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Makeup Dupes And Fair Use

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Keywords

Lanham Act, consumer confusion, trademark law, trade dress infringement, United States Patent and Trademark Office

MAKEUP DUPES AND FAIR USE

SAMANTHA PRIMEAUX*

Knockoffs are a salient part of the fashion and beauty industries, and makeup dupes are the most recent imitations to rise in the marketplace. Makeup dupes, or inexpensive, drugstore substitutes for high-end makeup products, have become a staple in the beauty industry in recent years. Promoted by beauty bloggers and consumers on social media, most makeup dupes are merely innocent imitations of popular products, but some makeup dupes cross the line and may constitute trade dress infringement under the Lanham Act.

This Comment argues that although some makeup dupes may constitute trade dress or trademark infringement, good-faith makeup dupes are fair use and permissible under the Lanham Act. Bad-faith makeup dupes, or dupes in which the alleged infringer intentionally and closely imitates a high-end product's trade dress, are not fair use under the Lanham Act and are not shielded from the fair use defense. This Comment considers two hypothetical scenarios based on real high-end products and the dupes that consumers regard as their equivalents, and it examines what arguments would be made in building a case for infringement as well as whether the fair use defense applies in each instance.

TABLE OF CONTENTS

Introduction.....	892
I. The Rise of Makeup Dupes in the Market	898
A. The Characteristics of Makeup Dupes	899

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B.	The Stakeholders: The Interwoven Relationship that Makes the Dupes Market Go Round.....	900
1.	Potentially infringing companies	901
2.	Social media savvy consumers	902
II.	The Current Landscape of Trademark Law	903
A.	The Statutory Framework for Infringement	905
1.	Functionality.....	906
2.	Distinctiveness	907
3.	Consumer confusion.....	911
B.	The Fair Use Defense	912
III.	Makeup Dupes May Be Fair Use Under the Lanham Act	915
A.	Dupes that Are Infringements Under the Lanham Act	916
1.	Makeup Revolution’s dupe.....	916
2.	E.L.F. Cosmetics’ dupe	919
B.	Good-Faith Makeup Dupes Are Fair Use	922
1.	Makeup Revolution’s dupe is not fair use because it was created in bad faith	922
2.	E.L.F. Cosmetics’ use is fair use because there is no evidence of bad faith.....	923
	Conclusion	924

INTRODUCTION

Knockoffs of high-end designs and products permeate the fashion industry. From handbags to shoes, if there is a preeminent luxury good that has amassed a following, there is also a low-budget imitator seeking to profit from that original innovation. The cosmetics industry is no stranger to knockoffs either; in fact, high-end cosmetics companies face a social media-driven threat to their brands’ reputations: makeup dupes.¹ The high costs of beauty have driven consumers to find lower cost alternatives to their favorite luxury

1. The phrase “makeup dupes” is a colloquial beauty industry term synonymous with “knockoff” in the fashion context. Lesley Kim & Robert Roby, *Have You Been Duped?*, KNOBBE MARTENS: FASHION & BEAUTY BLOG (May 9, 2017), <https://www.knobbe.com/news/2017/05/have-you-been-duped>.

sincerest form of flattery, and while it can benefit consumers and the overall market in the competitive and expansive makeup world, imitation hurts established brands.⁷

Within the purview of trademark law, some commentators have recognized that most makeup dupes could constitute either trademark infringement or trade dress infringement.⁸ While the elements to establish a prima facie case for either type of infringement are parallel,⁹ makeup dupes most often imitate the distinctive packaging of popular high-end products, so it is more likely that lawsuits involving makeup dupes will center on trade dress infringement.¹⁰ Recently, a high-end brand, Tatcha, filed a lawsuit against another high-end brand, Too Faced, alleging trade dress infringement of its lipstick tubes.¹¹ In its complaint, Tatcha argued that Too Faced's nearly identical usage of Tatcha's inherently distinctive trade dress was "causing irreparable harm" to Tatcha's "goodwill."¹² Tatcha

Saint Laurent to products from more budget-friendly brands such as Revlon, Maybelline[,] and E.L.F.[,]" and estimating sales of dupe products to be \$56.2 billion annually).

7. See RAUSTIALA & SPRIGMAN, *supra* note 5, at 5 ("In a market economy like ours . . . we depend on competition to keep the price of goods and services low and their quality high. And a lot of competition involves copying."); see also *American Safety Table Co. v. Schreiber*, 269 F.2d 255, 272 (2d Cir. 1959) ("[I]mitation is the life blood of competition. It is the unimpeded availability of substantially equivalent units that permits the normal operation of supply and demand to yield the fair price society must pay for a given commodity.").

8. See Kim & Roby, *supra* note 1 (arguing that makeup dupes may constitute infringement under federal trademark law); see also *infra* Section II.A (distinguishing a trademark as the symbol representing a brand and trade dress as the physical appearance of a product). Trademarks are often word marks or symbols, and trade dress refers to the packaging, layout, product design representative of that brand. See *infra* Section II.A.

9. See *infra* Section II.A (discussing requirements for trademark and trade dress infringement claims under the Lanham Act).

10. See, e.g., Augusta Falletta, *19 Insanely Good Makeup Dupes That Will Save You Tons of Money*, BUZZFEED (Mar. 18, 2016, 11:18 AM), https://www.buzzfeed.com/augustafalletta/drugstore-makeup-dupes?utm_term=yx6PylrQAO#.keRoZMmD15 (listing nearly identical velvet lip pencils from NARS, \$26/pencil, and Sonia Kashuk, \$7.99/pencil); Essence Gant, *17 Makeup Dupes That Are Way Cheaper and Just as Awesome as Other Beauty Products*, BUZZFEED (June 14, 2016), <https://www.buzzfeed.com/essencegant/makeup-dupes-way-cheaper-than-your-faves> (comparing a \$5.89 L'Oréal Paris mascara to the \$21.50 Diorshow mascara).

11. Rebecca L. Wright & Ian W. Gillies, *Tatcha v. Too Faced: What Shade Is Your Trade Dress?*, KNOBBE MARTENS: FASHION & BEAUTY BLOG (Aug. 28, 2017), <https://www.knobbe.com/news/2017/08/tatcha-v-too-faced-what-shade-your-trade-dress>.

12. Complaint at 12–13, *Tatcha LLC v. Too Faced Cosmetics LLC*, No. 3:17-cv-04472 (N.D. Cal. Aug. 7, 2017). To support its claim that its lipstick packaging is inherently distinctive, Tatcha cited websites, magazine reviews, and comments from

voluntarily dismissed its lawsuit, leaving open several questions related to makeup dupes and trade dress infringement, such as how courts might interpret makeup dupes under federal trademark law in terms of distinctiveness and functionality.¹³ However, Tatcha's lawsuit is not a traditional makeup dupe case—makeup dupes are often drugstore versions of high-end products,¹⁴ and this case involved two high-end brands. Although Tatcha's case is relevant to the broader discussion of makeup dupes and trade dress infringement, practitioners and scholars should focus on low-end brands and whether they are precluded from liability since most makeup dupes are products from inexpensive brands.¹⁵ What happens when Makeup Revolution, a brand notorious for creating cheaper versions of cult favorites, too closely imitates the design of high-end brand Too Faced's eyeshadow palette?¹⁶ If Too Faced wanted to protect its artistic innovation and enforce their rights against

consumers on social media as evidence that allegedly rendered its packaging inherently distinctive. *Id.* at 4–7. Goodwill refers to a brand's established reputation among consumers. *See infra* Section II.A. In Tatcha's Complaint, Tatcha alleged that Too Faced was trying to leverage Tatcha's goodwill in its favor by using similar trade dress to grab the attention of consumers.

13. Notice of Dismissal Without Prejudice, *Tatcha LLC v. Too Faced Cosmetics LLC*, No. 3:17-cv-04472 (N.D. Cal. Aug. 30, 2017).

14. Kim & Roby, *supra* note 1 (defining makeup dupes as products that allow consumers to “experience department store makeup at drug store prices”). The Too Faced lipstick retails for \$21 and the Tatcha lipstick for \$55, and neither of those prices are akin to the prices of lipsticks in drugstores. It is unlikely that the average consumer would consider Too Faced's lipstick a dupe for Tatcha's lipstick, especially when there is an abundance of cheaper alternatives in the market.

15. The *Tatcha* case is the first high-profile lawsuit regarding cosmetics and trade dress infringement. Although the Lanham Act analysis would parallel that of a more traditional makeup dupe case, this case does not address the wider phenomenon or its causes. In the fashion and cosmetics world, knockoffs or dupes are cheaper replacements for luxury goods. Thus, while *Tatcha* serves as an example of the type of potential litigation that will arise, it does not fully encapsulate the makeup dupe phenomenon.

16. *See* Devon Abelman, *Makeup Revolution Dupes All Your Favorite Products and Knows It*, ALLURE (Mar. 8, 2017), <http://www.allure.com/story/makeup-revolution-dupes> (quoting an interview with a Makeup Revolution spokesperson who stated that “[d]upes are a recognized and celebrated part of the fashion and beauty industry, and consumers love them”); *see also* Laura Capon, *People Think Makeup Revolution Has Gone Too Far with Its Latest ‘Dupe,’* COSMOPOLITAN UK (Mar. 20, 2017), <http://www.cosmopolitan.com/uk/beauty-hair/makeup/news/a50335/makeup-revolution-rip-off-charlotte-tilbury-lipstick> (reporting that a Makeup Revolution spokesperson stated, “At Makeup Revolution we passionately believe that amazing quality makeup should be available to all, not elitist or based on your ability to pay[; w]e never knowingly infringe any design copyright or patent”).

Makeup Revolution, what mechanisms exist within the Lanham Act¹⁷—the federal trademark act—to protect the senior user?¹⁸

Most claims for infringement must consider three inquiries: (1) whether the trademark or trade dress is distinctive or has acquired secondary meaning; (2) whether there is a likelihood of confusion due to the low-end brand's imitation of the high-end brand; and (3) whether the imitated design is non-functional.¹⁹ Courts have derived these requirements from the Lanham Act and each circuit court considers different factors and tests for each step in the infringement inquiry.²⁰ These foundational differences could lead to disparate outcomes for high-end makeup companies seeking to protect their products under the Lanham Act. Moreover, the idiosyncrasies of each court's jurisprudence create a legal ambiguity that poses significant questions about the protectability of trade dress.

Although trademark law seeks to protect innovators, its twin aim is to promote competition.²¹ Makeup dupes, which could be potentially infringing products, enhance competition within the makeup industry by increasing the number of products that consumers can purchase. When faced with a trade dress infringement claim, makeup dupe producers may have a legally sufficient defense: fair use.²² Courts have construed this affirmative defense as comprising either a "classic" fair use or "nominative" fair use defense.²³ Circuit courts across the country have further splintered the fair use defense by establishing different tests and requirements for each reading of the defense, whether classic or nominative.²⁴ The Supreme Court attempted to

17. Lanham Act of 1946, Pub. L. 79-489, 60 Stat. 427 (codified as amended at 15 U.S.C. §§ 1051–1127 (2012)).

18. *Infra* Section II.A.

19. *See infra* Section II.A (quoting portions of the Lanham Act that outline a claim for trademark infringement).

20. *See infra* Section II.A.

21. *See* RAUSTIALA & SPRIGMAN, *supra* note 5, at 168 (noting that trademark law gives rise to vibrant and creative industries).

22. The fair use defense is found within the Lanham Act. 15 U.S.C. § 1115(b)(4) (providing for an affirmative defense to a trademark infringement claim in which the junior user used the term or device "fairly and in good faith only to describe the goods or services").

23. *See infra* notes 137–39 and accompanying text (defining classic and nominative fair use and providing examples of each).

24. Prior to the Supreme Court's ruling in *KP Permanent Make-Up, Inc. v. Lasting Impression I, Inc.*, 543 U.S. 111 (2004), there was a circuit split regarding the relationship between the fair use defense and the likelihood of confusion. *See* Adrienne Y. Cheng, *KP Permanent Make-Up, Inc. v. Lasting Impression I, Inc.: Reconciling Fair Use and the Likelihood of Confusion*, 21 BERKELEY TECH. L.J. 425, 431–32

clarify the relationship between the fair use defense and trademark infringement claims in *KP Permanent Make-Up, Inc. v. Lasting Impression I, Inc.*²⁵ The Court held that a “defendant has no independent burden to negate the likelihood of any confusion in raising the affirmative defense that a term is used descriptively . . . and in good faith.”²⁶ The prevalence of makeup dupes complicates this already nebulous holding by making it unclear whether a court would consider dupes, products that could confuse consumers, as fair use.²⁷

This Comment examines the extent to which makeup dupes constitute trade dress or trademark infringement and whether the fair use defense protects knockoff brands and the products they design. This Comment argues that bad-faith makeup dupe producers could be liable for trademark or trade dress infringement, but good-faith makeup dupe producers are protected under the Lanham Act’s fair use defense. Part I of this Comment delineates the advent of makeup dupes, their presence on social media and availability in the marketplace, and the responses from high-end brands.²⁸ Part II dissects the Lanham Act and outlines the elements required to establish a prima facie case of trademark or trade dress infringement.²⁹ Part II also traces the trajectory of the fair use defense as it pertains to trade dress infringement, including an analysis of the *KP Permanent Make-Up* decision and other relevant cases.³⁰ Part III applies the existing legal framework to two of the most well-known makeup dupes in the market, evaluating what a potential claim for trade dress infringement would look like, as well as testing the feasibility of the fair use defense as a shield for producers of makeup dupes.³¹ In particular, this Comment examines hypothetical conflicts involving two common makeup dupe

(2006). The Second, Fourth, and Seventh Circuits “interpreted fair use as protecting the use of descriptive words in commerce regardless of likelihood of confusion,” and the Fifth, Sixth, and Ninth Circuits “held that likelihood of confusion bar[red] a finding of fair use.” *Id.* at 431.

25. 543 U.S. 111 (2004).

26. *Id.* at 124 (recognizing that fair use can occur along with a certain degree of confusion without breaching the Lanham Act).

27. *See infra* Section III.A.

28. *See infra* Part I.

29. *See infra* Section II.A (analyzing functionality, distinctiveness, and consumer confusion as components of trademark infringement).

30. *See infra* Section II.B.

31. *See infra* Part III.

manufacturers: Makeup Revolution and E.L.F. Cosmetics.³² This Comment concludes with suggestions for both high-end and low-end makeup brands that seek to reconcile the need for competition in the makeup industry with statutory protections for artistic innovations.³³

I. THE RISE OF MAKEUP DUPES IN THE MARKET

High-end makeup brands are popular for many reasons: they often strive to use high-quality products, including natural or organic ingredients;³⁴ several high-end brands go so far as to become vegan or cruelty-free;³⁵ and most high-end brands carve out a niche identity in an industry where dupes are common.³⁶ Brands invest in a great amount of resources, research, and marketing strategies to develop products consumers will appreciate and purchase,³⁷ and makeup

32. *Infra* Part III. The two hypotheticals crafted for use in this Comment are more representative of the makeup dupe phenomenon than the *Tatcha* case. *Supra* notes 12–15 and accompanying text. The *Tatcha* complaint alleges that Tatcha’s lipstick tubes are inherently distinctive, Complaint at 4–7, *Tatcha LLC v. Too Faced Cosmetics LLC*, No. 3:17-cv-04472 (N.D. Cal. Aug. 7, 2017), and the hypotheticals posed in this Comment are examined under the existing legal framework. Moreover, this Comment also considers whether the dupes in question are fair use, which the *Tatcha* complaint did not consider.

33. *See infra* Part III.

34. *See Skin Superfoods*, SEPHORA, http://www.sephora.com/superfoods-for-skin?icid2=buyingguidelp_featured_skinsuperfoods (last visited Feb. 7, 2018) (listing items such as charcoal and superfruit blends in cosmetic products).

35. *See #ShopVegan*, KAT VON D BEAUTY, <https://www.katvondbeauty.com/vegan-alert.html> (last visited Feb. 7, 2018) (defining vegan as “a product that does not contain any animal products or by-products, and has not been tested on animals”); *see also How Is a Company Certified as Cruelty-Free?*, PETA, <https://www.peta.org/about-peta/how-is-a-company-certified-as-cruelty-free> (last visited Feb. 7, 2018) (stating that a “cruelty free certificate” may be created only by signing PETA’s assurance statement to not conduct animal tests); *Welcome to the Tarte Family*, TARTE COSMETICS, http://tartecosmetics.com/en_US/explore/about-tarte (last visited Feb. 7, 2018) (branding itself as “leaders in the beauty industry, offering eco-chic, cruelty-free cosmetics & hypoallergenic, vegan skincare[; e]very product is packed with naturally-derived, skinvigorating™ ingredients [and] always formulated without the bad stuff like parabens, phthalates, sodium lauryl sulfate, triclosan, [and] gluten”).

36. *About Us*, URBAN DECAY COSMETICS, <http://www.urbandecay.com/about-us-urban-decay> (last visited Feb. 7, 2018) (declaring that Urban Decay’s trademarked slogan is “Beauty with an edge”); *see also Because You’re Worth It*, L’ORÉAL PARIS, <https://www.lorealparisusa.com/about-loreal-paris/because-youre-worth-it.aspx> (last visited Feb. 7, 2018) (stating that the brand’s slogan, “Because You’re Worth It,” is “part of [its] social fabric”).

37. *See* Vijay Vishwanath & Jonathan Mark, *Your Brand’s Best Strategy*, HARV. BUS. REV., May–June 1997, at 123, 126 (encouraging companies to invest in innovation

companies, especially, see their products as an artistic feat.³⁸ These are just some of the numerous attributes that make high-end brands so popular to mimic and sell at a lower price point.³⁹

The popularity of makeup dupes is a function of supply and demand: as consumers demand lower cost but comparable quality, companies respond by creating dupes.⁴⁰ While it is unnecessary to assign blame or identify who first precipitated this phenomenon, it is important to highlight the respective roles both the infringing companies and consumers play in the rapid growth of makeup dupes in the marketplace. Consumers seek affordable, high-quality products that deliver the same results as high-end products, and low-end companies fill that demand with dupes. Indeed, knockoffs are commonplace in the fashion industry,⁴¹ and some proponents argue that knockoffs bolster competition by giving consumers a greater diversity of choices.⁴²

A. *The Characteristics of Makeup Dupes*

Makeup dupes are often regarded by beauty bloggers and consumers as budget-friendly solutions to achieve a desired high-end

because “educated consumers will pay more for innovation”); *see also* *Mana Prods. v. Columbia Cosmetics Mfg., Inc.*, 65 F.3d 1063, 1066 (2d Cir. 1995) (“[Plaintiff] allege[d] it developed lines of cosmetic products with certain designs, word designations, and color combinations, and created catalog numbers, price lists, and advertisements that identify its products to the private label cosmetics market.”).

38. *See* Sarah Wu, *Kat Von D Calls Out Makeup Revolution for Copying Her Makeup Palette*, TEEN VOGUE (Mar. 21, 2017, 2:39 PM), <http://www.teenvogue.com/story/kat-von-d-palette-dupe-makeup-revolution-controversy> (quoting a YouTube video in which Kat Von D, celebrity tattoo artist turned makeup designer behind the namesake brand, states that she “pour[s] [her]self into everything [she has] ever created for” her fans and that she “hand draw[s]” many of the designs on her product packaging and social media posts); *see also* *We Are Kat Von D Beauty!*, KAT VON D, <https://www.katvondbeauty.com/about-kat-von-d-beauty/about-the-brand.html> (last visited Feb. 7, 2018) (referring to the company’s cosmetic products as an “art” that acts as a “creative outlet for everyone”).

39. *See supra* notes 28–32 and accompanying text.

40. *See infra* Section I.B (describing the relationship between consumers, infringing companies, and makeup dupes); *see also* RAUSTIALA & SPRIGMAN, *supra* note 5, at 20 (finding that consumers preferred a much cheaper knockoff of a designer dress and expressed that preference by choosing to purchase it).

41. RAUSTIALA & SPRIGMAN, *supra* note 5, at 20 (noting that competitors copy clothing designs as a routine practice).

42. *Id.* at 21 (arguing that inexpensive knock offs in the fashion industry have spurred creativity and that the apparel industry has “boomed” within the past fifty years in spite of the increase in knock offs).

makeup look.⁴³ Dupes have increased in popularity and are “a cheaper alternative to higher-end products. [Makeup] dupes allow bargain shoppers to experience department store makeup at drug store prices.”⁴⁴ In the United States, beauty is a multi-billion dollar industry.⁴⁵ Cosmetics sales from prestige brands have steadily increased since 2010, with 2015 sales totaling over \$16 billion.⁴⁶ However, sales from cheaper, more accessible brands dominate the market.⁴⁷ While consumers research and invest in high-end products, it may be difficult to purchase new, costly products as they frequently arrive on the market, which occurs every season.⁴⁸ Thus, makeup dupes bridge the competitive gap between consumers’ desire to replicate beauty trends without suffering the monetary consequences.

B. *The Stakeholders: The Interwoven Relationship that Makes the Dupes Market Go Round*

There are several interested parties who play a role in popularizing and promoting makeup dupes, and they encompass two broad categories: infringing companies and consumers. Low-end companies recognize consumer enthusiasm for makeup dupes and benefit when consumers consider their products to be similar to or better than an expensive counterpart.⁴⁹ Consumers research, locate, and promote low-end products as formidable alternatives to trendy and popular luxury makeup items.⁵⁰ As the consumer demand for dupes increases,

43. See *supra* notes 6, 8 (noting that dupes operate as functional equivalents of their high-end competitors).

44. See Kim & Roby, *supra* note 1 (stating that the dupe market is a \$56.2 billion industry annually).

45. In 2016, beauty industry revenue totaled approximately \$62.46 billion. See BEAUTY STATISTICS, *supra* note 2, at 7. The beauty industry primarily consists of hair care products, skin care products, cosmetics, and perfumes and cologne. *Id.* at 11. Cosmetics encompassed 14.6% of the sales within the beauty industry in 2015. *Id.*

46. *Id.* at 31.

47. *Id.* at 37.

48. Most prestige makeup brands launch new products in the fall, in anticipation of the holiday season, or in the spring. See Lauren Levinson, *Too Faced Drops the Unicorn Survival Kit You’ve All Been Waiting for*, POPSUGAR BEAUTY (Dec. 9, 2017), <https://www.popsugar.com/beauty/Too-Faced-Holiday-2017-Collection-43935938> (noting that “once Fall arrives, *holiday shopping* commences”).

49. See Gant, *supra* note 10 (“[Dupes are] usually similar in color and/or consistency. While the higher-end products typically last longer and have more impressive benefits, dupes are nothing to scoff at.”).

50. See *infra* Section I.B.2.

the supply of dupes increases because more low-end makeup brands seek to profit from this phenomenon.⁵¹

1. *Potentially infringing companies*

There are a vast array of makeup dupe providers that consumers can find in drug stores; mass retailers, like Wal-Mart; or large beauty retailers, such as Ulta Beauty or Sally Beauty Supply.⁵² However, simply producing low-cost lipstick or mascara does not automatically build a case for trade dress infringement.⁵³ Companies or brands that produce inexpensive makeup products with mass-market appeal typically do not do so with the intent of passing their product off as that of another, but there are some exceptions.⁵⁴ When considering potential examples of trade dress infringement, the most notorious examples are those that closely mirror the design and unique details of the product.⁵⁵ Indeed, makeup dupes not only seek to mimic the quality and effects of the product itself, but most popular dupes copy the packaging—or trade dress—which houses the original product.⁵⁶

Consider two examples of popular makeup dupes in the market: (1) Makeup Revolution’s “Ultra Eye Contour – Light and Shade Palette” as a dupe for Kat Von D’s “Shade + Light Eye Contour Palette”; and (2) E.L.F.’s “Mineral Face Primer” as a dupe for Smashbox Cosmetics’ “Photo Finish Foundation Primer.”⁵⁷ Makeup Revolution is a popular drugstore brand from the United Kingdom that produces eyeshadow palettes, among other products, that are nearly identical to multiple high-end products in the United States.⁵⁸ This Comment

51. *See supra* note 16 and accompanying text (examining Makeup Revolution’s notorious dupes of several Too Faced eyeshadow palettes in an attempt to tie its increased supply of such dupes to increased market share in the low-end cosmetic industry).

52. Certain brands that frequently produce dupes include E.L.F., Makeup Revolution, Revlon, Milani, NYX, Maybelline, L’Oréal, and Colourpop. *See Gant, supra* note 10 (listing seventeen makeup dupes from these brands and their corresponding high-end counterparts).

53. *See infra* note 78 and accompanying text.

54. *See id.* (noting that some bad faith exceptions include using nearly identical trade dress, similar product names, and nearly indistinguishable product arrangements with regard to characteristics such as color and size).

55. *See supra* note 16 (highlighting other Makeup Revolution products that have attracted negative attention due to its imitations of high-end makeup products).

56. *Id.*

57. *See infra* Sections III.A–B (examining whether these two dupes are infringing on the high-end brands they mirror and whether their use is fair under the Lanham Act).

58. Makeup Revolution is one brand within TAM Beauty. *About Us*, TAMBEAUTY, <https://www.tambeauty.com/en/About-Us/cc-1.aspx> (last visited Feb. 7, 2018).

examines Makeup Revolution's conduct and its imitations of popular high-end products in Section III.B.1 to illustrate how a potentially bad-faith company would hold up against a claim of trademark infringement.⁵⁹ E.L.F. is a U.S. cosmetics brand that seeks to "empower and educate women to play in innovation without sacrificing their budget."⁶⁰ E.L.F. serves as an example of a good-faith infringer, as its products are often listed as dupes for high-end products, but its trade dress design does not closely mirror that of high-end products.⁶¹

2. *Social media savvy consumers*

Consumers play a huge role in the promotion and dissemination of makeup dupes in the market.⁶² The internet, including social networking websites and mobile applications, is the main platform where information about viable dupes is reported and diffused.⁶³ Once a consumer discovers that a \$7 NYX liquid lipstick is an affordable alternative for a \$20 Kat Von D liquid lipstick,⁶⁴ that information is easily shared and widely appreciated by consumers

Consumers in the United States can purchase Makeup Revolution products online at tambeauty.com or in U.S. Ulta Beauty stores. *Makeup Revolution*, ULTA, <http://www.ulta.com/brand/makeup-revolution> (last visited Feb. 7, 2018) (featuring nearly one hundred Makeup Revolution products, many of which are known dupes for brands such as Kat Von D Beauty and Too Faced).

59. See *infra* Section III.B.1.

60. *About*, E.L.F. COSMETICS, <http://www.elfcosmetics.com/page/about> (last visited Feb. 7, 2018). E.L.F. Cosmetics is sold at a variety of stores and drugstores. See, e.g., *E.L.F. Cosmetics Face*, WALMART, <https://www.walmart.com/c/brand/e-l-f-cosmetics-face> (last visited Feb. 7, 2018); *E.L.F.*, TARGET, [https://www.target.com/bp/e.l.f.](https://www.target.com/bp/e.l.f) (last visited Feb. 7, 2018); *E.L.F. Cosmetics*, ULTA, <http://www.ulta.com/brand/elf-cosmetics> (last visited Feb. 7, 2018); *E.L.F. Cosmetics Brand Shop*, CVS, [http://www.cvs.com/shop/brand-shop/e/e.l.f.](http://www.cvs.com/shop/brand-shop/e/e.l.f) (last visited Feb. 7, 2018).

61. See *infra* Section III.B.2.

62. See *infra* notes 66–68 and accompanying text.

63. *Id.* (detailing popular websites and social media platforms that consumers use when sharing information about dupes). While some beauty bloggers are paid to review or sponsor products on their accounts, most beauty bloggers spend thousands of dollars building their collections and hundreds of hours per year filming and editing videos. See Hayley Wilbur, *Here's What It Really Costs to be a Beauty Blogger*, MIC (Aug. 26, 2016), <https://mic.com/articles/151986/here-s-what-it-really-costs-to-be-a-beauty-blogger> (surveying six beauty bloggers about the amount of money they spend on cosmetics).

64. See Gant, *supra* note 10 (comparing two nearly identical shades of liquid lipstick at number ten).

seeking to make affordable substitutions.⁶⁵ The most popular venues for sharing information about makeup dupes online are Instagram,⁶⁶ YouTube,⁶⁷ Pinterest,⁶⁸ and BuzzFeed.⁶⁹ Consumers use these websites as tools to spread information about popular dupes, informing the public about the prevalence of affordable alternatives and shifting the demand from high-end products to low-end products.

II. THE CURRENT LANDSCAPE OF TRADEMARK LAW

The law governing trademarks and trade dress falls within the confines of the Lanham Act.⁷⁰ Registration of trademarks requires application to and review by the United States Patent and Trademark

65. See Komaromi, *supra* note 4, at 170 (concluding that once a beauty blogger began posting dupes on her Instagram account, traffic to her page increased and she gained new followers).

66. Instagram, a photo sharing website and mobile application, is a popular forum for researching makeup dupes. *About Us*, INSTAGRAM, <https://www.instagram.com/about/us> (last visited Feb. 7, 2018). There are over 29,000 posts on Instagram tagged with the hashtag “#makeupdupes.” INSTAGRAM, <https://www.instagram.com/explore/tags/makeupdupes> (last visited Feb. 7, 2018). One particularly noteworthy account features over 6500 posts exclusively dedicated to identifying and sharing makeup dupes. @DupeThat, INSTAGRAM, <https://www.instagram.com/dupethat> (last visited Feb. 7, 2018). This account has over one million followers. *Id.*

67. YouTube is a video-sharing website that gives users a platform to have a voice and express themselves. See YOUTUBE, <https://www.youtube.com/yt/about> (last visited Feb. 7, 2018). Many beauty bloggers use YouTube to share makeup tutorials and videos promoting makeup dupes. YOUTUBE, https://www.youtube.com/results?search_query=makeup+dupes (last visited Feb. 7, 2018). A search for “makeup dupes” yielded approximately 1,290,000 results. *Id.* The top three videos with the most views each have over 4.2 million views, and the most-viewed video has over 3.9 million views. *Id.*

68. Pinterest is a website and mobile application where users “pin photos into collections called boards, which serve as big catalogs of objects.” Alexis C. Madrigal, *What Is Pinterest? A Database of Intentions*, ATLANTIC (July 31, 2014), <https://www.theatlantic.com/technology/archive/2014/07/what-is-pinterest-a-database-of-intentions/375365>. Pinterest, a forum where users intentionally and purposefully categorize popular items into boards, features a beauty section where many dupes can be found. *Id.* While Pinterest does not display exactly how many results exist when a user searches for “makeup dupes,” hundreds of images showing side-by-side comparisons of drugstore and high-end makeup products populate the screen. See generally PINTEREST, [https://www.pinterest.com/search/pins/?rs=rs&len=2&q=makeup%20dupes&eq=make&etslf=3865&term_meta\[\]=makeup%7Crecentsearch%7Cundefined&term_meta\[\]=dupes%7Crecentsearch%7Cundefined](https://www.pinterest.com/search/pins/?rs=rs&len=2&q=makeup%20dupes&eq=make&etslf=3865&term_meta[]=makeup%7Crecentsearch%7Cundefined&term_meta[]=dupes%7Crecentsearch%7Cundefined) (last visited Feb. 7, 2018) (displaying the results that appear when searching for makeup dupes).

69. See *supra* note 10 (featuring two BuzzFeed lists containing seventeen and nineteen dupes, respectively).

70. Lanham Act of 1946, Pub. L. 79-489, 60 Stat. 427 (codified as amended at 15 U.S.C. §§ 1051–1127 (2012)).

Office (USPTO), but registration is not required for Lanham Act protection.⁷¹ One purpose of the Lanham Act is to protect “the goodwill and reputation that a business has built up in a product or service.”⁷² The principal purpose of federal trademark law is to “secure the public’s interest in protection against deceit as to the sources of its purchases, [and] the businessman’s right to enjoy business earned through investment in the good will and reputation attached to a trade name.”⁷³

Trademarks and trade dress create semi-exclusive rights to words, images, or symbols, and this invaluable “association between a brand name, the quality of the product, and the source of that product” protects consumers and fuels the economy.⁷⁴ Trademarks include “word[s], phrase[s], name[s], or symbol[s] . . . used in commerce to identify goods or services and their source.”⁷⁵ Trade dress is a broader concept that includes “features such as size, shape, color or color combinations, texture, graphics, or even particular sales techniques.”⁷⁶ While trademark law offers protections for words or phrases, trade

71. See *Trademark Process*, U.S. PATENT AND TRADEMARK OFFICE, <https://www.uspto.gov/trademarks-getting-started/trademark-process#step1> (last visited Feb. 7, 2018) (providing a step-by-step overview of the trademark application process). A trademark or trade dress registered on the USPTO’s Principal Register is prima facie evidence of a trademark’s validity and distinctiveness, among other benefits. See 15 U.S.C. § 1057(b). Once a trademark or trade dress is registered, the trademark owner can utilize § 1114(b), but owners of unregistered marks can only file a claim for infringement under § 1125(a). *Infra* Section II.A.

72. 1 J. THOMAS MCCARTHY, MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 3:2 (5th ed. 2017); see also Mitchell M. Wong, Note, *The Aesthetic Functionality Doctrine and the Law of Trade-Dress Protection*, 83 CORNELL L. REV. 1116, 1121 (1998) (“Trademarks . . . provid[e] the consumer with some reputational expectations about the quality of the product.”).

73. *Fabrication Enters., Inc. v. Hygenic Corp.*, 64 F.3d 53, 57 (2d Cir. 1995) (internal quotation marks omitted); see also *Mana Prods. v. Columbia Cosmetics Mfg.*, 65 F.3d 1063, 1068 (2d Cir. 1995) (quoting *Park ‘N Fly, Inc. v. Dollar Park and Fly, Inc.*, 469 U.S. 189, 198 (1985)) (“Congress believed that protecting trademarks fosters fair competition, assures that consistent quality of trademarked goods may be maintained over time, and secures to trademark owners their reputation and goodwill.”).

74. Cheng, *supra* note 24, at 425.

75. *Franklin Mint Co. v. Manatt, Phelps & Phillips, LLP*, 109 Cal. Rptr. 3d 143, 150 (Cal. Ct. App. 2010).

76. *John H. Harland Co. v. Clarke Checks, Inc.*, 711 F.2d 966, 980 (11th Cir. 1983); see also *Abercrombie & Fitch Stores, Inc. v. Am. Eagle Outfitters, Inc.*, 280 F.3d 619, 630 (6th Cir. 2002) (quoting *Jeffrey Milstein, Inc. v. Greger, Lawlor, Roth, Inc.*, 58 F.3d 27, 31 (2d Cir. 1995)) (“‘[T]rade dress’ has taken on a more expansive meaning and includes the design and appearance of the product as well as that of the container and all elements making up the total visual image by which the product is presented to customers.”).

dress law protects designs or features on a product or its packaging.⁷⁷ Ultimately, trademark law exists to shield consumers from deceit, confusion, and misinformation by protecting symbols or product features that signal information about the quality or source of products.⁷⁸

A. *The Statutory Framework for Infringement*

The Lanham Act establishes a cause of action for trademark and trade dress infringement for both registered and unregistered marks. For registered marks, the Lanham Act states:

Any person who shall, without the consent of the registrant . . . reproduce, counterfeit, copy, or colorably imitate a registered mark and apply such . . . imitation to labels, signs, prints, packages, wrappers, receptacles or advertisements intended to be used in commerce . . . [in] which such use is likely to cause confusion, or to cause mistake, or to deceive, shall be liable in a civil action by the registrant for the remedies hereinafter provided.⁷⁹

Thus, this section creates a cause of action for registrants of a mark to file a lawsuit against those whose use of the registered mark is likely to cause confusion among consumers as to the true source or origin of the product.⁸⁰

For unregistered marks, the Lanham Act provides a similar cause of action under § 1125(a) for:

Any person who . . . 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 . . . which . . . 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 approval of his or her goods, services or commercial activities by another person, or . . . 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 . . .⁸¹

77. See *Duraco Prods., Inc. v. Joy Plastic Enters.*, 40 F.3d 1431, 1438 (3d Cir. 1994) (clarifying the narrow distinction between trademark and trade dress law and its importance in preventing unfair competition).

78. See Noa Tal, *Aesthetic Functionality: Trademark Law's Red Herring Doctrine*, 22 TEX. INTELL. PROP. L.J. 25, 29 (2014) (“[W]hen consumers know that they can rely on a trademark as a valid indication of source, they use trademarks as a shortcut to quality assurance, even when buying a product they have never used.”).

79. 15 U.S.C. § 1114(1)(b) (2012).

80. *Id.*

81. *Id.* § 1125(a)(1)(A)–(B).

Section 1125(a)(3) qualifies the cause of action for infringement of unregistered marks by stating that “the person who asserts trade dress protection has the burden of proving that the matter sought to be protected is not functional.”⁸² Thus, the core elements of a trademark infringement claim are distinctiveness and likelihood of confusion, and trade dress infringement also requires those elements, as well as the third element of functionality.⁸³

1. *Functionality*

To be protected under the Lanham Act, a mark or product feature must be non-functional.⁸⁴ Functionality alludes to the practical features of a product that contribute to its utility rather than the typical source-identifying nature of a trademark or trade dress.⁸⁵ In *Inwood Laboratories v. Ives Laboratories*,⁸⁶ the Supreme Court stated the following test for functionality: “a product feature is functional if it is essential to the use or purpose of the article or if it affects the cost or quality of the article.”⁸⁷ Courts may deem features of a product to be functional “if protecting the trade dress ‘threatens to eliminate a substantial swath of competitive alternatives in the relevant market.’”⁸⁸ A court may find a product’s packaging is functional if it “contribute[s] to the product’s durability, improve[s] the efficiency of or lower[s] the cost for, [or] manufacture[s] or facilitate[s] the consumer’s evaluation of a product’s features.”⁸⁹

82. *Id.* § 1125(a)(3).

83. See Cynthia Clarke Weber, *Trade Dress Basics*, SUGHRUE MION, <http://www.sughrue.com/files/Publication/a5e682a6-09e8-4fb4-8d52-f3ba796ee215/Presentation/PublicationAttachment/28d42aa1-f2c4-4516-9a6c-f84323a0b1a7/tradedress.htm> (last visited Feb. 7, 2018) (explaining the principles of trade dress registration).

84. *Id.* (citing *In re Deister Concentrator Co.*, 289 F.2d 496 (C.C.P.A. 1961)) (“If a trade dress is determined to be legally functional it cannot be protected as a trademark even if the public does attribute that appearance or design to a single source . . . and even if there is confusion between the parties’ products or their sources among members of the public.”); see also *American Greetings Corp. v. Dan-Dee Imports, Inc.*, 807 F.2d 1136, 1141 (3d Cir. 1986) (concluding that “[w]hen a feature or combination of features is found to be functional, it may be copied and the imitator may not be enjoined from using it, even if confusion in the marketplace will result”).

85. See Scott C. Sandberg, *Trade Dress: What Does It Mean?*, 29 FRANCHISE L.J. 10, 14 (2009) (explaining that courts impose a nonfunctionality requirement on trade dress protection to avoid stifling business competition).

86. 456 U.S. 844 (1982).

87. *Id.* at 850 n.10.

88. Sandberg, *supra* note 85, at 14.

89. Julia Anne Matheson & Anna B. Naydonov, *Goodbye Big Logos Hello Snazzy Packaging*, FINNEGAN (Jan. 2009), <https://www.finnegan.com/en/insights/goodbye->

Trade dress that has an aesthetic functionality is unlikely to enjoy protection.⁹⁰ Aesthetic functionality “focuses on ornamental features that have the potential to influence consumer behavior, but are neither essential nor helpful to the primary function of the product.”⁹¹ Even if a court deems that the product feature in question is not traditionally functional, a plaintiff must also establish that the product is not aesthetically functional and that granting Lanham Act protection to his or her feature would not have a significant effect on competition.⁹² When making this determination, courts weigh “the competitive benefits of protecting the source-identifying aspects” of a mark against the “competitive costs of precluding competitors from using the feature[s].”⁹³ Thus, a mark is aesthetically functional if exclusive use of the feature would put competitors at a significant non-reputational disadvantage.

2. *Distinctiveness*

The distinctiveness requirement is intertwined with the protectability of a mark or trade dress.⁹⁴ There are two ways a mark can be distinctive: (1) by showing that the mark is inherently distinctive or (2) by showing secondary meaning.⁹⁵ Judge Friendly first

big-logos-hello-snazzy-packaging.html (providing several examples of protectable trade dress, including the blue Tiffany box and ribbon and the shape of a Coca-Cola bottle).

90. See, e.g., *Keene Corp. v. Paraflex Indus., Inc.*, 653 F.2d 822, 825 (3d Cir. 1981) (considering the meaning of aesthetic functionality in a trademark infringement claim).

91. *Wong*, *supra* note 72, at 1153.

92. See *Christian Louboutin S.A. v. Yves Saint Laurent Am. Holding, Inc.*, 696 F.3d 206, 220, 227 (2d Cir. 2012) (holding that Louboutin’s red sole could be trademarked only when the color contrasted the “upper” part of the shoe, such that other shoe companies who make red shoes would not infringe on the trademark by using a red sole); see also *Coach Leatherware Co. v. Ann Taylor, Inc.*, 933 F.2d 162, 171 (2d Cir. 1991) (“Lanham Act Protection does not extend to configurations of ornamental features which would *significantly* limit the range of competitive designs available.” (emphasis added)).

93. See *Fabrication Enters., Inc. v. Hygenic Corp.*, 64 F.3d 53, 59 (2d Cir. 1995) (holding that the lower court erred when it did not sufficiently consider all relevant variables to assessing Lanham Act protection’s impact on competition).

94. See LARS S. SMITH & LLEWELLYN J. GIBBONS, *MASTERING TRADEMARK AND UNFAIR COMPETITION LAW* 41 (2013) (“[C]ourts in evaluating whether design or packaging is protectable as a trademark must consider issues relating to distinctiveness, the overlap with patent law, and its functionality.”).

95. *Id.* at 21; see also *Wal-Mart Stores v. Samara Bros., Inc.*, 529 U.S. 205, 216 (2000) (holding that in an action for infringement of unregistered trade dress, the

established the categories of distinctiveness for trademarks in *Abercrombie & Fitch Co. v. Hunting World, Inc.*,⁹⁶ and courts have since extended those categories to cover trade dress distinctiveness.⁹⁷ The main categories of inherently distinctive marks include arbitrary,⁹⁸ fanciful,⁹⁹ or suggestive¹⁰⁰ marks, and these marks are accorded a higher degree of protection. Courts typically consider registered marks inherently distinctive,¹⁰¹ while descriptive marks require a showing of secondary meaning.¹⁰² Generic marks are not registerable

respondent was required to show that its product's design had acquired secondary meaning to prove that it was distinctive).

96. See *Abercrombie & Fitch Co. v. Hunting World, Inc.*, 537 F.2d 4, 9 (2d Cir. 1976) (categorizing marks as generic, descriptive, suggestive, and arbitrary or fanciful, in ascending order of inherent distinctiveness).

97. See *Two Pesos, Inc. v. Taco Cabana, Inc.*, 505 U.S. 763, 773 (1992) (extending the *Abercrombie* distinctiveness classifications to trade dress).

98. An arbitrary mark "is used in a way that is incongruous with its dictionary meaning." See SMITH & GIBBONS, *supra* note 94, at 19. With arbitrary marks, there is no logical connection between the meaning of the marks as understood by consumers and the goods or services that are associated with the marks. *Id.* Common examples include "Apple" for computers, "Amazon" for online retail sales, and "Delta" for airline services. *Id.*

99. *Id.* Fanciful marks are "term[s] . . . invented by the merchant to be used as a trademark . . . that [do] not exist in the English Lexicon." *Id.* Examples include "Xerox" for photocopiers and "Exxon" for gasoline. *Id.* Over time, courts concluded that "packages or images may be as arbitrary, fanciful, or suggestive as words or symbols" and that trade dress "is now considered as fully capable as a particular trademark of serving as a 'representation or designation.'" *Two Pesos*, 505 U.S. at 786 (Thomas, J., concurring).

100. A mark is suggestive when a consumer would have to use any degree of imagination to determine the company's services or products. See *Perfect Pearl Co. v. Majestic Pearl & Stone, Inc.*, 887 F. Supp. 2d 519, 532–33 (S.D.N.Y. 2012) (stating that the "MAJESTIC" mark did not convey the qualities of the products, requiring consumers to use their imagination to determine the nature of the products); see also *Strange Music, Inc. v. Strange Music, Inc.*, 326 F. Supp. 2d 481, 487 (S.D.N.Y. 2004) (examining the argument that suggestive marks evoke an "imaginative leap" in the consumer). A mark is also suggestive when it could conceivably apply to a variety of products, indicating that an average consumer could perceive multiple meanings. See *Hasbro, Inc. v. Lanard Toys, Ltd.*, 858 F.2d 70, 75 (2d Cir. 1988) (determining that the "GUNG-HO" mark could describe various other toys than the action figure in question and was therefore suggestive).

101. See *Wal-Mart Stores, Inc. v. Samara Bros., Inc.*, 529 U.S. 205, 210 (2000) (quoting *Two Pesos*, 505 U.S. at 768) ("Distinctiveness is, moreover, an explicit prerequisite for registration of trade dress under § 2, and 'the general principles qualifying a mark for registration under § 2 of the Lanham Act are for the most part applicable in determining whether an unregistered mark is entitled to protection under § 43(a).").

102. Descriptive marks convey "the characteristics, functions, qualities, ingredients, properties, or uses of [a] product." See SMITH & GIBBONS, *supra* note 94, at 21; see also *William R. Warner & Co. v. Eli Lilly & Co.*, 265 U.S. 526, 528 (1924) (holding that the

as trademarks, and they are not protectable under the Lanham Act because granting them protection would undermine large volumes of competition in a wide range of industries.¹⁰³ However, marks need not be registered to receive protection if they are distinctive or show secondary meaning.¹⁰⁴

While trade dress jurisprudence adheres to the *Abercrombie* classifications for distinctiveness,¹⁰⁵ trade dress encompasses many features, such as color, design, and packaging, that represent a product's total image to consumers.¹⁰⁶ However, the Supreme Court has not clearly elucidated a test for determining whether trade dress is inherently distinctive. There are three cases that establish the general parameters for certain categories of trade dress.

The first trade dress case considered the interior design and theme of a Mexican restaurant and its distinctiveness. In *Two Pesos, Inc. v. Taco Cabana, Inc.*,¹⁰⁷ the disputed trade dress was the design and overall

name "Coco-Quinine" was descriptive of the ingredients in the chemical products that were manufactured to make a liquid preparation of quinine and other substances, including chocolate); *Abercrombie & Fitch Co. v. Hunting World, Inc.*, 537 F.2d 4, 9 (2d Cir. 1976) (explaining that under the Lanham Act "even proof of secondary meaning, but virtue of which some 'merely descriptive' marks may be registered, cannot transform a generic term into a subject for trademark").

103. No merchant is allowed to possess exclusive rights in generic terms. See SMITH & GIBBONS, *supra* note 94, at 23.

104. 15 U.S.C. § 1125(a) (2012). Secondary meaning refers to acquired distinctiveness of a mark that is not inherently distinctive. Although there is no determinative test, courts look to the following factors to determine whether a mark has secondary meaning: length or manner of use; amount or manner of advertising; volume of sales; direct consumer testimony; and consumer surveys that measure the degree of association between the mark and a particular source.

105. *Supra* note 96 and accompanying text (citing *Abercrombie v. Hunting World*, 537 F.2d at 9). Another influential trade dress case is *Seabrook Foods, Inc. v. Bar-Well Foods Ltd.*, 568 F.2d 1342 (C.C.P.A. 1977). The *Seabrook* test is often cited in trade dress cases when analyzing inherent distinctiveness, and the four parts include whether it was: "[1] a 'common' basic shape or design, . . . [(2)] unique or unusual in the particular field, . . . [(3)] a mere refinement of a commonly-adopted and well-known form of ornamentation for a particular class of goods viewed by the public as a dress or ornamentation for the goods, or . . . [(4)] capable of creating a commercial impression distinct from the accompanying words." *Id.* at 1344. If a mark or trade dress satisfies any of the first three tests, it is not inherently distinctive. *In re Chippendales USA, Inc.*, 622 F.3d 1346, 1352 (Fed. Cir. 2010).

106. *Mana Prods. v. Columbia Cosmetics Mfg.*, 65 F.3d 1063, 1069 (2d Cir. 1995); see also *Two Pesos*, 505 U.S. at 787 (Thomas, J., concurring) (explaining that only word marks were capable of inherent distinctiveness and that, now, trade dress is "fully capable . . . of serving as a representation or designation of source").

107. 505 U.S. 763 (1992).

image of two Mexican fast-food restaurants.¹⁰⁸ Taco Cabana, the plaintiff, opened its first restaurant in 1978 and featured a “festive eating atmosphere” comprised of bright, festive colors and open patio areas.¹⁰⁹ When Two Pesos opened its first restaurant in 1985, it adopted a very similar motif, changing minor details but maintaining the overall aesthetic of the restaurant.¹¹⁰ The Court held that because Taco Cabana’s restaurant design was inherently distinctive, a showing of secondary meaning was not required.¹¹¹

The Supreme Court next decided that a trademark consisting purely of color could be registered. In *Qualitex Co. v. Jacobson Products Co.*,¹¹² the Court stated that “customers may come to treat a particular color on a product or its packaging as signifying a brand,” thus acquiring secondary meaning.¹¹³ The Court held that the green-gold color of Qualitex’s dry cleaning pads “acts as a symbol” identifying its source, giving the color necessary secondary meaning to render it protectable.¹¹⁴

The Supreme Court extended its *Qualitex* holding to the disputed clothing designs in *Wal-Mart Stores v. Samara Bros.*¹¹⁵ In *Samara Bros.*, the plaintiffs discovered that Wal-Mart and other retailers were selling knockoffs of its children’s clothing designs.¹¹⁶ A jury found for Samara Bros., and the Second Circuit affirmed, concluding that clothing designs could receive Lanham Act protection as distinctive trade dress.¹¹⁷ However, the Supreme Court held that “design, like color, is not inherently distinctive” because product design often serves purposes beyond source identification, and the Court reversed and remanded the Second Circuit’s judgment.¹¹⁸ Therefore, product design is distinctive and protectable only upon a showing of secondary meaning.¹¹⁹

108. *Id.* at 765.

109. *Id.*

110. *Id.*

111. *Id.* at 775 (expressing concerns that a secondary meaning requirement would stifle business competition).

112. 514 U.S. 159, 174 (1995).

113. *Id.* at 163.

114. *Id.* at 166.

115. 529 U.S. 205, 216 (2000).

116. *Id.* at 207–08 (describing “one-piece seersucker outfits decorated with appliques of hearts, flowers, [and] fruits,” which were part of the Samara Bros.’s clothing line that Wal-Mart copied).

117. *Id.* at 208.

118. *Id.* at 212, 216.

119. *Id.* at 216.

As case law has developed from the holdings of the three preeminent trade dress cases, general rules have solidified. Trade dress is considered inherently distinctive when the packaging is “so obviously indicative of a source that the trademark owner need not present concrete proof that consumers automatically associate it with the source because such a showing is unnecessary.”¹²⁰ Showing secondary meaning is necessary if trade dress occupies an industry with ubiquitously similar packaging.¹²¹ A feature acquires secondary meaning when consumers identify it with a source.¹²² Indeed, packaging—or trade dress—can be used to identify the source of a product much like a trademark can be used to identify a product’s source.¹²³ However, it may be impossible to establish secondary meaning if the color or combination of colors is common in an industry.¹²⁴

3. *Consumer confusion*

One of the central aims of trademark law is to “preserve the source-identifying meaning of marks.”¹²⁵ Consumer confusion occurs when the consumers mistake a product’s source due to a potentially infringing use of a trademark or trade dress.¹²⁶ Circuit courts have

120. See Tal, *supra* note 78, at 31 (citing cases that determined that candy wrappers, wax seals on bottles of bourbon, and restaurant decor were inherently distinctive trade dress); see also *In re Chippendales USA, Inc.*, 622 F.3d 1346, 1352 (Fed. Cir. 2010) (stating that “the focus of the [inherent distinctiveness] inquiry is whether or not the trade dress is of such a design that a buyer will immediately rely on it to differentiate the product from those of competing manufacturers; if so, it is inherently distinctive”).

121. See Matheson & Naydonov, *supra* note 89.

122. See Wong, *supra* note 72, at 1131.

123. Matheson & Naydonov, *supra* note 89 (recognizing that companies are moving away from flashy logos to more stylish and distinctive product packaging as a mechanism to identify brands).

124. See *Mana Prods., Inc. v. Columbia Cosmetics MFG., Inc.*, 65 F.3d 1063, 1071 (2d Cir. 1995) (affirming the dismissal of the plaintiff’s Lanham Act infringement claim because the plaintiff’s use of black compacts “does not identify plaintiff as the source because there are countless numbers of cosmetics companies that sell black compacts”). *But see* *Christian Louboutin S.A. v. Yves Saint Laurent Am. Holding, Inc.*, 696 F.3d 206, 228 (2d Cir. 2012) (holding that plaintiff’s Red Sole Mark had developed secondary meaning and was therefore a valid and enforceable trademark).

125. See William McGeeveran, *Rethinking Trademark Fair Use*, 94 IOWA L. REV. 49, 66 (2008) (explaining that trademark “law generally forbids any use of a mark that ‘is likely to cause confusion, or to cause mistake, or to deceive’ as to the connection between the plaintiff and the defendant (or their respective products)”).

126. *Id.*; see also *Sports Auth., Inc. v. Prime Hosp. Corp.*, 89 F.3d 955, 963 (2d Cir. 1996) (finding that a sporting goods store named “The Sports Authority” and a hotel

examined the likelihood of confusion by applying a popular multi-factor test that varies slightly among each circuit but consists of the same core factors.¹²⁷ The test consists of approximately eight factors that courts balance to determine whether consumers are likely to be confused by an allegedly infringing use of a mark, but these factors are not exhaustive.¹²⁸ Proving that a likelihood of confusion exists is an integral part of a trademark or trade dress infringement claim because without confusion, there would be no manifest problem regarding the secondary user's appropriation of the mark.¹²⁹

B. *The Fair Use Defense*

Once a plaintiff, or senior user, successfully establishes a prima facie case of trademark or trade dress infringement, the burden shifts to the defendant, or junior user, to avoid liability using the fair use defense.¹³⁰ There are many defenses available to defendants in trademark infringement suits, but the fair use defense is most relevant in the dupe

restaurant bearing the name "Sports Authority" was likely to confuse consumers who might refer to either business as "Sports Authority" in passing).

127. See, e.g., *Interpace Corp. v. Lapp, Inc.*, 721 F.2d 460, 463 (3d Cir. 1983); *AMF, Inc. v. Sleekcraft Boats*, 599 F.2d 341, 348–49 (9th Cir. 1979) (the *Sleekcraft* factors); *Helene Curtis Indus., Inc. v. Church & Dwight Co.*, 560 F.2d 1325, 1330 (7th Cir. 1977); *Polaroid Corp. v. Polarad Elecs. Corp.*, 287 F.2d 492, 495 (2d Cir. 1961) (the *Polaroid* factors).

128. Courts typically take into account most of the following eight factors: (1) strength of the mark; (2) the degree of similarity between the two marks; (3) the proximity of areas of commerce; (4) the likelihood that the prior owner will bridge the gap separating their areas of activity; (5) evidence of actual confusion; (6) defendant's good-faith effort in adopting its own mark; (7) the quality of defendant's product; and (8) the sophistication of the buyers. *Sleekcraft Boats*, 599 F.2d at 348–49; *Polaroid Corp.*, 287 F.2d at 495. Courts must consider multiple factors and vary the factors on a case by case basis. See *Guthrie Healthcare Sys. v. ContextMedia, Inc.*, 826 F.3d 27, 38 (2d Cir. 2016); *Brennan's, Inc. v. Brennan's Rest., L.L.C.*, 360 F.3d 125, 130 (2d Cir. 2004); *Petro Stopping Ctrs., L.P. v. James River Petroleum, Inc.*, 130 F.3d 88, 91 (4th Cir. 1997) ("These factors are not of equal importance or equal relevance in every case.").

129. Trademarks and trade dress designate the source of a good or service, and "the touchstone for an infringement action is whether there is a likelihood of consumer confusion between the marks." *Consumer Confusion—The Touchstone for Trademark Infringement*, KLINCK LLC, <https://www.klinckllc.com/trademarks/consumer-confusion-in-trademark-disputes> (last visited Feb. 7, 2018).

130. *Brother Records, Inc. v. Jardine*, 318 F.3d 900, 909 n.5 (9th Cir. 2003) (explaining that "whereas [the] plaintiff carries the burden of persuasion in a trademark infringement claim to show a likelihood of confusion . . . the nominative fair use defense shifts to the defendant the burden of proving no likelihood of confusion").

context.¹³¹ The fair use defense is statutorily enshrined within the Lanham Act at 15 U.S.C. § 1115(b)(4)¹³² and “restricts exclusive trademark rights when another’s use of a mark is fair.”¹³³ The hallmark of this defense is the phrase “used fairly and in good faith.”¹³⁴ While the fair use defense was created to protect good-faith infringers,¹³⁵ opponents see it as an erosion of a trademark holder’s rights.¹³⁶

There are two types of fair use: classic and nominative.¹³⁷ Classic fair use, also known as statutory fair use, “applies where a defendant has used the plaintiff’s mark only to describe his own product and not to

131. The Lanham Act creates many defenses available to defendants in trademark infringement suits, and the two most commonly used affirmative defenses are fair use and parody. See *Overview of Trademark Law*, HARV., <https://cyber.harvard.edu/metaschool/fisher/domain/tm.htm> (last visited Feb. 7, 2018). Parodies also involve imitating another’s product or service, and parodies “must convey two simultaneous—and contradictory—messages: that it is the original, but also that it is *not* the original and is instead a parody.” See *Cliffs Notes, Inc. v. Bantam Doubleday Dell Publ’g Grp., Inc.*, 886 F.2d 490, 494 (2d Cir. 1989). This Comment does not consider the parody defense because the fair use defense is more relevant to the issue of consumer confusion. However, future research could consider whether makeup dupes are parodies of high-end products.

132. 15 U.S.C. § 1115(b)(4) (2012). The fair use defense provides “[t]hat the use of the name, term, or device charged to be an infringement is a use, otherwise than as a mark, of the party’s individual name in his own business, or of the individual name of anyone in privity with such party, or of a term or device which is descriptive of and *used fairly and in good faith* only to describe the goods or services of such party, or their geographic origin.” *Id.* (emphasis added).

133. David W. Barnes & Teresa A. Laky, *Classic Fair Use of Trademarks: Confusion About Defenses*, 20 SANTA CLARA HIGH TECH. L.J. 833, 837 (2004).

134. *Id.*; see also Cheng, *supra* note 24, at 435 (arguing that the legislature created § 1115(b)(4) as a protection for the good-faith infringer who has been employing an incontestable mark descriptively).

135. “[The *KP Permanent Make-Up* decision] shows that even where the harm that the prima facie cause of action seeks to prevent may be implicated, other concerns—for example, competition, or perhaps the protection of free speech—might warrant, on balance, that we live with some minor harm to the trademark owner in order to preserve those other values. That is a real defense.” Graeme B. Dinwoodie, *Developing Defenses in Trademark Law*, 13 LEWIS & CLARK L. REV. 99, 134 (2009); cf. Wong, *supra* note 72, at 1155 (concluding that “protecting a feature from imitation allows the trade-dress holder to exercise a legally enforceable monopoly over products bearing that feature”).

136. See generally Xiyin Tang, *Against Fair Use: The Case for a Genericness Defense in Expressive Trademark Uses*, 101 IOWA L. REV. 2021, 2050 (2016) (acknowledging the potential for fair use defenses to erode trademark holder rights).

137. See Cheng, *supra* note 24, at 429–31 (providing examples of classic and nominative fair use).

describe the plaintiff's product."¹³⁸ Nominative fair use applies "when a merchant uses the trademark to describe the actual trademark owner's product."¹³⁹ Although low-budget brands copy a high-end brand's trade dress or trademarks, they do so only in describing their own product, which can be considered classic fair use.¹⁴⁰ While the intent of a knock-off brand can be unclear and nearly identical imitations can be suspicious, very rarely do low-budget alternatives claim to be the high-end product.¹⁴¹ That promotion stems from consumers identifying the infringing product as a comparable, or perhaps superior, alternative at a more affordable price point.¹⁴² While courts focus on different inquiries when considering nominative fair use and classic fair use, the success of either version of the affirmative defense hinges on whether there is a likelihood of confusion.¹⁴³

The relationship between likelihood of confusion and the fair use affirmative defense has always been murky, and although the Supreme Court attempted to clarify this dynamic in *KP Permanent Make-Up*, it may have further perpetuated the uncertainty.¹⁴⁴ *KP Permanent Make-Up* centers around permanent makeup, which is "a mixture of pigment and liquid" used to obscure skin imperfections,¹⁴⁵ and the "micro color" trademark, which Lasting Impression Inc. registered.¹⁴⁶ At the time of the case, Ninth Circuit precedent had required that a

138. *Cairns v. Franklin Mint Co.*, 292 F.3d 1139, 1151 (9th Cir. 2002); *see, e.g.*, *Cheng*, *supra* note 24, at 430; *accord SMITH & GIBBONS*, *supra* note 95, at 137.

139. *See SMITH & GIBBONS*, *supra* note 94, at 137.

140. *See infra* notes 188–91 and accompanying text.

141. If a low-end brand claimed to be the high-end brand, the defense of nominative fair use could be asserted. *SMITH & GIBBONS*, *supra* note 94, at 137. However, in the context of makeup dupes, most low-end brands do not claim to be the prestige version. *See Capon*, *supra* note 16 (quoting a Makeup Revolution representative claiming that Makeup Revolution "never knowingly infringe[s] any design copyright or patent").

142. *See supra* note 10 (featuring two BuzzFeed lists that incorporate consumer testimonials of the similarity between specific makeup dupes and their high-end counterparts).

143. *Century 21 Real Estate Corp. v. Lendingtree, Inc.*, 425 F.3d 211, 223 (3d Cir. 2005) (highlighting that courts place a premium on the likelihood of confusion under either inquiry).

144. *See Cheng*, *supra* note 24, at 437–38 (arguing that the Supreme Court's *KP Permanent Make-Up* holding "severely limits the effectiveness of the defense to protect a good-faith user" and that "the lower courts are left to negotiate an amorphous test which balances the likelihood of confusion with the good-faith intent of the infringer, likely leading . . . to a divergent range of lower court rulings").

145. *See KP Permanent Make-Up, Inc. v. Lasting Impression I, Inc.*, 543 U.S. 111, 114 (2004).

146. *See Christopher D. Olszyk, KP Permanent Make-Up, Inc. v. Lasting Impression I, Inc.: An Analysis of the Fair Use Defense*, 30 DEL. J. CORP. L. 863, 865 (2005).

defendant asserting the fair use defense affirmatively show an absence of consumer confusion; this precedent diverged from the text of the Lanham Act and created a circuit split with other federal appellate courts.¹⁴⁷ In *KP Permanent Make-Up*, the Supreme Court established criteria necessary in bringing a successful infringement claim.¹⁴⁸

While this holding seems straightforward regarding the burdens both parties must meet at trial, the Supreme Court left open the question of how consumer confusion can coexist with the fair use defense.¹⁴⁹ An infringing product is likely to lead to some degree of consumer confusion, but the Supreme Court has not determined the requisite threshold of confusion necessary to negate a finding of fair use.

III. MAKEUP DUPES MAY BE FAIR USE UNDER THE LANHAM ACT

Makeup dupes permeate social media and are becoming more salient each day.¹⁵⁰ As beauty bloggers and consumers locate viable generic versions of high-end favorites, low-end brands develop new ways to gain a competitive advantage in a large industry.¹⁵¹ While not all makeup dupes are nefarious—some dupes just happen to be comparable substitutes for a pricier product—other companies take duping to the extreme when they too closely imitate a high-end product’s packaging.¹⁵² It is these makeup dupes that are the potential subjects of costly future litigation due to their infringing conduct. Two examples of makeup dupes—the good-faith dupes and the bad-faith

147. *Id.* at 867–68 (concluding that the Second Circuit’s approach to fair use and consumer confusion was that a likelihood of confusion analysis is irrelevant “where the defendants’ use was (1) in good faith, (2) in a descriptive sense, and (3) prominently identifying the product with defendants’ own marks”). See *Cosmetically Sealed Indus., Inc. v. Chesebrough-Pond’s USA Co.*, 125 F.3d 28, 31 (2d Cir. 1997) (establishing that while the Second Circuit’s approach permits multiple uses of similar terminology, it also prevents brands from monopolizing descriptive terms); see also *Cairns v. Franklin Mint Co.*, 292 F.3d 1139, 1151 (9th Cir. 2002); *Olszyk*, *supra* note 146, at 868 (noting that the Ninth Circuit’s precedent did the opposite; it required that the “alleged infringer . . . prove that there was an absence of likelihood of confusion prior to raising any fair use defense”).

148. *KP Permanent Make-Up*, 543 U.S. at 124 (holding a plaintiff claiming an infringement must show likelihood of consumer confusion, while the defendant has no burden to negate the likelihood of confusion in raising the affirmative defense).

149. *Id.* at 123 (concluding that “fair use can occur with *some degree* of confusion”) (emphasis added).

150. See *supra* Section I.B.2 (describing the presence of makeup dupes on popular social media websites and applications).

151. *Supra* note 14 and accompanying text.

152. *Supra* note 14 and accompanying text.

dupes—are discussed below. This Section examines Makeup Revolution and E.L.F. Cosmetics as potential defendants in an action for infringement and analyzes whether the fair use defense could shield them from liability. Both companies are simultaneously lauded by consumers and chastised by high-end brands worried about damage to their reputational goodwill among consumers.

A. *Dupes that Are Infringements Under the Lanham Act*

The analytical framework for both trade dress and trademark infringement claims under the Lanham Act is similar.¹⁵³ While the elements vary depending on whether the mark or trade dress is registered or unregistered,¹⁵⁴ a company alleging trademark infringement must prove the following two things, at minimum: (1) that the contested mark is protectable and (2) that the infringer's use of the mark causes confusion among consumers. In the case of trade dress, the company must prove those two elements, in addition to showing that the trade dress is non-functional.¹⁵⁵ High-end producers can establish protectability by a showing of either inherent distinctiveness or secondary meaning. As applied to makeup dupes, these high-end companies must show that their makeup products are inherently distinctive or have acquired secondary meaning in the beauty industry, that their imitated packaging is non-functional, and that the low-end companies' potentially infringing products are likely to cause consumer confusion. The following contain two hypothetical cases based on real products,¹⁵⁶ analyzing how a trade dress infringement claim in the makeup dupe context would fare under the existing legal landscape.

1. *Makeup Revolution's dupe*

To illustrate what a possible claim for trade dress infringement would look like, assume that Kat Von D files a lawsuit against Makeup

153. See *supra* Section II.A (outlining the elements needed to establish a prima facie case of trademark or trade dress infringement).

154. The statutory framework for registered marks is 15 U.S.C. § 1114 and the framework for unregistered marks is 15 U.S.C. § 1125(a)(1)–(3).

155. *Supra* Section II.A.

156. There is no active or prior litigation between the four parties or their parent companies regarding the trade dress aspects of the cosmetic products examined in the subsequent discussion. These hypotheticals were crafted due to the popularity of the dupes in question.

Revolution over its “Ultra Eye Contour – Light and Shade Palette,”¹⁵⁷ which is a popular and inexpensive dupe for Kat Von D’s “Shade + Light Eye Contour Palette.”¹⁵⁸ While Makeup Revolution creates makeup dupes for many popular high-end makeup products, especially eyeshadow palettes, its dupe for Kat Von D’s palette has elicited a negative reaction from Kat Von D.¹⁵⁹ Makeup Revolution’s dupe is thus a prime target for future litigation.

A prima facie case for trade dress infringement requires Kat Von D to show (1) that her eyeshadow palette, or trade dress, is non-functional and distinctive and (2) that Makeup Revolution’s rendition is likely to cause consumer confusion.¹⁶⁰ As to the functionality of the palette, the design itself does not contribute to the utility of the product.¹⁶¹ Kat Von D does not derive any competitive advantage from housing her collection of twelve matte eyeshadows in a black, rectangular container, and granting trademark protection would not limit competition in the beauty world. There are ample alternative palette designs, shapes, and configurations that competitors could seize.¹⁶² However, courts might view Kat Von D’s palette differently when considering aesthetic functionality. Kat Von D designs the artwork on the packaging of her product, but Makeup Revolution has only imitated the name of the palette and the orientation of the shades of eyeshadow therein. Granting Kat Von D’s palette design Lanham Act protection would not hinder competition in the beauty industry because there are many designs that brands could adopt, and most

157. For an image of Makeup Revolution’s “Ultra Eye Contour – Light and Shade Palette,” see *Makeup Revolution Ultra Eye Contour – Light and Shade Palette*, TAMBEAUTY, <https://www.tambeauty.com/en/Makeup-Revolution-Ultra-Eye-Contour-Light-and-Shade/m-1879.aspx> (last visited Feb. 7, 2018), which is listed at \$14.38 without tax or shipping.

158. For an image of Kat Von D’s “Shade + Light Eye Contour Palette,” see *Kat Von D Shade + Light Eye Contour Palette*, SEPHORA, http://www.sephora.com/shade-light-eye-contour-palette-P413457?skuId=1848530&om_mmc=ppc-GG_381463959_27499870479_pla-178160945799_1848530_97594845039_9007538_c&country_switch=us&lang=en&gclid=EAfAlIQobChMIz_qEqZuy1QIVBY5pCh15bQgzEAQYAiABEgK_qfD_BwE&gclsrc=aw.ds (last visited Feb. 7, 2018), which is listed at \$48 without tax or shipping.

159. See Wu, *supra* note 38 (featuring an Instagram post by Kat Von D calling out Makeup Revolution for its uncanny resemblance to her Shade + Light palette).

160. See *supra* Section II.A (dissecting the statutory elements of infringement under the Lanham Act).

161. See Sandberg, *supra* note 85, at 14 (concluding that features are functional when they contribute to the utility of the product; namely, features that make it easier for consumers to use or enjoy the product).

162. See *Coach Leatherware Co. v. Ann Taylor, Inc.*, 933 F.2d 162, 171 (2d Cir. 1991) (barring Lanham Act protection to features or designs that limit competition).

brands tie their image or identity to the product design.¹⁶³ Thus, aesthetic functionality would not be at issue in litigation, and it is likely that a court would find Kat Von D's palette design non-functional.

As to distinctiveness, Kat Von D must show that her palette is inherently distinctive or has acquired secondary meaning in the makeup world.¹⁶⁴ Inherently distinctive marks are those that are fanciful, arbitrary, or suggestive.¹⁶⁵ Kat Von D's palette is not arbitrary because its overall design parallels that of many other eyeshadow palettes in the cosmetics industry, namely in its rectangular shape.¹⁶⁶ Kat Von D's palette is not fanciful because it relies on language that exists in the English lexicon.¹⁶⁷ Instead, Kat Von D's palette is likely suggestive because it requires consumers to use some degree of mental effort to connect her product to her brand.¹⁶⁸

Makeup Revolution could raise several arguments to weaken Kat Von D's infringement claim. Makeup Revolution may be able to counterargue that Kat Von D's palette is descriptive because the name of the palette conveys its qualities and properties. Even if Kat Von D's palette is descriptive, it might be able to show that it has acquired secondary meaning. Kat Von D's rectangular packaging style and eyeshadow colors are common in the beauty industry,¹⁶⁹ but the name—"Shade + Light"—paired with the unique designs on the outside of the packaging could convince a court to find secondary meaning in the cosmetics market. Additionally, because most cosmetics brands carve out niche identities to attract consumers, it is likely that consumers would recognize the edgy, black designs as belonging to the Kat Von D brand.

Makeup Revolution's imitation is highly likely to cause confusion among consumers. Courts typically consider and weigh eight factors

163. *Id.*; *supra* note 37 and accompanying text (discussing how cosmetics brands establish a niche identity in an industry with many competitors).

164. See *Wal-Mart Stores, Inc. v. Samara Bros.*, 529 U.S. 205, 205 (2000) (mandating that a product's design must acquire secondary meaning to satisfy the distinctiveness requirement).

165. *Two Pesos, Inc. v. Taco Cabana, Inc.*, 505 U.S. 763, 768 (1992).

166. See *supra* note 98 and accompanying text (finding that arbitrary marks show no logical connection between the meaning of the marks and the goods they represent); see also *Mana Prods., Inc. v. Columbia Cosmetics Mfg., Inc.*, 65 F.3d 1063, 1071 (2d Cir. 1995) (explaining that most cosmetics companies sell black compacts).

167. See *supra* note 99 (characterizing fanciful marks as marks that have a description using imaginary and made-up vocabulary).

168. See *supra* note 100 and accompanying text (describing suggestive marks as marks that imply or lead a consumer to associate the mark with the product).

169. See *supra* notes 83, 85 and accompanying text.

when determining whether a use of a trademark or trade dress could cause confusion,¹⁷⁰ and the most relevant factors when analyzing makeup dupes include the following: the degree of similarity between the two marks or trade dresses, the proximity of areas of commerce, and a defendant's good-faith effort in adopting its own mark.¹⁷¹ These three factors relate to the totality of the dispute insofar as there are two nearly identical products from two companies that occupy the same industry. The names of the eyeshadow palettes are similar, focusing on the words "contour," "shade," and "light." The packaging, or trade dress, is also eerily similar.¹⁷² Both palettes feature twelve eyeshadow pans in nearly identical shades, located in the same position within each black, rectangular eyeshadow palette case. Building a case for consumer confusion would be easy for Kat Von D because when removing brand names, there is almost no way of knowing which palette belongs to which brand, and more importantly, which palette is the dupe. Makeup Revolution's palette would likely cause confusion and deceive consumers as to its source. Therefore, Kat Von D could likely establish a prima facie case of trademark or trade dress infringement under the Lanham Act.

2. *E.L.F. Cosmetics' dupe*

A second example of a dupe-related infringement action would be if high-end brand Smashbox Cosmetics filed a lawsuit against E.L.F.

170. See *supra* note 128 (listing the eight factors courts use to determine whether consumer confusion is likely).

171. See *supra* note 128 (explaining the combination of factors that courts consider varies depending on the facts of the case); see also *Brennan's, Inc. v. Brennan's Rest., L.L.C.*, 360 F.3d 125, 130 (2d Cir. 2004). Similarity was chosen because the infringement question turns on how similar—and eventually, how confusingly similar—the makeup dupe trade dress is to the high-end trade dress. Proximity of areas of commerce is relevant in this analysis because high-end products and makeup dupes occupy the same industry and can often be found within the same store. An example of this is Ulta, a beauty retailer where high-end and drugstore products are sold. Defendant's good-faith basis is imperative when considering the fair use affirmative defense, as fair use relies on the intent of the alleged infringer. More of the factors could be considered in this analysis, but the three that have been selected are more pertinent to the discussion.

172. See *supra* note 157 (image of Makeup Revolution palette); *Kat Von D Shade + Light Eye Contour Palette Review, Photos, Swatches*, TEMPTALIA (Apr. 16, 2015), <http://www.temptalia.com/kat-von-d-shade-light-eye-contour-palette-review-photos-swatches> (image of the Kat Von D palette).

Cosmetics for its “Mineral Face Primer,”¹⁷³ which is a dupe for Smashbox Cosmetics’ “Photo Finish Foundation Primer.”¹⁷⁴ In this instance, Smashbox would have a strong argument for why its trade dress is non-functional. There is nothing unique about the features of Smashbox’s primer packaging that contributes to the utility of the product.¹⁷⁵ Smashbox sells its highly-regarded primer in three sizes—0.50 ounces, 1 ounce, and 1.7 ounces.¹⁷⁶ Each tube of primer mirrors the type of tube that toothpaste or other similar products are housed in. Moreover, the packaging does not “contribute to the product’s durability, improve the efficiency of or lower the cost for, manufacture or facilitate the consumer’s evaluation of [the] product’s features,” so a court would likely conclude that it is non-functional.¹⁷⁷ Smashbox’s primer is also non-functional when considering aesthetic functionality. Smashbox’s primer tube is quite plain, consisting of neutral colors such as black and silver. There is nothing ornamental about the tube and the tube does not have any intricate or innovative designs on its surface.¹⁷⁸

Smashbox may also face challenges when arguing that its primer tube is inherently distinctive. Smashbox’s tube is not arbitrary, as many foundation primers come packaged in tubes.¹⁷⁹ Smashbox’s primer

173. For an image of E.L.F. Cosmetics’s “Mineral Face Primer,” see *Mineral Infused Face Primer*, E.L.F. COSMETICS, https://www.elfcosmetics.com/p/mineral-infused-face-primer-tall?bvrrp=Main_Site-en_US/reviews/product/2/9344.htm (last visited Feb. 7, 2018).

174. For an image of Smashbox Cosmetics’s “Photo Finish Foundation Primer,” see *Photo Finish Foundation Primer*, SMASHBOX, https://www.smashbox.com/product/6038/18502/face/primers/photo-finish-foundation-primer#/shade/Clear?cm_mmc=Linkshare_-TnL5HPStwNw_-1_-10 (last visited Feb. 7, 2018).

175. See Sandberg, *supra* note 85, at 14 (concluding that features, namely those that make it easier for consumers to use or enjoy the product, are functional when they contribute to the product’s utility).

176. *Smashbox: Iconic Photo Finish Foundation Primer*, SEPHORA, <https://www.sephora.com/product/photo-finish-foundation-primer-P9889?skuId=1349968> (last visited Feb. 7, 2018).

177. See Matheson & Naydonov, *supra* note 89, at 2.

178. See *supra* note 92 (explaining that ornamental designs do not qualify for Lanham Act protection under the aesthetic functionality doctrine).

179. See *supra* note 98 and accompanying text (explaining that arbitrary marks or trade dress have no logical relationship with the goods or service they represent); see, e.g., *Benefit Cosmetics: The POREfessional Face Primer*, SEPHORA, https://www.sephora.com/product/the-porefessional-face-primer-P264900?skuId=1259068&icid2=benefit_lp_best sellers_carousel_us:p264900 (last visited Feb. 7, 2018) (featuring a robin’s egg blue, striped tube with a running woman holding a briefcase); *Make Up For Ever: Step 1 Skin Equalizer Primer*, SEPHORA, <https://www.sephora.com/product/step-1-skin-equalizer-primer-P393965?skuId=1669027&icid2=products%20grid:p393965> (last visited Feb. 7, 2018) (displaying a plain black tube with white font).

tube is also not fanciful because Smashbox was not the first to invent this type of tube, and tubes are common forms of packaging in the makeup industry.¹⁸⁰ Smashbox would also face difficulty trying to prove that its tube is suggestive because neither its name nor its packaging requires an imaginative leap from consumers.¹⁸¹ Smashbox's product may not be inherently distinctive, meaning that it would have to show secondary meaning to qualify for protection under the Lanham Act.¹⁸²

It is unlikely that a court would find consumer confusion in this dispute. Analyzing the same factors used above—the degree of similarity between the two marks or trade dresses, the proximity of areas of commerce, and defendant's good-faith effort in adopting its own mark—Smashbox does not have as strong of a case for consumer confusion as Kat Von D in the first hypothetical.¹⁸³ The names of both products feature no similarities that would arouse immediate confusion among consumers. The key area of confusion between these two products is in the similarity of the product itself: the E.L.F. primer and Smashbox primer are both clear gels that promise to “fill[] in fine lines and refine[] [consumers'] complexion.”¹⁸⁴ The packaging is not so similar as to cause confusion, but the clear gel within the packaging could be a source of consumer confusion when considered separate from the packaging.¹⁸⁵ Although both products occupy the same area of commerce and represent viable options for consumers at different price points, E.L.F.'s rendition does not seem to be so similar to Smashbox's as to confuse consumers. A court would likely not find that E.L.F.'s primer is likely to confuse consumers, especially when compared to the degree of potential confusion in the Kat Von D and Makeup Revolution hypothetical.¹⁸⁶ Additionally, there is no evidence

180. See *supra* note 99 and accompanying text.

181. See *supra* note 100.

182. See *supra* note 95; see also *Wal-Mart Stores, Inc. v. Samara Bros.*, 529 U.S. 205, 212 (2000) (requiring defendant company to show that its product's design had acquired secondary meaning to prove that it was distinctive). Smashbox may be able to argue that its primer tube has acquired secondary meaning in the makeup industry, but it would need to show evidence of length of use, volume of advertising and sales, and degree of association among consumers regarding its trade dress and the Smashbox brand. *Supra* note 104 (explaining what factors courts consider when determining whether a mark has secondary meaning).

183. See *supra* Section III.B.1.

184. See *supra* note 173; see also *supra* note 174 (claiming that the primer “smooth[]s skin and blurs flaws”).

185. See *supra* notes 181–82.

186. See *supra* Section III.A.1 (discussing similarity in design and description).

of bad faith regarding E.L.F.'s product or packaging. Therefore, it is unlikely that Smashbox could establish a prima facie case of trademark or trade dress infringement.

B. Good-Faith Makeup Dupes Are Fair Use

The key phrase in the fair use defense is “used fairly and in good faith.”¹⁸⁷ When determining whether makeup dupes constitute fair use of another brand’s trademark or trade dress, the inquiry turns to the intent and knowledge of the infringing company.¹⁸⁸ Not all makeup dupes are nefarious, which means that some producers of makeup dupes might have an easier time arguing the fair use defense than others. Most makeup dupes on the market could be considered classic fair use because low-end brands rarely promote themselves as the high-end brand; such a categorization would render makeup dupes nominative fair use.¹⁸⁹ As a result, makeup dupes are examples of classic fair use.¹⁹⁰ The courts have yet to consider this issue, but the prevalence of makeup dupes in the market paired with outrage and disdain from high-end brands makes this issue ripe for litigation.

1. Makeup Revolution’s dupe is not fair use because it was created in bad faith

Revisiting Kat Von D’s hypothetical case against Makeup Revolution, assuming Kat Von D can establish a prima facie case of trade dress infringement, it is unlikely Makeup Revolution will be able to defend itself on grounds of a fair use defense.¹⁹¹ This case is an example of classic fair use because Makeup Revolution is not trying to claim that its palette is Kat Von D’s palette; rather, Makeup Revolution is imitating the design to profit from Kat Von D’s reputational goodwill and innovative trade dress.¹⁹² Although Makeup Revolution claims

187. 15 U.S.C. § 1115(b)(4) (2012).

188. *Id.*

189. *Supra* note 138 and accompanying text (explaining that classic fair use arises where “a defendant has used the plaintiff’s mark only to describe his own product, and not to describe the plaintiff’s product”).

190. *Century 21 Real Estate Corp. v. Lendingtree, Inc.*, 425 F.3d 222, 222–23 (3d Cir. 2005); *supra* note 143.

191. *See supra* Section III.A.1.

192. *See Wu, supra* note 38 (highlighting that Makeup Revolution’s dupe is profiting from Kat Von D’s artistic and innovative labor).

that it “never knowingly infringe[s] any design copyright or patent,”¹⁹³ the good-faith aspect of its defense is questionable because its palette is almost exactly the same as Kat Von D’s palette.¹⁹⁴ While Makeup Revolution is selling its palette under its own brand name, it is unlikely that a court would find that its conduct constitutes fair use because of the nearly identical nature of the trade dress, product name, and placement of the eyeshadows within the palette.¹⁹⁵

There is also a high potential for confusion between Kat Von D’s products and Makeup Revolution’s products. As courts try to reconcile the ambiguous holding by the Supreme Court in *KP Permanent Make-Up*,¹⁹⁶ the question shifts back to how much consumer confusion is necessary to defeat a claim of fair use. The Supreme Court precedent paired with the statutory protections in the Lanham Act should favor the senior user, which, in most cases, is the high-end brand. Allowing for this type of protection does not run counter to the mission and purpose of the Lanham Act, nor does it grant a competition-stifling monopoly to high-end brands. Here, because consumer confusion is likely due to Makeup Revolution’s infringing use of Kat Von D’s product, it is likely that a court would reject Makeup Revolution’s assertion of fair use and order an injunction.

2. *E.L.F. Cosmetics’ dupe is fair use because there is no evidence of bad faith*

Although it is unlikely that Smashbox could establish a prima facie case of trademark or trade dress infringement against E.L.F., this Comment assumes Smashbox can establish a prima facie case of infringement for purposes of exploring the viability of a fair use affirmative defense. This would be an example of classic fair use because E.L.F. is not explicitly claiming that its primer is the Smashbox primer.¹⁹⁷ Moreover, in contrast to Makeup Revolution’s mired history, there is no evidence of bad-faith intent on E.L.F.’s part, and it is likely that a court would consider E.L.F.’s primer a good-faith infringement, as many cosmetics brands

193. See Capon, *supra* note 16 (explaining that Makeup Revolution has also targeted other high-end cosmetics companies with its nefarious imitations, attracting negative attention from consumers and high-end brands alike). *Id.*

194. *KP Permanent Make-Up, Inc. v. Lasting Impression I, Inc.*, 543 U.S. 111, 120 (2004).

195. *Supra* Section III.A.1.

196. 543 U.S. at 123 (holding that “fair use can occur along with some degree of confusion [and] does not foreclose the relevance of the extent of any likely consumer confusion in assessing whether a defendant’s use is objectively fair”).

197. *Supra* note 138 (arguing that explicit and expressed intended use of a product potentially triggers the fair use defense).

utilize tubes to contain their primer, foundation, and concealer products.¹⁹⁸ This case is a prime example of consumers discovering the dupe and promoting it throughout the internet, without E.L.F. proactively and affirmatively branding itself as a Smashbox dupe or overtly copying Smashbox's packaging or trade dress.¹⁹⁹ Although the relationship between the degree of consumer confusion and fair use is nebulous under *KP Permanent Make-Up*,²⁰⁰ the likelihood of confusion in the Smashbox-E.L.F. dispute is minimal, if not non-existent; therefore E.L.F. would likely establish a classic fair use defense. Thus, where the degree of consumer confusion is dubious at best and where the low-end company does not exhibit a prior history of producing nefarious makeup dupes, courts will be less inclined to find trade dress or trademark infringement.

CONCLUSION

Makeup dupes are the most recent imitations within the fashion industry. Low-end makeup companies seek to remedy the high costs associated with high-end companies' expensive products and frequently changing makeup trends. The advent of makeup dupes illuminates many emerging intellectual property issues that have yet to be resolved in the courts, but this Comment analyzes issues specifically related to trademark law. By examining makeup dupes under the current legal and statutory framework, this Comment shows that although many makeup dupes may constitute trade dress or trademark infringement, the fair use defense allows good-faith, low-end companies to elude liability, so long as there is also a sufficient likelihood of consumer confusion. This Comment also shows that some makeup dupes are not good-faith imitations of high-end products, and these dupe producers would have a difficult time asserting the fair use defense.

While the Lanham Act makes it possible for high-end makeup companies to enforce rights to trademarks and trade dress, the fair use defense protects certain producers of makeup dupes. Although makeup dupes may be considered trade dress or trademark infringement under the Lanham Act in some contexts, the fair use

198. See *supra* note 180.

199. *Supra* Section I.B.2 (exploring the role of consumers and social media in spreading information about makeup dupes).

200. 543 U.S. at 122 (noting that certain degrees of confusion are tolerated whereas other degrees are not).

defense bars liability where there is low likelihood of consumer confusion and no prior history of nefarious or bad faith imitation of high-end products. Dupes give consumers more options, provide for more competition in the market, and reaffirm the intended purpose of the Lanham Act. Imitations have always had a place in the market, and dupes may have lasting power because they are popular and heavily promoted by tech-savvy consumers. Additionally, makeup dupes are an innovative way to enter a market dominated by established brands, allowing new brands to grab consumers' attention and increase competition.

There are some silver linings for high-end brands. While the outlook for high-end beauty brands may look bleak due to the advent of makeup dupes, more sophisticated consumers may ultimately reject makeup dupes. Brand names and reputational goodwill are strong among consumers, and the correlation between strength of a brand name and quality of the product is powerful.²⁰¹ Additionally, many high-end brands carve out niche identities and slogans in a large industry, and the move towards incorporating more natural and animal-friendly ingredients furthers the appeal of prestige brands, especially among wealthier consumers. Some consumers may also find that dupes are not perfect substitutes for highly regarded prestige makeup products and may prefer paying more to receive the results they want, no matter how detrimental it is to their wallets.²⁰² High-end brands also appeal to a broad range of consumers, and social media has increased their popularity and reach among consumers who might want to ditch a dupe in the search for their ideal cosmetic product.²⁰³ Thus, while dupes are garnering attention from consumers, consumers also may identify the high-end brands that inspired the imitation and choose them in the long run.

Ultimately, the Lanham Act establishes a framework that seeks to protect consumers from deceit, increase competition in the market, and safeguard trademarks and trade dress. The Lanham Act also serves to protect brands that have established goodwill and a positive reputation in certain industries from competitors seeking to profit from the brands' innovation and consumer bases. These seemingly

201. See Kim & Roby, *supra* note 1 (stating that “[t]he uncertainty as to whether beauty products will be protected through trade dress may compel brands to rely on the strength of their brand names and the quality of their products”).

202. See Gant, *supra* note 10 (featuring seventeen high-end products and consumer reviews supporting the price paid for quality results).

203. Many high-end brands regularly post on Instagram, Facebook, Snapchat, and Twitter.

competing aims are routinely litigated, and makeup dupes may have their day in court soon enough. Given the opaque landscape of trademark law and existing precedent, it is not clear how courts are likely to view makeup dupes. But this emerging issue and its expansive reach are worthy of adjudication.