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Federal Circuit Throws Shade on TTAB's Treatment of Color Trademarks

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Pink insulation, green tractors, robins-egg blue jewelry boxes – they all have something in common: recognizable colors that many associate with products. But can such colors be registered as trademarks and, if so, when? On April 8, 2020, the U.S. Court of Appeals for the Federal Circuit overruled the U.S. Patent and Trademark Office (“PTO”) Trademark Trial and Appeal Board (the “TTAB” or “Board”) and, in doing so, provided welcome guidance for trademark owners and practitioners on the nuanced area of protecting trademarks consisting solely of colors.

THE COURT'S HOLDING

In *In re Forney Industries, Inc.*,¹ the Federal Circuit considered whether the use of color on product packaging could be inherently distinctive trade dress, warranting trademark protection. The Federal Circuit's answer was “yes.” Multi-color marks on product packaging can be inherently distinctive and, therefore, may be entitled to trademark protection.²

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THE TRADEMARK APPLICATION AT ISSUE

Forney Industries, Inc., had applied for protection of the trade dress for its industrial tools and hardware. The trade dress uses the colors red, yellow, and black in a gradient pattern on its product packaging.³

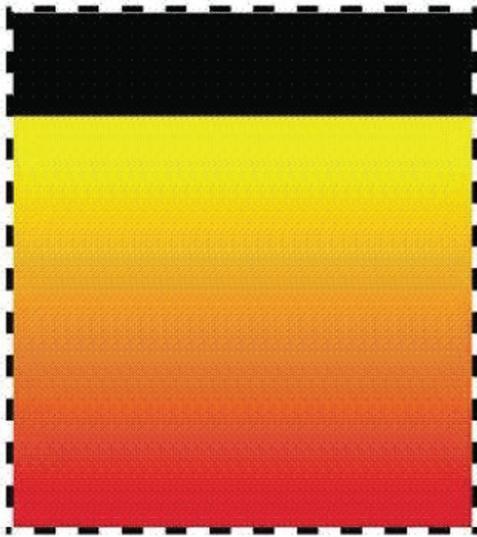
THE BOARD'S RULING

The Board rejected Forney's application. In doing so, the Board found that, in the trade dress context, a color mark can never be inherently distinctive. Instead, a showing of acquired distinctiveness is required. It also found that, even if a color mark could be inherently distinctive, it cannot be absent a well-defined peripheral shape or border. On April 8, 2020, the Federal Circuit vacated and reversed, finding that the Board's decision went too far.

The Federal Circuit ultimately held that “color marks can be inherently distinctive when used on product packaging.”

THE COURT'S REASONING

The Federal Circuit ultimately held that “color marks can be inherently distinctive when used on



product packaging.”⁴ It also made clear those color marks need not be associated with a peripheral shape or border to be inherently distinctive.⁵ Adding more color to its guidance, the Federal Circuit explained that making the “inherently distinctive” determination for color-based product packaging marks requires analyzing the following factors:

- Whether the trade dress is a “common” basic shape or design;
- Whether it is unique or unusual in the particular field;
- Whether it is a mere refinement of a commonly-adopted and well-known form of ornamentation

for a particular class of goods viewed by the public as a dress or ornamentation for the goods; or, inapplicable here,

- Whether it is capable of create a commercial impression distinct from the accompanying words.⁶

The ultimate question, therefore, is whether the use of color on product packaging is sufficiently indicative of the source of the goods contained in that packaging.⁷

GUIDANCE FOR TRADEMARK OWNERS

Considered with past precedent on color and trade dress, *Forney* and its precursors provide several

key takeaways for those seeking trademark protection over color-only trade dress:

- Generally speaking, trade dress can be inherently distinctive and obtain trademark protection.⁸ Manufacturers need not hesitate in applying for trademark protection for color-based trade dress, provided that they keep certain principles in mind.
- Color-based trade dress applications should differentiate between product design and product packaging. While *Forney* makes clear that color-based product packaging can be inherently distinctive, color-based product design marks cannot.⁹
- In addition, while “there is no rule absolutely barring the use of color alone as trade dress,” some courts may require a showing that single-color trade dress has attained secondary meaning, or acquired distinctiveness, before granting trademark protection.¹⁰
- Efforts should be made to draw attention, where possible, to the color trade dress as a trademark, whether in “look for” advertising or other consistent references that identify the color as a mark.

Practically speaking, most trademark practitioners would espouse that protecting color trade dress is an uphill battle. Many companies look to trademark protection for color trade dress – whether on packaging or on products themselves – after the fact. That is, they do not routinely make affirmative efforts to draw attention to that feature. But with concerted efforts, and with the above guidance in mind, those using color-based trade dress now have a clearer path to achieving color trademark protection.

Notes

1. -- F.3d --, 2020 WL 1696314 (Fed. Cir. Apr. 8, 2020).
2. *Id.* at *9.
3. Photo Source: *In re Forney Indus., Inc.*, 127 U.S.P.Q.2d 1787 (T.T.A.B. 2018), *vacated and rev'd*, -- F.3d --, 2020 WL 1696314 (Fed. Cir. Apr. 8, 2020).
4. *Id.* at *6.
5. *Id.* at *10.
6. *Id.* at *10.
7. *Id.* at *11.
8. *Two Pesos, Inc. v. Taco Cabana, Inc.*, 505 U.S. 763, 776 (1992).
9. *Wal-Mart Stores, Inc. v. Samara Bros.*, 529 U.S. 205, 211–12 (2000).
10. *Qualitex Co. v. Jacobson Prod. Co.*, 514 U.S. 159, 162–63 (1995).

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