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Patents Are Forever: Construing the Federal Trademark Dilution Act to Apply to Product Configurations in Sunbeam Products, Inc. v. West Bend Co.

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INTRODUCTION

Can a company seek protection for its product configuration\(^1\) under the Federal Trademark Dilution Act of 1995?\(^2\) The United States District Court for the Southern District of Mississippi recently addressed this issue in the case of *Sunbeam Products, Inc. v. The West Bend Co.*\(^3\) The court applied the new trademark dilution statute to product configurations, thereby suggesting that such configurations could serve as “famous marks” worthy of protection under the new Act.\(^4\) The court’s application of this federal statute to product configurations is a significant extension of trademark-dilution law because it affords protection to a type of mark not traditionally recognized in this area of trademark law. This Recent Development will explore the significance of *Sunbeam Products* in the context of the new federal dilution statute.

I. FACTUAL BACKGROUND

Since 1930, Sunbeam has manufactured a stand food mixer, which it now calls “the America Classic.”\(^5\) The stand mixer, also called the “Mixmaster,” has had its present configuration since 1979.\(^6\) The configuration upon which it is based originated in the

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\(^1\) Product configuration is included under the label “trade dress.” Trade dress refers to the “packaging or labeling of goods” and product configuration refers to the three-dimensional design of the product itself. *See* Melissa R. Gleiberman, Note, *From Fast Cars to Fast Food: Overbroad Protection of Product Trade Dress under Section 43(a) of the Lanham Act*, 45 Stan. L. Rev. 2037, 2039 (1993).


\(^4\) *Id.*

\(^5\) *Id.* at 1547.

\(^6\) *Id.*

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late 1940s and continually evolved until 1979. Since that time, there have been no changes.\footnote{Id.}

The “America Classic” accounts for nearly seventy percent of Sunbeam’s annual mixer sales, thus making it far and away Sunbeam’s most popular mixer.\footnote{Sunbeam, 39 U.S.P.Q.2d (BNA) at 1547.} The “Mixmaster” has been advertised by Sunbeam for over 60 years. At the time of the lawsuit, no competitors marketed a mixer that even slightly resembled the design of the “America Classic.”\footnote{Id.} In 1994, however, West Bend attempted to cut into Sunbeam’s stand mixer market share.\footnote{Id.}

In 1995, West Bend aggressively pursued production of its own stand mixer and employed a design company to further this goal.\footnote{Id.} Several renderings were developed, two of which closely resembled Sunbeam’s “Mixmaster.”\footnote{Id.} Prospective buyers liked the final rendering, which was similar to the Sunbeam product. This rendering was named “the Legend,” a term the court found very comparable to “the America Classic.”\footnote{Id.} When the manufacturer was hired to produce West Bend’s mixer, a catalog depiction of Sunbeam’s Mixmaster was sent along with the aforementioned rendering.\footnote{Id.} West Bend’s director of product development inscribed the words “this one” on the catalog depiction with an arrow pointing to the mixer made by Sunbeam.\footnote{Id.} West Bend claimed that the final design was developed by another company, but no final rendering was ever submitted to the court.\footnote{Id.} Sunbeam’s sellers submitted affidavits to the court indicating that its buyers had told them that West Bend’s model looked so much like the Mixmaster that one could not recognize the difference if the nameplates were covered.\footnote{Id.} The buyers also indicated that the
West Bend mixer was to sell for $20 less than the Sunbeam model.\textsuperscript{19}

Sunbeam brought suit against West Bend to enjoin it from marketing its mixer until the dispute could be resolved on the merits.\textsuperscript{20} Sunbeam asserted several bases for its cause of action, including trade dress infringement and dilution in violation of sections 43(a), (b) and (c) of the Lanham Act, as well as unfair competition, trade dress infringement, dilution, and false and misleading advertising under common law.\textsuperscript{21} The Federal District Court for the Southern District of Mississippi decided that Sunbeam would likely prevail on the merits of its trade dress infringement claims, and after applying the four-factor preliminary injunction test,\textsuperscript{22} the court granted the plaintiff's request and enjoined the defendant from either marketing or manufacturing its new mixer.\textsuperscript{23}

The court did not simply rest its decision on the trade dress infringement claim, but alternatively held that an injunction would be appropriate for the defendant's violation of the 1995 Federal Trademark Dilution Act.\textsuperscript{24} The court noted that such a violation might include additional statutory remedies for the plaintiff if it could show that the defendant wilfully intended to cause dilution. The court determined, however, that such a decision was inappropriate at the preliminary injunction stage and would best be left to a fact finding body at trial.\textsuperscript{25} The court then enjoined the defendant from "using any other mark or device likely to injure [the] Plaintiff's business reputation or dilute the distinctive quality of said Mixmaster(Registered) product design, the Mixmaster(Registered) trademark, and/or the Sunbeam trademark.\textsuperscript{26}

\textsuperscript{19} Id.
\textsuperscript{20} Id. at 1546.
\textsuperscript{21} Id.
\textsuperscript{22} The four factor test used by the courts was: (1) is there a substantial likelihood that the plaintiff will succeed on the merits; (2) will the plaintiff suffer irreparable injury?; (3) will the threat of injury to the movant outweigh any damage the injunction might cause to the opponent?; and (4) will issuance disserve the public interest? Id. at 1548 (citing Blue Bell Bio-Medical v. Sinbad, Inc., 864 F.2d 1253, 9 U.S.P.Q.2d (BNA) 1870 (5th Cir. 1989)).
\textsuperscript{23} Sunbeam, 39 U.S.P.Q.2d (BNA) at 1555.
\textsuperscript{24} 15 U.S.C. § 1125(c)(1).
\textsuperscript{25} Sunbeam, 39 U.S.P.Q.2d (BNA) at 1555.
\textsuperscript{26} Id. at 1556.
II. LAW OF TRADEMARK DILUTION

A. THE DILUTION DOCTRINE AND ITS COMMON LAW HISTORY

Dilution of a trademark occurs when the ability of a mark clearly to distinguish one source is weakened or reduced. Dilution can occur in two ways. Dilution by blurring occurs when customers see the owner's mark in a number of different contexts, thus reducing the "distinctive significance" of such a mark with respect to the owner's goods. Dilution by tarnishment occurs when someone uses another's mark in a degrading manner, such as a parody. The use of the mark in this manner has the effect of degrading or tarnishing the "distinctive quality" of the mark.

The dilution doctrine differs fundamentally from the doctrines of trademark and trade dress protection. Unlike the latter doctrines, dilution is not concerned with the "likelihood of confusion" that might occur if no stringent protections for trademarks and trade dresses exist. The dilution doctrine seeks to protect owners of trademarks from uses that gradually eviscerate the value of an owner's trademark and, as such, seeks to protect a property right in the mark that gives rise to a completely separate cause of action. Even where no likelihood of confusion exists, the owner's ability to use her mark as a "unique identifier" is lessened because the public now connects that mark with another user.

Because the dilution doctrine focuses on an owner's property right in a mark instead of on the presence or absence of confusion, some commentators have suggested that a stronger rationale is needed in order to justify its existence. These concerns gave rise to rules that limit the application of dilution laws in certain contexts. For example, authorities are split as to whether antidilution rules should be applied in a competitive context.

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27 3 J. THOMAS McCARTHY, MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 24.13[1][a], at 24-106 (3d ed. 1995).
28 Id. (emphasis added).
29 Id. at 24-107 (emphasis added).
30 Id. at § 24.13[1][b] (emphasis added).
31 Id.
32 MCCARTHY, supra note 27, at 24-108.
33 Id. at § 24.13[2].
Restatement took the position, as did the new federal statute, that anti-dilution laws should be applied to unauthorized uses of a mark on competing goods. 34

B. FEDERAL DILUTION STATUTE

In January of 1996, Congress enacted the Federal Trademark Dilution Act of 1995. 35 Under federal law, dilution occurs when capacity of a mark to distinguish goods or services is diminished. 36 Thus, under the new statute an owner of a famous mark may seek an injunction against those diluting such a mark if certain criteria are met. 37 Essentially, a plaintiff can seek protection for a mark under this statute by complying with a three-part test. First, there is the threshold inquiry of whether the mark is famous. The statute lists several factors a court may use in deciding whether a mark is famous. 38 If this requirement is satisfied, an owner of a famous mark can then seek an injunction against someone using the mark on two conditions: if the use of the mark occurred after it became famous, and if the use of the mark dilutes its distinctive quality.

Under the federal statute, such dilution may give rise to a cause of action even though the person using the mark is in competition with its owner. 39 It is similarly immaterial that there is no

34 Id. at 24-115. The position of the Restatement is consistent with the argument made by McCarthy, supra note 57, that while some consumers may be confused, others will not, and the perception by consumers that the mark represents two different sources may result in dilution by blurring.


36 Id. at § 1127 (1996).

37 Id. at § 1125 (1996).

38 Id. at § 1125 (c)(1)(A)-(H) (1996). The eight factors listed in the statute that courts may consider are: (A) the degree of inherent or acquired distinctiveness of the mark; (B) the duration and extent of use of the mark in connection with the goods or services with which the mark is used; (C) the duration and extent of advertising and publicity of the mark; (D) the geographical extent of the trading area in which the mark is used; (E) the channels of trade for the goods or services with which the mark is used; (F) the degree of recognition of the mark in the trading areas and channels of trade used by the mark's owner and the person against whom the injunction is sought; (G) the nature and extent of use of the same or similar marks by third parties; and (H) whether the mark was registered under the Act of March 3, 1881, or the Act of February 20, 1905, or on the principal register. As the statute suggests, the court need not limit itself to consideration of only these factors.

39 Id. See supra note 34.
likelihood of confusion, since dilution is designed specifically for situations in which no confusion exists.\textsuperscript{40} Although some state dilution statutes do not apply in a competitive context, the federal law, in order to provide uniformity, makes no such distinction.\textsuperscript{41}

III. THE DISTRICT COURT's APPLICATION OF THE FEDERAL DILUTION STATUTE

After concluding that an injunction was appropriate for trade dress infringement, the District Court considered the applicability of the new federal statute dealing with trademark dilution. In its opinion, the findings made and used to support the injunction on trade dress infringement would also support a finding that the configuration of the Mixmaster would qualify as a “famous mark” for purposes of the dilution statute.\textsuperscript{42} The court never paused to consider whether the dilution statute was \textit{intended} to protect product configurations.

The court, in the conclusion of its opinion, gave West Bend a list of elements of the configuration that could be changed in order to avoid violation of the injunction.\textsuperscript{43} The list included everything from changing the shape of the product itself to changing the location and design of certain components.\textsuperscript{44} The court noted, however, that not all of the elements listed would have to be changed in order to comply with the injunction. In fact, the court explicitly listed some changes that could be made in order to avoid infringement of the plaintiff's trade dress.\textsuperscript{45}

The court failed to indicate whether such changes in the design of the mixer would also alleviate any dilution problems. Since the court determined that the trade dress was a “famous mark” based on its findings regarding the unique design of the product, one could assume that by requiring West Bend to change its design,

\textsuperscript{40} MCCARTHY, \textit{supra} note 27, at 24.13.
\textsuperscript{43} \textit{Id.}
\textsuperscript{44} \textit{Id.}
\textsuperscript{45} \textit{Id.}
any possible dilution claims would be dissolved along with the infringement claim. Near the very end of the opinion, however, the court enjoined West Bend from taking any actions with the product that would either infringe on the plaintiff's trade dress or which might dilute the distinctive quality of the plaintiff's product design. By using the disjunctive "or" instead of "and," the court seemed to suggest that West Bend could be brought back into court even if it were not infringing on the Plaintiff's trade dress.

IV. ANALYSIS OF THE COURT'S OPINION

The court in Sunbeam incorrectly read the Federal Trademark Dilution Act of 1995 to apply to product configurations. The two reasons why this statute should not be so construed revolve around statutory interpretation and are not entirely distinct from one another. First, the legislative history of the statute suggests that it was not meant to include dilution of a product's trade dress. Second, a broad reading such as the one given by the court in Sunbeam would invite a conflict with federal patent policy, which should be avoided under commonly held principles of statutory interpretation.

A. THE LEGISLATIVE HISTORY OF THE FEDERAL TRADEMARK DILUTION ACT OF 1995

By failing to consider the possibility that the Federal Trademark Dilution Act of 1995 should not be applied to product configurations, the District Court may have ignored the legislative intent of the statute. The legislative history suggests that the statute may have been intended to apply only to words and phrases, and not to product configurations. Because neither the statute nor the legislative history ever expressly defines the word "mark" for the purposes of this statute, determining the legislative intent is not a simple task. The most persuasive evidence of intent comes not from what is contained in the statute, but from what is omitted.

As previously mentioned, the text of the statute itself never explicitly defines "mark" as it is to be understood in the dilution

46 Id. at 1556.
context. 47 The legislative history, on the other hand, gives examples of marks that would fall within the scope of the statute. In the House Report accompanying the bill, examples are used to illustrate the types of “marks” that would be actionable under the dilution statute. They include “KODAK pianos” and “BUICK aspirins.” 48 More important than the examples included were those not included, namely product configurations. All the examples used in the report referred to verbal marks. Neither the text of the statute nor its legislative history ever refer to product configurations by name or by example. Accordingly, one could conclude that the federal dilution statute was intended to apply only to verbal expressions, and not to product configurations.

In construing state anti-dilution laws, some courts have read their state statutes as applying only to verbal marks. 49 In Olay Co. v. Cococare Products, Inc., 50 a federal district court noted that a New York statute concerned with trademark dilution also failed to speak of “trade dress.” Like the federal statute, the New York statute referred generally to “marks” and “names.” 51 Instead of reading the statute broadly, however, the court in Olay refused to extend the statute’s application to a product’s trade dress. 52 Likewise, here, a court should not be willing to apply the new federal dilution statute to trade dress without an explicit manifestation of intent by Congress to the contrary. Like the statute construed in Olay, the federal statute makes no mention of trade dress. It refers only to “names” and “marks.” 53 Given the examples used in the legislative history of this statute, which refer only to verbal expressions, no intent to protect a product’s trade dress can be ascertained. Although enlightening, the legislative history

is not itself conclusive in determining whether the federal dilution statute should be applied to product configurations. Although the legislative history suggests that the statute should be read restrictively, there is no language that absolutely excludes a broad reading like the one found in Sunbeam. In fact, those arguing for application of the dilution statute to product configurations might logically conclude that the absence of any explicit exception would suggest that the statute was not intended to cover only "verbal" marks. Although the analysis in this section would dispute such a reading, to conclusively exclude product configurations from the scope of the statute, the next section will challenge Sunbeam's broad reading of the statute on more substantive grounds.

B. POLICY IMPLICATIONS OF APPLYING DILUTION TO PRODUCT CONFIGURATIONS

Because a claim for dilution does not require a "likelihood of confusion," a construction of the new federal dilution statute that encompasses product configurations could create a serious conflict with federal patent policy. To understand how such a conflict might occur, it is first necessary to distinguish between an ordinary claim for infringement and a claim of dilution. To understand the difference between these claims, one must recognize the types of harm that these claims seek to prevent, or in the case of dilution, the type of harm that it does not seek to prevent, namely, consumer confusion. In order to avoid a conflict with federal patent policy, trademark-type protection traditionally has been afforded to product configurations only when there exists a "likelihood of confusion." Application of the federal dilution statute to product configurations, where no showing of "confusion" would be required, would alter the balance that has heretofore been maintained between trademark and patent law. To avoid this conflict, the dilution statute should not be read to encompass product configurations.

55 McCARTHY, supra note 27, at 24-123 (citing Bonito Boats, Inc. v. Thunder Craft Boats, Inc., 489 U.S. 141 (1989)).
1. The Difference Between Ordinary Trade Dress Protection and the Dilution Doctrine. Ordinary trade dress protection is confined by a "likelihood of confusion" requirement, which helps prevent conflicts between trademark and patent law. The dilution doctrine, which is fundamentally different and designed to protect a different harm, contains no such safeguard. Application of a dilution statute to product configurations would therefore lead to the very conflicts that ordinary trade dress protection is designed to avoid.

An understanding of the policies underlying ordinary trade dress protection is needed before one can understand how such a conflict might arise. Ordinary trade dress protection is premised upon a "likelihood of confusion" test that asks whether a reasonable buyer would think that the respective uses of a mark are so similar that the consumer is likely to think that a "connection or sponsorship exist[s]." Protecting consumers from confusion, then, is the principle harm sought to be addressed by traditional trade dress protection laws.

Anti-dilution laws seek to prevent a different sort of harm. As one commentator noted, they are designed to fill in where ordinary "likelihood of confusion" laws leave off. Instead of trying to prevent the direct mental associations consumers form when confused by similar products, anti-dilution laws seek to remedy the harm caused when a distinctive link between the plaintiff's mark and its goods or services is "blurred" or "tarnished" by the defendant's continued use of the mark. Although a mental connection by consumers is presumed, the type of mental link necessary for dilution to occur necessarily excludes the type of mental link that must be present for "confusion" to occur.

For dilution to occur, the consumer cannot be deceived; the consumer must recognize that the two products have different sources. Once the consumer understands that a mark no longer distinguishes one particular product or entity, then the harm sought to be avoided has already occurred. The harm in this instance is not to the consumer, but is instead an injury to the owner of the mark.

56 MCCARTHY, supra note 27, at 24-108.
57 Id.
58 Id.
59 Id.
Although dilution and trade dress infringement are mutually exclusive with respect to individual consumers, a plaintiff bringing an infringement claim can alternatively plead an injury by way of dilution.\(^\text{60}\) The plaintiff will then have to show that various groups of consumers were harmed in different ways. Some consumers could provide the basis for an infringement claim because of their confusion, while others who were not confused could nonetheless be the basis of a dilution claim. In this way, a plaintiff suing for infringement could theoretically recover as well on a claim for dilution.\(^\text{61}\)

The fact that a plaintiff can sue for both dilution and infringement should not lead one to conclude that these theories are interchangeable. Their theoretical underpinnings are such that these two claims should always be viewed as separate and distinct causes of action designed to remedy very different sorts of harm.\(^\text{62}\) A plaintiff alleging dilution of a trademark can do so without any showing of confusion. Because confusion need not be shown, a conflict can arise with federal patent policy if dilution laws apply to product configurations.

2. The Conflicts With Federal Patent Policy. Before the enactment of the Federal Trademark Dilution Act, the dilution doctrine was essentially a creature of state law. However, state law dilution claims were occasionally challenged by arguments for federal preemption. Some courts and commentators have argued that state dilution laws should be preempted by federal trademark law because of an apparent conflict with the overriding policy objectives of both Federal Trademark Law and Federal Patent Law.\(^\text{63}\) The enactment of national legislation providing a federal cause of action for dilution claims rendered such contentions moot for preemption purposes.

\(^{60}\) Id. at 24-109.
\(^{61}\) MCCARTHY, supra note 27.
\(^{62}\) Id. at 24-109. But see James Burrough, Ltd. v. Sign of Beefeater, Inc., 540 F.2d 266 n.16, 192 U.S.P.Q. (BNA) (7th Cir. 1978) (holding that a “trademark likely to confuse is necessarily a trademark likely to dilute”). As McCarthy notes, this conclusion is improper. Any single consumer either perceives an affiliation between a mark and its source or does not perceive such an affiliation. That the mark is strong enough to cause confusion as to the source does not mean by definition that the mark must have been diluted. Dilution has not occurred if the person is confused as to the source, because dilution presupposes no confusion as to the source of the mark. MCCARTHY, supra note 27, at 24-109.
\(^{63}\) MCCARTHY, supra note 27, at 24-121.
Although the arguments for preemption are no longer valid, the reasoning behind these arguments can still be used to demonstrate the policy conflicts that could result from an overbroad reading of the federal dilution statute. Consider the reasoning behind the preemption argument in the following case. In *Escada AG v. The Limited, Inc.*, the Federal District Court for the Southern District of New York granted the defendant's motion for summary judgment on the plaintiff's dilution claim. The plaintiff was seeking, *inter alia*, to enjoin the defendant under a New York anti-dilution law from "making, using, or selling" a bottle design that supposedly imitated the design of the plaintiff's bottle.

The District Court recognized the conflict that would arise if the plaintiff was allowed to bring a dilution claim based on its product configuration. Because the makers of the bottle could have secured a design patent for the bottle, the New York dilution law as applied in this context went beyond the amount of regulation permitted under the Supreme Court's decision in *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*. In *Bonito Boats*, the Court noted the longstanding rule that "state regulation of intellectual property must yield to the extent that it clashes with the balance struck by Congress in our patent laws." In recognizing the imbalance that would result by applying the New York dilution law to a product configuration, the Court in *Bonito Boats* denied protection and held that where the subject matter is potentially patentable the state interest in protecting the manufacturer must yield to the national interest in uniform patent law.

Extrapolating these principles and applying them to the federal dilution statute, it becomes clear that the national interest in protecting manufacturers from dilution must also yield to the established national interest in "uniform patent law." As the Court in *Bonito Boats* recognized, there exists a constant tension between the desire to reap the full measure of our "inventive resources" and the "need to create an incentive to deploy those resources."

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67 Id. at 153.
68 Id. at 152.
Requiring plaintiffs to meet a likelihood of confusion standard is critical to maintaining the balance underlying the federal patent scheme. Patent law encourages consumers to bring their products to the market while at the same time fostering competition in the marketplace. In order to balance these objectives, patent law recognizes a manufacturer's monopoly for a limited period of time. This limited monopoly encourages the manufacturer to bring his goods to the market while at the same time allowing competition, because at the end of this limited period, other manufacturers can copy the features of the original manufacturer's invention without incurring any legal penalty.

In contrast, trade dress protection extends indefinitely, so that a manufacturer could be protected from trade dress infringement for the life of the product. If trade dress protection was premised on the notion of protecting the manufacturer's property rights rather than on consumer confusion, the objectives of encouraging competition would be destroyed because the limited period of time for patentable products could be extended indefinitely. As the Supreme Court stated in Bonito Boats, a state law that does not mandate proof of "likely confusion" is in conflict with federal policy because it can grant this "patent-like" protection. This same "patent-like" protection could result under the new federal dilution statute if it is read to include trade dress.

Like the state statutes that preceded it, the new federal statute does not require a plaintiff bringing a dilution claim to show "likely confusion." If a defendant is found to have diluted the plaintiff's trade dress, lack of confusion by consumers will be no defense. The point of the statute is not to prevent confusion; the purpose is to protect the owner's mark from being "diluted" by another's use of that mark. The owner of the mark, in this case a type of trade dress, receives this "patent-like" protection without going through the rigors of acquiring a patent, and without being given protection for only a limited number of years. The balance between giving developers an incentive to enter into the market and encouraging

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69 See Gleiberman, supra note 1, at 2059.
70 McCarthy, supra note 27, at 24-123 (citing Bonito Boats, Inc. v. Thunder Craft Boats, Inc., 489 U.S. 141 (1989)).
72 Id. at § 1127 (1996).
market competition becomes skewed. The developer will certainly have an incentive to enter into the market, but no longer will patent policy be able to encourage competition, since a patent holder can escape the time limitations found in federal patent law and seek indefinite protection under the new federal trademark dilution statute.

Reading the statute too broadly, as the court did in *Sunbeam*, would undercut the statutory scheme underlying federal patent law. Following the statutory rules of construction given by the Supreme Court, the federal dilution statute should be read so as to avoid such a conflict. This conflict can only be avoided if the statute is read so as to exclude trade dress from protection under the act.

The facts of *Sunbeam* seem to suggest that the West Bend Company deliberately tried to mimic Sunbeam’s product. In light of this, the court may have been too willing to grant the requested injunction. While West Bend’s seemingly bad behavior may help explain the court’s actions, it certainly does not justify them. The court never paused to consider whether the reference to a “mark” in the statute should be read so as to include a product configuration. Similarly, the court never considered the possible implications of such a reading, namely, the inevitable conflict with federal patent law. Because no justifications for its interpretation of the statute were given, one can only speculate as to why the court read the statute to include product configurations.

Speculation concerning the court’s true intentions aside, the implications from this decision could be quite significant. The court

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73 See, e.g., Aronson v. Quick Point Pencil Co., 440 U.S. 257 (1979), where the Supreme Court summarized the policies underlying the patent system as follows:

First, patent law seeks to foster and reward invention; second, it promotes disclosure of inventions to stimulate further innovation and to permit the public to practice the invention once the patent expires; third, the stringent requirements for patent protection seek to assure that ideas in the public domain remain there for the free use of the public.

*Id.*

74 See Vimar Seguros Y Reaseguros, S.A. v. M/V Sky Reefer, 115 S. Ct. 2322, 2326 (1995) (“When two statutes are capable of co-existence . . . it is the duty of the courts, absent a clearly expressed congressional intention to the contrary, to regard each as effective”) (internal quotations omitted).

in *Sunbeam* may not have given proper consideration to the dilution claim because it had already decided to issue an injunction based on their findings on the claim for trade dress infringement. But the court’s decision to issue an injunction on the claim for dilution cannot be considered dicta. The court specifically enjoined the defendant from any use of its product that might dilute the plaintiff’s product. Therefore, a court that actually takes the time to consider how to apply the new statute might look to this case as persuasive authority for the notion that the new federal statute applies to product configurations. For the reasons discussed, such a reading would be erroneous.

Who will benefit should the statute continue to be read in such a broad manner? Consumers are unlikely to benefit from such an interpretation. Since the new statute contains no “likelihood of confusion” requirement, the legislation will not remedy consumer confusion about the source of the trade dress. Therefore, consumers are unlikely to receive any qualitative benefits.

As for quantitative benefits, it appears that the likely beneficiaries will be the owners of the trade dress. In the *Sunbeam* case for instance, the injunction issued by the court prevented West Bend from marketing their stand-mixer at a price substantially lower than the price listed for the Sunbeam model. Putting aside all arguments made by the plaintiffs as to consumer confusion, under the court’s reading of the new dilution statute, the plaintiff could have obtained an injunction only on the dilution issue. The effect of such an injunction would be to deny consumers the ability to purchase a similar product for a substantially lower price even where there existed no confusion as to the source of the product.

**V. CONCLUSION**

In construing the new Federal dilution statute, the court in *Sunbeam* interpreted the statute in a manner inconsistent with both the legislative history and the policy objectives behind federal

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77 See Sunbeam Products, Inc. v. The West Bend Co., 39 U.S.P.Q.2d (BNA) 1545, 1547 (S.D. Miss. 1996) (discussing West Bend’s plan to market its stand mixer for $20 less than that of the Plaintiff’s).
By failing to consider whether the statute should have been applied to a product’s trade dress, the court set a dangerous precedent in applying the new statute. Hopefully, a court construing the new statute will look to the legislative history and to the principles of statutory construction and reach the conclusion reached herein: that the federal trademark dilution statute was not intended to apply to product configurations. A contrary conclusion could have disastrous effects in the patent community. Inventors and developers could destroy the carefully crafted balance that is embodied in the federal patent scheme by seeking trade dress protection for their designs. By granting this seemingly infinite protection, the goal of encouraging market competition by limiting the amount of time that the protection will extend is thwarted.

In short, plaintiffs could protect the design of their product indefinitely. Since any attempt by the defendant to manufacture a product with a similar design would reduce the ability of the plaintiff’s dress to identify its source distinctively, the defendant would be unable to market its product with a similar design. Such a result is, to pardon the phrase, “patently” inconsistent with federal intellectual property policy. Further, this result can be avoided by a more enlightened reading of the statute.