or copyright protection for product design also reduces the risk of harm to the producer.<sup>127</sup> This outcome reaffirms the *Sears* and *Compco* principle that products in general circulation, which are not protected by a patent or copyright, can be freely copied and distributed to the public so long as the copies are labeled appropriately to prevent consumer confusion.<sup>128</sup>

C.        *Expired Patents and the Burden of Establishing Nonfunctionality*

*TrafFix Devices v. Marketing Displays*<sup>129</sup> offers some minor variations on the facts of *Sears* and *Compco*: the plaintiff's patents had expired instead of being declared invalid, and the claim against a competitor was for trade dress infringement under section 43(a) of the Lanham Act<sup>130</sup> instead of a state law unfair competition claim.<sup>131</sup> Preemption was not an issue.<sup>132</sup> The fundamental issue of protection, however, was essentially the same: could plaintiff Marketing Displays, Inc. (MDI), like the plaintiffs in the 1964 classics, stop a competitor, TrafFix Devices, from copying the visible dual spring design of its temporary road signs -- a design once protected by now expired utility patents.<sup>133</sup> The dual spring mechanism kept these signs upright against strong winds.<sup>134</sup> MDI claimed that this design was protected trade dress because buyers and users of its signs relied on the design as an indication of origin.<sup>135</sup>

The trial court ruled against MDI, concluding that it had not established secondary meaning and that the design was functional so it could not be protected in any event.<sup>136</sup> The Sixth Circuit reversed, holding that the

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<sup>126</sup> Remarks by Kenneth Germain at the 2003 PTO Day, reported at 67 Pat., Trademark & Copyright J. (BNA) 119-20 (Dec. 12, 2003). *See, e.g.*, *Dippin' Dots, Inc. v. Frosty Bites Distrib. LLC.*, 68 Pat., Trademark & Copyright (BNA) 70 (May 20, 2004) (design of a flash-frozen ice cream product is functional as a whole and in its individual elements so it is not entitled to trade dress protection – the court said there was no reason to reach the issue of secondary meaning); *Hi Limited Partnership v. Winghouse of Florida, Inc.*, 347 F. Supp. 2d 1256 (M.D. Fla. 2004) (The white tank top and orange shorts-clad “Hooters Girl” of the Hooter restaurant is not entitled to trade dress protection because she is primarily functional. Hooters cannot block a competitor from using a server outfit as different as a black tank top and black running shorts. This outfit is common to sports bars and this generic theme cannot be monopolized any more than an upscale restaurant can claim protection for tuxedo-clad servers).

<sup>127</sup> *Wal-Mart*, 529 U.S. at 214. *See Welkowitz, supra* note 13, at 1678 (the message to trademark owners is that if you want intellectual property protection, use real intellectual property doctrines).

<sup>128</sup> *Cf. Compco Corp. v. Day-Brite Lighting, Inc.*, 376 U.S. 234, 238 (1964).

<sup>129</sup> *TrafFix Devices, Inc. v. Marketing Displays Inc.*, 532 U.S. 23 (2001).

<sup>130</sup> 15 U.S.C. § 1125(a).

<sup>131</sup> *TrafFix*, 532 U.S. at 26.

<sup>132</sup> *See generally id.*

<sup>133</sup> *Id.* at 23.

<sup>134</sup> *Id.* at 25-26.

<sup>135</sup> *Barrett, supra* note 6, at 110.

<sup>136</sup> *Marketing Displays, Inc. v. TrafFix Devices, Inc.*, 971 F. Supp. 262, 269, 276 (E.D. Mich. 1997). Under section 1125(a)(3) of the Lanham Act, MDI had the burden to prove

trial court erred in ruling that MDI had failed to show a genuine issue of material fact regarding secondary meaning and in concluding that MDI could not prevail because the trade dress was a functional product configuration.<sup>137</sup> The court said that it took “little imagination to conceive of a hidden dual spring mechanism or a tri or quad-spring mechanism that might . . . avoid infringing [MDI’s] trade dress.”<sup>138</sup> It also noted that courts were divided on whether an expired utility patent forecloses a patentee’s claim for trade dress protection for a product’s design.<sup>139</sup>

A unanimous Supreme Court reversed.<sup>140</sup> It acknowledged that trade dress protection for a product’s design or packaging was well established if the manufacturer could show that the matter sought to be protected was not functional and had acquired secondary meaning, but stated that “we were careful [in *Wal-Mart*] to caution against misuse or over extension of trade dress.”<sup>141</sup> It also noted that product design almost always serves purposes other than source identification.<sup>142</sup>

Trade dress protection must subsist with the recognition that in many instances there is no prohibition against copying goods and products. In general,

unless an intellectual property right such as a patent or copyright protects an item, it will be subject to copying . . . . copying is not always discouraged or disfavored by the laws which preserve our competitive economy. . . . Allowing competitors to copy will have salutary effects in many instances. ‘Reverse engineering of chemical and mechanical articles in the public domain often leads to significant advances in technology.’<sup>143</sup>

After this strong reaffirmation of the public’s right to copy items in

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that its trade dress was nonfunctional, and since MDI did not offer sufficient evidence on this issue the trial court granted summary judgment against the plaintiff on this count. *Id.* at 276.

<sup>137</sup> *Marketing Displays, Inc. v. TrafFix Devices, Inc.*, 200 F.3d 929, 938, 940 (6th Cir. 1999).

<sup>138</sup> *Id.* at 940.

<sup>139</sup> *Id.* at 939.

<sup>140</sup> *TrafFix*, 532 U.S. at 35.

<sup>141</sup> *Id.* at 29 (citing *Qualitex Co. v. Jacobson Products Co.*, 514 U.S. 159, 164-65 (1995)).

The person asserting trade dress protection has the burden of proving that the subject matter is not functional. This is mandated by the Lanham Act. 15 U.S.C. § 1125(a)(3). *Id.*  
<sup>142</sup> *TrafFix*, 532 U.S. at 29 (citing *Wal-Mart Stores, Inc. v. Samara Bros., Inc.*, 529 U.S. 205, 213 (2000)). The functionality doctrine helps balance trade dress protection against competition in that it protects manufacturers and consumer from the copying of features that signify a product’s source and quality while encouraging competition by preventing a manufacturer from having a trademark monopoly over design features which are essential to a successful product. *Standard Terry Mills, Inc. v. Shen Mfg., Co.*, 803 F.2d 778, 780-81 (3rd Cir. 1986).

<sup>143</sup> *TrafFix*, 532 U.S. at 29 (quoting *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*, 489 U.S. 141, 160 (1989)).

general circulation which are not protected by patent or copyright, the Court turned to the main issue: the effect of an expired patent on trade dress protection.<sup>144</sup> It concluded that a prior utility patent on the product feature is strong evidence that the feature is functional, this evidence adds substantial weight to the statutory presumption that the feature is deemed functional until proven otherwise, and one who seeks trade dress protection for that feature has to carry a very heavy burden of establishing that the feature is not functional.<sup>145</sup>

The central advance claimed in these expired patents was the dual spring design; the essential feature of MDI's claimed trade dress,<sup>146</sup> so MDI could not overcome the strong inference of functionality due to what was claimed and disclosed in the expired patents.<sup>147</sup> Moreover, during the patent application and procurement process it was asserted that the dual-spring design kept the temporary road signs upright in strong winds and also affected costs, all of which demonstrated functionality.<sup>148</sup>

The Court relied on *Qualitex* in elaborating on the requirement that a party asserting trade dress protection has the burden of establishing nonfunctionality.<sup>149</sup> A "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."<sup>150</sup> Furthermore, "a functional feature is one the 'exclusive use of [which] would put competitors at a significant non-reputational disadvantage.'"<sup>151</sup> Although it is proper to evaluate a "significant non-reputational related disadvantage in cases of esthetic functionality,"<sup>152</sup> where a design feature or configuration is functional, there is no need to consider whether there is competitive necessity for others to use the feature.<sup>153</sup> Moreover, in cases where the functionality of the feature has been established by the issuance of a patent, there is no need to consider whether the feature has secondary meaning or whether there

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<sup>144</sup> *Id.* at 29.

<sup>145</sup> *Id.* at 29-30. The person seeking trade dress protection might be able to show that the feature is not functional by showing that the feature is merely an ornamental, incidental or arbitrary aspect of the device. *Id.* at 30.

<sup>146</sup> *Id.* at 30. The Court said that it made no difference whether the springs were placed well apart or close together because they were necessary to the operation of the signs. *Id.*

<sup>147</sup> *Id.* at 30-32. It also was noted that there had been patent litigation involving these patents (the Sarkisian patents), and the defendant's traffic sign stand in that litigation was held to infringe under the doctrine of equivalents. *Id.* at 30-31 (citing and discussing *Sarkisian v. Winn-Proof Corp.*, 697 F.2d 1313 (9th Cir. 1983)).

<sup>148</sup> *Id.* at 31-32. The dual spring design functioned in a unique and useful manner. *Id.* at 33.

<sup>149</sup> *Id.* at 32.

<sup>150</sup> *Id.* (quoting *Qualitex Co. v. Jacobson Products Co.*, 514 U.S. 159, 165 (1995)).

<sup>151</sup> *Id.*

<sup>152</sup> *Id.* at 33. This does not mean, however, that the test for functionality is whether the feature or configuration is a competitive necessity. The Court discussed and compared the results in *Qualitex* (the green-gold color of plaintiff's laundry press pads had no bearing on the product's use, purpose, cost or quality and thus could be protected as trade dress) and *Inwood Labs* (the color of pills was functional and could not be protected as trade dress). *Id.* at 32-33.

<sup>153</sup> *Id.* at 33.

might be design alternatives.<sup>154</sup> Trade dress protection might be available for arbitrary, incidental or ornamental aspects of features found in a patent claim if they serve no purpose within the terms of the patent, but here MDI was seeking protection for the dual spring design alone and not some arbitrary or incidental aspect of the once patented mechanism.<sup>155</sup> It did not have the right to exclude competitors from using the dual spring design covered by its expired utility patents.<sup>156</sup> The Supreme Court acknowledged the argument that the Constitution's Intellectual Property Clause, by its own force, "prohibits the holder of an expired utility patent from claiming trade dress protection," but left resolution of that argument for another day.<sup>157</sup> If "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."<sup>158</sup>

The Court explained in *TrafFix*, as in *Wal-Mart* and *Qualitex*, how the functionality doctrine defines the boundary between patent and trademark protection.<sup>159</sup> The issue in *TrafFix* showed the tension between patent protection of a product's functional features for a limited time and the potentially perpetual protection that trade dress rights might extend to those features.<sup>160</sup> The decisions come down strongly against extending trade dress protection to product design absent showings of non-functionality and secondary meaning.<sup>161</sup> The *TrafFix* and *Wal-Mart* decisions restrict the use of the Lanham Act to block product imitation.<sup>162</sup> They are blows against expansive trade dress protection for product shape.<sup>163</sup> Trade dress protection cannot be allowed to tread upon the non-functionality requirement, and the Court made it clear that evidence of functionality is very strong when the

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<sup>154</sup> *Id.* For example, using three or four springs instead of two or covering the springs. *Id.* at 33-34. On the other hand, where functionality is an open question, the existence of alternatives for the shape of a product or a product's features is evidence that can defeat the assertion of functionality. Anandashankar Mazumdar, *Existence of Alternatives Shows Guitar Design Was Not Functional*, 67 PAT. TRADEMARK & COPYRIGHT J. (BNA) 568 (April 16, 2004). See *Gibson Guitar Corp. v. Paul Reed Smith Guitars*, 311 F. Supp. 2d 690, 720 (M.D. Tenn. 2004) (the existence of other body shapes and different configurations of control knobs in the market for electric guitars establishes that the design of Gibson's Les Paul guitar is not essential to its function and is therefore eligible for trade dress protection) (reversed and remanded, 423 F.3d 539 (6th Cir. 2005) (the manufacturer's trademark did not extend to the entire guitar, no evidence of actual confusion and the competitor's guitar did not infringe). There is still uncertainty about the relevance of alternative designs in establishing nonfunctionality after *TrafFix*. See H. David Starr, "Proceed With Caution": *Alternative Designs After TrafFix Devices*, 67 PAT. TRADEMARK & COPYRIGHT J. (BNA) 468 (March 19, 2004).

<sup>155</sup> *TrafFix*, 532 U.S. at 34.

<sup>156</sup> *Id.* at 35.

<sup>157</sup> *Id.*

<sup>158</sup> *Id.*

<sup>159</sup> *Id.* at 29.

<sup>160</sup> *Hanson et al.*, *supra* note 124, at 529.

<sup>161</sup> *TrafFix*, 532 U.S. at 30; *Wal-Mart Stores, Inc. v. Samara Bros., Inc.*, 529 U.S. 205, 216 (2000).

<sup>162</sup> *TrafFix*, 532 U.S. at 34; *Wal-Mart*, 529 U.S. at 216.

<sup>163</sup> *Barrett*, *supra* note 6, at 118; *Weinberg*, *supra* note 70, at 60.

claimed feature is the subject of an expired patent.<sup>164</sup> 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”<sup>165</sup> Substantial investments and other efforts to encourage the public to associate a product feature with a particular manufacturer or seller do not justify trade dress protection for that functional feature.<sup>166</sup> This is reminiscent of the Court’s rejection of the “sweat of the brow” rationale for copyright protection in the landmark *Feist* decision.<sup>167</sup>

Even though the Court left open whether trade dress rights can ever be granted for a product design or feature that was the subject of an expired patent,<sup>168</sup> the language and mood of this opinion, coupled with the language and mood of the *Wal-Mart* opinion, strongly suggests that the answer will be “no.” Just as in *Sears, Compco* and *Bonito Boats*, the Court stressed the public’s interest in permitting competitors to copy unpatented product features and designs, subject to appropriate labeling and packaging to insure that consumers are not misled about the source of the products.<sup>169</sup> *TrafFix* and *Wal-Mart* also undermine decisions like *Sunbeam Products v. West Bend*,<sup>170</sup> that extended the protection of the Federal Trademark Dilution Act to product shape. Allowing recovery under a dilution theory for copying a product shape or configuration is anti-competitive and conflicts with federal intellectual property policy<sup>171</sup> by running afoul of limitations in the Intellectual Property Clause as well as the standards for protection under the copyright and patent laws.<sup>172</sup> After all, the “aim of the patent laws is not only

<sup>164</sup> Weinberg, *supra* note 70, at 60. This adds force to the federal statutory presumption that design features are functional. *Id.*

<sup>165</sup> *TrafFix*, 532 U.S. at 34. See Welkowitz, *supra* note 13, at 1680 (“The *Wal-Mart* philosophy that trademark is different than conventional intellectual property and that trademark law should not hinder competition” was furthered in *TrafFix*).

<sup>166</sup> *TrafFix*, 532 U.S. at 34-35.

<sup>167</sup> *Feist Publ’ns Inc. v. Rural Tel. Service Co.*, 499 U.S. 340, 362-63 (1991).

<sup>168</sup> *TrafFix*, 532 U.S. at 35.

<sup>169</sup> *Id.* at 29. The Court recognized the distinction between product shape and features from packaging in *Wal-Mart*. *Id.* See generally, Eric Berger, *TrafFix Devices, Inc. v. Marketing Displays, Inc.: Intellectual Property in Crisis: Rubbernecking the Aftermath of the United States Supreme Court’s TrafFix Wreck*, 57 ARK. L. REV. 383 (2004) (arguing that the functionality doctrine remains unsettled and that the Court still needs to clarify how trademark and patent law coexist); Weinberg, *supra* note 70, at 60 (discussing the problems courts may face in applying the functionality doctrine after *TrafFix*).

<sup>170</sup> *Sunbeam Prods. v. West Bend Co.*, 39 U.S.P.Q.2d (BNA) 1545 (S.D. Miss. 1996), *aff’d*, 123 F.3d 246 (5th Cir. 1997).

<sup>171</sup> Cf. Paul Heald, *Sunbeam Products, Inc. v. The West Bend Co.: Exposing the Malign Application of the Federal Dilution Statute to Protect Product Configurations*, 5 J. INTEL. PROP. LAW 415, 427 (1998). Professor Heald discusses and approves of the outcome in *Kohler Co. v. Moen*, 12 F.3d 632 (7th Cir. 1993) in which Moen was granted a trademark for its faucet but Kohler could still copy the design so long as it insured that the public was not misled that its copy was a Moen faucet. *Id.* at 426. See also Hugh Latimer & Karyn K. Ablin, *Stealth Patents: The Unconstitutionality of Protecting Product Designs Under the Federal Trademark Dilution Act*, 90 TRADEMARK REP. 489, 512 (2000).

<sup>172</sup> Brian Jacobs, *Trademark Dilution on the Constitutional Edge*, 104 COLUM. L. REV. 161,

that members of the public shall be free to manufacture the product ... disclosed by the expired patent, but also that the consuming public at large shall receive the benefits of unrestricted exploitation, by others, of its disclosures."<sup>173</sup>

#### D. *Dilution of Famous Marks*

In *Moseley v. V Secret Catalogue, Inc.*,<sup>174</sup> the Supreme Court resolved a split in the circuits over interpretation of the Federal Trademark Dilution Act (FTDA)<sup>175</sup> as to "whether objective proof of actual injury to the economic value of a famous mark (as opposed to a presumption of harm arising from a subjective 'likelihood of dilution' standard) is a requisite for relief...."<sup>176</sup> The Court concluded that the text of the FTDA "unambiguously requires a showing of actual dilution, rather than a likelihood of dilution."<sup>177</sup>

This litigation focused on what the owner of the VICTORIA'S SECRET trademark had to show to stop Victor and Cathy Moseley of Elizabethtown, Kentucky from using VICTOR'S LITTLE SECRET for the name of their retail store that sold lingerie, pagers and lycra dresses as well as adult novelties and gifts.<sup>178</sup> The fame of the plaintiff's mark was not disputed; therefore the only question was whether the Moseley's use of VICTOR'S LITTLE SECRET diluted the quality of VICTORIA'S SECRET.<sup>179</sup> In affirming the trial court's grant of injunctive relief against the Moseleys, the Sixth Circuit adopted the Second Circuit's standard that 'actual dilution' need not be proven to establish dilution.<sup>180</sup> It rejected the

185-86 (2004); cf. Paul Heald, *supra* note 40, at 1009-10 (arguing for preemption of state antidilution statutes). *But see* Gary Myers, *Statutory Interpretation, Property Rights, and Boundaries: The Nature and Limits of Protection in Trademark Dilution, Trade Dress, and Product Configuration Cases*, 23 COLUM.-VLA J.L. & ARTS 241, 297-98 (2000).

<sup>173</sup> Scott Paper Co. v. Marcalus Mfg. Co., 326 U.S. 249, 255 (1945) (citing Kellogg Co. v. Nat'l Biscuit Co., 305 U.S. 111, 117-120 (1938)).

<sup>174</sup> *Moseley v. V Secret Catalogue, Inc.*, 537 U.S. 418 (2003).

<sup>175</sup> 15 U.S.C. § 1125(c). This act was passed in 1995 as an amendment to sections 43(a) and 45 of the Lanham Act to afford protection to owners of famous marks against another person's commercial use of a mark or trade name that causes dilution to the distinctive quality of the famous mark. Pub. L. No. 104-98, 109 Stat. 985 (1996).

<sup>176</sup> *Moseley*, 537 U.S. at 422.

<sup>177</sup> *Id.* at 433. *See generally*, Jacobs, *supra* note 172, at 170; Natalie McNeal, *Trademark: Victoria's Dirty Little Secret: A Revealing Look at the Federal Trademark Dilution Act is Trying to Conceal*, 56 OKLA. L. REV. 977, 1000 (2003).

<sup>178</sup> *Moseley*, 537 U.S. at 423, 432-33. The VICTORIA'S SECRET mark is associated with lingerie sold around the nation in store settings designed to look like a woman's bedroom, and through widely distributed catalogues. *Id.* at 422-23.

<sup>179</sup> *Id.* at 425. In affirming, the Sixth Circuit said that this was an example of dilution by tarnishing and blurring. 259 F.3d 464, 477 (6th Cir. 2001).

<sup>180</sup> *Moseley*, 537 U.S. at 425-26 (citing and quoting *Nabisco, Inc. v. PF Brands, Inc.*, 191 F.3d 208, 216-23 (2nd Cir. 1999)). The dispute was over whether Pepperidge Farm's Goldfish crackers were diluted by Nabisco's cheddar cheese flavored crackers shaped like bones, fish and a cartoon character called CatDog. *Nabisco*, 191 F.3d at 213. The Seventh Circuit agreed that actual dilution need not be shown in a dilution suit. *Eli Lilly & Co. v. Natural Answers, Inc.*, 233 F.3d 456, 468 (7th Cir. 2000) (only a likelihood of

standard adopted by the Fourth Circuit<sup>181</sup> that the owner of the famous mark must show that the alleged offensive use caused actual economic harm to the famous mark's economic value.<sup>182</sup>

The Supreme Court pointed out that the FTDA defines dilution as "the lessening of the capacity of a famous mark to identify and distinguish goods and services."<sup>183</sup> Because the act prohibits use of a mark that "causes dilution," the Court determined that the FTDA "unambiguously requires a showing of actual dilution, rather than a likelihood of dilution."<sup>184</sup> In reaching this conclusion, the Court assumed that the Moseley's use of 'Victor's Little Secret' neither confused consumers, nor was it likely to do so, but it acknowledged that the absence of any likelihood of confusion or the absence of competition does not provide defenses to a dilution claim.<sup>185</sup> It also stated that the actual dilution standard did not require the owner of a famous mark to prove the consequences of dilution such as loss of sales or profits.<sup>186</sup> However,

at least where the marks at issue are not identical, the mere fact that consumers mentally associate the junior user's mark with a famous mark is not sufficient to establish actionable dilution. As the facts of that case [*Ringling Bros. – Greatest Show (Snow) on Earth*] demonstrate, such mental association will not necessarily reduce the capacity of the famous mark to identify the goods of its owner, the statutory requirement for dilution under the FTDA. For even though Utah drivers may be reminded of the circus when they see a license plate referring to the 'greatest snow on earth,' it by no means follows that they will associate 'the greatest show on earth' with skiing or snow sports, or associate it less strongly or exclusively with the circus. 'Blurring' is not a necessary consequence of mental association. (Nor, for that matter, is 'tarnishing.')

<sup>187</sup>

The *Moseley v. V. Secret Catalogue* decision is a victory for competition and the public domain. The Supreme Court, by agreeing with

dilution needs to be shown).

<sup>181</sup> *Moseley*, 537 U.S. at 427-28 (citing *Ringling Bros.-Barnum & Bailey Combined Shows, Inc. v. Utah Div. of Travel Dev.*, 170 F.3d 449 (4th Cir. 1999) (holding that the slogan 'greatest snow on earth' on Utah's license plates did not dilute the famous Ringling Bros.-Barnum & Bailey Circus slogan 'greatest show on earth')).

<sup>182</sup> *Moseley*, 537 U.S. at 428 (citing *Ringling Bros.*, 170 F.3d at 461).

<sup>183</sup> *Moseley*, 537 U.S. at 433.

<sup>184</sup> *Id.*

<sup>185</sup> *Id.* at 429.

<sup>186</sup> *Id.* at 433. The Court said to the extent the *Ringling Bros.* decision from the Fourth Circuit suggested otherwise, it disagreed. *Id.* The Court has been criticized for not providing guidance on what a company has to show to establish actual dilution. See Jacobs, *supra* note 171, at 170; McNeal, *supra* note 176, at 1000.

<sup>187</sup> *Moseley*, 537 U.S. at 433-34.

much of the Fourth Circuit's interpretation of the FTDA, made it more difficult for owners of famous trademarks to establish dilution than the Second, Seventh and Sixth had required.<sup>188</sup> After all, the anti-dilution statutes, when interpreted expansively, can turn famous trademarks into rights in gross and rights against the world; the claimant's right to the symbol becomes analogous to those protected by a copyright or a patent.<sup>189</sup>

Because the Supreme Court has held that trademarks are not writings,<sup>190</sup> federal trademark and trade dress legislation is enacted under the Commerce Clause's grant of power to Congress.<sup>191</sup> Whether the Intellectual Property Clause limits what Congress can do under the Commerce Clause is debated.<sup>192</sup> One of the reasons for this debate is that the closer a trademark

<sup>188</sup> See, e.g., *Kellogg Co. v. Toucan Golf, Inc.*, 337 F.3d 616 (6th Cir. 2003) (golf equippers use of the word "toucan" in a mark is not likely to cause dilution of Kellogg's famous Toucan Sam mark because there is no evidence of actual dilution); *Caterpillar Inc. v. Walt Disney Co.*, 68 U.S.P.Q.2d (BNA) 1461 (C.D. Ill. 2003) (bulldozer manufacturer not likely to succeed on a claim of trademark dilution based on the appearance of bulldozers in Disney's *George of the Jungle 2* movie); see generally Rochelle D. Jackson, *Witnesses at Hearing Support Revising the FTDA to Require Likely, Not Actual, Dilution*, 67 PAT. TRADEMARK & COPYRIGHT J. (BNA) 614 (April 30, 2004); Stephanie Egner, *Victor/Victoria? -- The United States Supreme Court Requires Trademark Dilution Plaintiffs to Show Actual Harm*, 26 U. ARK. LITTLE ROCK L. REV. 303, 332 (2004) (the *Moseley* decision facilitates the entry of new businesses in the market place); see also Welkowitz, *supra* note 13, at 1684.

<sup>189</sup> *Hanover Star Milling Co. v. Metcalf*, 240 U.S. 403, 411 (1916) (trademarks are not rights in gross). See Jacobs, *supra* note 172, at 162-165 (asserting that a narrow interpretation of the FTDA is necessary to avoid conflicts with the Intellectual Property clause and the First Amendment); McNeal, *supra* note 176, at 979, 994-99 (contending that if the Sixth Circuit had been affirmed famous marks would have become rights in gross and that the FTDA would have been made into a misappropriation statute more concerned with free riders and unjust enrichment than consumer confusion); J. Thomas McCarthy, *Proving a Trademark Has Been Diluted: Theories or Facts?* 41 HOUS. L. REV. 713, 733, 747 (2004) (discussing *Moseley's* impact and asserting that the antidilution remedy should apply only in extraordinary cases, that proving a dilution case should be more difficult than proving a confusion case, and that rigorous requirements for dilution cases will balance free competition with fair competition).

<sup>190</sup> *The Trademark Cases*, 100 U.S. 82, 93-94 (1879).

<sup>191</sup> *Id.* at 95.

<sup>192</sup> See, e.g., Benkler, *supra* note 45, at 538-39; Jane Ginsburg, *No "Sweat"? Copyright and Other Protection of Works of Information After Feist v. Rural Telephone*, 92 COLUM. L. REV. 338 (1992); Paul Heald & Suzanna Sherry, *Implied Limits on the Legislative Power: The Intellectual Property Clause as an Absolute Constraint on Congress*, 2000 U. ILL. L. REV. 1119, 1166-67; Heald, *supra* note 18, at 172-73; Latimer & Ablin, *supra* note 170, at 508-09; Zimmerman, *supra* note 13, at 317-18; see also *United States v. Moghadan*, 175 F.3d 1269, 1280 n.12, 1281 n.15 (11th Cir. 1999) (upholding the anti-bootlegging statute under the Commerce clause but assuming without deciding that the Commerce clause could not be used to avoid a limitation in the Intellectual Property clause, and raising concerns about limited times); *United States v. Martignon*, 346 F. Supp. 2d 413 (S.D.N.Y. 2004) (holding that the anti-bootlegging statute is impermissible under the Intellectual Property clause, and that Congress may not evade limits imposed upon its power to enact intellectual property legislation by resorting to a separate grant of power like the Commerce Clause). *KISS Catalog v. Passport Int'l. Prods.*, 350 F. Supp. 2d 823 (C.D. Cal. 2004) (holding the anti-bootlegging statute unconstitutional). But see Thomas Nachbar, *Intellectual Property and Constitutional Norms*, 104 COLUM. L. REV. 272



comes to affording property-like protection to words, names, symbols and devices – treating them like a writing or an invention – the potential for conflict with the Intellectual Property Clause increases.<sup>193</sup> This is a reason why constitutional concerns have been voiced about interpreting the FTDA expansively.<sup>194</sup> Words, shapes and symbols that function as trademarks and trade dress should not be allowed to become the exclusive property of anyone.<sup>195</sup> The *Moseley* decision avoids this conflict with its restrictive reading of the FTDA that requires the owner of a famous mark, asserting a dilution claim, to prove that the defendant caused actual dilution instead of just a likelihood dilution.<sup>196</sup> This holding is consistent with the Court's earlier statement in *Qualitex*, discussing the functionality doctrine, that trademark law must not inhibit legitimate competition.<sup>197</sup>

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(concluding that if Congress can find another power to support legislation, then it can grant exclusive rights without regard to the limitations in the Intellectual Property clause).

<sup>193</sup> See, e.g., *I.P. Lund Trading ApS v. Kohler Co.*, 163 F.3d 27, 50-51 (1st Cir. 1998) (trademark dilution treads “close to the constitutional edge”). William Patry, *The Enumerated Powers Doctrine and Intellectual Property: An Imminent Constitutional Collision*, 67 GEO. WASH. L. REV. 359, 392-93 (1999). See also, *Qualitex Co. v. Jacobson Products Co.*, 514 U.S. 159, 164 (1995) (“It is the province of patent law, not trademark law, to encourage invention by granting inventors a monopoly over new product designs or functions for a limited time, 35 U.S.C. §§ 154, 173, after which competitors are free to use the innovation.”).

<sup>194</sup> See Jacobs, *supra* note 172, at 173; Patry, *supra* note 192, at 392; Robert Klieger, *Trademark Dilution: The Whittling Away of the Rational Basis for Trademark Protection*, 58 U. PITT. L. REV. 789, 833 (1997).

<sup>195</sup> Cf. Heald & Sherry, *supra* note 192, at 1166.

<sup>196</sup> Jacobs, *supra* note 172, at 184. This author concludes that constitutional problems remain because the concept of dilution remains rooted in mental association even after *Moseley*; Natalie Polzer, *The United States Supreme Court's Actual Harm Standard of Dilution Whittles Away FTDA Protection Offered to Famous Trademarks*, 37 CREIGHTON L. REV. 709 (2004)(arguing that the decision is contrary to the intent of Congress in enacting the FTDA); Dickerson Downing, *Dilution in the Post-Victoria's Secret World*, 21 THE COMPUTER & INTERNET LAWYER 6, 12-17 (Dec. 2004) (discussing post-*Victoria's Secret* dilution cases and the confusion about proving dilution). See also, Panel Discussion, *Trademark Dilution: Moseley and Beyond*, 15 FORDHAM INT. PROP. MEDIA & ENT. L. J. 849, 849-91 (2004)(disagreement among trademark lawyers about the meaning of *Moseley* and the proof needed to establish actual dilution); Welkowitz, *supra* note 13, at 1685.

<sup>197</sup> *Qualitex Co. v. Jacobson Products Co.*, 514 U.S. 159, 164 (1995). Even though the *Moseley* Court held that actual dilution must be established, there is still confusion about how this will be shown since the Court rejected the Fourth Circuit's view from *Ringling Brothers* that plaintiffs must prove actual loss of sales or profits. *Moseley*, 537 U.S. at 433. McNeal, *supra* note 177, at 1000. See, e.g., *Nissan Motor Co. v. Nissan Computer Corp.*, 68 BNA P.T.C.J. 463 (9th Cir. 2004) (remanding case and expressing uncertainty as to what the Supreme Court meant by circumstantial evidence in *Moseley* and choosing instead to let the trial court consider in the first instance whether there has been actual dilution within the meaning of meaning of *Moseley*).

E. Section 43(a), Expired Copyrights and the Public Domain

*Dastar Corporation v. Twentieth Century Fox Film Corporation*<sup>198</sup> had the allied forces of SFM Entertainment, New Line Home Video and Twentieth Century Fox battling Dastar Corporation over use of a public domain television series first shown in 1949. The series, titled *Crusade in Europe*, was based on General Dwight D. Eisenhower's 1948 account of the allied campaign in Europe during WWII.<sup>199</sup> In this courtroom war, however, the allies eventually lost because the Supreme Court held that section 43(a) of the Lanham Act does not prevent the uncredited copying of a work with an expired copyright.<sup>200</sup> In *Dastar*, as in *Wal-Mart* and *TrafFix*, the Court protected the public domain by coming out strongly against extending the Lanham Act's protection into areas covered by patent and copyright law.<sup>201</sup>

Doubleday published *Crusade in Europe* in 1948 and granted exclusive television rights to a Twentieth Century Fox affiliate which then had Time, Inc. produce a 26 episode series based on Ike's book.<sup>202</sup> The series consisted of WWII film footage drawn from a number of sources in the United States, Canada, and England,<sup>203</sup> and its soundtrack had narration drawn from the Eisenhower book. Doubleday renewed the copyright on the book in 1975, but Fox failed to renew the copyright on the film series in 1977.<sup>204</sup> Fox reacquired television rights in the book in 1988 along with the exclusive right to distribute the television series on video.<sup>205</sup> It sub-licensed this right to SFM Entertainment and New Line Home Video.<sup>206</sup> SFM restored the original negatives of the series and repackaged it on videotape.<sup>207</sup> These tapes were distributed by New Line.<sup>208</sup>

Dastar purchased tapes of the original Time/Fox *Crusade in Europe*

<sup>198</sup> *Dastar Corp. v. Twentieth Century Fox Film Corp.*, 539 U.S. 23 (2003).

<sup>199</sup> *Id.* at 25-26.

<sup>200</sup> *Id.* at 37-38.

<sup>201</sup> Zimmerman, *supra* note 13, at 320-21; Stacey Garrett, *No Need to Search the Nile: The Supreme Court Clarifies Use of Public Domain Works in Dastar v. Twentieth Century Fox*, 2003 U. ILL. J.L. TECH. & POL'Y 573; McLain, *supra* note 13, at 71-72; Jane Ginsburg, *The Right to Claim Authorship in U.S. Copyright and Trademarks Law*, 41 HOUS. L. REV. 263, 267-68 (2004).

<sup>202</sup> *Dastar*, 539 U.S. at 26.

<sup>203</sup> *Id.* at 25-26. The sources included the U.S. Army, Navy and Coast Guard, the British Ministry of Information and War Office, the National Film Board of Canada, and a number of "Newsreel Pool Cameramen" who were unidentified. Time's copyright was assigned to Fox. *Id.*

<sup>204</sup> *Id.* at 26. Doubleday renewed as the proprietor of copyright in a work for hire, but there is uncertainty whether this renewal was proper because it is not clear whether Eisenhower intended the book to be a work for hire. *Id.* at 28 note 2. Any copyright in its renewal term when the Sonny Bono Copyright Term Extension Act became effective in 1998 has a term of 95 years from the date copyright was originally secured. 17 U.S.C. § 304(b). Accordingly, copyright on the book *Crusade in Europe* will expire in 2043 assuming renewal was proper and that Congress does not enact another term extension bill.

<sup>205</sup> *Dastar*, 539 U.S. at 26.

<sup>206</sup> *Id.*

<sup>207</sup> *Id.*

<sup>208</sup> *Id.*

television series that was no longer protected by copyright.<sup>209</sup> It edited these tapes to produce a series titled *WWII Campaigns in Europe*, which was half as long as the original *Crusade* series.<sup>210</sup> Dastar made several other changes to the original series, and gave the video set its own packaging.<sup>211</sup> All references to and images of Eisenhower's book were removed.<sup>212</sup> Dastar sold this video series as its own without any reference to the original Time/Fox series.<sup>213</sup> The credits only listed Dastar employees; no reference was made to the original *Crusade* series, New Line's *Crusade* tapes, or Eisenhower's book.<sup>214</sup>

Fox, SFM, and New Line sued Dastar in 1998.<sup>215</sup> Their allegations included the claim that Dastar's sale of the video series "without proper credit" to the original *Crusade* series was reverse passing off under section 43(a) of the Lanham Act as well as a violation of state unfair competition law.<sup>216</sup> Their argument was that Dastar, by selling its *Campaign* video series without attribution or reference to its origin as the Fox/Time *Crusade* series, was misrepresenting the product as its own.<sup>217</sup> This was a "false designation of origin" or a "misleading description of fact" in the words of section 43(a) of the Lanham Act.<sup>218</sup> The trial court ruled for plaintiffs,<sup>219</sup> and the Ninth Circuit affirmed the judgment on the Lanham Act claim of reverse passing off.<sup>220</sup>

The Supreme Court was unanimous in reversing the Ninth Circuit.<sup>221</sup>

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<sup>209</sup> *Id.*

<sup>210</sup> *Id.*

<sup>211</sup> The changes included an opening sequence, credit page, and final closing different from the original, new chapter-title sequences, and new narrated chapter introductions. In addition, it shifted the recap from the original *Crusade* series to become a preview. *Id.* at 26-27.

<sup>212</sup> *Id.* at 27.

<sup>213</sup> *Id.* Dastar's video set was released in 1995 to coincide with the 50<sup>th</sup> anniversary of the end of WWII. The videos were sold for \$25 per set at a number of major retailers like Sam's Club, Costco and Best Buy as well as mail order companies. *Id.*

<sup>214</sup> *Id.* at 27. See also Org. Sandel, *Dastar Through Evergreen Eyes: Effect of the Public Domain on Transatlantic Trade*, 12 UCLA Ent. L. Rev. 93, 102-04 (2004).

<sup>215</sup> *Id.*

<sup>216</sup> *Id.* The plaintiffs also alleged that the sale of the video set infringed their exclusive television rights in Eisenhower's book as well as Doubleday's copyright. The attribution claim was added by amendment. *Id.*

<sup>217</sup> *Id.* at 28, n.1: *William v. Curtiss-Wright Corp.*, 691 F.2d 168, 172 (3rd Cir. 1982) (defining reverse passing off as the producer misrepresenting someone else's goods or services as his own).

<sup>218</sup> *Dastar*, 539 U.S. at 31.

<sup>219</sup> *Id.* at 28. The trial court ruled for the plaintiffs on all three counts. The court awarded plaintiffs Dastar's profits, and doubled those profits pursuant to section 35 of the Lanham Act, 15 U.S.C. § 1117(a). *Id.* See generally, Roberta Kwall, *The Attribution Right in the United States: Caught in the Crossfire Between Copyright and Section 43(a)*, 77 WASH. L. REV. 985, 1003 (2002) (discussing the use of section 43(a) as an alternative to copyright as a basis for safeguarding attribution rights).

<sup>220</sup> *Dastar*, 539 U.S. at 28. The Court of Appeals affirmed the award of profits, it said nothing about the state law claim, and reversed and remanded the copyright claim. *Twentieth Century Fox Film Corp. v. Entm't Distrib.*, 34 F. Appx. 312, 314-15 (2002).

<sup>221</sup> *Dastar*, 539 U.S. at 38 (Justice Breyer took no part in the consideration or decision of the

Justice Scalia's thorough analysis of section 43(a) noted that although this is one of the Lanham Act's few provisions that goes beyond trademark protection, it "does not have boundless application as a remedy for unfair trade practices."<sup>222</sup> Due to its wording, section 43(a) "can never be a federal 'codification' of the overall law of 'unfair competition.'"<sup>223</sup> It "can apply only to certain unfair trade practices prohibited by its text."<sup>224</sup> The Court explained that the word "origin" in section 43(a) had been interpreted to refer to the source or manufacturer of goods as well as to geographic location.<sup>225</sup> Furthermore, the circuits had recognized that it created a federal cause of action for reverse passing off as well as for traditional trademark infringement of unregistered marks.<sup>226</sup> According to the Court, the gravamen of the claim against Dastar was that:

[I]n making and selling Campaigns as its own product without acknowledging its nearly wholesale reliance on the Crusade television series, Dastar had made a "false designation of origin, false or misleading description of fact, or false or misleading representation of fact, which ... is likely to cause confusion ... as to the origin ... of his or her goods."<sup>227</sup>

The Court said that this would have been a viable claim if Dastar had simply purchased some of New Line's *Crusade* videotapes and repackaged them as its own, but what Dastar actually did was vastly different; it acquired a work in the public domain – the original 26 episode Fox/Time *Crusade* television series – copied it, made modifications, and produced its own series of tapes.<sup>228</sup> The Court said that if the word "origin" refers only to the manufacturer or producer of the tapes, then Dastar was the origin, but if "origin" includes the creator of the underlying work, then someone else is the origin of Dastar's videotapes.<sup>229</sup> This quandary required the Court to define the meaning of "origin" of "goods" in section 43(a)(1)(A) of the Lanham Act.<sup>230</sup>

The Court determined that the most natural understanding of the term "origin" is "the producer of the tangible product sold in the

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case). The Court did not consider whether the Lanham Act permitted an award of double Dastar's profits. *Id.*

<sup>222</sup> *Id.* at 29 (quoting *Alfred Dunhill, Ltd. v. Interstate Cigar Co.*, 499 F.2d 232, 237 (2d Cir. 1974)).

<sup>223</sup> *Id.*; 4 MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 27:7, p. 27-14 (4th ed. 2002) (J. Thomas McCarthy).

<sup>224</sup> *Dastar*, 539 U.S. at 29.

<sup>225</sup> *Id.*

<sup>226</sup> These interpretations of section 43(a) had been implicitly adopted with the passage of the Trademark Law Revision Act of 1988. *Id.* at 30-31.

<sup>227</sup> *Id.* at 31.

<sup>228</sup> *Id.*

<sup>229</sup> *Id.*

<sup>230</sup> *Id.*

marketplace.”<sup>231</sup> This meant Dastar was the origin of the *Campaigns* video series derived from the plaintiffs’ original *Crusade* television series. The statute’s language could not connote the person or entity that originated the ideas or communications that the tangible product embodies or contains because this reading would stretch the text, be inconsistent with precedent, and be out of line with the Lanham Act’s history and purpose.<sup>232</sup> For example, Coke cannot pass off its beverage as Pepsi, and it cannot sell Pepsi as its own product (reverse passing off).<sup>233</sup> However, “[t]he consumer who buys a branded product does not automatically assume that the brand-name company is the same entity that came up with the idea for the product, or designed the product—and typically does not care whether it is,” and the Lanham Act should not be interpreted to cover matters which are not important to consumers.<sup>234</sup>

Fox and New Line argued that “origin of goods” should cover communicative products like books and videos.<sup>235</sup> The Court acknowledged that purchasers of products valued for their intellectual content might have different concerns than buyers of products valued for their physical qualities.<sup>236</sup> For example, a person buys a novel primarily because of the identity of the author/creator,<sup>237</sup> while the identity of the publisher/producer of the book is of little consequence.<sup>238</sup> Nevertheless, the plaintiffs asserted that since both the publisher and the author/creator want to avoid passing off and reverse passing off, “origin of goods” should include the producer of the tangible item like the Dastar’s *Campaign* video set, and also the creator of the content of that item; Fox and the other creators of the original *Crusade* television series.<sup>239</sup>

The Court disagreed, concluding that affording such special treatment to communicative works would cause the Lanham Act to conflict with copyright law.<sup>240</sup> Citing and quoting from *Sears*, the Court said that the right to copy a work without attribution once its copyright has expired is analogous to the right to make an exact reproduction of an article whose patent has expired.<sup>241</sup> The Court noted that its decisions in *Bonito Boats* and *TrafFix* established that once a patent or copyright has expired, the invention or work may be used at will and without attribution.<sup>242</sup> Moreover, it had warned in *TrafFix* against extending the Lanham Act into areas occupied by

<sup>231</sup> *Id.* The Court reached this determination after quoting several dictionary definitions of the term. *Id.*

<sup>232</sup> *Id.* at 32.

<sup>233</sup> *Id.*

<sup>234</sup> *Id.* at 32-33.

<sup>235</sup> *Id.* at 33.

<sup>236</sup> *Id.*

<sup>237</sup> *Id.*

<sup>238</sup> *Id.*

<sup>239</sup> *Id.*

<sup>240</sup> *Id.*

<sup>241</sup> *Id.*

<sup>242</sup> *Id.* at 33-34.

patent or copyright.<sup>243</sup> Accepting the interpretation of section 43(a) proposed by Fox and New Line would go too far:

Assuming for the sake of argument that Dastar's representation of itself as the "Producer" of its videos amounted to a representation that it originated the creative work conveyed by the videos, allowing a cause of action under 43(a) for that representation would create a species of mutant copyright law that limits the public's "federal right to 'copy and use,'" expired copyrights.<sup>244</sup>

Dastar had an unfettered right to reproduce and use the original *Crusade* television series because the copyright had expired.<sup>245</sup> This right would be restricted impermissibly if Fox, New Line, and SMF were allowed to claim that Dastar's reproduction of the series had to be marketed with attribution.<sup>246</sup> Moreover, the Court said that there would be serious practical problems in reading "origin" in section 43(a) to require attribution of uncopyrighted works.<sup>247</sup> For example, it was not clear who should be identified as the "origin" of the *Crusade* series Dastar used in making its *Campaign* video series.<sup>248</sup> This sort of attribution is not required by the Lanham Act.<sup>249</sup> "We do not think the Lanham Act requires this search for the source of the Nile and all of its tributaries."<sup>250</sup> Dastar and other producers of communicative products would face a serious dilemma if "origin" was interpreted to require attribution: it would face liability for failing to credit

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<sup>243</sup> *Id.* at 34.

<sup>244</sup> *Id.* at 34 (citing *Bonito Boats*, 489 U.S. at 165).

<sup>245</sup> *Id.* at 35.

<sup>246</sup> *Id.* at 34-35. The Court pointed out that when Congress wanted to add the attribution right to copyright, it did so with specificity in the Visual Artists Rights Act of 1990. This statute provides an express right of attribution for creators of specified works of visual art that is personal to the creator and endures only for his or her life. 17 U.S.C. §§ 101 & 106A(b),(d)(1) & (e) *codifying parts of* The Visual Artists Rights Act of 1990, § 603(a), 104 Stat. 5128. This limited right of attribution for the author of certain artistic works would be superfluous if there was a cause of action for misrepresentation of authorship of noncopyrighted works under section 43(a) of the Lanham Act. *Dastar*, at 35.

<sup>247</sup> *Dastar*, at 35.

<sup>248</sup> *Id.* The origin of the series was not clear because plaintiffs SFM and New Line did not produce it, rather Time, Inc. did so under an arrangement with Fox; and neither Fox nor Time shot the actual footage used in the series, rather the original creators of the materials used in the competing video sets were the armed forces, film boards in Canada and England, and newsroom pool cameramen. *Id.*

<sup>249</sup> *Id.* at 34-35. The Court also illustrated this attribution problem with the film *Carmen Jones*; it was based on a musical by Oscar Hammerstein II, the musical was based on an opera by Georges Bizet; and the opera was based on a novel by Prosper Merimee. Justice Scalia asked whether a video of the film produced and distributed after the expiration of the copyright would have to make attribution to all of the artists, including MGM, the movie's producer. *Id.* at 35-36.

<sup>250</sup> *Id.*

the creator of the work on which its lawful copy is based, or it would face liability for crediting the creator if this acknowledgment is regarded as implying the creator's sponsorship or approval of that copy.<sup>251</sup>

Finally, the Court explained that allowing a cause of action under section 43(a) for the use of unprotected works without attribution would be difficult to square with several decisions including *Wal-Mart*, *Bonito Boats* and *TrafFix*.<sup>252</sup> The Court said that *Wal-Mart's* limitation on product design trade dress protection<sup>253</sup> would be for naught if the original producer – Samara – could pursue a reverse passing off claim against Wal-Mart by asserting that it was the “origin” of the designs that Wal-Mart was selling as its own line of children's clothes.<sup>254</sup> Similarly, in *TrafFix* the defendant's right to copy the once patented features in making its own flexible road signs would be impaired if the first manufacturer could claim reverse passing off for copying the unprotected features without attribution.<sup>255</sup>

The Court concluded that the phrase “origin of goods” in the Lanham Act refers to the producer of the tangible goods offered for sale, and not to the author of any idea, concept or communication embodied in those goods because that interpretation would create (under section 43(a)) something akin to a perpetual copyright or patent.<sup>256</sup> There was adequate protection for the *Crusade* television series under copyright law.<sup>257</sup> If Fox had renewed the copyright in 1976, its claim for infringement by the *Campaign* video series would have been strong.<sup>258</sup> Similarly, if the copyright on Ike's book was still good, then the *Campaign* video set might infringe Doubleday's copyright.<sup>259</sup> Also, Dastar's misrepresentation of the qualities of its *Campaign* video series could give rise to a Lanham Act claim, but there is no liability for Dastar stating that it is the producer of the *Campaign* videos without referring to Fox, New Line, or the other plaintiffs.<sup>260</sup>

<sup>251</sup> *Id.* at 36 (citing 15 U.S.C. § 1125(a)(1)(A)). Justice Scalia doubted the assurances by Fox, SMF, and New Line that they would not have asserted a Lanham Act claim had Dastar simply copied the *Crusade* series and sold it as the *Crusade* series without any changes to the title or packaging. *Id.*

<sup>252</sup> *Id.* at 36-37. See Welkowitz, *supra* note 13, at 1687.

<sup>253</sup> *Dastar*, at 36. The Court determined that Samara's product design trade dress – children's clothes being copied by Wal-Mart – could not be protected against copying under section 43(a) unless the designs had secondary meaning so as to identify Samara as their source. *Id.*

<sup>254</sup> *Id.*

<sup>255</sup> *Id.* (discussing *TrafFix Devices, Inc. v. Marketing Displays, Inc.*, 532 U.S. 23 (2001)). The patent on the plaintiff's flexible road sign had expired and it could not, under a trade dress theory, prevent another manufacturer from copying the design of the sign because the design features were functional and in the public domain. *Id.*

<sup>256</sup> *Id.* at 37. Congress may not do this (citing *Eldred v. Ashcroft*, 537 U.S. 186, 200 (2003)).

<sup>257</sup> *Id.*

<sup>258</sup> *Id.* at 38.

<sup>259</sup> *Id.* at 37-38. There is a dispute between Dastar and Fox over whether copyright on the book was properly renewed, and the Court remanded the case for further proceedings on this issue. Lionel S. Sobel, *Supreme Court Rules that Distributor of Video of Edited Version of Public Domain Television Series did not Violate Lanham Act by Failing to Credit Twentieth Century Fox as Series' Creator*, 25 NO. 1 Ent. L. Rep. 7 (June 2003).

<sup>260</sup> *Dastar*, at 38. This misrepresentation of character or quality claim would be under 15

By refusing to grant protection to the plaintiffs' public domain documentary film series under section 43(a), the Supreme Court made clear that the Lanham Act is subservient to fundamental copyright principles just as it made clear in *TrafFix* that a product design trade dress claim under the Lanham Act was subservient to fundamental patent principles.<sup>261</sup> The Court held, in discussing this intersection of copyright and the Lanham Act, that a creative work no longer under copyright protection can be copied, modified and sold without attribution.<sup>262</sup> The Lanham Act does not prevent the uncredited copying of an uncopyrighted work.<sup>263</sup> There is no federal moral right to attribution for a work of authorship after its copyright protection has expired.<sup>264</sup> This result is consistent with what the Court had announced in *Sears* and *Compco* in 1964 and reemphasized in *Bonito Boats* in 1989.<sup>265</sup> If the plaintiffs had been successful in *Dastar*, that would have been akin to telling Sears it is okay to copy Stiffel's unprotected lamp design, but that it could not market its copy as a Stiffel lamp (that would be passing off) nor could it market the copy as its own because Stiffel is the "origin" of the unprotected design.<sup>266</sup> Such an outcome, contrary to *Sears*, would have created a species of "mutant" patent protection analogous to the "mutant" species of copyright the Court refused to sanction in *Dastar*.<sup>267</sup> Such an outcome also would have been contrary to the *TrafFix* decision's refusal to extend product design trade dress protection under the Lanham Act beyond the protection afforded by patent law.<sup>268</sup>

The Court interpreted the Lanham Act strictly in *Dastar* just as it had

U.S.C § 1125(a)(1)(B). See McLain, *supra* note 13, at 89-90; Ginsburg, *supra* note 171, at 278-79.

<sup>261</sup> Comments of Kenneth Germain reported at 67 BNA P.T.C.J. 120 (December 12, 2003); Welkowitz, *supra* note 13, at 1687.

<sup>262</sup> Comments of Kenneth Germain, *supra* note 261.

<sup>263</sup> 17 COPYRIGHT LAW JOURNAL 60 (Sept./Oct. 2003)(Neil Boorstyn editor); Leaffer, *supra* note 16, at 1613.

<sup>264</sup> Kurt Saunders, *A Crusade in the Public Domain: The Dastar Decision*, 30 RUTGERS COMPUTER & TECH. L. J. 161, 162 (2004); Garrett, *supra* note 170; McLain, *supra* note 13, at 87-88; cf. Ginsburg, *supra* note 201, at 279, 307.

<sup>265</sup> See McLain, *supra* note 13, at 86; Roger Zissu, *Copyright Luncheon Circle: The Interplay of Copyright and Trademark Law in the Protection of Character Rights With Observations on Dastar v. Twentieth Century Fox Film Corp.*, 51 J. COPYRIGHT SOC. 453, 459 (2004). Mr. Zissu is critical of the *Dastar* decision and says that upon analysis, the Court's conclusion is one of preemption in that Congress' decision in the Copyright Act to allow copying of a public domain work precludes or preempts any right of attribution.

<sup>266</sup> See *Dastar Corp. v. Twentieth Century Fox Film Corp.*, 539 U.S. 23, 37 (2003) (discussing *TrafFix* and *Bonito Boats*). *Dastar* faced a dilemma; by not crediting Fox, it was allegedly engaged in reverse passing off while crediting Fox would arguably give rise to a passing off claim from Fox alleging that the public would be confused into believing that it had authorized *Dastar*'s repackaging of the series. Kurt Saunders, *supra* note 264, at 172-73. See also Kwall, *supra* note 219, at 1003 (discussing how section 43(a) was being used as an alternative to copyright to safeguard attribution rights).

<sup>267</sup> *Dastar*, 539 U.S. at 34.

<sup>268</sup> *Id.*



in *Wal-Mart*, *TraFFix*, *Qualitex* and *Moseley*,<sup>269</sup> and it recognized the importance of protecting the public domain.<sup>270</sup> The court also noted that misrepresentation by *Dastar* regarding its documentary video set would be actionable under the Lanham Act; this was consistent with statements discussing the validity of false representation claims made in *Sears and Compco*.<sup>271</sup>

The Court's interpretation of "origin of goods" in section 43(a) is having a significant impact in attribution and other credit dispute cases. For instance, in *Smith v. Montoro*<sup>272</sup> the Ninth Circuit held that a movie distributor's removal of one actor's name from a film's credits and advertising, coupled with the substitution of another actor's name in the film's credits and advertising, stated a cause of action under section 43(a).<sup>273</sup> Even though this case involved a false representation regarding the identity of one of the actors listed in the credits and advertising, it has been cited as authority for using section 43(a) to establish a right to receive credit or attribution.<sup>274</sup> However, after *Dastar* this interpretation of *Smith v. Montoro* and section 43(a) is contrary to the Court's statement that the phrase "origin of goods" is "incapable of connoting the person or entity that originated the ideas or communications that the 'goods' embody or contain."<sup>275</sup> As a result courts have been applying *Dastar* to block failure to credit claims under a false designation of origin theory.<sup>276</sup> Misattribution claims and claims of false creation of intellectual property have to fit under the false advertising prong of section 43(a).<sup>277</sup> *Dastar* also will have an impact on whether a copyrighted

<sup>269</sup> Saunders, *supra* note 264, at 173; Welkowitz, *supra* note 13, at 1686-87.

<sup>270</sup> McLain, *supra* note 13, at 90-91; Zimmerman, *supra* note 13, at 320-21.

<sup>271</sup> *Dastar*, 539 U.S. at 38 (citing 15 U.S.C. § 1125(a)(1)(B)). *Dastar* was free to copy the public domain television series, adapt it as it deemed appropriate, and market it as its own without reference to Fox and the others as the origin of the original series. *TraFFix* was free to copy MDI's dual spring design that was no longer patented and market its road signs as its own. *Wal-Mart* was able to copy Samara's unprotected clothing designs and market them as its own absent Samara's proof of secondary meaning. *See, e.g., Larkin Group Inc. v. Aquatic Design Consultants*, 323 F. Supp. 2d 1121, 1125 (D. Kansas 2004) (*Dastar* precluded plaintiff's claim of reverse passing off under the Lanham Act regarding lack of attribution in the use of an uncopyrighted design proposal, but the plaintiff's claim of false advertising withstood the defendant's motion to dismiss). *See also* notes 20 to 25, *supra*.

<sup>272</sup> *Smith v. Montoro*, 648 F.2d 602 (9th Cir. 1981).

<sup>273</sup> *Id.* at 608.

<sup>274</sup> MCCARTHY, *supra* note 223, at 10:28 and 27:85.

<sup>275</sup> *Dastar*, 539 U.S. at 32. *See* Sobel, *supra* note 259.

<sup>276</sup> *Larkin*, 323 F. Supp. 2d at 1124 (D. Kansas 2004); *Zyla v. Wadsworth*, 360 F. 3d 243, 251 (1st Cir. 2004); *Creeden & Assocs. v. Infosoft, Inc.*, 326 F. Supp. 2d 876, 878 (N.D. Ill. 2004); *Williams v. UMG Recordings, Inc.*, 281 F. Supp. 2d 1177, 1183 (C.D. Cal. 2003); *Carroll v. Kahn*, 68 U.S.P.Q.2d 1357 (N.D.N.Y. 2003).

<sup>277</sup> MCCARTHY, *supra* note 223, at 10:28; Gerber, *supra* note 13, at 1032-33 (questioning the viability of authorial credit claims after *Dastar* even under a false advertising theory); McLain, *supra* note 13, at 90. *See also* Leaffer, *supra* note 16, at 1614-15 (taking issue with the Court's conclusion and questioning the decision on United States' obligations under the Berne Convention); Ginsburg, *supra* note 201, at 269-79 & 279-86 (discussing

character can be protected by trademark law after its copyright has expired. For example, absent another extension of the copyright term by Congress, the copyright on the first Mickey Mouse cartoon will enter the public domain in 2024.<sup>278</sup> Someone other than Disney then will be able to reproduce and use the public domain artwork depicting this character without attribution.<sup>279</sup> Does *Dastar* prevent Disney from asserting that the producers of the new cartoons using Mickey must label them in such a way to assure that the public is not confused or misled to believe that Disney is the source of the cartoon?<sup>280</sup> The copiers should be able to use the character without attribution. However, traditional claims against misleading the public and palming off survive *Sears*, *Compco* and *Dastar*, so it might be necessary for the copier to clearly identify itself as the origin of its version of Mickey Mouse in order to make sure that the consuming public does not believe it is buying or watching the genuine Disney character.<sup>281</sup> This would be consistent with what the Supreme Court held in the late Nineteenth Century in *Singer Manufacturing v. June Manufacturing*.<sup>282</sup> The patent on Singer's machine had expired, and the word "Singer" had become generic for sewing machines, so the right to make the patented article and to use the generic name passed to the public.<sup>283</sup> However, the Court said that a competitor using the generic name to describe its machines could be compelled to indicate that its articles of manufacture were made by it, and not by Singer, the proprietor of the expired patent.<sup>284</sup>

### III. COMMON THEMES AND THE IMPACT OF ELDRED V. ASHCROFT

Companies want to protect their products against imitators and knock-offs. In addition, many decisions have "evinced a visceral dislike" of copycats and rip-off artists who misappropriate the works of others.<sup>285</sup> The copyright and patent laws offer protection against unauthorized copying but the rights provided by these regimes are limited by the Intellectual Property Clause as well as by the governing statutes.<sup>286</sup> For instance, the novelty and non-obviousness standards for obtaining a patent are rigorous, and although

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the impact of *Dastar* on attribution claims as well as raising concerns about U.S. obligations under the Berne Convention).

<sup>278</sup> Craig Joyce et al, *supra* note 46, at 381 (the first cartoon would have entered the public domain in 2004 but CTEA extended the term by twenty years).

<sup>279</sup> Zissu, *supra* note 265, at 455-56.

<sup>280</sup> *Id.* at 457-58, 460. Mr. Zissu argues that *Dastar* could have been decided on other, narrower, grounds. See also Ginsburg, *supra* note 201, at 267.

<sup>281</sup> McLain, *supra* note 13, at 89-90.

<sup>282</sup> *Singer Mfg. Co. v. June Mfg. Co.*, 163 U.S. 169 (1896).

<sup>283</sup> *Id.* at 188-89.

<sup>284</sup> *Id.* at 189. See also *Maljack Prods., Inc. v. Good Times Home Video Corp.*, 81 F.3d 881, 887 (9th Cir. 1996).

<sup>285</sup> Heald, *supra* note 40, at 982.

<sup>286</sup> *Id.*

copyright's originality standard is low, copyright protection for useful articles is restricted by the test of separability and independence.<sup>287</sup> Furthermore, patents are often declared invalid, copyright does not afford protection against independent creation of a similar work, and patents and copyrights both expire. It is evident that patent or copyright protection can be inadequate or unavailing for many. Accordingly, it is natural to turn to trademark and trade dress for protection against knock-offs.<sup>288</sup> However, this option is not as viable as it once was because the Supreme Court has cut back on the scope of protection trademark and trade dress law afford against imitators, copycats, and knock-offs.<sup>289</sup> The Court, fully cognizant of the Constitution's limits on patents and copyrights, has rejected use of the Lanham Act to extend protection beyond that afforded under the copyright and patent laws.<sup>290</sup> The Court has protected the public domain<sup>291</sup> and clarified that the Lanham Act "does not have boundless application as a remedy [against all perceived] unfair trade practices."<sup>292</sup>

The *Qualitex*, *Moseley*, *Wal-Mart*, *TrafFix* and *Dastar* decisions are pro-competition and pro-consumer; all limit the potential for trademarks and trade dress protection to be used to foreclose competition.<sup>293</sup> While the Supreme Court held in *Qualitex* that color alone can be a trademark, it also recognized that color is often functional and thus unprotectible. The Court has also recognized that color alone cannot be inherently distinctive – secondary meaning has to be shown.<sup>294</sup> The Court explained that the functionality doctrine prevents trademark law from inhibiting legitimate competition, and that extending trademark protection to functional features invades the province of patent law.<sup>295</sup> The decision is a retreat from the expansive and anti-competitive approach to trade dress protection shown in *Two Pesos*.<sup>296</sup>

*Qualitex* was followed by *Wal-Mart*. In *Wal-Mart*, the Court held that product design or configuration, in contrast to packaging, can never be inherently distinctive.<sup>297</sup> Secondary meaning has to be established.<sup>298</sup>

<sup>287</sup> 17 U.S.C.A. §§ 102(a)(5) and 101 (defining pictorial, graphic and sculptural works). *See, e.g.,* *Brandir Int'l Inc. v. Cascade Pac. Lumber*, 834 F.2d 1142, 1143-44 (2d. Cir. 1987); *Carol Barnhart v. Economy Cover*, 773 F.2d 411, 414-15 (2d. Cir. 1985)

<sup>288</sup> *Cf. Barrett*, *supra* note 6, at 80; *Hansen*, *supra* note 124, at 536-37.

<sup>289</sup> *Barrett*, *supra* note 6, at 81.

<sup>290</sup> *Gerber*, *supra* note 13, at 1033; *Saunders*, *supra* note 264, at 176; *Welkowitz*, *supra* note 13, at 1700-01.

<sup>291</sup> *McLain*, *supra* note 13, at 91; *Ginsburg*, *supra* note 201, at 267-68.

<sup>292</sup> *Dastar Corp. v. Twentieth Century Fox*, 539 U.S. 23, 29 (2003) (quoting *Alfred Dunhill Ltd. v. Interstate Cigar Co., Inc.*, 499 F.2d 232, 237 (2d. Cir. 1974)); *McLain*, *supra* note 13, at 89-90.

<sup>293</sup> *Cf. Hansen*, *supra* note 124, at 514-17.

<sup>294</sup> *Qualitex Co. v. Jacobson Prods. Co.*, 514 U.S. 159, 162-63 (1995).

<sup>295</sup> *Id.* at 164-65.

<sup>296</sup> *Two Pesos, Inc. v. Taco Cabana, Inc.*, 505 U.S. 763 (1992).

<sup>297</sup> *Wal-Mart Stores, Inc. v. Samara Bros.*, 529 U.S. 205, 212 (2000).

<sup>298</sup> *Id.*

Moreover, product design often is functional.<sup>299</sup> It ordinarily serves non-trademark purposes, thus establishing non-functionality is a significant hurdle.<sup>300</sup> The Court distinguished *Two Pesos* as being a packaging case or something of a third kind. It stated that when there is doubt as to whether a feature is product design or packaging, it should be treated as product design.<sup>301</sup> The Court emphatically voiced its concern about product design trade dress being used in an anti-competitive manner to block new entrants.<sup>302</sup> One of the results of *Wal-Mart* is that consumers will benefit by having lower priced copies available in the market place.<sup>303</sup>

*TrafFix* continued this pro-competition trend by holding that a product feature, once protected by an expired patent, is presumed to be functional and hence unprotectible as trade dress.<sup>304</sup> The Court did not announce a per se rule against protection, but made this presumption very difficult to overcome.<sup>305</sup> Here again consumers benefit from having other manufacturers free to copy and sell products embodying a feature or design once protected by the expired patent.<sup>306</sup> The fundamental intellectual property principles announced in *Sears*, *Compco* and *Bonito Boats* as limitations to state law were treated as limitations on federal trademark law.<sup>307</sup>

These decisions make it difficult for a company to use section 43(a) to stop a competitor from making and selling a knock-off, or copying a product feature, simply by alleging that the appearance of the product or feature is recognized by consumers as an indication of origin, and that consumers will be confused if the competitor is allowed to copy the product's or feature's appearance. There is not much left of trade dress protection for product designs.<sup>308</sup> The limits on protection found in the Intellectual Property Clause and in the copyright and patent laws would be undercut without requiring a showing of secondary meaning and also demanding a thorough analysis of whether a product's or feature's appearance is functional.<sup>309</sup> The Court's warnings against misuse or over-extension of trademark and trade dress protection are clear.<sup>310</sup>

The *Moseley* and *Dastar* decisions do not deal with product shape

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<sup>299</sup> *Id.* at 214.

<sup>300</sup> *Id.* at 213-14. The person who asserts trade dress protection has the burden of proving that the matter sought to be protected is not functional. 15 U.S.C.A. § 1125(a)(3).

<sup>301</sup> *Id.* at 215.

<sup>302</sup> *Id.* at 213-14.

<sup>303</sup> *Id.* at 213.

<sup>304</sup> *TrafFix Devices, Inc. v. Marketing Displays, Inc.*, 532 U.S. 23, 29 (2001).

<sup>305</sup> *Id.* at 29-30.

<sup>306</sup> *Id.* at 29.

<sup>307</sup> *Cf. id.* at 29.

<sup>308</sup> Hansen, *supra* note 124, at 539.

<sup>309</sup> *Cf. TrafFix*, 532 U.S. at 29; *Qualitex Co. v. Jacobson Prods. Co.*, 514 U.S. 159, 164 (1995).

<sup>310</sup> *Wal-Mart Stores Inc., v. Samara Bros., Inc.*, 529 U.S. 205, 213 (2000); *TrafFix*, 532 U.S. at 29; Welkowitz, *supra* note 13, at 1700-01.

and trade dress but both are still very much pro-competition. These decisions establish limits on the potentially broad sweep of different parts of the Lanham Act.<sup>311</sup> *Moseley* interprets the Federal Trademark Dilution Act to require the holder of a famous mark to show that the alleged infringing use of the mark causes actual dilution instead of simply having to show a mere likelihood of dilution.<sup>312</sup> It is not enough for the trademark owner to establish that a person seeing the alleged infringing use makes a mental association with the famous mark.<sup>313</sup> There also has to be some proof that the capacity of the famous mark to identify and distinguish goods or services has been lessened (diluted).<sup>314</sup> This proof requirement should prevent famous marks from enjoying protection similar to that enjoyed by a work protected by a patent or copyright -- from becoming a property right in gross.<sup>315</sup> *Dastar* establishes that section 43(a) of the Lanham Act cannot be used to prevent the copying and distribution of a public domain work without attribution.<sup>316</sup> Construing "origin of goods" in 43(a) to require attribution to the author of any idea, concept or communication contained in a public domain work would create something akin to a perpetual copyright.<sup>317</sup>

*Wal-Mart*, *TrafFix*, and *Dastar* provide direction for the intersection of trademark and trade dress protection with copyright and patent protection. Although the Court does not want the lines to blur, it has not gone so far as holding that the Intellectual Property Clause internally preempts conflicting and inconsistent trademark and trade dress legislation enacted pursuant to the Commerce Clause.<sup>318</sup> Instead, it has interpreted the Lanham Act to avoid constitutional issues while, at the same time, confirming the primacy of copyright and patent principles.<sup>319</sup> What these decisions have done to federal trade dress protection parallels what the Court did to state unfair competition law in *Sears*, *Compc* and *Bonito Boats*: the Court has issued a clear warning

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<sup>311</sup> Welkowitz, *supra* note 13, at 1700-01.

<sup>312</sup> *Moseley v. V Secret Catalog, Inc.*, 537 U.S. 418, 433 (2003).

<sup>313</sup> *Id.* at 433.

<sup>314</sup> *Id.*

<sup>315</sup> *Hanover Star Milling v. Metcalf*, 240 U.S. 403, 413 (1916); *Dawn Donuts v. Hart's Food*, 267 F.2d 358, 367 (2d. Cir. 1959). *See also* *The Trademark Cases*, 100 U.S. 82, 94 (1879). *Cf.* MCCARTHY, *supra* note 223, at 733, 747.

<sup>316</sup> *Dastar Corp. v. Twentieth Century Fox Film Corp.*, 539 U.S. 23, 33 (2003).

<sup>317</sup> *Id.* at 34.

<sup>318</sup> Leaffer, *supra* note 16, at 1614-15 (*Dastar* avoided the question of whether Congress can evade the restraints placed on it by the Intellectual Property clause by basing its enactment on another clause). *But see* Niels Schaumann, *Copyright, Containers and the Court: A Reply to Professor Leaffer*, 30 WM. MITCHELL L. REV. 1617, 1630 (2004) (the Court nearly implies that Commerce Clause power cannot be exercised by Congress in a way that conflicts with the Intellectual Property clause); *cf.* Heald, *supra* note 18, at 144, 168 (*Feist* and *Bonito Boats* raise serious questions about the legitimacy of attempts by Congress to circumvent the limitations in the Intellectual Property clause explained in *Feist* by enacting legislation under the Commerce Clause).

<sup>319</sup> Saunders, *supra* note 264, at 174; McLain, *supra* note 13, at 89-90; *cf.* Ginsburg, *supra* note 201, at 267-68.

against misuse or over-extension of Lanham Act;<sup>320</sup> it has emphasized that the Lanham Act must not be given boundless application as a remedy for all unfair trade practices;<sup>321</sup> and, it has underscored the need to interpret the Lanham Act in accordance with its “common law foundations (which were *not* designed to protect originality or creativity), and in light of the copyright and patent laws (which *were*). . . .”<sup>322</sup>

The Court explained that a producer seeking protection for a design that is source identifying, but without secondary meaning, might be able to secure a design patent or a copyright for the design, and that “[t]he availability of these other protections greatly reduces any harm to the producer” resulting from the determination that product design cannot be protected under section 43(a) without a showing secondary meaning.<sup>323</sup> The Court is encouraging trademark owners and persons claiming trade dress protection to turn to the copyright or patent laws if they want true intellectual property rights.<sup>324</sup> The general principle announced in *Sears and Compco* is unchanged: unless a publicly distributed item is protected by a patent or copyright, it will be subject to copying.<sup>325</sup> Trade dress protection must subsist with recognition that in many instances there is no prohibition against copying goods and products. “[C]opying is not always discouraged or disfavored by the laws which preserve our competitive economy.”<sup>326</sup> The Lanham Act does not exist to reward manufacturers and others for their innovation and creativity.<sup>327</sup> That is the purpose of the patent and copyright laws and their periods of exclusivity.<sup>328</sup> Moreover, the Lanham Act does not protect trade dress simply because an investment was made so that the public might come to associate a feature with a particular manufacturer or seller.<sup>329</sup>

*Dastar* and *TrafFix*, along with the preemption trio – *Sears*, *Compco* and *Bonito Boats* – show that the Supreme Court has a low tolerance for restrictions on the public’s right to freely use works in the public domain.<sup>330</sup> *Qualitex* and *Wal-Mart*, emphasizing the functionality doctrine and requiring proof of secondary meaning, also protect the public domain by making it

<sup>320</sup> *TrafFix Devices Inc. v. Marketing Displays, Inc.*, 532 U.S. 23, 29 (2001); *Wal-Mart Stores Inc. v. Samara Bros., Inc.*, 529 U.S. 205, 213 (2000).

<sup>321</sup> *Dastar*, 539 U.S. at 29 (quoting *Alfred Dunhill Ltd. v. Interstate Cigar Co., Inc.*, 499 F.2d 232, 237 (2d. Cir. 1974)).

<sup>322</sup> *Id.* at 37. See Schaumann, *supra* note 318, at 1630.

<sup>323</sup> *Wal-Mart Stores, Inc. v. Samara Bros., Inc.*, 529 U.S. 205, 214 (2000).

<sup>324</sup> *Welkowitz*, *supra* note 13, at 1680, 1686.

<sup>325</sup> *Id.* at 1686.

<sup>326</sup> *TrafFix Devices Inc. v. Marketing Displays, Inc.*, 532 U.S. 23, 29 (2001) (quoting *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*, 489 U.S. 141, 160 (1989)).

<sup>327</sup> The Court held in the *Trademark Cases* that the purpose of trademark law was not to reward creativity or ingenuity. The ordinary mark has no relation to invention or discovery. They are the results of use. *The Trademark Cases*, 100 U.S. 82, 94 (1879).

<sup>328</sup> *Qualitex Co. v. Jacobson Prods. Co.*, 514 U.S. 159, 164-65 (1995).

<sup>329</sup> *TrafFix*, 532 U.S. at 34-35.

<sup>330</sup> See also *Feist Publ’n, Inc. v. Rural Tel. Servs. Co., Inc.*, 499 U.S. at 340, 349. *But see* the discussion of the *Eldred* decision at notes 334 to 362 *infra*.

difficult for manufacturers and others to claim ownership of colors and product configurations and thereby attempt to block their copying and use by competitors.<sup>331</sup> The *Moseley* decision is consistent with these outcomes.<sup>332</sup> Requiring holders of famous marks to prove actual dilution prevents those marks from becoming rights in gross that eat away at the public domain. Restrictions on the use of the public domain frustrate objectives served by the copyright and patent laws and the Intellectual Property Clause, and also upset the carefully crafted bargain between the federal government and copyright holders and patentees under which the public can make free use of works of authorship and inventions when copyrights and patents expire.<sup>333</sup> *Dastar* and its patent law counterpart, *TrafFix*, put a stop to interpretations of the Lanham Act that result in the private appropriation of articles already in the public domain, and reemphasize one of the principles coming out of *Feist*; that the public domain is essential to creative efforts.<sup>334</sup>

While the Supreme Court was protecting the public domain in *TrafFix*, *Dastar*, and the other decisions, in *Eldred v. Ashcroft* it upheld legislation that extended the term of existing copyrights by twenty years and thereby prevented works from entering the public domain.<sup>335</sup> *Dastar* and *TrafFix* address the public's right to use works of authorship and inventions in the public domain because of an expired patent or copyright, and restrictions on those rights resulting from interpretations of the Lanham Act; a statute enacted pursuant to the legislature's authority under the Commerce Clause.<sup>336</sup> In contrast, *Eldred* deals with the authority of Congress under the Intellectual Property Clause.<sup>337</sup> The Copyright Term Extension Act, upheld as a rational exercise of legislative authority, was not an attempt by Congress

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<sup>331</sup> *Qualitex*, 514 U.S. at 164; *Wal-Mart stores, inc. v. Samara Bros. Inc.*, 529 U.S. 205, 214 (2000).

<sup>332</sup> *Moseley v. V Secret Catalogue*, 537 U.S. 418, 432-33 (2003).

<sup>333</sup> *Scott Paper Co. v. Marcalus Co.*, 326 U.S. 249, 256-57 (1945); *Feist*, 499 U.S. at 349; *Bonito Boats, Inc. v. Thunder craft Boats, Inc.*, 489 U.S. 141, 146. *See generally*, Heald & Sherry, *supra* note 192, at 1165-66; Zimmerman, *supra* note 13, at 310-11 (noting the various opportunities provided by different intellectual property doctrines for private parties to control who can use facts, ideas, and expression, and asserting that recognition of a mandatory public domain would bring order to this intellectual property sprawl); Heald, *supra* note 18, at 172-73 (discussing the implications of the *Feist* decision). *But see* *Eldred v. Ashcroft*, 537 U.S. 186, 216-17 (2003) (explaining how the patent and copyright bargains are not alike).

<sup>334</sup> *Cf.* *Kurt Saunders*, *supra* note 264, at 172; *cf.* *McLain*, *supra* note 13, at 86. The Supreme Court rejected "sweat of the brow" in *Feist* and made crystal clear that there are not proprietary rights in facts, that facts in a published work can be exploited by anyone, and that authors have to be able to save time and effort by relying on the facts contained in earlier works. 499 U.S. at 352-54. *See* Heald, *supra* note 18, at 172-73 (discussing the implications of the *Feist* decision).

<sup>335</sup> *Eldred v. Ashcroft*, 537 U.S. 186 (2003). The Court upheld the Copyright Term Extension Act (CETA), Pub. L. 105-298, § 102(b) & (d), 112 Stat. 2827-2828 (amending 17 U.S.C. §§ 302 & 304).

<sup>336</sup> *Dastar Corp. v. Twentieth Century Fox Film Corp.*, 539 U.S. 23, 24 (2003); *TrafFix Devices Inc. v. Marketing Displays, Inc.*, 532 U.S. 23, 30 (2001).

<sup>337</sup> *Welkowitz*, *supra* note 13, at 1689.

to remove works from the public domain.<sup>338</sup> Since *Eldred* does not speak to withdrawing works from the public domain, it is not at odds with *Dastar* and *Traffix*. The Court upholds the power of Congress to postpone the time in which works of authorship would otherwise fall into the public domain by extending the term of copyright for currently protected works.<sup>339</sup> The *Eldred* Court deferred to Congress' judgment about setting intellectual property policy and to Congress's rational exercise of power under the Intellectual Property Clause.<sup>340</sup> This deference is also shown in *Dastar* by the Court's acknowledgment that Congress had recognized an attribution right when it passed the Visual Artists' Rights Act.<sup>341</sup> In fact, *Dastar* cites *Eldred* for the proposition that Congress cannot create a species of perpetual patent or copyright.<sup>342</sup> Trademark law cannot be used as a subterfuge for extending the limited periods of monopoly privileges enjoyed by patent and copyright holders.<sup>343</sup>

Still, the Court made a number of troubling statements in *Eldred* about the authority of Congress under the Intellectual Property Clause and about several prior decisions. In his dissent, Justice Stevens cites *Sears* in asserting that the reasons for preventing a state from extending the life of a patent beyond its expiration date applied as well to Congress, and that if Congress could not extend the life of the patent monopoly, then Congress cannot extend the life of a copyright beyond its expiration date.<sup>344</sup> It was plain to him that limitations "implicit in the Patent Clause itself" . . . adequately explain why neither a State nor Congress" may extend the life of patent.<sup>345</sup> In responding to the majority's restrictive reading of *Sears*, Justice Stevens points out that *Graham v. John Deere* and *Bonito Boats* relied on the preemptive effect of the Intellectual Property Clause as well as on the preemptive effect of the congressional statutes.<sup>346</sup> In addition, Justice Breyer's dissent notes that the Intellectual Property Clause's limitations are

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<sup>338</sup> Craig Joyce *et al.*, *supra* note 46, at 384. CTEA also was challenged unsuccessfully as violating the First Amendment.

<sup>339</sup> *Eldred*, 537 U.S. at 204-05.

<sup>340</sup> *Id.*

<sup>341</sup> "When Congress has wished to create such an addition [a right to attribution] to the law of copyright, it has done so with much more specificity than the Lanham Act's ambiguous use of the word 'origin.' The Visual Artists Rights Act . . . right of attribution is carefully limited and focused . . . ." *Dastar*, 539 U.S. at 34. *See generally*, Kurt Saunders, *supra* note 265, at 175-76.

<sup>342</sup> *Dastar*, 539 U.S. at 37 (citing *Eldred*, 537 U.S. at 208).

<sup>343</sup> David Welkowitz, *supra* note 13, at 1687 & 1689 (noting that this cite to *Eldred* shows that the Court wants trademark law to be far removed from traditional intellectual property). *See also* Stacey Garrett, *supra* note 201, at 574; Jane Ginsburg, *supra* note 201, at 267 (*Dastar*, in making clear that a works entry into the public domain precludes resort to the Lanham Act to achieve copyright-like protection, might be seen as an act of contrition by the Court for having upheld CTEA in *Eldred*).

<sup>344</sup> *Eldred*, 537 U.S. at 222-23.

<sup>345</sup> *Id.* at 226 (citing and quoting *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*, 489 U.S. 141, 151 (1989)).

<sup>346</sup> *Id.* at 226 n.3.



judicially enforceable.<sup>347</sup>

The majority disagreed with Justice Stevens and stated that *Sear* “placed no reins on Congress’ authority to extend a patent’s life” and that “[a] decision thus rooted in the Supremacy Clause cannot be turned around to shrink congressional choices.”<sup>348</sup> The majority also explained, in discussing congressional authority over patents, that neither *Sears* nor *Bonito Boat* concerned the extension of a patent’s duration, and that those opinions did not suggest that such an extension might be constitutionally infirm.<sup>349</sup> Moreover, the Court deferred to the legislative branch and quoted from *Bonito Boats* in reiterating that it is for Congress to determine if the copyright and patent statutes effectuate the goals of the Intellectual Property Clause.<sup>350</sup>

In *Eldred*, the Court did not discuss whether the Intellectual Property Clause limits congressional authority under other provisions of the Constitution, such as the Commerce Clause,<sup>351</sup> nor did it address whether the legislature’s authority under the Intellectual Property Clause would allow it to revive or recapture protection for writings and discoveries in the public domain.<sup>352</sup> Almost forty years ago in *Graham v. John Deere* the Court stated that:

The Congress in the exercise of the patent power may not overreach the restraints imposed by the stated constitutional purpose. Nor may it enlarge the patent monopoly without regard to the innovation, advancement or social benefit gained thereby. Moreover, Congress may not authorize the issuance of patents whose effects are to remove existent knowledge from the public domain, or to restrict free access to materials already available . . . This is the standard expressed in the Constitution and it may not be ignored.<sup>353</sup>

This dicta was qualified by the statement that Congress may, within the Constitution’s limits, implement the “purpose of the Framers by selecting the policy which in its judgment best effectuates the constitutional aim.”<sup>354</sup> Although the *Graham* dicta appears to be a clear statement that the public

<sup>347</sup> *Id.* at 243 (citing as an example *The Trademark Cases*, 100 U.S. 82, 93-94 (1879)).

<sup>348</sup> *Id.* at 203 n.8.

<sup>349</sup> *Id.* at 215-16.

<sup>350</sup> *Id.* at 216 (citing *Bonito Boats*, 489 U.S. at 168).

<sup>351</sup> Cf. Heald & Sherry, *supra* note 192 at 1176-79 (discussing problems with database legislation). See, e.g., *United States v. Moghadam*, 175 F.3d 1269, 1280-81 (11<sup>th</sup> Cir. 1999).

<sup>352</sup> Justice Stevens, in his dissenting opinion, points out that during the 19<sup>th</sup> Century Congress had revived expired patents. He says these actions, often by private bill, exceeded the authority of Congress and were unconstitutional. *Eldred*, 537 U.S. at 234-35 (citing and quoting *Graham v. John Deere Co.*, 383 U.S. 1, 5-6 (1966)).

<sup>353</sup> *Graham*, 383 U.S. at 5-6.

<sup>354</sup> *Id.* at 6.

domain is sacrosanct, the *Eldred* majority cited, quoted from, and relied upon the latter statement about Congressional judgment to make intellectual property policy in explaining its deference to Congress' rationale for enacting CTEA.<sup>355</sup> "The wisdom of Congress' action, however, is not within our province to second guess."<sup>356</sup> We are left to wonder what sort of restrictions the Intellectual Property Clause imposes on Congress.<sup>357</sup>

This uncertainty is compounded by the majority's explanation that the Court's past pronouncements regarding patents do not necessarily apply to copyright because of the substantial differences between the respective rights even though they derive from the same clause in the Constitution.<sup>358</sup> According to the majority, they do not entail the same exchange between the government and the inventor/author; the *quid pro quo* discussed in patent cases – the patent monopoly in exchange for the benefits derived by the public from an invention – is not part of copyright where disclosure is the objective instead of something extracted from the author in exchange for the copyright.<sup>359</sup> The Court also explained that the scope of the patent and copyright monopolies are very different; a patent prevents full use being made of the knowledge disclosed by the patent, while the reader of a book protected by copyright is not prevented from using the knowledge he or she may acquire from reading.<sup>360</sup> The Court completely ignored its earlier statement in *Mazer v. Stein* that "[t]he economic philosophy behind the clause empowering Congress to grant patents and copyrights is the conviction that encouragement of individual effort by personal gain is the best way to advance public welfare through the talents of authors and inventors in 'Science and useful Arts.'"<sup>361</sup>

The Court seemed to retreat from the statements in *Eldred* about the differences between patents and copyrights, and returned to treating these limited monopolies as being similar when it decided *Dastar*. It stated that "[t]he rights of a patentee or copyright holder are part of a 'carefully crafted bargain' under which, once the patent or copyright monopoly has expired, the public may use the invention or work at will and without attribution."<sup>362</sup> The Court said that it did not want to create a mutant copyright law limiting

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<sup>355</sup> *Eldred*, 537 U.S. at 222.

<sup>356</sup> *Id.*

<sup>357</sup> *But see* Marshall Leaffer, *supra* note 16, at 1602-04.

<sup>358</sup> *Eldred*, 537 U.S. at 216-17.

<sup>359</sup> *Id.* at 216. *But see* Justice Breyer's dissent discussing the economic foundation for copyright and how the public benefits from the grant of exclusive rights to the author, *Id.* at 246 (citing *Mazer v. Stein*, 347 U.S. 201, 219 (1954)(the economic foundation for copyright protection – reward to the author is a secondary consideration)). *See also* Paul Heald & Suzanna Sherry, *supra* note 164, at 1169 ("It is difficult to imagine a more overt violation of the Quid Pro Quo Principle than CTEA.").

<sup>360</sup> *Eldred*, 537 U.S. at 217.

<sup>361</sup> *Mazer*, 347 U.S. 201, 219 (1954) (emphasis added).

<sup>362</sup> *Dastar Corp. v. Twentieth Century fox Film Corp.*, 539 U.S. at 23, 33-34 (2003) (citing *Bonito Boats*, 489 U.S. at 150-51).

the “public’s ‘federal right to copy and use,’ expired copyrights.”<sup>363</sup> To hold that the phrase “origin of goods” in section 43(a) refers to the author of an idea or concept embodied in a work as well as to the producer of the tangible goods that are offered for sale, “would be akin to finding that § 43(a) created a species of perpetual patent and copyright, which Congress may not do.”<sup>364</sup> The Court cited *Eldred* after making this statement. Therefore, it appears that although the copyright and patent regimen are not identical, there still is a carefully crafted bargain between the grantor of the limited monopolies and the grantee authors and inventors – the bargains may not be identical but there still seems to be a *quid pro quo* for both patents and copyrights.<sup>365</sup>

The *Eldred* majority deferred to Congress and found that there is a rational basis for CTEA, while the dissenters engaged in a more searching review that was not as deferential to the legislative branch.<sup>366</sup> It is reasonable to ask whether the Court’s deference to congressional authority under the Intellectual Property Clause would extend to upholding legislation that restores, recaptures or revives copyright protection on certain works that are in the public domain?<sup>367</sup> The decision in *Graham v. John Deere* indicates that Congress cannot do this with respect to patent protection.<sup>368</sup> However according to the *Eldred* majority, patents and copyrights are not alike.<sup>369</sup> This and other aspects of the *Eldred* decision had a major impact in *Luck’s Music Library Inc. v. Ashcroft*.<sup>370</sup> This case upheld the restoration of copyright for certain works of foreign authors under the Uruguay Round Agreements Act of 1994 (URAA) against a challenge that this act is unconstitutional under the Intellectual Property Clause.<sup>371</sup> Section 514 of the URAA, enacted in order for the United States to comply with its obligations as a member of the World Trade Organization,<sup>372</sup> restores copyright to foreign copyright holders whose works remain protected in their country of origin but had entered the

<sup>363</sup> *Id.* (citing *Bonito Boats*, 489 U.S. at 165).

<sup>364</sup> *Id.* at 37 (citing *Eldred*, 537 U.S. at 208 (emphasis added)).

<sup>365</sup> Welkowitz, *supra* note 13, at 1687.

<sup>366</sup> Joyce, *supra* note 46, at 381; see *Kahle v. Ashcroft*, 69 BNA P.T.C.J. 110 (N.D. Cal. 2004) (relying on the majority opinion in *Eldred* in upholding the constitutionality of the Copyright Renewal Act of 1992, CTEA, the Copyright Act of 1976, and the Berne Implementation Act as applied to works created from 1964 through 1977, and rejecting the plaintiff’s reliance on Justice Breyer’s dissenting opinion in *Eldred*).

<sup>367</sup> Joyce, *supra* note 46, at 383-84.

<sup>368</sup> See *supra* text and notes at notes 352 to 357; see also *Eldred*, 537 U.S. at 237. Justice Stevens asserts that many of the bills Congress enacted in the 19th Century with respect to reviving expired patents were unquestionably unconstitutional and implicitly overruled by *Graham v. John Deere*.

<sup>369</sup> *Eldred*, 537 U.S. at 190.

<sup>370</sup> *Luck’s Music Library Inc. v. Ashcroft*, 321 F. Supp. 2d 107 (D.D.C. 2004), *affirmed* *Luck’s Music Library, Inc. v. Gonzalez*, 407 F.3d 1262 (D.D.C. Cir. 2005).

<sup>371</sup> *Luck’s Music Library*, 321 F. Supp. 2d at 116.

<sup>372</sup> Lionel S. Sobel, *D.C.’s and Colorado Federal Courts Express Different Views on Constitutionality of Statute that Restored Copyrights on Foreign Works that had Fallen Into Public Domain in the United States*, 26 NO. 1 Ent. L. Rep. 10 (June 2004); Zimmerman, *supra* note 13, at 298-99.

public domain in the United States due to reasons like a failure to comply with our copyright formalities, the absence of prior subject matter protection in the U.S., or a failure of the U.S. to recognize copyrights from the origin country.<sup>373</sup>

The plaintiffs, who restore old films and sell public domain music, charged that section 514 is unconstitutional because the Constitution requires the public to enjoy an unfettered right to copy works once they are in the public domain and that restoration violates this mandate by removing works from the public domain.<sup>374</sup> The court disagreed and granted the government's motion to dismiss.<sup>375</sup> It explained that Congress had repeatedly granted retroactive copyrights since the passage of the first copyright statute in 1790, that Congress had authorized the President to restore lapsed foreign copyrights during wartime, that *Graham v. John Deere* applied only to patent law, and that Congress had a rational basis for believing that section 514 furthered the goals of the Intellectual Property Clause.<sup>376</sup> The court relied on *Eldred* in rejecting the plaintiffs' argument that restored works were not original and could not be protected because they already were in the public domain.<sup>377</sup> It also relied on *Eldred* in rejecting the argument that restoration violated the First Amendment, because it restricted the free expression of works in the public domain.<sup>378</sup> The Court of Appeals affirmed in *Luck's Music Library v. Gonzalez*, agreeing that the restoration statute did not overstep Congress' power under the Intellectual Property Clause.<sup>379</sup>

The decision in *Luck's Music Library* is a startling extension of *Eldred* to uphold the power of Congress under the Intellectual Property Clause to remove works from the public domain and grant private ownership

<sup>373</sup> Pub. L. No. 103-465, sec. 514, 104A, 108 Stat. 4809, 4976 (1994), *codified at* 17 U.S.C. § 104A, was adopted to bring U.S. law into compliance with the Berne Convention. The U.S. ratified Berne in 1988 and adopted section 514 in 1994. *See generally*, Craig Joyce *et al*, *supra* note 46, at 363-66.

<sup>374</sup> *Luck's Music Library*, 321 F. Supp. 2d at 112.

<sup>375</sup> *Id.* at 119.

<sup>376</sup> *Id.* at 113-16.

<sup>377</sup> *Id.* at 118.

<sup>378</sup> *Id.* at 117-19. A similar suit is pending in Colorado, *Golan v. Ashcroft*, 310 F. Supp. 2d 1215 (D. Col. 2004). The government's motion to dismiss in *Golan* did not require the judge to rule on the constitutionality of the restoration legislation, and the judge determined that the plaintiff's Intellectual Property clause, First Amendment, and substantive due process claims were cognizable. Some speculated that the Colorado court could very well conclude that although the claims are valid, the restoration legislation is constitutional. Sobel, *supra* note 372; Zimmerman, *supra* note 13, at 298-99. *See generally*, Heald & Sherry, *supra* note 192, at 1179-81 (discussing possible challenges to the Restoration Act). *See also* Kahle v. Ashcroft, 69 BNA P.T.C.J. 110 (N.D. Cal. 2004)(heavy reliance on *Eldred* in holding that neither the Copyright Renewal Act of 1992, CTEA, the Copyright Act of 1976, nor the Berne Convention Implementation Act is unconstitutional as applied to works created from 1964 through 1977). However, in *Golan v. Gonzalez*, the court granted summary judgment for the government and held that Congress had not exceeded its authority in enacting section 514 of URAR. It relied heavily on *Eldred*. 74 U.S.P>Q. 2d (BNA) 1808 (D. Col. 2005).

<sup>379</sup> 407 F.3d 1262 (D.C. Cir. 2005).

in those restored works. If Congress can do this under the Intellectual Property Clause, then it would seem to be unnecessary for Congress to turn to the Commerce Clause and other grants of power in the Constitution to evade the limitations in the Intellectual Property Clause. The public domain is at risk with this degree of deference to Congressional authority coupled with the Court's statement about the differences between the patent and copyright bargains.<sup>380</sup>

#### IV. CONCLUSION

Where do things stand in regard to: (1) limitations on the states with respect to intellectual property protection; (2) the tensions that exist between the expanding scope of trademark and trade dress protection under the Lanham Act and established principles of copyright and patent law; and (3) the authority of Congress under the Intellectual Property Clause to modify or amend some of those established principles.

It is safe to state that the states cannot offer, revive or restore copyright-like or patent-like protection for works in the public domain according to *Sears*, *Compco* and *Bonito Boats*. It also is reasonable to conclude that the courts should not interpret the Lanham Act to be anti-competitive or to afford protection to works which have entered the public domain or which are unprotected by the patent and copyright laws according to *Wal-Mart*, *TrafFix* and *Dastar* and the Supreme Court's reliance in *TrafFix* and *Dastar* on principles announced in *Sears*, *Compco* and *Bonito Boats*.<sup>381</sup>

That Congress cannot revive or restore patent protection for a public domain work is well established according to *Graham v. John Deere* and other decisions interpreting the patent laws such as *Singer Manufacturing v. June Manufacturing*, *Kellogg Co. v. National Biscuit Co.*, and *Scott Paper v. Marcalus Company*. However, in view of *Eldred*, the Court's statement in *Eldred* that its past pronouncements about patents do not necessarily apply to copyright, the application of *Eldred* in *Luck's Music Library* and *Golan v. Gonzalez*, and the Supreme Court's deference to the power and judgment of the legislative branch under the Intellectual Property Clause, it appears that Congress has authority to enact laws restoring copyright protection for public domain works.

Of course *Luck's Music Library* and *Golan* might be overruled by the Supreme Court or they may be of very limited impact because section 514 of the URAA applies only to works of foreign origin which entered the public domain on technicalities<sup>382</sup> as opposed to being an expansive

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<sup>380</sup> This seems to fly in the face of the *Feist* decision. Cf. Heald, *supra* note 18, at 172-73 (discussing the impact of *Feist*).

<sup>381</sup> Welkowitz, *supra* note 13, at 1700-01.

<sup>382</sup> The Restoration Act is narrow in that it aims to protect works that fell into the public domain for technical and administrative reasons -- arguably works that would otherwise

restoration or recapture statute applying to domestic works that entered the public domain simply because their copyrights expired.<sup>383</sup> Whether entry into the public domain is permanent is not yet resolved.<sup>384</sup>

Will the Court's deference to congressional authority under the Intellectual Property Clause extend to legislation that would change the outcome in cases like *Feist*, *Dastar*, and *TrafFix*? Questions like this one were debated before *Eldred*, and they will continue to be debated. There are indications in *Dastar* that the Court is not willing to go that far in deferring to the authority of Congress to set intellectual property policy when it exercises its other powers under the Constitution, such as legislation enacted pursuant to Commerce Clause authority.<sup>385</sup> The Court cited *Eldred* in *Dastar* when it stated that to hold that the phrase "origin of goods" in the Lanham Act refers to the author of any idea, concept or communication embodied in those goods "would be akin to finding that § 43(a) created a species of perpetual patent and copyright, which Congress may not do."<sup>386</sup> The Intellectual Property Clause imposes limits on the power of Congress, *Dastar* emphasizes that there is a federal right to copy and to use expired copyrights and patents,<sup>387</sup> and the *Wal-Mart*, *TrafFix* and *Dastar* decisions provide strong arguments against Congress using its authority under the Commerce Clause to evade the limitations found in the Intellectual Property Clause.<sup>388</sup> On the other hand, the extent of Congress' authority to evade or minimize those limitations pursuant to its powers under the Intellectual Property Clause now may be a greater concern for those arguing for strong protection of the public domain.

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still be protected by copyright. Heald & Sherry, *supra* note 192, at 1180. Nevertheless, Professors Heald and Sherry argue that this statute is unconstitutional under the Intellectual Property clause, but their arguments have been undermined by *Eldred* and majority's deference to Congress' exercise of power under that clause.

<sup>383</sup> See Heald & Sherry, *supra* note 192, at 1180 n.427 (citing an article by David Nimmer that quotes testimony before Congress asserting that it would violate "limited times" to revive a work that was in the public domain, because its term of protection had expired).

<sup>384</sup> Zimmerman, *supra* note 13, at 299.

<sup>385</sup> Cf. Leaffer, *supra* note 15, at 1615.

<sup>386</sup> *Dastar*, 539 U.S. at 37 (citing *Eldred*, 537 U.S. at 208)(emphasis added); Zimmerman, *supra* note 13, at 320-21; Heald, *supra* note 18, at 168-69; see also *United States v. Martignon*, 346 F. Supp. 2d 413 (S.D. N.Y. 2004) (anti-bootlegging legislation not sustainable under the Intellectual Property clause and arguing that Congress may not do indirectly under another clause of the Constitution that what it is forbidden to do directly).

<sup>387</sup> *Dastar*, 539 U.S. at 34.

<sup>388</sup> Leaffer, *supra* note 15, at 1615-61; Schaumann, *supra* note 243, at 1630; Welkowitz, *supra* note 13, at 1700; see also Zimmerman, *supra* note 13, at 322-57 (forcefully arguing that the First Amendment requires protection of a large commons of communicative materials – the public domain); Ginsburg, *supra* note 171, at 267 (*Dastar* made clear that a work's entry into the public domain precludes resort to another federal intellectual property statute to achieve defacto prolongation copyright like rights); cf. Heald, *supra* note 16, at 168-69 (discussing the impact of *Feist* and whether Congress can turn to the Commerce clause to evade the limitations in the Intellectual Property clause). But see Nachbar, *supra* note 164, at 324-28.