

Trade dress through a trial lens: six strategy tips for litigants

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Lawyers at Robins Kaplan explain how to future-proof trade dress cases early on, just in case they do make it to trial

Trade dress cases—and brand disputes, generally—often resolve short of trial. Of 5,354 trade dress claims filed over the last five years, only 88 were tried to verdict. Given the rarity of trial, trade dress cases are often litigated with an eye towards pre-trial pressure points such as mediations or settlement conferences, major discovery deadlines, or dispositive motion deadlines. Ultimately, however, the best

approach to settling disputes is to prepare the case for trial. Understanding how key strategic decisions play out in trial is often critical to the successful resolution of disputes. And when trade dress cases do reach trial, litigants often discover that early-stage strategic decisions substantially affect trial presentations. It is therefore crucial to approach trade dress cases with a trial mindset from the outset. This article identifies and explores six key trade dress issues that benefit from application of a trial lens.

1. Defining the trade dress at issue – think beyond broad or narrow. Trade dress protects the source-identifying aesthetic or visual appearance of a product or product packaging. Classic examples of protectable trade dress include the shape of the Coca-Cola bottle, the red sole of a Christian Louboutin shoe, the shape of a Hershey Kiss chocolate, and Adidas' three stripes. The breadth of 'products' or 'product packaging' that may qualify for trade dress protection is vast. Courts have extended trade dress protection to a variety of 'products', including distinctive smells and sounds, a 'signature' golf hole, even a comedian's distinctive style.

The definition of the claimed trade dress is always a threshold discovery question. Is the alleged trade dress the 'overall appearance' of a particular product, or a specific aspect of that product's design? The answer to this question has a significant impact on case strategy all the way through trial. During discovery, courts typically require trade dress claimants to identify the asserted trade dress with specificity, including identification of the discrete features or elements that make up the claimed trade dress. Product images and vague references to the 'overall appearance' or 'look' of a product or product packaging are usually insufficient. Discovery disputes regarding the definition of the claimed trade dress often take on an expected split—claimants typically resist specificity, while defendants demand it. But litigants on both sides of the 'v' can benefit from thinking about this issue more broadly, with an eye towards trial.

At trial, a trade dress claimant's pattern of changed—often successively narrowed—trade dress definitions can have a significant negative impact before a judge or jury. Moreover, inconsistent approaches to defining the scope of claimed trade dress can result in expert opinions and factual testimony that are ultimately at odds with a claimant's trial positions. This can lead to evidentiary inconsistencies that a defendant can exploit. Even if a claimant succeeds on the merits of their case, inconsistent or successively narrowed trade dress definitions can affect a court's willingness to enter an injunction or craft an injunction of desired scope. Trade dress claimants should be mindful of these issues and resist the impulse to assert an overly broad definition of a claimed trade dress.

On the defence side, a similar caution is merited—defendants should resist the reflexive urge to push for an overly narrow definition of the claimed trade dress. Particularly in cases concerning unregistered trade dress, a defendant may benefit from a claimant's overbroad trade dress definition. The broader the alleged trade dress, often the harder it is for a claimant to establish that the trade dress is source-identifying, and the defendant's accused product or product packaging may be easier to distinguish.

2. Consumer perception is key – proving it at trial. Consumer perception is the heart of a trade dress case. Whether a claimed trade dress is viewed by consumers as source-identifying and whether an

accused product design is likely to cause consumer confusion are crucial fact disputes in nearly all trade dress disputes. Whether and when to field consumer surveys addressing these critical questions is an issue facing all trade dress litigants. Most jurisdictions hold that consumer surveys, while not strictly required, are the most probative evidence of secondary meaning (source-identification) and consumer confusion. Much could be—and has—been written about the appropriate use of surveys in trademark and trade dress cases. Certainly, surveys can be expensive and difficult to field. And what about the situation where a survey is not possible or is likely to yield negative results? Litigants all too often fail to consider other potential consumer perception evidence.

Early in their evaluation of a potential claim, trade dress claimants should make a thorough review of existing evidence relating to advertising and promotion of a claimed trade dress—including previously conducted consumer studies, focus group results, and any other evidence demonstrating consumers' recognition (or lack thereof) of a claimed trade dress. This evidence often tells a compelling story about what drives the success of a given product, and it can bear greatly on early case strategic decisions—from defining the trade dress at issue to the selection and construction of a litigation survey instrument.

On the defence side, any relevant potential consumer perception evidence should be requested early in discovery. Defendants should ensure discovery requests cover all advertising and promotional material pertaining to the claimed trade dress at issue. Discovery requests should also broadly cover marketing of the product at issue—even where the claimed trade dress is drawn to a defined feature or set of features. Particularly where a defence theme relies on the absence of evidence—such as consumer recognition of defined product features—it is critical to be able to demonstrate that such evidence was roundly requested in discovery.

3. Advertising evidence – understand the relationship between the claimed trade dress and any advertising evidence. Advertising and promotional efforts specifically directed to the claimed trade dress can help demonstrate both existence of a protectable trade dress right and likelihood of confusion. It is critical to consider how any product advertising applies to the trade dress at issue. Claimants can overlook—and defendants can exploit—the necessary connection between advertising and the trade dress at issue. As a claimant, failure to fully consider one's own advertising can be extremely detrimental at trial. For example, a trade dress claimant may claim trade dress protection in a number of product features, where different (or no) features are identified, discussed, or referenced in the claimant's advertising. Another, more common (but just as problematic) example is the trade dress claimant who develops evidence around the advertisement or commercial success of a product generally, without consideration of the specific product features that comprise its claimed trade dress. As with any consumer perception evidence, it is beneficial to collect and review advertising evidence early in a case. The more this evidence can be considered in taking various positions in the case, the better.

4. Secondary meaning – understand the factors that go into the definition (or that of acquired distinctiveness) and think holistically. Where a claimant has registered its claimed trade dress with the US Patent and Trademark Office, trade dress rights will be presumed. When

asserting non-registered trade dress, however, a trade dress claimant must prove secondary meaning (or acquired distinctiveness): that is, the trade dress claimant must show that in the minds of consumers, the trade dress is source-identifying.

Secondary meaning is a fact-intensive inquiry. Courts examine a variety of factors, including:

- length and exclusivity of use of the claimed trade dress;
- evidence of advertising and promotion of the alleged trade dress;
- extent of sales of products embodying the claimed trade dress; amount of sales;
- the number and type of customers who buy;
- recognition by the trade dress by consumer and relevant media;
- direct testimony of relevant consumers;
- surveys of likely customers showing their recognition of the alleged trade dress;
- evidence of actual confusion caused by the accused infringer; and
- proof of intentional copying by the accused infringer.

It is important to consider all secondary meaning factors when building a discovery plan. Litigants should understand the secondary meaning factors applied where their case is to be heard, and consider each in drafting discovery requests and responses. Trade dress litigants often devote their focus to a subset of factors, ignoring others. This can limit options at trial, where flexibility is an advantage. It can also lead litigants to miss important (and strategically beneficial) connections between secondary meaning factors. For example, trade dress claimants typically produce evidence of overall product sales, pointing to significant sales as evidence that the subject trade dress is source-identifying. Claimants will also typically produce marketing evidence and any media coverage relevant to the product that embodies the trade dress at issue. But more powerful evidence may be found in the connection between this evidence. For example, product sales may have improved following a given marketing campaign or media coverage. The importance of this evidence is obvious. Recognising the connection early in litigation is not—particularly if one approaches each secondary meaning factor in a vacuum. It is highly beneficial to think critically about each secondary meaning factor and their connection to one another early in the case.

5. Applicable patents – consider how utility and design patents affect trade dress rights. A claimed trade dress may cover some non-functional design aspects of a product – a particular design aesthetic, for example—while other aspects of the product may be covered by a utility patent. This exact issue was addressed by the Supreme Court in *Traffix Devices v Marketing Displays* (2001). There, the Supreme Court emphasised the role of utility patents in determining whether trade dress is functional (and thus not eligible for trade dress protection): “[a] utility patent is strong evidence that the features therein claimed are functional.” *Traffix* provides clear direction on the importance of applicable utility patents. But design patents can also have a significant impact on trade dress claims. If, for instance, a trade dress claimant has design patents on the subject product, or aspects of the product, these patents may serve as evidence of what the claimant considers protectable. Multiple design patents on a given design or product line may also provide evidence of intentional design changes, which can bear on the secondary meaning analysis. For these reasons, claimants and defendants should look beyond applicable utility patents and consider relevant design patents.

6. Prior registration efforts – understand and plan around them. A trade dress claimant’s attempts to register the claimed trade dress, as well as attempts to register trade dress for similar products, can have a significant impact on trial themes and strategy.

On the claimant side, it is important not to overlook prior registration efforts (which will often be public). Exchanges with the patent and trademark office can provide insight into the strength or weakness of potential secondary meaning arguments. And evidentiary submissions—including affidavits from company principals—submitted in conjunction with registration efforts can have outsized impact during trial examinations.

On the defence side, it is important to request (and search for) a claimant’s prior attempts to register the trade dress at issue. A claimant’s efforts to register trade dress on similar products—or products within a similar product group—may identify weaknesses in a claimant’s case. One may also uncover inconsistencies with the claimant’s current litigation positions.

Trial lens

Trade dress disputes are rarely resolved at trial, or even on the courthouse steps. But the relative rarity of trial should not stop trade dress litigants from thinking about trade dress with a trial lens. Doing so both helps ensure trial preparedness and fosters better strategic assessment of the strengths and weaknesses of a given case at key pre-trial pressure points.

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