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LEGAL PROTECTION OF TRADE DRESS: COMPARATIVE ANALYSIS

Master thesis

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INTRODUCTION

The relevance of the master thesis. In the modern globalised world, multi-national corporations, as well as small and medium enterprises operating internationally, are eager to expand their presence in all major regions. This is accompanied by transfer of respective intangible assets from the parent company to subsidiaries. Since there are various countries across the continents with different legal systems, transfer of some intangible assets can vary dramatically and lead to unexpected consequences for such companies. Objects that shall be regarded as trade dress can be regulated in different ways in various jurisdictions. Therefore, it's necessary to juxtapose the legal regime of trade dress protection between the United States of America, where this concept was originally introduced and developed, the European Union, countries of which although belong to another legal system, are seeking to implement this concept, and Ukraine, where the trade dress protection is also actively developing based on American and European experience.

Scientific research problem. Legal regulation of the trade dress protection is stipulated in slightly different ways within various legal systems. At the same time, approaches accepted by courts in different countries can also vary considerably due to established case law. This respectively results in different viewpoints regarding the same issues arising in several countries. In this regard there is a question: **how similar are treated trade dress issues in different countries?** The current research will cover this issue to answer this specific question.

Scientific novelty and overview of the research on the selected topic. The topic on comparison of trade dress protection in the USA and the EU at some point has been already researched by some other famous scholars, however prior to conduction of this research nobody made a comprehensive juxtaposition of trade dress protection among these jurisdictions and consequently described this in plain language. As to research of trademark protection of objects that shall be regarded as trade dress in Ukraine and their comparison to the respective legal regimes in the USA and in the EU, there was conducted a very limited number of researches in this realm that are known by this time. The research is focused on comparative analysis of legal protection of trade dress across different countries and is supplemented by the relevant court practice. Theoretical background of the research is based upon findings of famous scholars and practitioners who in this or that way researched the topic of the master thesis, namely there were taken into consideration sources as follows: 'Trade

Dress and Design Law’ written by Graeme B. Dinwoodie and Mark D. Janis, ‘The Value of a Good Idea: Protecting Intellectual Property in an Information Economy’ issued by Silver Lake Publishing, article ‘Expanding European law to register 3D service marks for business decor trade dress’ by Cesar J. Ramirez-Montes, article ‘Trade Dress: What Does It Mean’ by Scott C. Sandberg, article ‘Opening Another Can of Worms: Protecting Product Configuration as Trade Dress’ by Willajeanne F. McLean, and some others.

Significance of research. The findings of this research are important due to ever-increasing cross-border commercial operations of companies carrying out activities in different regions of the world. The significance of this research is to detect accepted approaches and relevant trends in the area of trade dress protection in various countries. Research results may provide better awareness on the trade dress protection in the global aspect.

The aim of the master thesis – to figure out legal regulation of trade dress protection across different countries, as well as court practice which elaborated relevant approaches with regard to trade dress protection. The scientific purpose is to get acquainted with findings of other researchers in this realm and their opinions on future development of this sphere, while the practical interest is to analyse the reasoning of courts in respective case law and applied grounds for their decisions which could be applicable further to develop this area in Ukraine.

The objectives of the master thesis. To achieve the established aim of the master thesis the following activities have to be performed:

- 1) to analyse the effective legal framework on the trade dress protection and identify the correspondence between similar principles in statutory law across various countries;
- 2) to analyse the court practice regarding the issue of trade dress protection and assessing the relevant case law on the application of the same approaches by court in different countries.
- 3) to detect current trends in trade dress protection and based on findings foresee the further way of developing of this area.

Research methodology used in the master thesis. There will be utilised various methods during this research:

The first method will be the method of information collection and analysis, which comes from the fact that there are going to be analysed big amounts of data related to the legal regulation of trade dress protection, relevant case law, as well as findings of famous scholars on this topic.

The second method that is going to be utilised is a method of comparative legal research, which is focused on juxtaposing the legal regulation of the specified topic in different countries and establishing the corresponding principles among legal regulation of such countries.

Further, there will be utilised a linguistic method which is dedicated to identify the legal concepts that are used in different jurisdictions with regard to regulation of the specific issue of this research.

And last but not least, historical method which provides an understanding of the development of laws and explains the reasons for the respective amendments made in such laws.

The defended statements. 1. Trade dress protection goes beyond the trademark law and takes into account competitive consequences of granting of such protection to different objects. 2. Trade dress protection is globally backed by the same principles in various jurisdictions, although with slight differences in applied approaches.

The structure of master thesis. The master thesis consists of the chapters covering the topic of master thesis as follows:

The first chapter is dedicated to the notion of trade dress that is obtained by picking together opinions on this matter expressed by many famous scholars.

The second chapter is focused on the research of effective legal framework with regard to the topic of this master thesis and its comparison.

And finally, the third and fourth chapters cover distinctiveness and non-functionality requirements – two main criteria used for assessment while considering whether the object is capable of trade dress protection. Overview of these requirements is conducted through analysing the relevant case law in conjunction with comments of some scholars on these issues.

LIST OF ABBREVIATIONS

CJEU	Court of Justice of the European Union
EU	European Union
OHIM	Office for Harmonization in the Internal Market
USA	United States of America
UK	United Kingdom

1. DEFINITION OF TRADE DRESS

Trade dress, also known as get-up in the UK, Australia and New Zealand,¹ has been existing for a reasonably long period of time and its origins date back to the first half of XXth century when it was originally introduced in the USA by the Lanham Act (or as it is also known, the Trademark law). However, the legislation of the vast majority of other countries does not provide legal definition of trade dress as such. Therefore, there are many complementary views on the notion of this object of intellectual property that aimed at distinguishing goods and services through utilising different sophisticated marketing instruments targeted to consumers.

At a first glance it may appear that trade dress is an independent self-sufficient object of intellectual property which has its own concrete legal prerequisites for protection and provides specific remedies allowing to confront the violations. But when we delve further into the features of trade dress, it is possible to find that this kind of objects of intellectual property can be protected in various ways depending on a particular issue, albeit the trademark protection remains the primary one. This specificity may be attributed to a set of reasons that influenced the emergence of this object. Namely, these reasons arise from the fact that trade dress was originally introduced by the Common law and only a mere decades later an equivalent object of intellectual property appeared in countries of Continental law. This resulted in the following: despite the fact that in the USA this object initially arose from the unfair competition law, trade dress *per se* is stipulated by the trademark law where it can be protected as a particular object of intellectual property, however is not limited to; while in other countries it can be protected by using different branches of intellectual property law, such as trademark law, design law, and even copyright law, as well as by relying on unfair competition law. This respectively leads to the wide variety of legal mechanisms that can be used to protect trade dress, and in various jurisdictions such distinction can be dramatic, and therefore lead to different consequences. It is necessary to mention that trade dress protection of the same object can be accomplished using different regimes simultaneously: for instance, packaging of goods can be protected via trademark law in conjunction with design law, while restaurant layout can be protected by trademark law, copyright and unfair competition law at the same time.

This research, however, is focused on the trade dress protection under trademark law due to a number of reasons. First of all, it is caused by the fact that trade dress was originally introduced into the legislation by trademark law. Another reason for this is that actually

¹ How Much Protection Is There For Get Up In The UK? Accessed on 2019 March 18, <https://www.clarkwillmott.com/news/how-much-protection-is-there-for-get-up-in-the-uk/>

trademark protection is the most straightforward and precise tool for protection of trade dress objects. And finally, objects that can be considered as trade dress fit the best into the trademark law protection, since the aim of both trademark and trade dress protection is exactly the same – to distinguish goods and services among consumers.

But prior to analysing the specificities of this object of intellectual property and comparing practical aspects of application of trade dress across various countries, it is necessary to set a definition. Therefore, primarily we have to consider viewpoints on the notion of trade dress expressed by prominent scholars who already researched this issue.

According to the point of view of Scott C. Sandberg, that was expressed in article “Trade Dress: What Does It Mean”, trade dress can be defined as “a combination of any elements in which a product or services are presented to the buyer”,² while the purpose of trade dress is actually to facilitate customer recognition of provided products and services and to preserve the goodwill associated with the producers of these products and services.³ In other words, the aim of trade dress is to carry out the function of identification of goods among the consumers in different ways by setting a link between the reputation of producer and respective goods.

He also states that trade dress “embodies arrangement of identifying characteristics or decorations connected with a product, whether by packaging or otherwise, that makes the source of the product distinguishable from another and [...] promotes its sale”.⁴ Similarly, the definition of trade dress encompasses a packaging of the product, including labels, wrappers, and containers. Scott C. Sandberg explains this by referring to the notion set by the U.S. Court of Appeals for the Federal Circuit in *Hartco Engineering, Inc. v. Wand’s International, Inc.*, where the court finally recognised trade dress rights in a trailer hitch cover’s packaging which featured a “clear plastic package showing the product inside and the blue cardboard background with white lettering identifying the product”⁵ together “with red lines in the upper left hand corner and a picture of the product in position on a vehicle”.⁶ This example is a good illustration that even some automobile accessories can be protected through trade dress, provided that it has all necessary prerequisites for trade dress protection which will be discussed further.

Another thought of Scott. C. Sandberg regarding this issue is that trade dress can be expanded even wider and that it can cover some completely non-traditional features, namely

² Scott C. Sandberg. “Trade Dress: What Does It Mean,” 29 Franchise L.J. 10 (2009), 10.

³ Scott C. Sandberg. “Trade Dress: What Does It Mean,” 29 Franchise L.J. 10 (2009), 12.

⁴ Scott C. Sandberg. “Trade Dress: What Does It Mean,” 29 Franchise L.J. 10 (2009), 13.

⁵ *Hartco Engineering, Inc. v. Wand’s International, Inc.*, 2004-1480 (Fed. Cir. 2005) cited from: Scott C. Sandberg. “Trade Dress: What Does It Mean,” 29 Franchise L.J. 10 (2009), 14.

⁶ *Hartco Engineering, Inc. v. Wand’s International, Inc.*, 2004-1480 (Fed. Cir. 2005) cited from: Scott C. Sandberg. “Trade Dress: What Does It Mean,” 29 Franchise L.J. 10 (2009), 14.

product's configuration itself. For instance, in *Herman Miller, Inc. v. Palazzetti Imps. & Exps., Inc.*, a court recognised trade dress in the design of an ottoman that had its unique smooth, curved, molded U-shaped shells. However, it was also stated by court that trade dress protection of product's design "is not intended to create patentlike rights in innovative aspects of product design because trade dress extends only to incidental, arbitrary or ornamental product features which identify the product source".⁷ Furthermore, trade dress can also encompass the style of service at retail location that can be illustrated by using example of the popular chain cafe – Dunkin' Donuts. Specifically, in *Dunkin' Donuts Franchised Restaurants LLC v. D&D Donuts, Inc.* the court recognised trade dress protection in "the distinct building designs and colour schemes of interior and exterior" of Dunkin' Donuts restaurants.⁸ Furthermore, Scott. C. Sandberg mentioned that trade dress can serve a crucial utility for franchises. This can manifest itself in a following way: every franchise has its own trade dress, but all franchisors too often do not highlight their trade dress until they are faced with a competitor that has copied it, therefore the sooner a franchisor identifies those distinctive and non-functional features that identify its business, the better positioned it will be to protect this valuable asset.⁹

Pursuant to the view of Graeme B. Dinwoodie and Mark D. Janis, trade dress can be defined as a total image of a product or service. This 'total image' may include the colours and graphics on product labels, the appearance of product packaging, the shape of the product itself which sometimes can be referred to as the product's 'configuration', or in a broad sense, as the product's 'design', or even solely the colour of product's packaging by itself.¹⁰ It therefore follows from this that there is a wide range of objects which are capable of protection as a trade dress and that a cornerstone for this protection is mainly a perception of goods and services by the relevant customers.

In a similar vein, Keith Aoki mentioned in article "Contradiction and Context in American Copyright Law" that to qualify for legal protection as trade dress, the overall configuration and

⁷ *Herman Miller, Inc. v. Palazzetti Imps. & Exps., Inc.* 270 F.3d 298, 302 (6th Cir. 2001) cited from: Scott C. Sandberg. "Trade Dress: What Does It Mean," 29 Franchise L.J. 10 (2009), 14.

⁸ *Dunkin' Donuts Franchised Restaurants LLC v. D&D Donuts, Inc.*, 566 F.Supp. 2d 1350, 1362 (M.D.Fla. 2008) cited from: Scott C. Sandberg. "Trade Dress: What Does It Mean," 29 Franchise L.J. 10 (2009), 15.

⁹ Scott C. Sandberg. "Trade Dress: What Does It Mean," 29 Franchise L.J. 10 (2009), 14.

¹⁰ Graeme B. Dinwoodie, Mark D. Janis. *Trade Dress and Design Law* (Aspen Publishers, 2010), 135

design of a product must be distinctive of a particular source, while mere similarity of appearance is insufficient to constitute trade dress infringement.¹¹

There is an opinion of S. Priya Bharati that trade dress is a hybrid of trademark and unfair competition law and that it is a developing area of the law that encourages innovation. In addition, she stated that the purpose of trade dress is two-fold: to protect designers and to protect consumers. At the same time, she asserted that unlike copyright law, trade dress “does not require an examination of the individual elements of the product”;¹² instead, it “focuses on the totality of effect that the product’s functional and non-functional features create”.¹³ In other words, functional elements that are separately unprotectable can be protected together as part of a trade dress. Besides that, trade dress protects those objects which are known or which constitute part of the product itself; that is to say, trade dress protects products characteristics. She also provided some examples of objects that can be protectable under trade dress regime, specifically it can be a television commercial’s theme or even the style of a rock group’s musical performance.¹⁴

Another view on this matter was expressed by Naomi Straus in her article “Trade Dress Protection for Cuisine: Monetising Creativity in a Low-IP Industry”, namely she explained trade dress as a brand signifier that is able to increase distinctiveness among consumers, and that even stripped of a textual mark, consumers recognise that these packages are capable of identifying products from a specific source. Typical examples of these so-called ‘brand signifier’ are the shape of a Coca-Cola bottle or Tiffany & Co. robin’s-egg-blue jewellery boxes.¹⁵

According to the opinion of Margreth Barrett, trade dress can be defined as a “striking combination of features in a product’s packaging or a feature (or combination of features) of the product itself”,¹⁶ which respectively can be protected in case when “its likely impact on consumers is to identify or distinguish the product’s source”.¹⁷ In other words, to be protectable

¹¹ Keith Aoki. “Contradiction and Context in American Copyright Law,” 9 *Cardozo Arts & Ent. L.J.* 303 (1991), 37.

¹² S.Priya Bharathi. “There Is More Than One Way to Skin a Copycat: The Emergence of Trade Dress to Combat Design Piracy of Fashion Works,” 27 *Tex. Tech L. Rev.* 1667 (1996), 145.

¹³ S.Priya Bharathi. “There Is More Than One Way to Skin a Copycat: The Emergence of Trade Dress to Combat Design Piracy of Fashion Works,” 27 *Tex. Tech L. Rev.* 1667 (1996), 146.

¹⁴ S.Priya Bharathi. “There Is More Than One Way to Skin a Copycat: The Emergence of Trade Dress to Combat Design Piracy of Fashion Works,” 27 *Tex. Tech L. Rev.* 1667 (1996), 148.

¹⁵ Naomi Straus. “Trade Dress Protection for Cuisine: Monetizing Creativity in a Low-IP Industry,” 60 *UCLA L. Rev.* 182 (2012), 205

¹⁶ S.Priya Bharathi. “There Is More Than One Way to Skin a Copycat: The Emergence of Trade Dress to Combat Design Piracy of Fashion Works,” 27 *Tex. Tech L. Rev.* 1667 (1996), 148.

¹⁷ Margreth Barrett. *Emmanuel Law Outline Series: Intellectual Property. Second Edition* (Aspen Publishers, 2009), 237.

under trade dress an object has to show a strong influence towards relevant customers and based on this there has to be set a link between the goods and the source of origin among the consumers.

From the standpoint of Cesar J. Ramirez-Montes, trade dress can be described as a total image and overall appearance of a product's design and may cover several features such as size, shape, colour or its combinations, texture, graphics or even some particular sales techniques, but is not limited to this and therefore can also envisage the total image of the business that generally protects the visual appearance of the place where a particular service is provided, namely a design of the retail store, restaurant interior decor or design of the external facade of the place. Thus, trade dress takes into account not just the goods or services provided, but the way how and where they are offered to consumers. Moreover, he also says that overall look of a specific product or a business where such product is sold may also allow customers to tailor the goods or services with concrete producer or service provider, may provide them with a possibility to identify the product as originating purely from a particular commercial source and accordingly to prevent deception among consumers, as well as to protect goodwill.¹⁸

Cesar J. Ramirez-Montes develops the notion of trade dress even further and provides an explanation on the reasons and background which led to the establishment of trade dress:

Modern businesses seek to present and differentiate their branded products and services to consumers, attempting to inspire and retain strong brand loyalty [...] In the modern economy, businesses increasingly strive to connect their core brand values to their products and services through a myriad of unique design experiences, ranging from traditional presentational features of shape, colour and packaging to user interfaces, sensory shop environments, concept stores, restaurant decor, architectural design, etc. [...] This growing realisation that consumers' aesthetic experiences do matter and are key to market success has been identified as "the rise of look and feel as a driver of market value and subject of intellectual property claims".¹⁹ This consumer aesthetic experiences are increasingly being asserted as exclusive IP rights.²⁰

¹⁸ Cesar J. Ramirez-Montes. "Expanding European law to register 3D service marks for business decor trade dress," *Intellectual Property Quarterly* (2018), 202.

¹⁹ Peter Lee, Madhavi Sunder. "The Law of Look and Feel," 90 *South California L.R.* (2017), 529.

²⁰ Cesar J. Ramirez-Montes. "Expanding European law to register 3D service marks for business decor trade dress," *Intellectual Property Quarterly* (2018), 207.

To corroborate this explanation, Cesar J. Ramirez-Montes supplements it with real examples of companies that actually utilise objects protectable as a trade dress in their commercial use:

For instance, Apple has a reputation for marketing products with a cool “look and feel”, which is also part of the customer retail experience in the sale of its own products in its flagship stores [...] The “look and feel” of the clothing store Abercrombie & Fitch extends well beyond conventional source-identifiers such as its name or logo, as entering an Abercrombie store is “a total sensory experience, from the scent of a distinct and familiar cologne in the air to scantily clad ‘models’ who sell both clothes and an image”.²¹ [...] More generally, business decor trade dress often acts as a service mark for franchises, precipitating significant growth in the service economy.²²

Based on this, we see that an advent of trade dress in the realm of interior decor is caused mainly by the necessity to frame with legal rationale the economic sense of business image (i.e., pursuit to distinguish business among the competitors and attract relevant public).

There are also some other thoughts regarding the definition of trade dress that significantly expand its notion, hence showing that trade dress protection applicable towards a big variety of cases that can arise in commercial operations.

Namely, there is an opinion that it can be explained as an object of intellectual property which lays way beyond any image or phrase utilised in advertisements promoting some goods, and also extends to the shape and physical size of the product, or appearance of the store where such product can be distributed; the last one can vary significantly from design elements of fast food snack bar to the store layout of clothes shop. In particular, trade dress “can include subjects as concrete as decorative tiles and as abstract as restaurant service [...] it also can include a selling image or method, the way a business chooses to function, attract customers, build a reputation and maintain this reputation [...] complicating this concept is the combination of concrete and not-so-concrete subjects”.²³ This in turn suggests that trade dress is able to protect even the most sophisticated methods of selling goods which employ combining some tangible objects with emotions and experiences that can be derived from them by customers. And these methods are being implemented all around the world with increasing

²¹ Peter Lee, Madhavi Sunder. “The Law of Look and Feel,” 90 South California L.R. (2017), 532.

²² Cesar J. Ramirez-Montes. “Expanding European law to register 3D service marks for business decor trade dress,” *Intellectual Property Quarterly* (2018), 209.

²³ *The Value of a Good Idea: Protecting Intellectual Property in an Information Economy* (Silver Lake Publishing, 2002), 436.

frequency by multinational companies which invest huge funds in them that respectively justify their desire to protect substantially these peculiar intangible assets.

In my point of view, trade dress can be defined as an instrument aimed at individualising and promoting specific goods or services by using brand image of the business and other objects derived from it, which conversely affect the brand recognition among the consumers and allows to identify origin of such goods.

Summing up different views on the definition of trade dress it is possible to say that trade dress protection can be employed in the wide range of cases. However, it is necessary to bear in mind that despite the fact that trade dress can manifest itself in the large variety of objects (both abstract and concrete), in every case it has to serve no other purpose than demonstration of source of origin to consumers. Trade dress doesn't have to be used for monopolising of some product's features or the way how the business is conducted, because in such case it can significantly distort a competition and eventually infringe rights of customers, which will be discussed further.

2. OVERVIEW OF LEGAL FRAMEWORK FOR PROTECTION OF TRADE DRESS UNDER THE TRADEMARK LAW

Trademark law is a primary form of legal protection that is available to objects which could be regarded as a trade dress. Trademark protection is applicable to a wide range of subject matter which may include elements of its visual appearance, such as packaging, shape of product, configuration of business itself, or some other nonverbal attributes which will be explained further.

Since trade dress protection was originally introduced in the USA, it is necessary to commence the overview of its legal framework from the regulation which already exists in the USA. Further on, the possibility of trade dress protection through trademark law will be discussed in context of the EU legal framework, which although does not grant the protection of trade dress *per se*, sets the necessary treatment which can be used for objects that might be regarded as a trade dress.

Finally, there will be discussed the legal framework for protection of trade dress-like objects in Ukraine by means of trademark law and respective subordinate legislation.

2.1. Legal Framework for Protection of Trade Dress under the Trademark Law in The United States of America

In the USA, court practice regarding protection of visual appearance of product design or configuration dates back to the first half of the XXth century. Though it elaborated in general terms the protection of product's designation of origin, it was inconsistent and controversial. To streamline the legal framework regulating trademark law there was passed the Lanham Act in 1946. And albeit since that time this Act has been amended several times, the basis for trade dress protection generally remains intact.

Originally, the purpose of enactment of this Act was to “protect the public from deceit, to foster fair competition, and to secure the business community the advantage of reputation and good will by preventing their diversion from those who have created them to those who have not”.²⁴ It is necessary to borne in mind the aim of passing of this law, because all the principles and approaches of both trademark and trade dress protection are based on this foundation.

Though the law doesn't provide concrete and comprehensive definition of trade dress itself, Lanham Act sets the necessary background for trade dress regulation that has been

²⁴ Jeff Resnick. “Trade Dress Law: The Conflicts Between Product Design and Product Packagings,” *Whittier L. Rev.* (2002), 253.

significantly expanded over time by courts. As aptly noted by Graeme B. Dinwoodie and Mark D. Janis, the Lanham Act “evolved from the common law of unfair competition [...] and remains blend of statutory and common law concepts”.²⁵ And albeit at first sight it can be seen bizarre and non-evident, the whole trade dress protection through trademark law in the USA is based on Section 43 of the Lanham Act, which originally was intended to protect other persons from false designation of origin and false description of goods or services, but further developed into extensive tool for trade dress protection.

Generally, trade dress in the USA can be protected by Lanham Act in two ways: in case when it is formally registered, or in case if it is not registered but infringed by another person. Pursuant to Section 43(a) of the Lanham Act, to obtain trade dress protection on the basis of infringement it is necessary to prove that appearance of goods or services of another person causes likelihood of confusion or deceives consumers:

(1) Any person who, on or in connection with any goods or services, or any container for goods, uses in commerce any word, term, name, symbol, or device, or any combination thereof, or any false designation of origin, false or misleading description of fact, or false or misleading representation of fact, which —

(A) is likely to cause confusion, or to cause mistake, or to deceive as to the affiliation, connection, or association of such person with another person, or as to the origin, sponsorship, or approval of his or her goods, services, or commercial activities by another person, or

(B) in commercial advertising or promotion, misrepresents the nature, characteristics, qualities, or geographic origin of his or her or another person’s goods, services, or commercial activities,

shall be liable in a civil action by any person who believes that he or she is or is likely to be damaged by such act.²⁶

As it was already mentioned above, trade dress itself is not stipulated by the Section 43(a) of the Lanham Act. However, the court practice within decades of settling disputes related to copying of visual appearance of goods or business itself of competitors had elaborated a case law which relies on the fact that the terms ‘symbol’ or ‘device’ prescribed by the Section 43(a) of the Lanham Act can also include objects which fall within the scope of trade dress, namely some specific product packaging or visual appearance of the business. In this regard, Scott C.

²⁵ Graeme B. Dinwoodie, Mark D. Janis. *Trade Dress and Design Law* (Aspen Publishers, 2010), 147.

²⁶ Lanham Act § 43(a), 15 U.S. Code § 1125. False designations of origin, false descriptions, and dilution forbidden.

Sandberg in his article ‘Trade Dress: What does it mean’ mentioned that the “term trade dress did not initially appear in the Lanham Act, but the act has consistently defined a trademark as ‘any word, name, symbol, or device’ capable of identifying one producer; a ‘device’ in this regard includes trade dress”.²⁷

At the same time, it is important to note that some practitioners and scholars vigorously disagree with this approach and are convinced that the term ‘symbol’, for instance, cannot cover trade dress objects. Specifically, Glynn S. Jr. Lunney, Professor of Law at the Tulane University School of Law, expressed opinion as follows:

It appears plainly from substituting the proposed definition of ‘symbol’ for the word itself in the statutory language. In defining principal register trademarks, Congress wrote:

[T]he term ‘trade-mark’ includes any word, name, symbol, or device or any combination thereof [used to distinguish a product’s source].

Yet, a broad ‘anything at all’ interpretation of the word ‘symbol’ would read this language as:

A ‘trademark’ includes any, word, name, [anything at all], or device or any combination thereof [used to distinguish a product’s source].²⁸

He developed further his thought in this regard and also provided some relevant arguments on this issue:

Common sense alone suggests that such an interpretation is implausible, if not nonsensical. Legitimate principles of statutory construction confirm what common sense suggests: Congress intended ‘symbol’ to carry a meaning far narrower and more specific than ‘anything at all’ [...] Congress specifically used different language, ‘label, package, configuration of goods’, when it intended to encompass trade dress. Congress intentionally omitted this language from the definition of a principal register trademark in order to limit the registration of trade dress to the supplemental register [...] A broad interpretation of ‘symbol’ is improper because it would render other words in the statutory definitions of a trademark and a mark redundant and would thereby fail to give effect to each word of the statute.²⁹

It’s really complicated to oppose to such statements of Glynn S. Jr. Lunney since it corresponds to logic and sounds consistent, yet courts later on had decided in another way.

²⁷ Scott C. Sandberg. “Trade Dress: What Does It Mean,” 29 Franchise L.J. 10 (2009), 14.

²⁸ Glynn S. Jr. Lunney. “The Trade Dress Emperor’s New Clothes: Why Trade Dress Does Not Belong on the Principal Register,” Hastings Law Journal, Vol. 51 (2000), 1131.

²⁹ Glynn S. Jr. Lunney. “The Trade Dress Emperor’s New Clothes: Why Trade Dress Does Not Belong on the Principal Register,” Hastings Law Journal, Vol. 51 (2000), 1134.

Now returning to the issue of practical implications of the Lanham Act with respect to trade dress protection, by using the already mentioned provision of the Section 43(a) of the Lanham Act the owner of a particular object that can be recognised as a trade dress (e.g., packaging) can sue a person who violates the rights of a petitioner through copying of competitor's trade dress. It is important to note that it is possible to file a suit without formal registration of that trade dress by petitioner, however it must be proven that all legal prerequisites for trade dress protection are met: in addition to the already mentioned criterion of 'likelihood of confusion', prescribed by Section 43(a)(1) of the Lanham Act, it is necessary to prove that trade dress is distinctive and non-functional.

Distinctiveness is not prescribed exactly by the Lanham Act and was derived by courts from a reasonably broad provision of Section 43(a)(1) of the Lanham Act, which says that possibility of likelihood of confusion can arise in connection with usage of any "symbol, or device, or any combination thereof"³⁰. As it was already discussed, trade dress objects usually fall within the scope of terms 'symbol' or 'device'. However, it must be provided not only that a trade dress object fits into one of this terms, but also that it is distinctive enough. Distinctiveness is respectively subdivided into inherent distinctiveness and acquired distinctiveness: the first one exists from the moment of registration of trademark, while the second one can arise in connection with continuous commercial use. This issues will be discussed further, however it is worth to mention the most recent case law in this regard, namely in *Wal-Mart Stores, Inc. v. Samara Bros., Inc.*, it was provided by the court that trade dress can be deemed inherently distinctive in case when "the combination of elements, as a whole, is not descriptive of the product or commonplace for that particular type of product, or a trivial variation on a combination that is descriptive or commonplace"³¹.

Non-functionality requirement, which was later clarified and expanded by courts, initially is prescribed by the Section 43(a)(3):

(3) In a civil action for trade dress infringement under this chapter 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.³²

³⁰ Lanham Act § 43(a)(1), 15 U.S. Code § 1125. False designations of origin, false descriptions, and dilution forbidden.

³¹ *Wal-Mart Stores, Inc. v. Samara Bros., Inc.*, 529 U.S. 205 (2000) cited from: Margreth Barrett. Emmanuel Law Outline Series: Intellectual Property. Second Edition (Aspen Publishers, 2009), 238.

³² Lanham Act § 43(a)(3), 15 U.S. Code § 1125. False designations of origin, false descriptions, and dilution forbidden.

Though this issue will also be discussed further, it is worth to mention the most recent and comprehensive case law with respect to functionality requirement. Specifically, in *TrafFix Devices, Inc. v. Marketing Displays, Inc.*, a court clarified this criterion and declared that to claim trade dress rights in patented product features it is necessary to prove that the feature is not functional by showing, for instance, that “it is merely an ornamental, incidental, or arbitrary aspect of the device”.³³

Further, as the court practice had been developing, it became evident that the effective legal framework no longer corresponds to the challenges faced by courts in connection with advent of novel sophisticated methods of marketing of goods and services. And there is no wonder that this question arose – the Lanham Act was passed in 1946 and since that time the world has changed. In this regard, in 1995 there was passed the Federal Trademark Dilution Act, which expanded the Lanham Act by supplementing it with the Section 43(c) that introduced instruments for resolution of disputes related to trademark dilution, trademark blurring and tarnishment. Furthermore, this Act also provided some refinements to the legislative framework of trade dress legal protection.

According to the provisions introduced in the Federal Trademark Dilution Act, legal protection of unregistered trade dress falls within the scope of trade dress dilution and therefore can be granted, provided that it meets the requirements stated in Section 43(c)(4) of the Lanham Act:

In a civil action for trade dress dilution under this chapter for trade dress not registered on the principal register, the person who asserts trade dress protection has the burden of proving that—

- (A) the claimed trade dress, taken as a whole, is not functional and is famous; and
- (B) if the claimed trade dress includes any mark or marks registered on the principal register, the unregistered matter, taken as a whole, is famous separate and apart from any fame of such registered marks.³⁴

As may be seen from the previously mentioned legal provision of the Lanham Act, to protect unregistered trade dress it is necessary to set a fact that the claimed trade dress is not functional and is famous. While non-functionality issue was left for interpretation to the courts as it was already mentioned, the definition of famous trademark and test for its recognition is

³³ *TrafFix Devices, Inc. v. Marketing Displays, Inc.*, 532 U.S. 23 (2001) cited from: Margreth Barrett. *Emmanuel Law Outline Series: Intellectual Property. Second Edition* (Aspen Publishers, 2009), 239.

³⁴ Lanham Act § 43(c)(4), 15 U.S. Code § 1125. False designations of origin, false descriptions, and dilution forbidden.

envisaged by another provision of the Federal Trademark Dilution Act, namely by the Section 43(c)(2)(a):

(A) For purposes of paragraph (1), a mark is famous if it is widely recognized by the general consuming public of the United States as a designation of source of the goods or services of the mark's owner. In determining whether a mark possesses the requisite degree of recognition, the court may consider all relevant factors, including the following:

- (i) The duration, extent, and geographic reach of advertising and publicity of the mark, whether advertised or publicized by the owner or third parties.
- (ii) The amount, volume, and geographic extent of sales of goods or services offered under the mark.
- (iii) The extent of actual recognition of the mark.
- (iv) Whether the mark was registered under the Act of March 3, 1881, or the Act of February 20, 1905, or on the principal register.³⁵

To understand better how the criterion of famous trademark has emerged and what were the expectations from it back at the time when the Federal Trademark Dilution Act was introduced, it is appropriate to refer to opinions raised by Miles J. Alexander and Michael K. Heilbronner in their article 'Dilution Under Section 43(c) of the Lanham Act'. Basically, in this article they commented the provisions of the Federal Trademark Dilution Act right after the implementation of it and also provided a valuable insight on the impact of provisions of that Act. They actually mentioned that this act "created an area of potential development for countering the retailers, private label manufacturers and suppliers who may adopt a simulation of a famous trade dress in order to trade on the so-called 'commercial magnetism' of trade dress of their more successful competitors"³⁶. Furthermore, Miles J. Alexander and Michael K. Heilbronner also provided in their article two examples of misuse of famous trade dress usually conducted by imitators that fall within the scope of provisions of the Section 43(c) of the Lanham Act. Namely, the first and the most common way is that "imitators may wish to build an association with the famous brand and to suggest to customers that the goods offered in connection with the look-alike trade dress are provided by the owner of the famous trade dress"³⁷. The second way envisages that these companies "suggest customers that their goods

³⁵ Lanham Act § 43(c)(2)(a), 15 U.S. Code § 1125. False designations of origin, false descriptions, and dilution forbidden.

³⁶ Miles J. Alexander, Michael K. Heilbronner. "Dilution Under Section 43(c) of the Lanham Act," Law and Contemporary Problems Journal Vol. 59, No. 2. (1996), 127.

³⁷ Miles J. Alexander, Michael K. Heilbronner. "Dilution Under Section 43(c) of the Lanham Act," Law and Contemporary Problems Journal Vol. 59, No. 2. (1996), 129.

are comparable to the goods offered by owner of the famous brand”³⁸. Prior to enactment of the Federal Trademark Dilution Act, to avoid responsibility imitators used to rely on approach which allowed them to get away from proof of likelihood of confusion: they used to argue that the private label producer has prominently utilised a distinctly different word mark in connection with the look-alike trade dress in order to identify its products or services and distinguish among others, but albeit did not copy the word mark exactly. This approach left the so-called ‘commercial magnetism’ of the famous trade dress at risk unless its owner could establish likelihood of confusion by using wide variety of different arguments, such as those that were based on consumer belief that the look-alike was a line extension of the famous brand or that the look-alike trade dress falsely suggested that the product at some point can be comparable in quality to the famous brand.³⁹ Actually, the enactment of the Federal Trademark Dilution Act overcame the loophole utilised by imitators in their malpractices earlier, however it didn’t close up the issue completely.

In summarising the legal framework for trade dress protection in the USA, it is possible to say that it provides very broad notion of objects that can be eligible for trade dress protection through trademark law, and therefore it is up to the court to define the ambit of trademark law which can be used for trade dress protection. But even so it sets two main criterions which constitute the foundation of trade dress protection via trademark, notably the distinctiveness and non-functionality requirement.

2.2. Legal Framework for Protection of Trade Dress under the Trademark Law in The European Union

In the EU, trademark law is governed by EU law jointly with national law of countries which are members of the EU. While at national level there may be some slight differences in the realm of trademark law among countries, as a whole it is unified and is driven by same principles. Namely, there is a Directive No 2015/2436 of the European Parliament and of the Council of 16 December 2015 (hereinafter, the Directive) to approximate the laws of the Member States relating to trade marks, the aim of which is to set the same standards for trademark protection across the EU. Legal protection of trade dress objects through trademark law in the EU can be done by applying general trademark standards for absolute grounds for refusal or invalidity of trademarks. Specifically, there are some criterions prescribed by Article

³⁸ Miles J. Alexander, Michael K. Heilbronner. “Dilution Under Section 43(c) of the Lanham Act,” *Law and Contemporary Problems Journal* Vol. 59, No. 2. (1996), 130.

³⁹ Miles J. Alexander, Michael K. Heilbronner. “Dilution Under Section 43(c) of the Lanham Act,” *Law and Contemporary Problems Journal* Vol. 59, No. 2. (1996), 132.

4 of the Directive which can be applied for trade dress protection. Similarly to the Lanham Act in the USA, the Directive prescribes two criteria that are relevant for trade dress protection: distinctiveness and non-functionality requirements. Distinctiveness criterion is envisaged by provisions of Article 4(1) of the Directive:

1. The following shall not be registered or, if registered, shall be liable to be declared invalid:

[...]

(b) trade marks which are devoid of any distinctive character;

(c) trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin, or the time of production of the goods or of rendering of the service, or other characteristics of the goods or services;

(d) trade marks which consist exclusively of signs or indications which have become customary in the current language or in the bona fide and established practices of the trade.⁴⁰

At the same time, there is also mentioned a reservation by Article 4(4) of the Directive, which states that even in case when trademark falls within the scope of provisions stipulated by Article 4(1) of the Directive, it is possible to register and protect a trademark should it acquire a distinctive character:

4. A trade mark shall not be refused registration in accordance with paragraph 1(b), (c) or (d) if, before the date of application for registration, following the use which has been made of it, it has acquired a distinctive character. A trade mark shall not be declared invalid for the same reasons if, before the date of application for a declaration of invalidity, following the use which has been made of it, it has acquired a distinctive character.⁴¹

As to the non-functionality requirement, it is mentioned by Article 4(1) of the Directive where there are indicated several cases of objects that cannot be registered as a trademark, and thereby cannot be granted with trade dress protection, namely:

(e) signs which consist exclusively of:

(i) the shape, or another characteristic, which results from the nature of the goods themselves;

⁴⁰ Article 4(1) of the Directive (EU) 2015/2436 of the European Parliament and of the Council of 16 December 2015 to approximate the laws of the Member States relating to trade marks

⁴¹ Article 4(4) of the Directive (EU) 2015/2436 of the European Parliament and of the Council of 16 December 2015 to approximate the laws of the Member States relating to trade marks

- (ii) the shape, or another characteristic, of goods which is necessary to obtain a technical result;
- (iii) the shape, or another characteristic, which gives substantial value to the goods.⁴²

David Llewelyn has analysed the trade dress protection via trademark law in the EU and made some comments with regard to the Directive and other related laws in his article ‘Product Shape and Trade Dress Protection Under Trademark Law in Europe’. Particularly he mentioned that pursuant to the Directive, the issue regarding the “subject matter of trade dress which can be protected through trademark became a hotly debated topic”⁴³. Actually, the vast majority of cases have dealt with issues of shape (three-dimensional marks), however there are also some cases that have concerned issue of protection of the colour itself. And while the courts of some member states of the EU seem to be willing to expand the traditional scope of trademark protection, others are less flexible and resort in such cases to unfair competition law. Furthermore, from the standpoint of David Llewelyn, the Directive became a subject to various different interpretations by national courts and legislative bodies of member states, thus approach on legal protection of trade dress via trademark law might be non-obvious.⁴⁴

In addition to the above mentioned Directive, there is also a Regulation No 2017/1001 of the European Parliament and of the Council of 14 June 2017 on the European Union trade mark (hereinafter, the Regulation 2017/1001). Many provisions of this Regulation are based on respective provisions of the Directive, and therefore some of them are identical. Just like the Directive, the Regulation provides framework for trade dress protection through the application of standards for absolute grounds for refusal or invalidity of trademarks. But unlike the Directive, the Regulation is a binding legislative act, thus provisions of it have to be applied by all member states of the EU uniformly and on a mandatory basis.

It is also important to mention that prior to enactment of this Regulation there were two other Regulations on this matter, specifically the Council Regulation №40/94 of 20 December 1993 on the Community trade mark (hereinafter, the Regulation №40/94) and the Council Regulation №207/2009 of 26 February 2009 on the Community trade mark. These two Regulations were predecessors of the current one. The first legal act is also important, because the court practice regarding distinctiveness and non-functionality requirements in the EU,

⁴² Article 4(1) of the Directive (EU) 2015/2436 of the European Parliament and of the Council of 16 December 2015 to approximate the laws of the Member States relating to trade marks

⁴³ David Llewelyn. “Product Shape and Trade Dress Protection Under Trademark Law in Europe,” *International intellectual property law and policy*. Vol. 6, (2001), 24-1.

⁴⁴ David Llewelyn. “Product Shape and Trade Dress Protection Under Trademark Law in Europe,” *International intellectual property law and policy*. Vol. 6, (2001), 24-4.

which respectively clarified these criteria, was elaborated back at the time when that Regulation was effective. And albeit the Regulation №40/94 is no longer effective, many provisions from it were transferred to the current Regulation 2017/1001, therefore the court practice remains relevant while considering this issue.

As to the effective Regulation, it establishes the same criteria for objects eligible for trade dress protection as the Directive does, specifically distinctiveness and non-functionality requirements. In particular, the test for distinctiveness is set by Article 7(1) of Regulation 2017/1001:

1. The following shall not be registered:

[...]

(b) trade marks which are devoid of any distinctive character;

(c) trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin or the time of production of the goods or of rendering of the service, or other characteristics of the goods or service;

(d) trade marks which consist exclusively of signs or indications which have become customary in the current language or in the bona fide and established practices of the trade.⁴⁵

And the same as in the Directive, there is a reservation related to acquired distinctiveness exclusion stated by Article 7(3) of Regulation 2017/1001:

3. Paragraph 1(b), (c) and (d) shall not apply if the trade mark has become distinctive in relation to the goods or services for which registration is requested as a consequence of the use which has been made of it.⁴⁶

With regard to the non-functionality requirement, the list of objects which are excluded from the legal protection due to their functional purpose is set in Regulation 2017/1001 in a similar vein as it is mentioned in the Directive. Article 7(1) of Regulation 2017/1001 says that objects shall not be registered, if they fall within the scope of criterion as follows:

(e) signs which consist exclusively of:

(i) the shape, or another characteristic, which results from the nature of the goods themselves;

⁴⁵ Article 7(1) of the Regulation (EU) 2017/1001 of the European Parliament and of the Council of 14 June 2017 on the European Union trade mark

⁴⁶ Article 7(3) of the Regulation (EU) 2017/1001 of the European Parliament and of the Council of 14 June 2017 on the European Union trade mark

- (ii) the shape, or another characteristic, of goods which is necessary to obtain a technical result;
- (iii) the shape, or another characteristic, which gives substantial value to the goods.⁴⁷

In the view of Vlotina Liakatou, in comparison to provisions of the Lanham Act in the USA, the Regulation №40/94 provides rather limited instruments for trade dress protection, because it grants protection only to the three-dimensional shapes and exempts from protection shapes that can respectively result from specific properties of goods, are essential to get a technical result, or in any way add substantial value to the goods. As she also said in this regard, “this hurdle cannot be overcome even if the shape in question has acquired distinctiveness through use”.⁴⁸ This observation sounds fair, however it is also necessary to borne in mind that the shape itself, should it fall within the scope of functionality criterion pursuant to the Lanham Act, will not be granted trade dress protection through trademark as well.

According to Jochen Pagenberg, this narrow approach for granting a trademark protection only to a limited amount of three-dimensional shapes, that respectively do not fall under the functionality criterion set by Article 7(1) of the Regulation №40/94, does not allow to counteract infringements effectively. Specifically, he said the following:

The hurdle for obtaining registration appears to be higher than for other marks, and infringers make a sport of producing look-alikes once a new product shape or a particular packaging has become popular and successful [...] The case law on the scope of new forms of trademarks in infringement proceedings is not always satisfactory. English, and also German, courts are sometimes more generous towards the users of look-alikes, but there is no clear European ruling.⁴⁹

While summarising the legal framework of trade dress protection through the trademark regime in the EU, it is necessary to state that it provides precise and consistent provisions for objects eligible for trade dress protection, even albeit the wording of both the Directive and Regulation 2017/1001 do not provide the definition of trade dress. Another important point here is that there is a well-established uniformity of legal framework of trademark protection among member states of the EU and therefore the court practice in this regard is foreseeable and consistent.

⁴⁷ Article 7(1) of the Regulation (EU) 2017/1001 of the European Parliament and of the Council of 14 June 2017 on the European Union trade mark

⁴⁸ Vlotina Liakatou. “Trade dress distinctiveness in the US: Wal-Mart, progeny and comparison with the European standards,” *European Intellectual Property Review* (2010), Vol.32(12), 634.

⁴⁹ Jochan Padenberg. “Trade dress and the three dimensional mark - the neglected children of trade mark law,” *International Review of Intellectual Property and Competition Law* Vol.35(7) (2004), 831.

2.3. Legal Framework for Protection of Trade Dress under the Trademark Law in Ukraine

Both the legislation and the court practice in Ukraine do not mention the existence of trade dress regime for visual appearance of products, configuration of business itself or in any other way the designation of origin of goods or services. However, in fact objects that can be regarded as a trade dress in other jurisdictions are protectable in Ukraine. And though yet it is not that popular mechanism for protection of designation of origin, it exists and some companies utilise principles and approaches elaborated in other jurisdictions, specifically in the USA and the EU, to protect trade dress-like objects in Ukraine.

To begin with, it is necessary to refer to the definition of the trademark, stipulated in Article 492 of the Civil Code of Ukraine:

A trademark shall be deemed to be any designation of origin or any combination of designations of origin which are capable of distinguishing the goods or services that are produced (provided) by one person from other goods (services) that are respectively produced (provided) by another persons. These designations can be, in particular, words, letters, numbers, figurative elements, colour combinations.⁵⁰

Furthermore, the legislation also provides more specific and comprehensive notion of objects that are capable of trademark protection, notably pursuant to paragraph 2 of Article 5 of the Law of Ukraine “On Protection of Rights to Trademarks for Goods and Services”, it is envisaged that “any designation or any combination of designations may be protected as a trademark”.⁵¹ In particular, it is provided by the law that “designations that are protectable as a trademark may be words, including personal names, letters, numbers, figurative elements, colours and combinations of colours, as well as any combination of such designations”.⁵²

On top of that, the above mentioned Law also lists criterions that can be used for protection of trade dress objects as well. Namely, paragraph 2 of Article 6 of the Law of Ukraine “On Protection of Rights to Trademarks for Goods and Services” prescribes that the following objects shall not be granted with legal protection:

- which are devoid of distinctive character and have not acquired it as a result of its commercial use;

⁵⁰ Article 492 of the Civil Code of Ukraine, as of 31.03.2019

⁵¹ Article 5 of the Law of Ukraine “On Protection of Rights to Trademarks for Goods and Services”, as of 21.05.2015

⁵² Article 5 of the Law of Ukraine “On Protection of Rights to Trademarks for Goods and Services”, as of 21.05.2015

- consist only of symbols, which are commonly used as symbols of goods and services of a certain type;
- consist only of signs or data that are descriptive when using or relating to the goods and services specified in the application, in particular, indicate the type, quality, composition, quantity, properties, purpose, value of goods and services, place and time of manufacture or the sale of goods or services;
- are false or may deceive customers with regard to a product, service, or producer (provider) of a specific product (service);
- consist only of symbols or terms that became customary in the current language;
- reflect only the form, which is due to the natural state of the goods or the need to obtain a technical result, or which gives the product significant value.⁵³

In addition to the above mentioned criteria prescribed by the Law of Ukraine “On Protection of Rights to Trademarks for Goods and Services”, there is also a subordinate legislative act which stipulates the requirements for trademark application and threshold for the subject-matter for trademark protection, namely there are Rules For Compiling and Submitting an Application for the Issuance of a Certificate of Ukraine as a Sign for Goods and Services (hereinafter, Trademark Application Rules), which were introduced in 1997 to clarify the registration process, conditions necessary to comply with for submitting trademark application, and to regulate subject-matter of designations of origin that are registrable as a trademark. As to subject-matter of objects that are capable of trademark protection, there is a paragraph 4.3.1.3. of the Trademark Application Rules, the wording of which is as follows:

While checking the designation provided in the application for registration as a sign on the presence of grounds for refusal to provide legal protection, in accordance with paragraph 2 of Article 6 of the Law, it is established that the designations which should not be granted with legal protection are those as follows:

- a) have no distinctive character;
- b) are commonly used to designate goods of a certain kind;
- c) are commonly used symbols and terms;
- d) indicate the type, quality, quantity, properties, composition, purpose, value of goods and/or services, as well as the place and time of their manufacture or sale;

⁵³ Article 6 of the Law of Ukraine “On Protection of Rights to Trademarks for Goods and Services”, as of 21.05.2015

g) are misleading or deceptive as to the product, service or person who produces the goods or provides the service.⁵⁴

Further in the Trademark Application Rules, there is provided a clarification with regard to each of criteria stated in the above mentioned paragraph. Specifically, as signs that don't have any distinctive character should be regarded designations as follows:

Signs that don't have any distinctive character, include:

- symbols that consist of only one letter, number, line, simple geometric figure which does not have a characteristic graphic representation;
- realistic images of goods, if they are applied for registration as a sign for the designation of these goods of such kind;
- three-dimensional objects, the form of which is solely dictated by functional purposes;
- commonly used abbreviations;
- signs used for a long time in Ukraine by several manufacturers as signs for goods having a common quality or other characteristics and which lost their distinctive character as individual marks for goods of such kind.⁵⁵

As to signs which should be regarded as those that are commonly used, there is a following provision in the Trademark Application Rules:

The signs shall be deemed as those that are commonly used for certain kind of goods in case when producers of the same product have been continuously using such sign with regard to certain goods and which in this regard have become generic terms.⁵⁶

Thereby, it can be seen from the provisions stated above that in Ukraine both concepts of distinctiveness and non-functionality requirements in fact are provided for trademark protection mostly correspond to approaches already developed in other jurisdictions, thus the legal framework for trade dress protection is comparable in many aspects to the respective regulation in some other countries.

⁵⁴ Paragraph 4.3.1.3. of the Rules For Compiling and Submitting an Application for the Issuance of a Certificate of Ukraine as a Sign for Goods and Services, as of 25.07.2011

⁵⁵ Paragraph 4.3.1.4. of the Rules For Compiling and Submitting an Application for the Issuance of a Certificate of Ukraine as a Sign for Goods and Services, as of 25.07.2011

⁵⁶ Paragraph 4.3.1.5. of the Rules For Compiling and Submitting an Application for the Issuance of a Certificate of Ukraine as a Sign for Goods and Services, as of 25.07.2011

3. DISTINCTIVENESS REQUIREMENT

As it was already mentioned before, one of the key aspects that must be taken into account while dealing with protection of trade dress by means of utilising trademark law, is distinctiveness requirement. In order to understand what is this requirement about, it is needed to refer to the relevant court practice, specifically in the USA, EU and Ukraine.

As to the definition of distinctiveness requirement, according to the opinion of Graeme B. Dinwoodie and Mark D. Janis, this requirement could be worded as follows:

Distinctiveness concerns the relationship between a term (or symbol or other indicia) and the underlying products or services with which the term is used. A term is distinctive when it serves to identify the source or sponsorship of goods or services with which the term is used. A term may be distinctive because of its inherent nature and the context in which it is used, or it may become distinctive over time as a result of its use.⁵⁷

It follows from the above mentioned statement that generally distinctiveness can be established in case when the designation is ‘tailored’ to the goods covered by the trademark, and that it can arise initially in connection with a message conveyed by the designation or due to considerably long period of time of its use in business activities by applicant.

3.1. Overview of Distinctiveness Requirement in the USA

To begin with analysis of distinctiveness requirement in the USA, it would be appropriate to refer to opinions expressed by famous scholars who already researched this issue. Scott C. Sandberg in his article ‘Trade Dress: What Does It Mean?’ provided a detailed view regarding the distinctiveness requirement, notably:

The Lanham Act does not define distinctiveness, leaving the question of whether trade dress is distinctive to the courts. This requirement advances a fundamental objective of trademark law: identifying the source or origin of a product or service. Hence, to demonstrate that a product’s trade dress is distinctive and thus protectable, a plaintiff must associate the dress with its source by showing that the dress inherently identifies the product’s source or origin (i.e., that the dress is ‘inherently distinctive’) or that over time the dress has acquired a ‘secondary meaning’ because the purchasing public

⁵⁷ Graeme B. Dinwoodie, Mark D. Janis. Trade Dress and Design Law (Aspen Publishers, 2010), 224.

associates the dress with a single producer or source rather than with the product itself.⁵⁸

He also pointed to the fact that acquisition of distinctiveness through obtaining of secondary meaning can be done the most effectively when a company invests considerable resources in promotion of its trade dress and the brand's visibility among consumers. His comment on this aspect of distinctiveness was as follows:

Most types of trade dress can qualify as distinctive if franchisors spend enough time and money for the dress to acquire secondary meaning. Although featuring proprietary retail decor in advertisements and using market data to track the relationship between trade dress and sales and customer numbers are useful ways to establish secondary meaning, there is no substitute for exclusive use of the trade dress for a long period of time.⁵⁹

As it was provided by Graeme B. Dinwoodie and Mark D. Janis, the grounds for distinctiveness legal framework in the USA were elaborated in *Abercrombie & Fitch Co. v. Hunting World, Inc.*, which is now universally followed in cases involving word marks, and in particular trade dress. Judge Friendly who was resolving this case suggested that "marks may be categorised as either (1) generic, (2) descriptive, (3) suggestive, or (4) arbitrary or fanciful".⁶⁰

Further, it was explained in the court decision that a generic term that shall be regarded as the one that restates the substance of the product or service – can never qualify as distinctive. The court stated that descriptive mark is a term that solely describes the qualities of the respective products or services cannot receive trademark protection, unless the sign acquires distinctiveness through commercial use, namely when it possesses secondary meaning. A suggestive mark envisages a term that can suggest itself the qualities, characteristics, properties or features of the respective products or services.⁶¹

The distinction between suggestive marks and solely descriptive marks is often ambiguous and can be non-obvious, and in this regard courts actually developed several approaches related to such issue⁶², specifically in *Zatarains, Inc. v. Oak Grove Smokehouse, Inc.*, the court elaborated four tests for distinguishing suggestive and merely descriptive marks. The first test

⁵⁸ Scott C. Sandberg. "Trade Dress: What Does It Mean," 29 Franchise L.J. 10 (2009), 14.

⁵⁹ Scott C. Sandberg. "Trade Dress: What Does It Mean," 29 Franchise L.J. 10 (2009), 16.

⁶⁰ *Abercrombie & Fitch Co. v. Hunting World, Inc.* (531 F.2d4 (2d Cir.1976) Cited from: Graeme B. Dinwoodie, Mark D. Janis. Trade Dress and Design Law (Aspen Publishers, 2010), 226.

⁶¹ Graeme B. Dinwoodie, Mark D. Janis. Trade Dress and Design Law (Aspen Publishers, 2010), 227.

⁶² Graeme B. Dinwoodie, Mark D. Janis. Trade Dress and Design Law (Aspen Publishers, 2010), 228.

is based on relying on the dictionary definition of the term at issue (i.e., which asks whether the definition appeals to the qualities of the product); the second test is a so-called ‘imagination’ test (that asks whether it is required to make an effort for imagination to refer from the term at issue to the respective products); the third one is the competitor’s necessity test (that asks whether competitors have a necessity to use the sign in order to sell their products); and the fourth test is a so-called ‘third-party use test’ (that asks about the extent to which competitors and other persons have previously used the term in marketing of same or similar goods).⁶³ And lastly, a sign can be recognised as arbitrary or fanciful. In such specific case it can qualify for trade mark protection without a need to show a secondary meaning of such sign: basically an arbitrary sign is the one, “which bears no apparent relationship to the underlying products or services, while a fanciful term is the one which is coined and has no meaning other than as a source indicator for the underlying products and services”.⁶⁴

Signs which are regarded as suggestive or arbitrary or fanciful can be referred to as inherently distinctive marks since they are thought likely to have distinctiveness fundamentally, and hence there is no need to rely upon providing evidence of actual consumer reception in the marketplace. At the same time, merely descriptive trademarks for which secondary meaning has developed in connection with commercial use may be referred to as marks that obtained acquired distinctiveness.⁶⁵

The first landmark case regarding the application of the Abercrombie tests for distinctiveness was employed in *Seabrook Foods, Inc. v. Bar-Well Foods, Ltd.*. In this case, the court confronted with the question whether the packaging of frozen meals was considerably distinctive to be protected. To establish a fact whether the design of goods falls within the scope of inherent distinctiveness threshold, the court applied an examination as follows:

In determining whether a design is arbitrary or distinctive this court has looked to whether it was a ‘common’ basic shape or design, whether it was unique or unusual in a particular field, whether it was a mere refinement of a commonly adopted and well-known form of ornamentation for the goods, or whether it was capable of creating a commercial impression distinct from the accompanying words.⁶⁶

⁶³ *Zatarains, Inc. v. Oak Grove Smokehouse, Inc.* (698 F.2d 786 (5th Cir. 1983)) cited from: Graeme B. Dinwoodie, Mark D. Janis. *Trade Dress and Design Law* (Aspen Publishers, 2010), 231.

⁶⁴ Graeme B. Dinwoodie, Mark D. Janis. *Trade Dress and Design Law* (Aspen Publishers, 2010), 233.

⁶⁵ Graeme B. Dinwoodie, Mark D. Janis. *Trade Dress and Design Law* (Aspen Publishers, 2010), 234.

⁶⁶ *Seabrook Foods, Inc. v. Bar-Well Foods, Ltd.* (568 F.2d 1342 (1977)) cited from: Graeme B. Dinwoodie, Mark D. Janis. *Trade Dress and Design Law* (Aspen Publishers, 2010), 234.

Taking into account this ruling of the court in this case, it is possible to conclude that the possibility of obtaining the protection of objects that shall fall within the scope of trade dress is tailored to the messages conveyed by this trademark. Should it be deeply associated with industry where such company is operating and extracted from the specificities of such industry, then it may be very complicated to get a trademark protection for such designation.

As it was previously mentioned, distinctiveness requirement can be subdivided into two categories: inherent distinctiveness and acquired distinctiveness. The boundaries between the first one and the second one are rather vague and therefore the case law related to the issue of distinctiveness is mostly related to establishment of the criteria that shall be applied to qualify the sign as inherently distinctive or as those that acquired it in connection with commercial use. All the recent court practice regarding the distinctiveness requirement of trade dress issue in the USA is based upon two notable cases: *Two Pesos, Inc. v. Taco Cabana, Inc.* and *Wal-Mart Stores, Inc. v. Samara Brothers, Inc.* The first case is remarkable because the court set that the trade dress (in this particular case, the restaurant layout) can be regarded as inherently distinctive, like a trademark. The second case is important because it had not only clarified the definition of inherent distinctiveness, but also established concrete framework for recognition of trade dress to be distinctive.

Now returning to the *Two Pesos, Inc. v. Taco Cabana, Inc.* case – it is actually a foundation of all cases related to trade dress protection, since it was the first case which provided trade dress protection without establishing the presence of secondary meaning of applicant's trade dress, namely in this case the restaurant design and interior configuration. Basically, the issue in this case concerned the point whether the trade dress of a restaurant may be protected under Section 43(a) of the Lanham Act based solely on providing proof of inherent distinctiveness of applicant's trade dress, although without presenting evidence that the trade dress of applicant acquired secondary meaning through commercial use. *Taco Cabana, Inc.* (hereinafter, *Taco Cabana*) operated a chain of fast-food Mexican restaurants in the state of Texas. The first *Taco Cabana* restaurant was opened in San Antonio in 1978, and not long after, more restaurants were opened by the middle of 1980s. *Taco Cabana* described its Mexican-style trade dress as follows:

A festive eating atmosphere having interior dining and patio areas decorated with artefacts, bright colours, paintings and murals. The patio includes interior and exterior areas with the interior patio capable of being sealed off from the outside patio by overhead garage doors. The stepped exterior of the building is a festive and vivid

colour scheme using top border paint and neon stripes. Bright awnings and umbrellas continue the theme.⁶⁷

A few years later, in 1985 the Two Pesos, Inc. (hereinafter, Two Pesos), a chain of Texas-Mexican cuisine restaurants was opened in Houston. As it was later mentioned by the court, Two Pesos restaurant adopted a “motif similar to the foregoing description of Taco Cabana trade dress”.⁶⁸ Two Pesos restaurants expanded rapidly in other markets, but, however, did not enter the San Antonio. One year later, Taco Cabana entered the Houston and Austin markets and expanded into other cities of Texas, including El-Paso and Dallas, where Two Pesos was already conducting its business. As soon as Taco Cabana discovered Two Pesos and the visual appearance of its facilities that was closely similar to the one of Taco Cabana, it sued Two Pesos for trade dress infringement.⁶⁹ The case was reviewed by the jury, who were instructed to give a verdict by means of answering the five questions provided to them by the trial judge. The jury’s answers were as follows:

Taco Cabana has a trade dress; taken as a whole, the trade dress is not functional; trade dress is inherently distinctive; trade dress has not acquired a secondary meaning in the Texas market; and the alleged infringement creates a likelihood of confusion on the part of ordinary consumers as to the source or association of the restaurant’s goods and services.⁷⁰

Further, there was a review of the decision by the Court of Appeals, which ruled that there is no need to review the jury’s findings and stated that the court has to reject the petitioner’s argument that a finding of no secondary meaning in the visual appearance of Taco Cabana restaurants contradicts the threshold for establishment of inherent distinctiveness.⁷¹ It is also appropriate to note that while ruling this case, the court relied upon the previous decision in *Chevron Chemical Co. v. Voluntary Purchasing Groups, Inc.*, namely the court mentioned that trademark law requires a “demonstration of secondary meaning only in case when the claimed trademark is not sufficiently distinctive of itself to identify the producer and thereby the court

⁶⁷ Two Pesos, Inc. v. Taco Cabana, Inc. (932 F. 2d 1113, 1117 (CA5 1991)) cited from: Graeme B. Dinwoodie, Mark D. Janis. Trade Dress and Design Law (Aspen Publishers, 2010), 236.

⁶⁸ Two Pesos, Inc. v. Taco Cabana, Inc. (932 F. 2d 1113, 1117 (CA5 1991)) cited from: Graeme B. Dinwoodie, Mark D. Janis. Trade Dress and Design Law (Aspen Publishers, 2010), 237.

⁶⁹ Graeme B. Dinwoodie, Mark D. Janis. Trade Dress and Design Law (Aspen Publishers, 2010), 240.

⁷⁰ Two Pesos, Inc. v. Taco Cabana, Inc. (932 F. 2d 1113, 1117 (CA5 1991)) cited from: Graeme B. Dinwoodie, Mark D. Janis. Trade Dress and Design Law (Aspen Publishers, 2010), 241.

⁷¹ Graeme B. Dinwoodie, Mark D. Janis. Trade Dress and Design Law (Aspen Publishers, 2010), 250.

held that similar principles should be applied with regard to trade dress protection”.⁷² Considering circumstances of the case, the Court of Appeals confirmed that the jury’s findings were consistent with the above mentioned principles and that there was a sufficient evidence provided in support of the jury’s verdict. The court found that trade dress of Taco Cabana was not descriptive but rather inherently distinctive, and that it was non-functional, which respectively leads to the fact that trade dress should be entitled with protection even in spite of the lack of evidence of secondary meaning.⁷³

While deciding on the possibility of application of provision regarding necessity to prove secondary meaning, the court in *Two Pesos* case mentioned the following:

Engrafting onto Section 43(a) the requirement of secondary meaning for inherently distinctive trade dress would also undermine the purposes of the Lanham Act. Protection of trade dress, no less than of trademarks, serves the Act’s purpose to secure to the owner of the mark the goodwill of his business and to protect the ability of consumers to distinguish among competing producers [...] National protection of trademarks is desirable, Congress concluded, because trademarks foster competition and the maintenance of quality by securing to the producer the benefits of good reputation.⁷⁴

Furthermore, the court also stated that application of secondary meaning requirement for a non-descriptive trade dress can “result in making more difficult the customer identification of a producer with its product that respectively can hinder the maintaining of competitive position by producer”.⁷⁵ Thereby, an imposition of secondary meaning requirement can have an anticompetitive effect and consequently create particular burdens on the startup expenses of small companies, that respectively might create special complexity for a business seeking to commence a distribution of a new product in a limited area and further expand their commercial activity into new markets. Moreover, the court also mentioned in this regard that “rejecting in providing of protection for inherently distinctive and non-functional trade dress only prior to establishing the fact of presence of secondary meaning might allow competitor, which has not adopted a distinctive trade dress of its own, to appropriate the originator’s trade

⁷² *Chevron Chemical Co. v. Voluntary Purchasing Groups, Inc.* (659 F.2d 695, 702, 1981) cited from: Graeme B. Dinwoodie, Mark D. Janis. *Trade Dress and Design Law* (Aspen Publishers, 2010), 251.

⁷³ Graeme B. Dinwoodie, Mark D. Janis. *Trade Dress and Design Law* (Aspen Publishers, 2010), 252.

⁷⁴ *Two Pesos, Inc. v. Taco Cabana, Inc.* (932 F. 2d 1113, 1117 (CA5 1991)) cited from: Graeme B. Dinwoodie, Mark D. Janis. *Trade Dress and Design Law* (Aspen Publishers, 2010), 254.

⁷⁵ *Two Pesos, Inc. v. Taco Cabana, Inc.* (932 F. 2d 1113, 1117 (CA5 1991)) cited from: Graeme B. Dinwoodie, Mark D. Janis. *Trade Dress and Design Law* (Aspen Publishers, 2010), 255.

dress in other markets and to deter originator from expanding into and competing in these areas”.⁷⁶

Finally, the court mentioned that “protecting an inherently distinctive trade dress from its inception may be critical to new entrants to the market and that withholding protection until secondary meaning has been established would be contrary to the goals of the Lanham Act”.⁷⁷

While analysing the court findings in this case, Ingrida Karins Berzins in her article “The Emerging Circuit Split over Secondary Meaning in Trade Dress Law” found interesting consequence of *Two Pesos, Inc. v. Taco Cabana, Inc.* that is related to the threshold regarding the distinction between inherent distinctiveness and acquired distinctiveness, namely:

Between these two extremes are marks that, though not inherently distinctive, can acquire distinctiveness over time, thereby obtaining trademark protection. For example, descriptive marks are not considered to be inherently distinctive, but as the Supreme Court stated in *Two Pesos, Inc. v. Taco Cabana, Inc.*, “descriptive marks may acquire the distinctiveness which will allow them to be protected under the Lanham Act”. Thus, while inherent distinctiveness is automatically assumed based on the substance of the mark alone, acquired distinctiveness, also called secondary meaning, must be proven through extrinsic evidence. The Supreme Court defined secondary meaning as arising when “in the minds of the public, the primary significance of a mark is to identify the source of the product rather than the product itself”.⁷⁸

It follows from the mentioned above that the initial test on whether trade dress is distinctive and to which extent, relies heavily on consumer cognition of such designation of origin. Furthermore, even descriptive sign is capable of protection should it be provided that it has acquired possibility of identification of the goods based on its visual appearance. However, the court decision in *Two Pesos* case left unspecified the evidence regarding establishment of acquired distinctiveness.

At the same time, Dana Shilling – another researcher of this issue – noticed that the *Two Pesos v. Taco Cabana* decision hadn’t changed significantly an approach of courts with regard to granting trademark protection to the trade dress of restaurant and store layouts. She expressed an opinion that it “did not open up a floodgate of registrations of trade dress [...]”

⁷⁶ *Two Pesos, Inc. v. Taco Cabana, Inc.* (932 F. 2d 1113, 1117 (CA5 1991)) cited from: Graeme B. Dinwoodie, Mark D. Janis. *Trade Dress and Design Law* (Aspen Publishers, 2010), 257.

⁷⁷ *Two Pesos, Inc. v. Taco Cabana, Inc.* (932 F. 2d 1113, 1117 (CA5 1991)) cited from: Graeme B. Dinwoodie, Mark D. Janis. *Trade Dress and Design Law* (Aspen Publishers, 2010), 259.

⁷⁸ Ingrida Karins Berzins. “The Emerging Circuit Split over Secondary Meaning in Trade Dress Law,” *U. Pa. L. Rev.*, Vol. 152 (2004), 1661.

The other courts didn't always give protection to product designs that could not prove secondary meaning [...] Their concern was that giving too much protection to product designs would create antitrust problems: manufacturers might build monopolies by taking over all the possible forms of trade dress".⁷⁹

It is also necessary to mention that albeit *Two Pesos, Inc. v. Taco Cabana, Inc.* case provided the necessary framework for trademark protection of restaurant trade dress, it hadn't established the precise frontiers or limit of what exactly can be recognised as inherently distinctive trade dress that respectively doesn't require providing the evidence of presence of secondary meaning. This caused some uncertainties.

In this regard, the Third Circuit court attempted to elaborate the relevant criteria for this specific purpose in *Duraco Products, Inc. v. Joy Plastic Enterprises, Ltd.*, namely it formulated its own standards to determine inherent distinctiveness of trade dress:

For a product configuration to be inherently distinctive and protected under the Lanham Act, it must be unusual or memorable, conceptually separable from the product, and likely to serve primarily as a designator of origin of the product.⁸⁰

These criteria were explained, interpreted and applied by the Third Circuit court while settling the *Duraco* case. Specifically, with regard to the first criterion of inherent distinctiveness of trade dress the court said that "the first factor requires that the design has to be unusual and memorable".⁸¹ By referring to the terms "unusual" and "memorable", the court meant the following:

To be unusual, [...] the design must have 'individualised appearance', so that a consumer could rely on that look to identify the design as a source. The term 'memorable' is used to describe the impact the individualised appearance should have [...] that is, it should be 'likely to be actually and distinctly remembered'; furthermore, the product's design could not be commonly used in the industry.⁸²

The second criterion to examine whether the trade dress is inherently distinctive, which was expressed by the Third Circuit court in *Duraco* case, sounds as follows:

⁷⁹ Dana Shilling. "Essentials of Trademarks and Unfair Competitions," Wiley Publishing (2002), 126.

⁸⁰ *Duraco Products, Inc. v. Joy Plastic Enterprises, Ltd.*, 822 F. Supp. 1202 (W.D. Pa. 1993) cited from: Willajeanne F. McLean. "Opening Another Can of Worms: Protecting Product Configuration as Trade Dress," University of Cincinnati Law Review, Vol. 66 (1997), 119.

⁸¹ *Duraco Products, Inc. v. Joy Plastic Enterprises, Ltd.*, 822 F. Supp. 1202 (W.D. Pa. 1993) cited from: Willajeanne F. McLean. "Opening Another Can of Worms: Protecting Product Configuration as Trade Dress," University of Cincinnati Law Review, Vol. 66 (1997), 121.

⁸² *Duraco Products, Inc. v. Joy Plastic Enterprises, Ltd.*, 822 F. Supp. 1202 (W.D. Pa. 1993) cited from: Willajeanne F. McLean. "Opening Another Can of Worms: Protecting Product Configuration as Trade Dress," University of Cincinnati Law Review, Vol. 66 (1997), 122.

The second factor, conceptual separability, was defined [...] as being recognisable by the consumer as an indication of source, rather than a decorative symbol or pattern [...] this requirement would ensure that a consumer would see the configuration as an identifier of source, and not just experience the design of packaging as a mere decoration.⁸³

The last criterion for evidence of inherent distinctiveness, which was mentioned by the Third Circuit court, was the one saying that the configuration of product primarily has to serve as a designation of source of such product, namely the court stated the following:

A consumer would have to perceive the configuration as an indicator of source. If the consumer did not realise that configuration indicated source, then it could only be protected with a showing of secondary meaning.⁸⁴

It seems from the above mentioned *Duraco* case that the Third Circuit court has taken several steps towards clarifying the benchmark of inherently distinctive trade dress, and therefore based its criterions on providing evidences related to consumer comprehension of the visual appearance of goods or the business where such goods are actually offered. However, as Willajeanne F. McLean mentioned in her article “Opening Another Can of Worms: Protecting Product Configuration as Trade Dress”, those criterions were subject to criticism and consequently were ignored further by other Circuit courts, a bit later became completely abandoned and now are no longer been used. Basically, she expressed the set of reasons for this as follows:

For example, in *Stuart Hall Co. v. Ampad Corp.*, the Eight Circuit court declined to follow the lead of the Third Circuit court when faced with similar circumstances. In *Stuart Hall* decision, the plaintiff claimed that the design of its business organisers was infringed [...] The Eight Circuit used the *Abercrombie* trademark classification factors, and not the factors expressed in *Duraco*, basing its decision on its interpretation of the *Two Pesos v. Taco Cabana* decision [...] According to its reading of the *Two Pesos* decision, trade dress is a unitary concept which comprises product packaging and product configuration; therefore, product configuration, like product packaging, may be found inherently distinctive without further proofs being necessary [...] Thus, the Eight Circuit court held that there was no need to make a distinction

⁸³ *Duraco Products, Inc. v. Joy Plastic Enterprises, Ltd.*, 822 F. Supp. 1202 (W.D. Pa. 1993) cited from: Willajeanne F. McLean. “Opening Another Can of Worms: Protecting Product Configuration as Trade Dress,” *University of Cincinnati Law Review*, Vol. 66 (1997), 123.

⁸⁴ *Duraco Products, Inc. v. Joy Plastic Enterprises, Ltd.*, 822 F. Supp. 1202 (W.D. Pa. 1993) cited from: Willajeanne F. McLean. “Opening Another Can of Worms: Protecting Product Configuration as Trade Dress,” *University of Cincinnati Law Review*, Vol. 66 (1997), 123.

between product configuration and trade dress. Furthermore, the Eight Circuit declined to adopt the *Duraco* factors because they too closely resembled the secondary meaning requirement which was eliminated by the Supreme Court.⁸⁵

Considering expressed by courts argumentation about the necessity to reject the approach introduced by the Third Circuit court in *Duraco* case, it is possible to find a logic in this approach: should the product packaging be unusual, memorable and conceptually separable, then it can be regarded as one that already possesses secondary meaning. Thereby, this approach would pervert the concept developed by the Supreme Court in *Two Pesos v. Taco Cabana* decision, which replaced the requirement to demonstrate secondary meaning of trade dress, should it be inherently distinctive. Furthermore, the Second Circuit court in the case *Landscape Forms, Inc. v. Columbia Cascade Co.* declared even more concrete arguments against such approach:

The court was concerned that its case law appeared to balkanise the federal law of trade dress into two distinct areas – product configuration and trade dress – each with its own separate tests.⁸⁶

Therefore, although this approach might look at a first glance reasonably substantiated, should it be accepted by other courts, it would destroy the basis of already well-established case law. And hence, it hadn't become widespread further.

Another notable case regarding protection of trade dress and which considerably clarified issue of distinctiveness is *Wal-Mart Stores, Inc. v. Samara Brothers, Inc.*

This case concerned production and distribution of textile products, which had similar chequered pattern. Specifically, that was a case between Samara Brothers, Inc., which designed and manufactured children's clothing, and Wal-Mart Stores, Inc., which was the largest retail company. The subject to the judgement of the court were textile garments that were originally created by the Samara Brothers, Inc., but which were used as a sample for imitation by other producer. Further on, the court established the following:

In 1995, Wal-Mart contracted with one of its suppliers, Judy-Philippine, Inc., to manufacture a line of children's outfits for sale in the 1996 spring/summer season. Wal-Mart sent Judy-Philippine photographs of a number of garments from Samara's

⁸⁵ Willajeanne F. McLean. "Opening Another Can of Worms: Protecting Product Configuration as Trade Dress," *University of Cincinnati Law Review*, Vol. 66 (1997), 132.

⁸⁶ *Landscape Forms, Inc. v. Columbia Cascade Co.* 117 F. Supp. 2d 360 (S.D.N.Y. 2000) cited from: Willajeanne F. McLean. "Opening Another Can of Worms: Protecting Product Configuration as Trade Dress," *University of Cincinnati Law Review*, Vol. 66 (1997), 135.

line, on which Judy-Philippine's garments were to be based; Judy-Philippine duly copied, with only minor modifications.⁸⁷

Eventually, the above mentioned fact became known to Samara Brothers, Inc. and they conducted their own investigation which established the fact that the Wal-Mart was selling the knock-offs of textile garments of the Samara Brothers, Inc.. In this regard, Samara Brothers, Inc. send a cease-and-desist letter to Wal-Mart, in which they asked to stop selling the look-alike products. The Wal-Mart refused, thus Samara Brothers, Inc. filed a suit to the court for infringement of unregistered trade dress. At first sight, it might appear that this case had to be resolved in the same way as was already settled dispute between *Taco Cabana, Inc. v. Two Pesos, Inc.*, however despite the reasoning in that decision the court chose another way and ruled in favour of respondent – Wal-Mart Stores, Inc..⁸⁸

The court firstly stated that the Two Pesos case is not applicable here since in that occasion it concerned the issued of trade dress decor, while this case deals with trade dress design. And therefore, it is necessary to apply a criterion of establishing the presence of secondary meaning with regard to the design of textile garment of the applicant. Notably, the court provided the following:

It seems to us that design, like colour, is not inherently distinctive. The attribution of inherent distinctiveness to certain categories of word marks and product packaging derives from the fact that the very purpose of attaching a particular word to a product, or encasing it in a distinctive packaging, is most often to identify the source of the product. And where it is not reasonable to assume consumer predisposition to take an affixed word or packaging as indication of source — where, for example, the affixed word is descriptive of the product ('Tasty' bread) or of a geographic origin ('Georgia' peaches) — inherent distinctiveness will not be found.⁸⁹

The court continued its reasoning by diligently assessing the distinctiveness from the standpoint of customers and their perception of product design, notably:

In the case of product design, as in the case of colour, we think consumer predisposition to equate the feature with the source does not exist. Consumers are aware of the reality that, almost invariably, even the most unusual of product designs — such as a cocktail shaker shaped like a penguin — is intended not to identify the source, but to render the product itself more useful or more appealing.⁹⁰

⁸⁷ Wal-Mart Stores, Inc. v. Samara Brothers, Inc. 529 U.S. 205 (2000), para. 207.

⁸⁸ Wal-Mart Stores, Inc. v. Samara Brothers, Inc. 529 U.S. 205 (2000), para. 208.

⁸⁹ Wal-Mart Stores, Inc. v. Samara Brothers, Inc. 529 U.S. 205 (2000), para. 212.

⁹⁰ Wal-Mart Stores, Inc. v. Samara Brothers, Inc. 529 U.S. 205 (2000), para. 213.

In this vein, the court mentioned further on that application of inherent distinctiveness test alone without conducting examination whether there is any secondary meaning conveyed does not make much sense: “The fact that product design almost invariably serves purposes other than source identification not only renders inherent distinctiveness problematic; it also renders application of an inherent-distinctiveness principle more harmful to other consumer interests”.⁹¹

On top of that the court stressed out the point that trademark protection of trade dress product design will unavoidably affect and eventually distort the competition, resulting in the monopolising of aesthetic features of products by a very limited range of companies:

Consumers should not be deprived of the benefits of competition with regard to the utilitarian and aesthetic purposes that product design ordinarily serves by a rule of law that facilitates plausible threats of suit against new entrants based upon alleged inherent distinctiveness [...] Consumers should not be deprived of the benefits of competition with regard to the utilitarian and aesthetic purposes that product design ordinarily serves by a rule of law that facilitates plausible threats of suit against new entrants based upon alleged inherent distinctiveness. Competition is deterred, however, not merely by successful suit but by the plausible threat of successful suit, and given the unlikelihood of inherently source-identifying design, the game of allowing suit based upon alleged inherent distinctiveness seems to us not worth the candle.⁹²

By illustrating with a relevant example the above mentioned concern regarding impact on competition, the court also added that should the companies seek protection for their product design they can rely upon the design law. And only in case when within the duration period of the design patent their product design has acquired distinctiveness and obtained a secondary meaning, it may be appropriate to consider the possibility of granting to it the trademark protection. Specifically, the argumentation of the court on this issue was as follows:

That is especially so since the producer can ordinarily obtain protection for a design that *is* inherently source identifying (if any such exists), but that does not yet have secondary meaning, by securing a design patent or a copyright for the design — as, indeed, respondent did for certain elements of the designs in this case. The availability of these other protections greatly reduces any harm to the producer that might ensue

⁹¹ Wal-Mart Stores, Inc. v. Samara Brothers, Inc. 529 U.S. 205 (2000), para. 213.

⁹² Wal-Mart Stores, Inc. v. Samara Brothers, Inc. 529 U.S. 205 (2000), para. 214.

from our conclusion that a product design cannot be protected under Section 43(a) without a showing of secondary meaning.⁹³

The consequences of the *Wal-Mart Stores, Inc. v. Samara Brothers, Inc.* case were analysed and commented by Ingrida Karins Berzins in her article “The Emerging Circuit Split over Secondary Meaning in Trade Dress Law”. She expressed an opinion that although the decision had left some topical issues of trade dress protection unsolved, it introduced the way more concrete treatment for qualification of criterions of the distinctiveness requirement. Specifically, she said the following:

Wal-Mart case affected the law of product design trade dress in two ways. First, it clarified the distinctiveness requirement for trade dress. Second, it narrowed the scope of protection available and thereby created incentives for trade dress owner to argue that their marks are product packaging rather than product design. Contrary to initial fears expressed at the time of the decision, *Wal-Mart* case does not stand for the proposition that trade dress cannot be protected. Instead, as in the cases discussed below, it has even assisted product design owners to prevail against infringers. Yet the decision has rightly been criticised for confusing as much as clarifying the issue.⁹⁴

Another very interesting opinion on the *Wal-Mart Stores, Inc. v. Samara Brothers, Inc.* case was articulated by Jonathan Moskin, Partner at Foley & Lardner LLP (New York), in panel discussion entitled ‘The Global Contours of IP Protection for Trade Dress, Industrial Design, Applied Art, and Product Configuration’. He was very critical about the approach established by the court in this case and suggested reasons of this line of argument that lead to this decision:

Following the *Samara Brothers* decision, Congress stepped in and essentially created a presumption that trade dress, trade dress generally, and not simply the thing itself, is functional [...] I was interested in what Justice Scalia said which was that “consumers should not be deprived of the benefits of competition with regard to the utilitarian and aesthetic purposes that product design ordinarily serves” [...] He was grouping together the utilitarian and the aesthetic. The Supreme Court meant to bar protection for aesthetically functional products or designs. I think he was certainly throwing all

⁹³ *Wal-Mart Stores, Inc. v. Samara Brothers, Inc.* 529 U.S. 205 (2000), para. 214.

⁹⁴ Ingrida Karins Berzins. “The Emerging Circuit Split over Secondary Meaning in Trade Dress Law,” *U. Pa. L. Rev.*, Vol. 152 (2004), 1664.

these things together because of the anti-competitive nature of extending protection too broadly to product designs.⁹⁵

However, Glynn S. Jr. Lunney, Professor of Law at the Tulane University School of Law, provided a comment regarding the *Wal-Mart* decision, as well as gave his own appraisal on the approach elaborated in *Two Pesos, Inc.* case. in his article ‘The Trade Dress Emperor’s New Clothes: Why Trade Dress Does Not Belong On the Principal Register’. Namely, he mentioned that in *Two Pesos, Inc.* the court have chosen a wrong direction of development of the court practice, while in *Wal-Mart* case the court corrected it, although not completely:

Where the Court in *Two Pesos, Inc.* [...] had unanimously agreed to expand trade dress protection and abolish some longstanding common law limitation. on trade dress protection, the *Wal-Mart* Court unanimously agreed to restrict trade dress protection and retain a longstanding common law limitation. In doing so, the Court avoided the mistake of attributing significance to congressional silence regarding a secondary meaning requirement for trade dress. Rather than misread congressional silence as resolving the issue, the Court undertook to determine on its own the rule that appropriately balanced the competing consumer interests at stake.⁹⁶

It follows from the thoughts stipulated above that the court decision in *Wal-Mart Stores, Inc. v. Samara Brothers, Inc.* was met with mixed reactions by scholars and practitioners. The first group of them found the court decision as a positive development in a realm of trade dress protection since it had considerably narrowed the scope of objects that can be protected via trade dress and hence allowed to avoid the monopolising of some industries by a very limited list of corporations. The second group was very skeptical whether there is any positive effect of the approach established by this court decision, furthermore some of them even mentioned that this case provided a significant setback for all the case law path elaborated by previous court practice with regard to trade dress protection.

3.2. Overview of Distinctiveness Requirement in the EU

The distinctiveness requirement seems to be the way more stringent in the EU than in the USA, because courts apply ‘departs significantly’ test which provides that regarded as inherently distinctive could be only the marks that do not appeal by its appearance in any sense

⁹⁵ Panel Discussion: “The Global Contours of IP Protection for Trade Dress, Industrial Design, Applied Art, and Product Configuration,” *Fordham Intellectual Property Law Journal*, Vol. 20 (2010), 783.

⁹⁶ Glynn S. Jr. Lunney. “The Trade Dress Emperor’s New Clothes: Why Trade Dress Does Not Belong on the Principal Register,” *Hastings Law Journal*, Vol. 51 (2000), 1133.

to the industry of products claimed by such trademark. At the same time, the overall approach employed in the EU regarding distinctiveness resonates with respective approach that is widespread in the USA.

As it was mentioned by Jean-Christophe Troussel and Stefaan Meuwissen in their article ‘Because consumers do actually eat trade marks: an assessment of current law regarding non-conventional trade marks in the European Union’ to figure out the basis for legal framework of distinctiveness requirement it is needed to “read this requirement together with some of the absolute grounds of refusal, namely those dealing with trade marks that do not constitute a sign, trade marks that are devoid of distinctive character, descriptive signs, and signs that have become customary – these absolute grounds of refusal therefore seem to be elaborations of the basic requirement of capacity to distinguish”.⁹⁷

With regard to shape marks that respectively are capable of constituting a trade dress Jean-Christophe Troussel and Stefaan Meuwissen found that CJEU elaborated a specific criterion concerning the compliance with distinctiveness requirement. Notably, they mentioned that analysis of this aspect strongly tailored to the perception of shape by consumers and stated as follows:

In practice, the CJEU has taken as a premise that, as it was mentioned in *Freixenet v OHIM*, ‘average consumers are not in the habit of making assumptions about the origin of products on the basis of their shape or the shape of their packaging in the absence of any graphic or word element’ and on that premise has imposed that, in substance, only shape marks which depart significantly from the norm or customs of the sector may possess distinctive character.⁹⁸

In this regard, the CJEU established a practice that three-dimensional trademarks which represent the shape of a product itself (or are derived from the technical properties of such product) cannot be granted with legal protection, shouldn’t they be significantly different from the product that they are intended to protect. Considering this fact, it is necessary to mention that protection of objects that can be regarded as a trade dress is reasonably complicated in the EU. This will be illustrated by relevant examples from the court practice of the CJEU that are related to the protection of shape as a three-dimensional trademark.

⁹⁷ Jean-Christophe Troussel, Stefaan Meuwissen. “Because consumers do actually eat trade marks: an assessment of current law regarding non-conventional trade marks in the European Union,” ERA – 2012, 140.

⁹⁸ Jean-Christophe Troussel, Stefaan Meuwissen. “Because consumers do actually eat trade marks: an assessment of current law regarding non-conventional trade marks in the European Union,” ERA – 2012, 142.

The first case that has to be taken into account is *Henkel KGaA v. OHIM*. Actually, it was one of the first cases settled by the CJEU with regard to trademark protection of the shape that respectively can fall within the scope of trade dress definition. The case concerned an issue of registration as three-dimensional trademark of the shape of dishwashing tablets of red-and-white (or also red-and-green) colour scheme, design of which was devoid of any word designations. The goods in respect of which the registration of trademark was asked are in class 3 of the Nice Agreement concerning the International Classification of Goods and Services for the Purpose of the Registration of Marks of 15 June 1957 (hereinafter, Nice Classification). The description for goods was stated as “washing or dishwashing preparations in tablet form”.⁹⁹

Basically, in 1997, Henkel KGaA applied to the OHIM for registration of visual appearance of its dishwashing tablets as a three-dimensional trademark, however the OHIM rejected the application arguing that the claimed trademark was void of distinctive character and also provided an argument that “a three-dimensional shape has to be sufficiently unique to imprint itself easily on the mind and to stand out from whatever is normal in trade”.¹⁰⁰ It follows from this statement that while considering possibility of obtaining the trademark protection for three-dimensional sign which can constitute configuration of product itself, it is necessary to examine the potential link between the shape of product and the already established customs in the sector of economy, where the trademark claimant is conducting commercial activity. The OHIM also found that claimed trademark in this case in fact “consists of the shape and the colour arrangement of a washing machine or dishwasher tablet, that is, of the design of the product itself”.¹⁰¹

At the same time, the OHIM admitted that generally “both a product’s shape and its colours fall among the signs which may constitute a trademark”.¹⁰² But in so doing, the OHIM added important note that “the fact that a category of signs is, in general, capable of constituting a trademark does not mean that signs belonging to that category necessarily have distinctive character”.¹⁰³

Further, the OHIM added that the Regulation № 40/94 does not distinguish between different categories of trademarks and thus “the criteria for assessing the distinctive character

⁹⁹ Henkel KGaA v OHIM (C-456/01P) EU:C:2004:258, para. 6.

¹⁰⁰ Henkel KGaA v OHIM (C-456/01P) EU:C:2004:258, para. 8.

¹⁰¹ Henkel KGaA v OHIM (C-456/01P) EU:C:2004:258, para. 10.

¹⁰² Henkel KGaA v OHIM (C-456/01P) EU:C:2004:258, para. 10.

¹⁰³ Henkel KGaA v OHIM (C-456/01P) EU:C:2004:258, para. 10.

of three-dimensional trademarks consisting of the shape of the product itself are therefore no different from those applicable to other categories of trademarks”.¹⁰⁴

With regard to criterion that must be applied for assessment of the distinctive character of three-dimensional trademark the OHIM mentioned that “account must be taken of the fact that the perception of the relevant section of the public is not necessarily the same in relation to a three-dimensional mark [...] as it is in relation to a word mark, a figurative mark or a three-dimensional mark not consisting of the shape of the product”.¹⁰⁵ In addition, the OHIM also provides reasoning of this statement, namely that “whilst the public is used to recognising the latter marks instantly as signs identifying the product, this is not necessarily so where the sign is indistinguishable from the appearance of the product itself”.¹⁰⁶

Eventually, in consideration of the refusal of the OHIM, the applicant resorted to address to the Board of Appeal to seek review of that decision regarding registration of three-dimensional trademark.

The Board of Appeal decided not to risk with such issue and accepted the same approach as was applied by the OHIM, however enhanced its line of argumentation. Considering the distinctiveness issue among the consumers, Board of Appeals set a threshold with regard to the determination of relevant consumers and stated the following:

As regards to the perception of the public concerned, the products for which trademark registration was sought in the present case, namely washing machine and dishwasher products in tablet form, are widely used consumer goods. The public concerned, in the case of these products, is all consumers. Therefore, in any assessment of the distinctive character of the mark for which registration is sought, account must be taken of the presumed expectations of an average consumer who is reasonably well informed and reasonably observant and circumspect.¹⁰⁷

In addition to the mentioned above, the Board of Appeal stated that “three-dimensional shape for which registration has been sought [...] is one of the basic geometrical shapes and is an obvious one for a product intended for use in washing machines or dishwashers”.¹⁰⁸ Furthermore, the colour scheme utilised by the applicant did not look convincing enough for the the Board of Appeal and therefore it stated that “as to the tablet’s two layers, the public concerned is used to seeing different colour features in detergent preparations [...] The

¹⁰⁴ Henkel KGaA v OHIM (C-456/01P) EU:C:2004:258, para. 10.

¹⁰⁵ Henkel KGaA v OHIM (C-456/01P) EU:C:2004:258, para. 10.

¹⁰⁶ Henkel KGaA v OHIM (C-456/01P) EU:C:2004:258, para. 10.

¹⁰⁷ Henkel KGaA v OHIM (C-456/01P) EU:C:2004:258, para. 10.

¹⁰⁸ Henkel KGaA v OHIM (C-456/01P) EU:C:2004:258, para. 10.

coloured particles thus suggest certain qualities, although that does not mean that they can be regarded as a descriptive indication in terms of Article 7(1)(c) of the Regulation № 40/94”.¹⁰⁹

The Board of Appeal pointed out, however, that even in case the colour scheme is not intended for any functional purpose and does not lead to any technical result, it does not mean that such colour scheme has to be automatically regarded distinctive. Specifically, the court mentioned that should there be any presumption among the consumers that the coloured configuration of product indicates that a product has certain properties, it should be concluded that this sign doesn’t possess a distinctive character. The court also added in this regard that “the fact that consumers may nevertheless get into the habit of recognising the product from its colours is not enough, in itself, to preclude grounds for refusal based on Article 7(1)(b) of the Regulation № 40/94”.¹¹⁰

While addressing the issue of specific colour scheme utilised by the applicant, the Board of Appeal conducted a research on the this combination of colours and established that “the use of basic colours, such as blue or green, is commonplace and is even typical of detergents [...] The use of other basic colours, such as red or yellow, is one of the most obvious variations on the typical design of these products”.¹¹¹ In this regard, the Board of Appeal has determined that the “three-dimensional mark applied for consists of a combination of obvious features typical of the product concerned”.¹¹² It follows that this colour combination is a commonplace among other products of such kind. Thus, the Board of Appeal finally concluded that “given the overall impression created by the shape of the tablet in question and the arrangement of its colours, the mark applied for will not enable consumers to distinguish the products concerned from those having a different trade origin when they come to select a product for purchase.”¹¹³ While expanding its line of argumentation, the Board of Appeal also made an interesting statement regarding information about the relevant market provided by the applicant, namely that it “is not affected how many similar tablets are already on the market”.¹¹⁴ Consequently, the Board of Appeal presumed that the “tree-dimensional mark applied for is devoid of any distinctive character”.¹¹⁵

Eventually, Henkel KGaA submitted an appeal to CJEU to challenge the decision issued by the OHIM and subsequently register the shape of coloured dishwashing tablet as a three-

¹⁰⁹ Henkel KGaA v OHIM (C-456/01P) EU:C:2004:258, para. 10.

¹¹⁰ Henkel KGaA v OHIM (C-456/01P) EU:C:2004:258, para. 10.

¹¹¹ Henkel KGaA v OHIM (C-456/01P) EU:C:2004:258, para. 10.

¹¹² Henkel KGaA v OHIM (C-456/01P) EU:C:2004:258, para. 10.

¹¹³ Henkel KGaA v OHIM (C-456/01P) EU:C:2004:258, para. 10.

¹¹⁴ Henkel KGaA v OHIM (C-456/01P) EU:C:2004:258, para. 10.

¹¹⁵ Henkel KGaA v OHIM (C-456/01P) EU:C:2004:258, para. 11.

dimensional trademark. In substantiation of its appeal, Henkel KGaA stated that “the Court of First Instance had erred in application and interpretation of Article 7(1)(b) of the Regulation № 40/94”.¹¹⁶ Namely, the applicant focused on the fact that the OHIM utilised a wrong approach to assess whether the shape of the applied trademark was considerably evident and mentioned that in cases like this “it should have confined itself to ascertaining whether the features of these tablets were different from those which are customary for such products or whether they had to be used because of technical requirements”.¹¹⁷

On top of that, Henkel KGaA was rather adamant with regard to the argumentation of Board of Appeal, specifically it mentioned that the Board of Appeal had erred while making a “statement that the various colours used in a detergent product are not perceived as an indication of the product’s origin but merely suggest to the consumer that the product contains various active ingredients”.¹¹⁸ As to the public recognition of the shape of dishwashing tablet, the applicant said that the “public perceived the arrangement of colours as an individual feature of the get-up of a particular detergent product”.¹¹⁹

Furthermore, Henkel KGaA pointed out to the fact that it was the only company utilising the specific colour for such products on the market that also should be considered while assessing the compliance with distinctiveness criterion. Specifically, the applicant’s claim was as follows:

In its assessment of the distinctive character of the trademark for which registration is sought, the Court of First Instance should not have disregarded the fact that Henkel was the only undertaking to use the colour red for detergent products. It is important for the purpose of assessing whether that mark has distinctive character that the public is able to associate the product with the owner of the trade mark purely on that basis, Henkel KGaA being alone in using red for such products.¹²⁰

While taking into account the statement that the claimed trademark is a primitive geometrical form with a colour scheme consisting of common colours and thus granting a legal protection to it would distort the competition, the applicant countered and provided two convincing arguments on the issue. Specifically, with regard to the shape, applicant stressed that it is up to producer to choose the specific shape of a product, which respectively depends solely upon technical requirements that are set towards product; applicant also mentioned that

¹¹⁶ Henkel KGaA v OHIM (C-456/01P) EU:C:2004:258, para. 18.

¹¹⁷ Henkel KGaA v OHIM (C-456/01P) EU:C:2004:258, para. 18.

¹¹⁸ Henkel KGaA v OHIM (C-456/01P) EU:C:2004:258, para. 19.

¹¹⁹ Henkel KGaA v OHIM (C-456/01P) EU:C:2004:258, para. 19.

¹²⁰ Henkel KGaA v OHIM (C-456/01P) EU:C:2004:258, para. 20.

competitors, in the meantime, are not limited in choosing any other shape since, from a technical standpoint, it is possible to use any other shape for such tablets.¹²¹ As to colours, applicant argued that in fact any combination of colours is intended only for distinguishing goods, but not to performance of any function, namely he stated that “there is no need to preserve the availability of the specific arrangement of colours [...] If the consumer comes across an arrangement of colours, he will not perceive it as indicative of a technical requirement but as the free and imaginative expression of the product’s individuality”.¹²²

Responding to concerns raised in the appeal of Henkel KGaA, the OHIM rejected all of the arguments of applicant regarding compliance of the claimed trademark with distinctiveness requirement and supplementary criteria related to it, such as the recognition of a shape as a designation of origin among the customers. The OHIM provided persuasive arguments on this from the perspective of consumers, in particular that consumers may evaluate the specific combination of colours and conclude that each colour is intended to symbolise particular chemical substance. Further, it provided relevant reasoning on the issue why the colour configuration does not have to be regarded as the source of origin of the product, in particular “the consumer does not ask himself any questions about the exact composition and effect of the tablet’s colouring agents but, mostly, will assume that the colours are indicative of two ingredients with different properties, not that they are a means of identifying the product’s origin”.¹²³ Thus, it was concluded that the mere colour in the mind of consumers of such products cannot serve as a designation of origin, but rather point to the characteristics of it. As to the geometrical shape of the claimed trademark, the OHIM mentioned that consumers do not ordinarily distinguish different shapes while purchasing products of such kind and said that “a washing machine or dishwasher tablet is primarily functional and, for the consumer, a rectangle or any other basic shape is obvious and usual for that type of product”.¹²⁴ It also provided well-grounded reasoning for application of this approach by stating the following:

The shape of the product itself does not serve to indicate the product’s origin save in exceptional cases. That does not derive from distinct, more stringent, legal rules. Rather, it arises as the result of a factual situation, namely the way in which consumers perceive the products concerned.¹²⁵

¹²¹ Henkel KGaA v OHIM (C-456/01P) EU:C:2004:258, para. 22.

¹²² Henkel KGaA v OHIM (C-456/01P) EU:C:2004:258, para. 23.

¹²³ Henkel KGaA v OHIM (C-456/01P) EU:C:2004:258, para. 25.

¹²⁴ Henkel KGaA v OHIM (C-456/01P) EU:C:2004:258, para. 25.

¹²⁵ Henkel KGaA v OHIM (C-456/01P) EU:C:2004:258, para. 25.

The OHIM also expressed a threshold which should be fulfilled for shapes constituting a product itself to be registered as a three-dimensional trademark considering the circumstances of this specific case:

Tablets of this kind, for washing machines or dishwashers, are eligible for protection only if and when, following extremely widespread use, they have managed to establish themselves as signs of a particular manufacturer.¹²⁶

While resolving this case, the CJEU took the side of the OHIM and refused to register the three-dimensional trademark. Basically, the grounds for issuing of this decision corresponded to the reasoning provided by the OHIM. Specifically, the CJEU stated that “the more closely the shape for which registration is sought resembles the shape most likely to be taken by the product in question, the greater the likelihood of the shape being devoid of any distinctive character for the purposes of Article 7(1)(b) of the Regulation № 40/94”.¹²⁷ Ultimately, the court declared that possibility of registration of three-dimensional trademark that consists of the shape of product itself can be provided only in case when it is possible to draw the borderline clearly between the claimed trademark and the industry where the company claiming the protection is operating. Notably, in this regard, the court stated that “only a trade mark which departs significantly from the norm or customs of the sector and thereby fulfils its essential function of indicating origin, is not devoid of any distinctive character for the purposes of that provision”.¹²⁸

Summing up the decision of the CJEU in this case, it is possible to presume that the key criterion for obtaining a trademark protection of a shape of product itself is that there has to be proven a fact of presence of strong association between the shape of product and the producer. Otherwise, in case when it is not possible to separate the properties of product and the shape of a claimed trademark, there is no possibility to get a trademark protection.

Another important case related to distinctiveness criterion with regard to trade dress protection is *Mag Instrument, Inc. v. OHIM*. This case involved an issue of registration of the three-dimensional trademark composed of torch shape in black-and-red colour scheme, design of which didn't include any word designations. The goods in respect of which the registration of trademark was asked are in classes 9 and 11 of the Nice Classification. The description for goods was stated as “accessories for apparatus for lighting, in particular for flashlights

¹²⁶ Henkel KGaA v OHIM (C-456/01P) EU:C:2004:258, para. 27.

¹²⁷ Henkel KGaA v OHIM (C-456/01P) EU:C:2004:258, para. 39.

¹²⁸ Henkel KGaA v OHIM (C-456/01P) EU:C:2004:258, para. 39.

(torches)”¹²⁹ and “apparatus for lighting, in particular flashlights (torches), including parts and accessories”.¹³⁰

Initially, in 1996, the applicant filed several applications for three-dimensional trademarks at the OHIM. Three-dimensional marks in respect of which registration was asked were five shapes of torches, which had been produced and distributed by the applicant. The OHIM originally rejected the application submitted by the applicant and based this decision on the fact that “that the marks applied for were devoid of any distinctive character”.¹³¹

Further on, the applicant filed an appeal to the Board of Appeal, however it also rejected its application for registration of the three-dimensional trademark by pointed out that this shape “would not immediately convey to the average purchaser of torches that the torch comes from a particular source, but rather to the representation that simply indicates that it is a torch”.¹³²

This resulted in the fact that applicant addressed with this issue to the CJEU. The applicant mostly based its appeal on the fact that the shape of torches acquired its distinctiveness and so far “internationally recognised as distinctive, as is demonstrated by numerous references to those torches in various books, by the fact that they are on display in several museums and by the fact that they have won international awards”.¹³³

The response of the CJEU with regard to this issue was that the shape of the claimed trademark could not be regarded distinctive basically due to its cylindrical form, which is a commonplace for torches. Moreover, the court found that “rather than enabling the product to be differentiated and linked to a specific commercial source, therefore, the effect of the marks claimed is to give the consumer an indication as to the nature of the product”.¹³⁴

While considering this case further, the court also stated that “the evidence intended to show the excellence of the design of those torches and their aesthetic and functional qualities did not show that the marks in question possessed distinctive character *ab initio*, but was capable only of demonstrating that they might become distinctive in consequence of the use made of them”.¹³⁵

In the view of the mentioned above court statement, it can be seen from the case that the court admitted the possibility of presence of acquired distinctiveness in the shape claimed for a three-dimensional trademark, albeit in fact didn’t take it into consideration.

¹²⁹ Mag Instrument, Inc. v OHIM (C-136/02P) EU:C:2004:592, para. 5.

¹³⁰ Mag Instrument, Inc. v OHIM (C-136/02P) EU:C:2004:592, para. 5.

¹³¹ Mag Instrument, Inc. v OHIM (C-136/02P) EU:C:2004:592, para. 8.

¹³² Mag Instrument, Inc. v OHIM (C-136/02P) EU:C:2004:592, para. 8.

¹³³ Mag Instrument, Inc. v OHIM (C-136/02P) EU:C:2004:592, para. 10.

¹³⁴ Mag Instrument, Inc. v OHIM (C-136/02P) EU:C:2004:592, para. 10.

¹³⁵ Mag Instrument, Inc. v OHIM (C-136/02P) EU:C:2004:592, para. 14.

Eventually, the court ruled in favour of the OHIM and stated that in connection with the arguments provided before, the shape of the claimed trademark cannot be regarded as those that has any distinctive character. The CJEU also provided respective reasoning which lead to this decision, in particular it stated that there is no rationale for recognition of distinctiveness in the claimed shape, because consumers usually associate any form with some functional effect, and mentioned that “consumers do not normally make any precise connection between the three-dimensional shape of a product and that product’s particular origin, but restrict themselves to perceiving that shape as having technical or aesthetic advantages, or even do not attach any special meaning to it at all”.¹³⁶ The court expanded its argument by saying that to serve as an indication of origin for the claimed trademark it is not enough when the shape of product is simply different from the respective shapes of competitors, because to be distinctive it “must also have some striking ‘feature’ which attracts attention”.¹³⁷ Based on this, the court established a threshold for granting protection to the shapes depending on the particular market by mentioning that “the shape of a product is, on any basis, devoid of a distinctive character where it is common to goods in the sector concerned and similar in kind to the usual shapes of those goods”.¹³⁸

It follows from the stated above arguments provided by court that to be protected as a three-dimensional trademark the shape has to be not only different from other respective shapes on the market, but it also should possess a ‘feature’ that is capable of drawing attention of consumers of the product covered by the claimed trademark.

To sum up the approach applied by the CJEU regarding distinctiveness threshold, as it was already mentioned earlier, it may appear to be more stringent than in the USA. However, taking into account and juxtaposing the reasoning stated in the *Wal-Mart* case in the USA and arguments provided in *Mag Instrument* case in the EU, it is possible to conclude that at some point they reverberate to each other, although there may be a slight difference in the rationale utilised by courts.

3.3. Overview of Distinctiveness Requirement in Ukraine

In Ukraine, the court practice with regard to trademark protection of objects that shall be regarded as a trade dress is not developed that much, although there are some notable cases which allow to see the trend of further development of the protection of trade dress-like objects.

¹³⁶ *Mag Instrument, Inc. v OHIM* (C-136/02P) EU:C:2004:592, para. 27.

¹³⁷ *Mag Instrument, Inc. v OHIM* (C-136/02P) EU:C:2004:592, para. 27.

¹³⁸ *Mag Instrument, Inc. v OHIM* (C-136/02P) EU:C:2004:592, para. 27.

Specifically, there was a case regarding the issue of registration of a trademark for protection of the visual appearance of the product, namely the appearance of the automobile. Jaguar Land Rover, Ltd., a famous automotive corporation, decided to register as a trademark in Ukraine the visual appearance of its flagship car – Range Rover Evoque. In the first place, company applied for registration of the trademark, but State body ‘Ukrpatent’, an official body authorised to register different kinds of objects of intellectual property, in particular trademarks, concluded that there are no grounds for registration of such trademark. Namely, the last one stated that an “image in application is descriptive with regard to general term ‘automobile’ because it is a realistic representation of a particular type of car, both real and toy model, and thus indicates the kind of product to be labeled”.¹³⁹ Another aspect which was mentioned by the State body ‘Ukrpatent’ was that this image can potentially deceive the customers.

As a result, Jaguar Land Rover, Ltd. filed an appeal to the Appellate body of the Ministry of Economic Development and Trade of Ukraine. Applicant respectively pointed out in his appeal that the image indicated in application is authentic and original thanks to its “original and futuristic design of a car, the V-shaped body silhouette, and some other distinctive elements of the design of that car such as ‘floating’ roof, a growing line of glazing of doors and narrow rear window”.¹⁴⁰ Additionally, applicant provided information that the image of this specific car acquired distinctiveness among the consumers due to “long-term use of the image by applicant and also by virtue of significantly increased sales of cars produced by Jaguar Land Rover, Ltd. on the market of Ukraine”.¹⁴¹ Furthermore, in support of the statement about the possibility of registration of marks showing the visual appearance of cars, the applicant in his appeal provided an information on the numerous cases of registration of similar signs on the territory of Ukraine, both through national and international procedures.¹⁴²

The applicant also agreed with the conclusion of State body ‘Ukrpatent’ that the declared designation could be deceptive among some consumers for certain declared goods. Therefore, previously in application for trademark registration applicant reduced the list of goods covered by trademark protection of the 12th class of the Nice Classification to the product ‘cars’, and

¹³⁹ Decision of the Appellate body of the Ministry of Economic Development and Trade of Ukraine № 141-H, as of 21.09.2015

¹⁴⁰ Decision of the Appellate body of the Ministry of Economic Development and Trade of Ukraine № 141-H, as of 21.09.2015

¹⁴¹ Decision of the Appellate body of the Ministry of Economic Development and Trade of Ukraine № 141-H, as of 21.09.2015

¹⁴² Decision of the Appellate body of the Ministry of Economic Development and Trade of Ukraine № 141-H, as of 21.09.2015

the list of the 28th class of the Nice Classification to the goods ‘toys: car models’. In addition to this, applicant also provided information about the automobile illustrated by image – Range Rover Evoque, specifically he provided official information about technical properties and visual appearance of this car, volume of sales.¹⁴³

In order to find out whether the claimed designation of origin is a realistic image of a certain type of car, and therefore identify the type of product and is descriptive, the Appellate body considers it appropriate to establish the meaning of the concept of ‘realistic image of a product’ and ‘vehicle type’ with regard to the application.¹⁴⁴

The Appellate body found that a ‘realistic image of a product’ means “an image representing an object existing in objective reality and characterised by its typical features”. Item on the image provided by applicant is deprived of individual characteristics that would distinguish them among other similar objects, which is why they do not have a distinctive ability. At the same time, if the objects depicted have distinctive features that give them originality, they can not be regarded as realistic images (or images of objects existing in objective reality in their typical features).¹⁴⁵ To find out ‘vehicle type’ of the depicted car and features which are typical for an image of the type of car such as an off-road vehicle, presented in the application designation, the Appellate body relied upon available sources of information. State Standard of Ukraine DSTU 2984-95 ‘Road vehicles: types, terms and definitions’ defines only three definitions related to passenger cars: passenger car, general purpose car and specialised car. Passenger cars are respectively classified according to their functional characteristics and are divided into four types: 1) cars used on public roads - road cars; 2) all-wheel drive passenger cars or sport utility vehicle (hereinafter, SUV); 3) universals of raised capacity (or minivan); 4) cars with high dynamic characteristics due to the high power / mass ratio. In the meantime, SUVs are characterised by two and three volumetric bodies of shape of the car. The two-body SUV has two side doors and is limited by rear seating seats. A three-body SUV has two or four side doors.¹⁴⁶

Taking into account the definitions mentioned above, Appellate body found that the car presented in image of applicant is characterised by a plenty of individual features: a high

¹⁴³ Decision of the Appellate body of the Ministry of Economic Development and Trade of Ukraine № 141-H, as of 21.09.2015

¹⁴⁴ Decision of the Appellate body of the Ministry of Economic Development and Trade of Ukraine № 141-H, as of 21.09.2015

¹⁴⁵ Decision of the Appellate body of the Ministry of Economic Development and Trade of Ukraine № 141-H, as of 21.09.2015

¹⁴⁶ Decision of the Appellate body of the Ministry of Economic Development and Trade of Ukraine № 141-H, as of 21.09.2015

volume niche of the front wing, close to the hood, a decorative element on the front wing, narrowed headlights shifted under the hood, two spaced decorative stretch elements located at the base and middle of the body along the front wing, the door and rear wing, side moldings, side guard arches, windows that narrow from the windshield to the fifth door.¹⁴⁷

Consequently, the Appellate body established that “indicated signs and drop-shaped body design of the SUV give the distinctiveness to the claimed image in application”¹⁴⁸, therefore Appellate body provided that this designation has a distinctive capability, and also indicates the source of the product - the company Jaguar Land Rover, Ltd.. In this regard, the Appellate body ruled in favour of the applicant and ordered to register the image of car as a trademark.

From the above mentioned case, it can be seen that while considering the possibility of granting the trademark protection to trade dress-like objects, specifically in this case to the visual appearance of the product design, the authorised body consider the pre-requisites of distinctiveness requirement, albeit it doesn't distinguish so far criteria elaborated in other jurisdictions, such as inherent distinctiveness and acquired distinctiveness, as well as it doesn't employ the concept of secondary meaning, thus in future there may arise potentially some difficulties with regard to assessment of objects that can be registered as a three-dimensional trademark.

3.4. Summary on distinctiveness requirement

Distinctiveness requirement in the USA and in the EU is rather different while considering applied approaches, namely the approach employed in the USA differentiates inherent distinctiveness and acquired distinctiveness, which respectively requires presence of secondary meaning. This approach allows to get a protection to a sign even in case it's visual appearance is rather common, although in case it is provided that among consumers it has become distinctive in connection with long-term commercial use. In the EU the applied approach is less flexible and is based only upon the inherent distinctiveness test. Namely, it provides simply the evaluation whether the claimed three-dimensional sign carries out any specificity which would allow to distinguish the product among others, or not. Thus, it follows that it doesn't take into account the aspect of long-term commercial use and rely only upon the

¹⁴⁷ Decision of the Appellate body of the Ministry of Economic Development and Trade of Ukraine № 141-H, as of 21.09.2015

¹⁴⁸ Decision of the Appellate body of the Ministry of Economic Development and Trade of Ukraine № 141-H, as of 21.09.2015.

substance of such sign. From one side, it is possible to grasp the logic of approach that is accepted in the EU since it is focused on avoidance of monopolising of particular signs, but at the same time it ignores the fact of the reasonable period of commercial use of signs that are void of such specificity, thus restrain from the legal protection some signs which are known among the consumers, although have rather common appearance.

4. NON-FUNCTIONALITY REQUIREMENT

Non-functionality requirement along with distinctiveness constitutes the foundation of the trademark protection for trade dress objects. While comparing these two criteria applicable for trade dress protection, Graeme B. Dinwoodie and Mark D. Janis pertinently pointed out that “whereas distinctiveness is a requirement applicable to all trademarks, functionality in practice is of significance primarily in trade dress cases; as a result, it is (arguably) a trade dress-specific doctrine that is less influenced by general principles of trademark law”.¹⁴⁹ It is necessary to note that they also mentioned the aim of implementation of this approach in the realm of trademark protection, namely that “the functionality doctrine has been a central device (albeit not the exclusive device) for preventing or mitigating the adverse consequences that may arise from extending trademark protection to product designs”.¹⁵⁰

As it was mentioned by David S. Welkowitz in article ‘Trade Dress and Patent – The Dilemma of Confusion’, the “doctrine of functionality limits the ability to claim trade dress protection of many designs”.¹⁵¹ He explained it even further by mentioning that “this doctrine exists to avoid having trade dress protection interfere unduly with competition”.¹⁵²

Scott C. Sandberg in his article ‘Trade Dress: What does it mean?’ mentioned that “non-functional trade dress must primarily serve to identify the source of the goods and services, and therefore it becomes functional as soon as it serves other purposes”.¹⁵³ To clear things up regarding the non-functionality requirement he also provided some bright examples of objects that cannot be regarded as protectable trade dress due to non-compliance with this requirement:

Functional features of products or services provide utility that is a component of the franchise’s success. The use of a delivery van, a drive-through window, or shrink wrapping may identify a franchise, but these facets are also a practical part of the business operation. As such, these features are not, in and of themselves, protectable trade dress.¹⁵⁴

Further in the above mentioned article he also provided the grounds for introduction of non-functionality requirement and made a comparison of the trademark protection regime with

¹⁴⁹ Graeme B. Dinwoodie, Mark D. Janis. *Trade Dress and Design Law* (Aspen Publishers, 2010), 289.

¹⁵⁰ Graeme B. Dinwoodie, Mark D. Janis. *Trade Dress and Design Law* (Aspen Publishers, 2010), 290.

¹⁵¹ Graeme B. Dinwoodie, Mark D. Janis. *Trade Dress and Design Law* (Aspen Publishers, 2010), 292.

¹⁵² Graeme B. Dinwoodie, Mark D. Janis. *Trade Dress and Design Law* (Aspen Publishers, 2010), 293.

¹⁵³ Scott C. Sandberg. “Trade Dress: What Does It Mean,” 29 *Franchise L.J.* 10 (2009), 13.

¹⁵⁴ Scott C. Sandberg. “Trade Dress: What Does It Mean,” 29 *Franchise L.J.* 10 (2009), 15.

the design patent, as well as legal consequences of protection through the trademark and design patent both for producers and consumers. Notably he stated as follows:

Courts impose this prerequisite to trade dress protection in order to enhance competition: businesses cannot compete if they are barred from incorporating useful features. Courts also require trade dress to be non-functional to avoid conflicts with patent law. The functionality requirement prevents trademark law from allowing trademark and trade dress owners to control a useful product feature. It is the province of patent law, not trademark law, to grant control over such features; and patent law grants such control for only a limited time, after which competitors are free to use the features. But if a products' functional features could be protected as trade dress, a perpetual monopoly could be obtained over such features because trademarks may be renewed in perpetuity.¹⁵⁵

It follows from opinions expressed above that the initial goal of trade dress protection is contrary to the respective one provided by patent law. The trade dress protection aims at protecting the reputation of producer, while patent is intended to give monopoly for a limited time to the developer of a new product or process so that he could compensate costs invested in the research and development of a new product. Therefore, the background of trade dress and patent protection is dramatically different and from the economic standpoint designed for different purposes. Thus, there is no wonder that to prevent the misuse of trade dress protection for obtaining the unlimited control over useful objects, which respectively could distort competition and lead to the deceleration of technological progress, there was implemented the non-functionality requirement which was conceived as a barrier between trademark law and patent law.

4.1. Overview of Non-Functionality Requirement in the USA

In the USA, in contrast to the distinctiveness requirement, the non-functionality requirement is prescribed directly by the statutory law, namely by the Section 43(a) of the Lanham Act, and the wording of this requirement in the statutory law is rather precise, thus courts hadn't faced challenges like those which arose with regard to distinctiveness requirement. The most notable cases regarding the non-functionality requirement in the USA were *Traffix Devices, Inc. v. Marketing Displays, Inc.* and *Qualitex Company v. Jacobson Products Company, Inc.* These cases actually are the two most important to consider while dealing with non-functionality requirement in the USA.

¹⁵⁵ Scott C. Sandberg. "Trade Dress: What Does It Mean," 29 Franchise L.J. 10 (2009), 16.

The *Traffix* case concerned the issue of granting the trademark protection to road sign stands which were previously protected by utility patent that respectively expired. Basically, the utility patent covered rather useful feature of the road sign stand – the ‘dual-spring design’, the purpose of which was described as the mechanism “that keeps temporary road and other outdoor signs upright in adverse wind conditions”.¹⁵⁶

As it was found by the court during the proceeding, when the utility patent for this mechanism expired, the Traffix Devices, Inc. “began marketing sign stands with a dual-spring mechanism copied from Marketing Displays, Inc. design”.¹⁵⁷ While distributing its road sign stands, the Marketing Displays, Inc. labeled its product with a word mark ‘WindMaster’. Eventually, this resulted in a fact that the last one brought suit for trade dress infringement of its product.

The applicant based its suit on the fact that “the road sign stand had acquired the secondary meaning and thus became distinctive”,¹⁵⁸ albeit the applicant hadn’t concerned the issue of non-functionality requirement.

While considering this case, the court assessed the claimed trade dress of product and found that there are no grounds for issuing a trade dress infringement. The court made three major conclusions on the functionality aspect of the claimed trade dress of the road sign stand, specifically the court stated in this regard the following:

The court’s conclusion that ‘WindMaster’ purported trade dress was instead an unprotectable functional element rested on three main findings. First, it found that the utility patent disclosed the dual-spring design as functional, so that ‘WindMaster’ is estopped from arguing that it is nonfunctional in the trade dress context. Second, the district court found that the dual-spring design had been promoted as functional, rather than as aesthetic or a merely identifying feature. Finally, the lower court found that recognising WindMaster's trade dress claim would put competitors at a disadvantage by affecting the cost and quality of the alternative designs remaining for their use.¹⁵⁹

Further on, the court while settling this dispute also relied upon the doctrinal findings of Thomas McCarthy in this field, namely it provided the following:

In determining that a prior utility patent creates a presumption against a trade dress claim, the district court relied heavily on the McCarthy treatise: ‘One cannot argue

¹⁵⁶ Traffix Devices, Inc. v. Marketing Displays, Inc.. 532 U.S. 23 (2001), para. 23.

¹⁵⁷ Traffix Devices, Inc. v. Marketing Displays, Inc.. 532 U.S. 23 (2001), para. 23.

¹⁵⁸ Traffix Devices, Inc. v. Marketing Displays, Inc.. 532 U.S. 23 (2001), para. 23.

¹⁵⁹ Traffix Devices, Inc. v. Marketing Displays, Inc.. 532 U.S. 23 (2001), para. 32.

that a shape is functionally advantageous in order to obtain a utility patent and later assert that the same shape is non-functional in order to obtain trademark protection'.¹⁶⁰

Consequently, the court also concerned the potential negative impact on competitors within the relevant market. Namely, it stated that should it rule in favour of applicant and provide trade dress protection to functional product, it will significantly undermine the balance in competition:

The court found that protecting the trade dress asserted by Marketing Displays, Inc. would put its competitors at a disadvantage beyond the merely reputational. Because the dual-spring design is one of a limited number of superior designs, the lower court found that the design element is a functional one. Presumably every limitation on what another competitor can do hinders competition somewhat.¹⁶¹

Finally, the court established the threshold for recognition of product trade dress as functional, which respectively leads to non-possibility of its legal protection:

The appropriate question is whether the particular product configuration is a competitive necessity. If it affects the cost or the quality or the objective (non-reputational) desirability of competitors products negatively enough, then the trade dress element may be deemed legally functional.¹⁶²

The second prominent case – *Qualitex* – concerned an issue of registration of the sole colour without any linkage to the geometrical shape of product which it had to distinguish, namely it was related to possibility of protection of the green-gold colour in respect of cleaning press pads. As it was already mentioned before, trade dress can manifest itself even in the sole colour, should it be capable of distinctive character and provided that it is not intended to perform a useful function aimed at obtaining any technical result. Basically, for a long period of time it was not possible to register the mere colour as a trademark in the USA, primarily due to non-compliance with the functionality doctrine, and yet there was a case *Qualitex Company v. Jacobson Products Company, Inc.* which changed this practice.¹⁶³

Initially, in 1957, Qualitex Company, a corporation based in the State of Illinois, commenced production and distribution of its 'Sun Glow' press pads intended for use on dry cleaning presses. The textile for the cover of the pad was designed using an exquisite green-gold colour combination. Meanwhile, in 1989, Jacobson Products Company started to manufacture and sell its cleaning press pads under the brand 'Magic Glow'. The cover of the

¹⁶⁰ *Traffix Devices, Inc. v. Marketing Displays, Inc.*, 532 U.S. 23 (2001), para. 30.

¹⁶¹ *Traffix Devices, Inc. v. Marketing Displays, Inc.*, 532 U.S. 23 (2001), para. 34.

¹⁶² *Traffix Devices, Inc. v. Marketing Displays, Inc.*, 532 U.S. 23 (2001), para. 35.

¹⁶³ *Qualitex Company v. Jacobson Products Company, Inc.*, 13 F.3d 1297 (9th Cir. 1994)

last one was coloured in the same green-gold colour configuration as produced by Qualitex Company 'Sun Glow' cleaning press pads.¹⁶⁴

Eventually, in 1990, the Qualitex Company filed a suit to the court against Jacobson Products Company on the grounds that the last one infringed trade dress of Qualitex Company.¹⁶⁵

While considering this case, the court thoroughly analysed the circumstances of the case and consequently provided the trademark protection to colour alone, stating as follows:

The use of the green-gold colour combination by the Qualitex Company was aesthetic only; was not related in any way to the product's use, cost, quality, or longevity; was used to associate the colour with the 'Sun Glow' cleaning press pads; and was more expensive than other colours.¹⁶⁶

The court also analysed the functional aspect of the colour, specifically whether it could lead to any technical result or not:

The court found that the green-gold colour was ornamental and did not make the cleaning press pad perform any better than if any other colour was used. Although evidence was presented that there may be a functional reason to have coloured press pads to maintain a clean appearance, we conclude that it was not error for the district court to conclude that 'there is no competitive need for the green-gold colour, since other colours are equally usable' and that 'the range of tones of available distinctive suitable colours ... is in the hundreds if not thousands'.¹⁶⁷

As it can be seen from the reasoning of the court in this case, the main threshold with regard to granting the trademark protection to colours is whether such colour leads to obtaining of any technical result that would be impossible to get without using this specific colour. This is generally caused by the reason that other companies may need to use it to be able to compete effectively in the market. This approach can be illustrated by the example of traffic orange cone. Namely, following the approach set by *Qualitex* case, such a cone can be protected as a three-dimensional trademark should the shape of it be distinctive enough among others. But the orange colour alone, even the pattern of it, cannot be protected in this regard because it's customary to use orange colour for traffic cones and obligation for competitors to use of any

¹⁶⁴ Qualitex Company v. Jacobson Products Company, Inc.. 13 F.3d 1297 (9th Cir. 1994), para. 163.

¹⁶⁵ Qualitex Company v. Jacobson Products Company, Inc.. 13 F.3d 1297 (9th Cir. 1994), para. 166.

¹⁶⁶ Qualitex Company v. Jacobson Products Company, Inc.. 13 F.3d 1297 (9th Cir. 1994), para. 166.

¹⁶⁷ Qualitex Company v. Jacobson Products Company, Inc.. 13 F.3d 1297 (9th Cir. 1994), para. 167.

other colours might significantly worsen the position of competing companies producing these cones.

If follows from the decisions analysed above that in the USA the competitive effect of granting the trademark protection to the functional shape or colour is at the forefront, thus obtaining a trademark protection for shape or colour significantly depends on the competitive landscape of industry, where the applicant for such trademark is operating. At the same time, should it be proven that the claimed trademark is not caused by competitive necessity it can be protected. With regard to shapes, the trademark protection can be granted even in case when such shape leads to obtaining of technical result. Although, trademark protection shape doesn't have to impede consumers or other producers. As to the trademark protection of colour, it should be stated that threshold for protection of colour is a bit stricter and excludes from protection any colour that theoretically can provide any technical result. Therefore, it should be concluded that although non-functionality requirement in the USA is rather demanding, however, it leaves some opportunities to protect some functional objects, for instance, shapes which may be intended for obtaining the technical result save that this will not distort the competition.

4.2. Overview of Non-Functionality Requirement in the EU

As it was already discussed, the non-functionality requirement is stipulated by the respective Directive and Regulation. Although it may look rather straightforward, in practice there was a need in further clarification of application of non-functionality requirement.

The landmark case regarding this issue that was resolved by the CJEU is *Koninklijke Philips Electronics NV v. Remington Consumer Products Ltd.*, which concerned the issue of possibility of granting the trademark protection for the three-headed rotary electric shaver. Initially, the Koninklijke Philips Electronics NV (hereinafter, Philips) applied for a trademark to register its mark “consisting of a graphic representation of the shape and configuration of the head of such a shaver, comprising three circular heads with rotating blades in the shape of an equilateral triangle”.¹⁶⁸ Some time later this trademark was registered. Then in 1995, Remington Consumer Products Ltd. (hereinafter, Remington) that is an another competing company commenced the production and distribution in the United Kingdom of shaver resembling the appearance of the respective shaver manufactured by Philips, namely it was DT55 that was described by court as “a shaver with three rotating heads forming an equilateral

¹⁶⁸ *Koninklijke Philips Electronics NV v. Remington Consumer Products, Ltd. v OHIM*(C-299/99) EU:C:2002:377, para. 11.

triangle, shaped similarly to that used by Philips”.¹⁶⁹ Considering this fact, Philips filed a suit against Remington for infringement of its trademark rights. In response to this action, Remington “counter-claimed for revocation of the trade mark registered by Philips”.¹⁷⁰

While settling this case the CJEU mentioned that pursuant to Article 3(1)(e) of the Directive, “a sign consisting exclusively of the shape of a product is unregistrable by virtue of that provision if it is established that the essential functional features of the shape are attributable only to the technical result”.¹⁷¹ And in this regard, it should be examined whether this shape is aimed solely at obtaining the specific technical result or it is exclusively of aesthetic nature and designed to provide to the goods an individual character which respectively would allow them to distinguish among others.

Philips, in turn, didn’t agree with such an interpretation of the Article 3(1)(e) of the Directive and supported its claim stating that there can be a wide variety of different ways to obtain a single technical result. Notably, Philips stressed on the point that shouldn’t this three-dimensional sign be protected by trademark law, there will not be any incentive for further development of industry and mentioned the following:

The purpose of that provision of the Directive is to prevent the obtaining of a monopoly in a particular technical result by means of trade mark protection. However, the registration of a mark consisting of a shape which has a technical result imposes no unreasonable restraint on industry and innovation if that technical result can be obtained by other shapes which are readily available to competitors.¹⁷²

Philips also provided rationale to prove that in case of granting the legal protection to this three-dimensional sign, there will not arise any impediment to the rights of other competitors, because there are already available different solutions at more or less the same price. Specifically, Philips argued that “there are many alternatives to the shape constituting the trade mark at issue which would achieve the same technical result in shaving terms at an equivalent cost to that of its products”.¹⁷³

Actually, from my standpoint it is not possible to agree with this reasoning provided by Philips, because the aim of trademark law is to protect goodwill of producers and to avoid

¹⁶⁹ Koninklijke Philips Electronics NV v. Remington Consumer Products, Ltd. v OHIM(C-299/99) EU:C:2002:377, para. 12.

¹⁷⁰ Koninklijke Philips Electronics NV v. Remington Consumer Products, Ltd. v OHIM(C-299/99) EU:C:2002:377, para. 13.

¹⁷¹ Koninklijke Philips Electronics NV v. Remington Consumer Products, Ltd. v OHIM(C-299/99) EU:C:2002:377, para. 13.

¹⁷² Koninklijke Philips Electronics NV v. Remington Consumer Products, Ltd. v OHIM(C-299/99) EU:C:2002:377, para. 67.

¹⁷³ Koninklijke Philips Electronics NV v. Remington Consumer Products, Ltd. v OHIM(C-299/99) EU:C:2002:377, para. 67.

deception of consumers, but not to foster innovations – this is the prerogative of patent law – and therefore this line of argument could not be accepted.

At the same time, Remington provided counterargument stating that the provision of that Article of the Directive provides direct prohibition on the possibility of registration of that shape as a trademark, even in case when there exist some alternatives. Moreover, Remington noted that application of approach proposed by Philips would consequently damage the rights of consumers through monopolising of this shape by applicant. Specifically, Remington mentioned in this regard as follows:

The clear meaning of Article 3(1)(e) of the Directive is that a shape that is necessary to achieve a technical result, in the sense that it performs a function in achieving that result but is not necessarily the only shape that can achieve that function, must be excluded from registration. The construction argued for by Philips would render the exclusion so narrow as to be useless and would require a technical evaluation of alternative designs, which would mean that the Directive could not ensure protection of the public interest.¹⁷⁴

The court accordingly analysed the substance of the Article 3(1)(e) of the Directive and concluded that in this case has to be applied an approach articulated by Remington, namely that it “must be interpreted to mean that a sign consisting exclusively of the shape of a product is unregistrable by virtue thereof if it is established that the essential functional features of that shape are attributable only to the technical result”.¹⁷⁵ It follows from this statement that it is enough simply to establish the mere fact of performing of any function by such three-dimensional sign to conclude that it does not comply with this requirement. The court also rejected the argument provided by Philips by adding that “the ground for refusal or invalidity of registration imposed by that provision cannot be overcome by establishing that there are other shapes which allow the same technical result to be obtained”.¹⁷⁶ Thus, existence of any alternatives leading to the similar effect has no impact in any way on the fact of non-compliance of such sign with non-functionality requirement

It follows from the stated above decision of the CJEU that the test on non-functionality of sign to be protectable as a trademark is rather strict, however this can be attributed to the fact that should it be allowed, it would be possible to interpret this provision very broadly and

¹⁷⁴ Koninklijke Philips Electronics NV v. Remington Consumer Products, Ltd. v OHIM(C-299/99) EU:C:2002:377, para. 68.

¹⁷⁵ Koninklijke Philips Electronics NV v. Remington Consumer Products, Ltd. v OHIM(C-299/99) EU:C:2002:377, para. 84.

¹⁷⁶ Koninklijke Philips Electronics NV v. Remington Consumer Products, Ltd. v OHIM(C-299/99) EU:C:2002:377, para. 84.

ultimately impede the public interest. It would be possible to say that there are myriads of shapes which lead to the same technical result and eventually all the available shapes could be monopolised by a limited number of trademark holders.

Further on, there was a decision of the CJEU that also concerned the issue of functionality of the shape claimed to be protected as a trademark and in that case the threshold of non-functionality requirement was made more explicit and specified. Notably, it was a case *Lego Juris v. OHIM*, which concerned the issue of possibility of granting the three-dimensional trademark to the shape of toy brick. In that case, the CJEU issued a decision that this shape cannot be protected since it doesn't comply with a non-functionality requirement. The court established a relevant threshold on the issue of what should be regarded as 'functional'. This resulted in the reasoning provided as follows:

In examining the functionality of a sign consisting of the shape of goods, once the essential characteristics of the sign have been identified, it is only necessary to assess whether those characteristics perform the technical function of the product concerned. Clearly, that examination must be carried out by analysing the sign filed with a view to its registration as a trade mark, and not signs consisting of other shapes of goods.¹⁷⁷

The court also mentioned that once the shape of a sign was previously registered as a design patent, it is only needed to evaluate the presence of a functional feature in the configuration of such sign. The court also explained that this can be carried out by means of "taking account of the documents relating to previous patents describing the functional elements of the shape concerned".¹⁷⁸

Summing up the approach on non-functionality requirement elaborated in the EU, it is possible to presume that the European criterion is actually more stringent comparing to the American approach, since it doesn't take into account the competitive landscape, but however relies upon establishment of the mere fact that the shape perform any useful function. To my mind, this approach is good for avoiding the impediment of consumers, but at the same time it doesn't provide any possibility for applicants to protect their shapes through trademark law even should these shapes acquire distinctiveness.

4.3. Overview of Non-Functionality Requirement in Ukraine

As to peculiarities that arise with regard to the non-functionality requirement in Ukraine, there is one truly remarkable case resolved by the Appellate body of the Ministry of Economic Development and Trade of Ukraine. Specifically, the case concerned the application of the

¹⁷⁷ *Lego Juris v. OHIM* (C-48/09 P) EU:C:2010:516, para. 84.

¹⁷⁸ *Lego Juris v. OHIM* (C-48/09 P) EU:C:2010:516, para. 85.

Ergopak, LLC for registration of the three-dimensional trademark for washing sponge of characteristic shape with wavy lines. Initially, while considering the possibility of registration of this three-dimensional trademark the state body ‘Ukrpatent’ mentioned that the “shape claimed for trademark protection is intended solely for obtaining technical result”¹⁷⁹ and provided also that applicant didn’t provide sufficient evidences that the applicant has been producing washing sponges of this type for a reasonably long period of time.

Applicant in his appeal insisted that wavy lines on the washing sponge surface were designed exclusively to “underline own unique visual appearance of the washing sponge and in fact were not caused by the aim to obtain a certain technical result”.¹⁸⁰ Applicant also mentioned that the image of washing sponge acquired distinctiveness due to a long term of production and distribution of such products by the applicant.¹⁸¹

Appellate body found that there is a wide range of washing sponges of various geometrical forms already on the market and which are produced by many different companies. Additionally, these goods share common properties such as wavy lines on surface of washing sponges and usage of the same raw material for production – foam rubber. Consequently, Appellate body raised a question whether it is possible to distinguish the aforementioned goods of applicant from the goods of other producers.¹⁸²

To establish a fact whether a washing sponge acquired distinctiveness and to find out whether the design of the washing sponge was caused merely by the aim to get a certain technical result, an Appellate body appointed an expert examination. Eventually, expert examination found that the “shape of washing sponge does not perform any function and is not intended to obtain any specific technical result since wavy lines of the washing sponge do not provide any effect on the foaming process because foaming is caused by the chemical structure of foam rubber, not the geometrical shape”.¹⁸³ Moreover, it also stated that such a shape with wavy lines of the washing sponge “does not provide more effective removal of fat from plates, and thereby consumers are usually using for this purpose fibrous hard surface of sponge on the

¹⁷⁹ Decision of the Appellate body of the Ministry of Economic Development and Trade of Ukraine № 399-H, as of 26.07.2013

¹⁸⁰ Decision of the Appellate body of the Ministry of Economic Development and Trade of Ukraine № 399-H, as of 26.07.2013

¹⁸¹ Decision of the Appellate body of the Ministry of Economic Development and Trade of Ukraine № 399-H, as of 26.07.2013

¹⁸² Decision of the Appellate body of the Ministry of Economic Development and Trade of Ukraine № 399-H, as of 26.07.2013

¹⁸³ Decision of the Appellate body of the Ministry of Economic Development and Trade of Ukraine № 399-H, as of 26.07.2013

other side”.¹⁸⁴ Expert examination also found that the shape of this washing sponge acquired distinctiveness among the consumers, because products of this kind are usually in a high demand and therefore sold in large volumes that resulted in a fact that the appearance of this washing sponge with wavy lines became recognisable to consumers.¹⁸⁵

During the further consideration of the case by Appellate body, Applicant also mentioned that the aim of creation of washing sponge with such configuration was solely to “give individual identity to the product of applicant, so that consumers could easier distinguish such product among others”.¹⁸⁶ Applicant also provided a concrete evidence of a long-term production of such goods by using this shape with wavy lines, namely the respective license agreement.¹⁸⁷

On top of that, applicant provided a reasoning on the fact that the shape of a washing sponge actually comply with the non-functionality requirement, namely he stated the following:

The technical result of using of washing sponge is to clean plates in a fast and efficient manner; this technical result is achieved thanks to the raw material which is used for production of washing sponges, specifically foam rubber. The chemical structure of this material provides a composition which gives elastic nature to the washing sponge and makes it air-containing that respectively ensures the achievement of the intended technical result of the washing sponge. At the same time, the shape of the washing sponge does not really matter since the initial function of washing sponge is achieved due to chemical properties of the material of which the sponge is made.¹⁸⁸

Apart from this, Appellate body found that applicant is using a specially designed machine for profiling the shape to give the washing sponges special surface with wavy lines of a certain geometric configuration. According to the data provided by applicant, this sophisticated equipment is in operation from 04.12.2001.¹⁸⁹

¹⁸⁴ Decision of the Appellate body of the Ministry of Economic Development and Trade of Ukraine № 399-H, as of 26.07.2013

¹⁸⁵ Decision of the Appellate body of the Ministry of Economic Development and Trade of Ukraine № 399-H, as of 26.07.2013

¹⁸⁶ Decision of the Appellate body of the Ministry of Economic Development and Trade of Ukraine № 399-H, as of 26.07.2013

¹⁸⁷ Decision of the Appellate body of the Ministry of Economic Development and Trade of Ukraine № 399-H, as of 26.07.2013

¹⁸⁸ Decision of the Appellate body of the Ministry of Economic Development and Trade of Ukraine № 399-H, as of 26.07.2013

¹⁸⁹ Decision of the Appellate body of the Ministry of Economic Development and Trade of Ukraine № 399-H, as of 26.07.2013

It was also established by the Appellate body that the author of the visual appearance of the washing sponge was an employee of the company of applicant – Pukas Y.N.. He also designed the blueprint of the machine and the very method of manufacturing of surface of washing sponges with wavy lines on it. Starting from 2002, applicant has been producing washing sponges with this visual appearance and since that time it has not changed.¹⁹⁰

While considering different facts, Appellate body also pointed out at the fact that applicant “used to advertise his product as the washing sponge which has the unique design that ensures greater foaming effect and removes fat from plates better than others”.¹⁹¹ Applicant in his appeal admitted that in fact this information “was not correct and actually it was a marketing fault”.¹⁹²

Finally, Appellate body took into consideration several facts, such as the long-term serial production of the goods by applicant, the fact that the visual appearance of the washing sponge was designed by the applicant’s employee, usage of specific sophisticated equipment for production of these goods by applicant and absence of intension for obtaining the technical result from the shape of this washing sponge. Based on this, Appellate body decided to review a decision issued by State body ‘Ukrpatent’ and to permit the registration of the three-dimensional trademark of applicant.¹⁹³

While analysing the decision mentioned above, it’s necessary to conclude that the Appellate body has chosen a rather risky approach for trademark protection of shapes of products, comparing it to approaches elaborated in the USA and the EU. On my opinion, that’s because the Appellate body considered not the mere fact that the shape can execute a useful function and thus lead to the obtaining of technical result, but it has taken into account solely the fact that the claimed shape is not intended to perform any specific function since the technical result is obtained due to usage of the raw material of the product. It follows from this logic that the Appellate body might grant next time the trademark protection to the shape of automobile tyre saying that the technical result of automobile tyre (to slow down the car) consists in the fact of usage of rubber, but the configuration is intended exclusively to distinguish it from competitors. Therefore, it should be said that there is a space for further improvement for the Appellate body to the grasp the non-functionality requirement.

¹⁹⁰ Decision of the Appellate body of the Ministry of Economic Development and Trade of Ukraine № 399-H, as of 26.07.2013

¹⁹¹ Decision of the Appellate body of the Ministry of Economic Development and Trade of Ukraine № 399-H, as of 26.07.2013

¹⁹² Decision of the Appellate body of the Ministry of Economic Development and Trade of Ukraine № 399-H, as of 26.07.2013

¹⁹³ Decision of the Appellate body of the Ministry of Economic Development and Trade of Ukraine № 399-H, as of 26.07.2013

4.4. Summary on non-functionality requirement

Analysing the issue of non-functionality requirement across different jurisdictions it is possible to conclude that in general this criterion is established in a similar vein, however the application of it varies from country to country. In the USA, the approach can be described as rather liberal since it provides protection even to useful objects, unless this otherwise can impede the rights of competitors. While in the EU there is another view on this, namely that once it is established that a specific object can perform any useful function, it cannot be granted with trademark protection, even if there were provided available alternatives to such object. This approach makes sense when it comes to protection of signs that constitute the shape of sophisticated devices such as electric shaver or torchlight, but at the same time there exist some plain shapes which, however, may perform some primitive but useful function, and by applying this test these signs cannot be protected. Such an approach may seem slightly exaggerated due its limited scope of protection.

CONCLUSIONS

1. While summing up the analysed issue, it is possible to presume that there are many common points in trade dress protection in the USA, the EU and Ukraine. At the same time, there is some difference in the applied approaches among different jurisdictions.

2. Specifically, as to distinctiveness requirement, American approach seems to be slightly more sophisticated and well-established than the respective one existing in the EU. That's because in the USA within the last five decades there were elaborated several tests related both to inherent distinctiveness and acquired distinctiveness which provide protection to rather broad range of signs should there be met respective pre-requisites for this. There is also provided in the USA an advanced criterion on presence of secondary meaning which also assists in the establishment of acquired distinctiveness. At the same time, in the EU, the respective approach to a large extent is based upon the existence of inherent distinctiveness in a sign, rather than evaluating the presence of secondary meaning, thus it appears to be less flexible.

4. While considering non-functionality requirement, from the conducted analysis it follows that more liberal approach used in the USA seems to be more attractive, because it provides possibility to protect some products that in consumers minds are strongly tailored with specific producers, albeit they may perform some function. The rationale used by the CJEU in such cases is understandable and foreseeable: should the objects be functional, then it is possible to protect it through design patent regime. However, as it was mentioned earlier, in practice there may occur cases when an object performs a function, although a very primitive one, but at the same time it possesses an acquired distinctiveness due to continuous presence on the market. In such a case, it would not be possible to obtain a trademark protection, even despite the fact that it obtained secondary meaning among consumers.

5. As it was analysed, trade dress protection in fact goes far beyond the trademark law and takes into account many competitive consequences of granting of such protection to different objects that manifest itself in the elaborated by court practice relevant tests. Specifically, the test concerning presence of acquired distinctiveness in the image of trade dress or the test on compliance with functionality doctrine. Both tests thoroughly consider the competitive output of granting the trademark protection to various objects, as well as the potential impact on competition should objects be provided with trade dress protection. These requirements also serve as a barrier between the trade dress protection and other branches of intellectual property law, such as design law, patent law, and copyright.

6. The second point is that trade dress protection is based upon the range of similar principles among various jurisdictions. However, as it was already found, these principles may have some minor differences in application of respective thresholds for trade dress protection. Namely, as it was discussed before, there can be some slight differences in applied approaches that follows from the respective examples of court practice, which arise from the fact that courts can interpret same concepts in a little bit different way. This can be seen from the analysed before difference in understanding of distinctiveness and non-functionality requirements by courts in different jurisdictions: in the USA, courts have rather liberal view on the pre-requisites for trade dress protection, while in the EU there is applied more stringent way of treatment for it. But at the same time, the foundation for trade dress protection remains the same across countries.

RECOMMENDATIONS

1. So far approaches utilised in the USA, the EU and Ukraine look reasonable and well-founded, thus there is not a strong necessity in amendment of them. However, as things are evolving in our life, there may be needed some additional thresholds for application of distinctiveness and non-functionality requirements to respond to new challenges.
2. As to trends that may emerge in the future, there could arise some interesting cases related to protection of some brand new irregular objects that can fall into the definition of trade dress. And these issues may arise in almost each major industry.
3. For instance, we know that each airline has its own unique aircraft cabin appearance that can include usage of different combinations of colours, appearance of specific elements of design of the aircraft furniture such as seats or luggage rack, food provided during the flight and uniform of cabin crew (e.g., flight attendants). At the same time, many of these elements that serve as brand identifiers can be deemed mere functional or considered as those that lack enough distinctiveness among the consumers, though airlines aspire to distinguish themselves among competitors. These efforts of airlines to succeed in competition are especially visible in case of so-called flagship carriers or regular airlines. Each of these airlines has their own unique total image of the aircraft cabin, especially business class and first class, where the interior decor is developed by the airplane manufacturers individually for each company. All these activities performed by airlines may result in application for trade dress protection based on acquired distinctiveness since the competition on this market is getting more fierce year-by-year and each company will desire to distinguish itself from many others by using any possible means.
4. Therefore, it is advised to elaborate a respective legal framework that could expand the distinctiveness requirement by considering not simply the concrete features which differentiate one object from another, but also the total image which can be rather abstract and has to be established by juxtaposing one object to all the others utilised by competitors.
5. It would be also appropriate to establish a clear threshold within the non-functionality requirement to distinguish plain objects that can perform any primitive function from sophisticated ones granting protection to which could significantly influence the competition. Otherwise, application of non-functionality requirement to both groups of these objects looks disproportionately and denies the possibility to protect goodwill of producers simply because their products, albeit acquired distinctiveness, can perform an elementary function.

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ABSTRACT

Keywords: trade dress, trade mark, business image, design, store layout.

This research consisted of search and analysis of the relevant legal framework for regulation of trade dress protection through trademark law and review of the respective elaborated court practice, which specify and shed a light on the application of the two main requirements for trade dress protection – distinctiveness and non-functionality criteria. The research also envisages the comparison between the trade dress protection across different jurisdictions, namely the USA, the EU and Ukraine. The scope of research includes the trade dress protection in the USA since the trade dress protection originates from there, while the EU and Ukraine were analysed to find out how the concept introduced by the Common law can be utilised in countries of Continental law.

The research, in particular, includes analysis of the theoretical background by means of considering the opinions on the matter of trade dress protection expressed by famous scholars and practitioners. This was intended to find out whether there are any topical issues in the realm of trade dress protection and which problems may respectively arise while applying this regime. The findings of the research provided a possibility to conclude that trade dress protection is stipulated in the same manner across different jurisdictions, however with some specificities depending on jurisdiction.

SUMMARY

The conducted research corresponds to the stated title, namely ‘Legal Protection of Trade Dress: comparative analysis’. This can be attributed to the fact that there was carried out analysis of both practical and theoretical aspects of trade dress protection across different jurisdictions. This respectively manifested itself in analysing the opinions of famous scholars and practitioners, as well as in search and analysis of the relevant legal framework and court practice regarding trade dress protection.

The trade dress protection is based upon two main requirements – distinctiveness requirement and non-functionality requirement. Both of these requirements were described and analysed within the scope of this research. Comparing and juxtaposing of application of these requirements among various jurisdictions allowed to find the peculiarities of trade dress protection, challenges that arise before courts while considering issue of trade dress protection, as well as responses to these challenges which vary depending on the jurisdiction.

At the same time, the analysis of theoretical background of the trade dress protection, which was conducted through review and analysis of opinions expressed by famous scholars and practitioners, provided a possibility to realise that trade dress protection can include the legal protection of both concrete and abstract objects that can respectively constitute the ‘total image’ of business.

The research resulted in establishing and clarifying the necessary requirements of trade dress protection, as well as identifying the differences that arise while applying this requirements by court among different countries. This respectively lead to the understanding of applied approaches and allowed to find the trends that exist in the legal regulation of trade dress protection globally, which enables to predict what to expect from the trade dress protection in future.