Trademark and Unfair Competition Law

Slides 9: Functionality

LAWS 7341-001
Prof. Kristelia García
Class Outline

• Functionality
  – “Utilitarian” (aka “mechanical”) functionality
  – “Aesthetic” functionality
• Morton-Norwich factors
• Inwood definition
Lanham Act § 2(e)(5) – (added in 1989)

“No trademark . . . shall be refused registration on the principal register on account of its nature unless it . . . comprises any matter that, as a whole, is functional...”

Lanham Act § 43(a)(3)

“In a civil action for trade dress infringement under this Act for trade dress not registered on the principal register, the person who asserts trade dress protection has the burden of proving that the matter sought to be protected is not functional.”
De jure functionality

Is the trade dress at issue the best, or one of the few superior designs available?

If so = functional (because of competitive need to copy)
Consideration of one or more of the following:

• The existence of a utility patent that discloses the utilitarian advantages of the design sought to be registered;
• Advertising by the applicant that touts the utilitarian advantages of the design;
• Facts pertaining to the availability of alternative designs; and
• Facts pertaining to whether the design results from a comparatively simple or inexpensive method of manufacture.
Functionality burden of proof

1. **Unregistered trade dress**: infringement plaintiff has the burden of showing non-functionality

2. **Registered trade dress**: validity of mark and hence non-functionality is presumed, and infringement defendant has burden of showing functionality
Can Color Be Functional?
Why not this color?

Functional?

Or this one?
Functional?
“In general terms, 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.”
Plaintiff MDI’s Road Sign, the “Windmaster”

Defendant Traffix’s Road Sign, the “Windbuster”
MDI’S dual spring design
The Patent At Issue in *Traffix*
2 approaches to trade dress and functionality:

(1) Narrow - “Competitive Need” Approach: Must show that no other alternative designs are available that will perform equally well (or equally inexpensively) – *In re Morton-Norwich Products*

(1) Broad - “Utility” Approach: No need to show competitive necessity, lack of alternatives, so long as the feature “is the reason the device works.” (since that’s how you got the patent in the first place) *Traffix Devices. Inc.*