"If 'clothes make the man,' it is no less true that 'trade dress makes the sale.'" ¹

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¹ J. THOMAS MCCARTHY, TRADEMARKS AND UNFAIR COMPETITION § 8:1, at 282 (2d ed. 1984).
INTRODUCTION

Trade dress, the overall image used to present a product to purchasers, is an important marketing tool. Since properties of trade dress can include a product's size, shape, color, graphics, and even, for example, a restaurant's exterior and interior design, protection of trade dress has become increasingly important. Under section 43(a) of the Lanham Act, which proscribes "false designation of origin", Congress enacted the Trademark Law Revision Act of 1988, Pub. L. No. 100-667, 102 Stat. 3935 (codified at 15 U.S.C. §§ 1051-1127 (1988)), to bring the Lanham Act into conformance with recent changes in the law and with current business practices. S. Rep. No. 515, 100th Cong., 2d Sess. 4 (1988), reprinted in 1988 U.S.C.C.A.N. 5577, 5580. The Act amends § 43(a) to reflect courts' interpretations of the section as a general law of unfair competition. Id. at 40, reprinted in 1988 U.S.C.C.A.N. at 5603. The Act also codifies the courts' applications of the remedies sections of the Lanham Act to unregistered trademarks. Id. at 59-40, reprinted in 1988 U.S.C.C.A.N. at 5602. Additionally, the Act equivocally extends § 43(a) relief to cases of deceptive advertising and disparagement. Id. at 41, reprinted in 1988 U.S.C.C.A.N. at 5603-04. The revised § 43(a) provides:

(a) Any person who, on or in connection with any goods or services, or any container for goods, uses in commerce any word, term, name, symbol, or device, or
trade dress may be protected from a competitor's appropriation. To prevail in a trade dress infringement case, the complainant must prove that the trade dress is protectible and show that there is a likelihood of consumer confusion.

In order to foster creativity and promote competition, courts have become more willing to protect a producer's trade dress from infringement. In so doing, however, some courts have relaxed the standards of proof required to prevail in a trade dress infringement suit. For example, courts have applied the doctrine of secondary meaning in the making, a judicial substitute for secondary meaning. Secondary meaning in the making provides a new producer

... any combination thereof, or any false designation of origin, false or misleading description of the fact, or false or misleading representation of fact, which—

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

(2) in commercial advertising or promotion, misrepresents the nature, characteristics, qualities, or geographic origin of his or her or another person's goods, services, or commercial activities, shall be liable in a civil action by any person who believes that he or she is or is likely to be damaged by such act.


9. To be protected, the trade dress must be nonfunctional and inherently distinctive or have acquired secondary meaning. See infra notes 29-89 and accompanying text (discussing functionality, distinctiveness, and secondary meaning as requirements for trade dress protectibility).

10. Likelihood of confusion asks whether a defendant's product is of such appearance as to cause substantial confusion among consumers regarding the source of the product. See infra notes 90-95 and accompanying text (discussing likelihood of confusion as requirement for upholding trade dress protectibility).

11. See Gifford, supra note 5, at 779-80 (observing that cases applying trade dress doctrine have expanded traditional trademark law to protect packaging, design, and overall image of product). See generally McCARTHY, supra note 1, § 8, at 281-98 (discussing trade dress protection).


13. See infra notes 69-81 and accompanying text (defining secondary meaning in simple
with trade dress protection much sooner than ordinarily would be available under the stricter secondary meaning standards.\textsuperscript{14}

Recently, the doctrine of secondary meaning in the making seemed ready for burial,\textsuperscript{15} only to be refashioned by the Supreme Court, perhaps unwittingly, in the form of the "inherently distinctive" test.\textsuperscript{16} Unfortunately, in substituting the inherently distinctive test for the secondary meaning standard, the Supreme Court has gone too far in its protection of trade dress, much to the detriment of the competition that it hoped to foster.\textsuperscript{17}

Part I of this Article reviews the requirements of proof in trade dress infringement cases. Part II considers the judicial evolution of secondary meaning in the making and examines the arguments for and against the doctrine. Part III reviews secondary meaning in the making's renaissance as the inherently distinctive test. Finally, Part IV considers the problems created by the new inherently distinctive test and argues that the Supreme Court went overboard in its decision to eliminate the secondary meaning requirement.

\section*{I. Protection of Trade Dress}

\begin{quotation}
[I]t is an absolute condition to any relief whatever that the plaintiff in such cases show that the appearance of his wares has in fact come to mean that some particular person—the plaintiff may not be individually known—makes them, and that the public cares
\end{quotation}

\begin{itemize}
\item \textsuperscript{15} See Laureysens v. Idea Group, Inc., 964 F.2d 131, 137-39, 22 U.S.P.Q.2d (BNA) 1811, 1816-18 (2d Cir. 1992) (rejecting doctrine of secondary meaning in the making). Prior to Laureysens, U.S. district courts in New York had employed the doctrine of secondary meaning in the making, but the Second Circuit had failed to adopt the doctrine. See infra notes 111-13 and accompanying text (discussing development of secondary meaning in the making in case law).
\item \textsuperscript{16} See Two Pesos, Inc. v. Taco Cabana, Inc., 112 S. Ct. 2753, 2758-61, 23 U.S.P.Q.2d (BNA) 1081, 1083-86 (1992) (holding that inherently distinctive trade dress is protectible under § 43(a) without showing that it has acquired secondary meaning); see also Howard R. Popper, \textit{When Close Enough Is Too Close}, RECORDER, Aug. 27, 1992, at 7 (suggesting that Supreme Court's decision in Two Pesos overrules Second Circuit's requirement in Laureysens of secondary meaning showing).
\item \textsuperscript{17} See Two Pesos, 112 S. Ct. at 2760, 23 U.S.P.Q.2d (BNA) at 1086 (refusing to require showing of secondary meaning for inherently distinctive trade dress because protection of trade dress fosters competition, while requiring showing of secondary meaning damages "producer's competitive position").
\end{itemize}
who does make them, and not merely for their appearance and
structure. . . . The critical question of fact at the outset always is
whether the public is moved in any degree to buy the article be-
cause of its source . . . .18

[I]mitation is the life blood of competition. It is the unimpeded
availability of substantially equivalent units that permits the nor-
mal operation of supply and demand to yield the fair price society
must pay for a given commodity. . . . Unless such duplication is
permitted, competition may be unduly curtailed with the possible
resultant development of undesirable monopolistic conditions.19

A. Proof of Infringement

Although a consumer may repeat a purchase based on the quality
of the product, the first hook may be the overall visual image cre-
ated by the producer. Since "imitation is the life blood of competi-
tion,"20 competitors are likely to follow suit and imitate the
successful trade dress.21 When imitation occurs, the originator of
the trade dress will likely file suit, alleging trade dress infringement
under section 43(a) of the Lanham Act.22

Section 43(a) of the Lanham Act protects an unregistered mark,
symbol, or trade dress from imitation if the dress is distinctive or has
acquired secondary meaning.23 To prevail under a section 43(a)
claim, a plaintiff must show that (1) the trade dress is nonfunc-
tional;24 (2) the trade dress is inherently distinctive25 or has ac-

19. American Safety Table Co. v. Schreiber, 269 F.2d 255, 272, 122 U.S.P.Q. (BNA) 29,
20. Id.
21. See Bruce N. Proctor, Distinctive and Unusual Marketing Techniques: Are They Protectible
Under Section 43(a) of the Lanham Act? Should They Be?, 77 TRADEMARK REP. 4, 4 (1987)
(observing that when product marketing techniques "achieve any modicum of success," competitors
tend to copy such techniques).
22. See id. (stating that aggrieved producers file suits under § 43(a) of Lanham Act for
protection of distinctive marketing techniques).
names, symbols, or devices in connection with their products that would confuse or deceive
consumers as to source of origin of products); see also infra note 28 and accompanying text
(discussing former circuit court split as to whether showing of secondary meaning is required
under § 43 to render trade dress protectible). Section 43(a) of the Lanham Act has been
widely interpreted to create a federal law of unfair competition that provides relief from copy-
ing of trade dress and infringement of unregistered trademarks. See John B. Pegram, Trade-
mark Protection of Product and Container Configurations, 81 TRADEMARK REP. 1, 8-9 (1991)
(explaining how courts since passing of Lanham Act in 1946 have interpreted scope of § 43(a)
to encompass broadly not only false designations or representations as to product origin but
also general common law as to protection for unregistered marks and unfair competition).
24. See infra notes 29-47 and accompanying text (discussing functionality doctrine).
25. See infra notes 49-59 and accompanying text (discussing categories of trademarks that
are classified as distinctive).
quired secondary meaning; and (3) the defendant's trade dress is confusingly similar to that of the plaintiff. Until recently, courts were split as to whether inherently distinctive trade dress was protected without proof of secondary meaning.

1. Functionality

Functionality is an important factor in an analysis of trade dress infringement. It is a judicially created doctrine which acts to separate elements that may be protected as property rights or trademarks from those designs that the law will not permit any person to appropriate or monopolize. In creating the doctrine, the courts intended that its application would help prevent the creation of monopolies in designs that were protected by neither patent law nor copyright law.

26. See infra notes 69-81 and accompanying text (discussing factors relevant to establish secondary meaning).

27. See infra notes 90-95 and accompanying text (discussing determination of likelihood of consumer confusion).


29. See A. Samuel Oddi, The Functions of "Functionality" in Trademark Law, 76 TRADEMARK REP. 308, 311 (1986) (stating that functionality serves important purpose of balancing free competition and trademark protection). But see Beth F. Dumas, Note, The Functionality Doctrine in Trade Dress and Copyright Infringement Actions: A Call for Clarification, 12 HASTINGS COMM. & ENT. L.J. 471, 471 (1990) (arguing that applying functionality in trade dress cases is problematic because federal courts have developed myriad functionality tests); Jessica Litman, Note, The Problem of Functional Features: Trade Dress Infringement Under Section 43(a) of the Lanham Act, 82 COLUM. L. REV. 77, 81-97 (1982) (arguing that incorporation of doctrine of functionality in trade dress infringement cases has led to judicial inconsistency and that proper test is source confusion).

30. See, e.g., Sicilia Di R. Biebow & Co. v. Cox, 732 F.2d 417, 429 (5th Cir. 1984) (stating that ultimate question in functionality analysis is whether protecting product will interfere with competition); Keene Corp. v. Paraflex Indus., Inc., 653 F.2d 822, 824, 211 U.S.P.Q. (BNA) 201, 202-03 (3d Cir. 1981) (holding that purpose of functionality doctrine is to avoid product monopoly).

31. See, e.g., In re Deister Concentrator Co., 289 F.2d 496, 501, 503, 129 U.S.P.Q, (BNA)
Courts have experienced problems in defining the doctrine of functionality. As a result, there are almost as many ways to define functionality as there are judicial circuits. The most widely used definition of functionality is that found in section 742 of the Restatement of Torts, which provides, "A feature of goods is functional . . . if it affects [the goods'] purpose, action or performance, or the facility or economy of processing, handling or using them." The test of functionality is whether the feature is essential to the product's use or quality, or whether designing around the feature would be costly for a competitor. If the feature is essential to the product's use, then it is functional and may not be protected. For example, if a pentagonal-shaped speaker produces superior sound and a five-sided loudspeaker enclosure is essential to the performance of the system, then the speaker as well as the enclosure is functional.

The U.S. Court of Appeals for the Ninth Circuit broadened the Restatement definition of functionality to include the concept of "aesthetic functionality." Aesthetic functionality denies trademark

314, 319, 321 (C.C.P.A. 1961) (stating that court's basic consideration is to encourage competition by all fair means, which includes right to copy except in cases of copyright or patent, and recognizing that "functional" shapes are of such nature that law never permits their monopolization); Marvel Co. v. Pearl, 153 F. 106, 161-62 (2d Cir. 1994) ("In the absence of protection by patent, no person can monopolize . . . elements of mechanical construction which are essential to the successful practical operation of a manufacture, or which primarily serve to promote its efficiency for the purpose to which it is devoted.").

32. See Litman, supra note 29, at 86 (explaining that courts have applied functionality doctrine using various definitions and procedural rules). Compare Schwinn Bicycle, 870 F.2d at 1189, 10 U.S.P.Q.2d (BNA) at 1012 (defining functionality as feature that is "costly to design around or do without") with Cox, 732 F.2d at 429 (holding that functionality requires design to be superior "in terms of engineering, economy of manufacture, or accommodation of utilitarian performance").

33. See Dumas, supra note 29, at 480-89 (setting forth various functionality tests developed by circuit courts); see also Peter E. Mims, Note, Promotional Foods and the Functionality Doctrine: An Economic Model of Trademarks, 63 Tex. L. Rev. 639, 644-47 (1984) (discussing courts' differing procedures in determining functionality).

34. RESTATEMENT OF TORTS § 742 (1938). This definition of functionality does not appear in the Restatement (Second) of Torts because the developing law of unfair competition and trademarks has become less reliant on tort law. Keene, 653 F.2d at 824 n.2, 211 U.S.P.Q. (BNA) at 203 n.2.


36. See id. (noting that any feature affecting cost of product is functional); Schwinn Bicycle Co. v. Ross Bicycles, Inc., 870 F.2d 1176, 1189, 10 U.S.P.Q.2d (BNA) 1001, 1012 (7th Cir. 1989) (holding that design feature that is "costly to design around or do without" is functional).

37. McCarthy, supra note 1, §§ 7.26, 8.6, at 235, 296.

38. See In re Bose Corp., 772 F.2d 866, 873, 227 U.S.P.Q. (BNA) 1, 6 (Fed. Cir. 1985) (finding that "logic dictates that the shape of a speaker enclosure which conforms to the shape of the sound matrix is an efficient and superior design as an enclosure, and thus, de jure functional, whether or not it contributes to the functionality of the sound system itself"); see also Inwood Lab., 456 U.S. at 850 n.10 ("[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.").

protection to decorative or ornamental product features unless the primary purpose of the features serves to identify the source of the product and to distinguish one product from another. The central question under the doctrine of aesthetic functionality is whether the particular feature is an "important ingredient" in the commercial success of the product. If the answer is yes, then the consumer interest in free competition permits the feature's imitation in the absence of a patent or a copyright.

It is not clear on whom the burden of proof of functionality falls. There is a split in the circuits as to whether the plaintiff bears the responsibility of proving his or her trade dress is nonfunctional or whether it is the defendant's burden to prove that the trade dress is (9th Cir. 1952) (holding that china pattern was functional where design was crucial to commercial success of product). Samuel Oddi explains that the doctrine of aesthetic functionality originated with the Restatement of Torts, § 742, comment (a). Oddi, supra note 29, at 315. Comment (a) states: "When goods are bought largely for their aesthetic value, their features may be functional [in that they] aid the performance of an object for which the goods are intended." Restatement of Torts § 742 cmt. a (1938).

40. See McCarthy, supra note 1, § 7:6, at 193-94 (discussing denial of protection to "merely ornamental" features where features do not serve to identify producer).

41. Pagliero, 198 F.2d at 343, 95 U.S.P.Q. (BNA) at 48. The doctrine of aesthetic functionality, like that of secondary meaning in the making, see infra notes 107-22 and accompanying text (discussing meaning and application of secondary meaning in the making), has had its share of controversy. The doctrine has been the subject of both scholarly criticism, see, e.g., Deborah J. Kreiger, Note, The Broad Sweep of Aesthetic Functionality: A Threat to Trademark Protection of Aesthetic Product Features, 51 Fordham L. Rev. 345, 362-86 (1982) (arguing that aesthetic functionality ignores integral nature of aesthetics and marketing and may serve to numb imaginations), and judicial criticism. See, e.g., Sicilia Di R. Biebow & Co. v. Cox, 732 F.2d 417, 427-28 (5th Cir. 1984) (finding Pagliero definition of functionality too broad on ground that defining functionality as "important ingredient" would too often allow second comer to imitate successful trade dress of product that has accumulated good will); John H. Harland Co. v. Clarke Checks, Inc., 711 F.2d 966, 983 n.27, 219 U.S.P.Q. (BNA) 515, 530 n.27 (11th Cir. 1983) (rejecting argument that proper definition of functionality included feature that "appeals to the consumer and affects his or her choice" as "overly broad"); Keene Corp. v. Paraflex Indus., Inc., 653 F.2d 822, 825-26, 211 U.S.P.Q. (BNA) 201, 203 (3d Cir. 1981) (stating that broad construction of aesthetic functionality doctrine acts to curtail imagination). Even the Ninth Circuit has retreated from its "important ingredient" test to observe that any feature that contributes to consumer appeal is a functional element, but if the feature also serves to indicate quality and source, it should be protected. Vuitton et Fils S.A. v. J. Young Enters., Inc., 644 F.2d 769, 774-75, 212 U.S.P.Q. (BNA) 85, 89-90 (9th Cir. 1981). But see Jay Dratler, Jr., Trademark Protection for Industrial Designs, 1988 U. Ill. L. Rev. 887, 938-42 (suggesting that doctrine of aesthetic functionality is far from dead and recommending that functionality doctrine should draw line between ornamentation and utility).

42. Pagliero, 198 F.2d at 343, 95 U.S.P.Q. (BNA) at 48.

43. See Kane, supra note 3, at 49 (observing that some doubt exists as to whether plaintiff has burden of proving nonfunctionality in order to obtain Section 43(a) relief or whether defendant must prove functionality as defense).

44. See, e.g., Merchant & Evans, Inc. v. Roosevelt Building Prods. Co., 963 F.2d 628, 633, 22 U.S.P.Q.2d (BNA) 1730, 1733 (3d Cir. 1992) ("Although courts are split as to who bears the burden of proof in the issue of functionality, this court placed the burden on the plaintiff to prove non-functionality"); Rachel v. Banana Republic, Inc., 831 F.2d 1503, 1506, 4 U.S.P.Q.2d (BNA) 1877, 1880 (9th Cir. 1987) ("In this circuit . . . we have placed the burden of proof [of nonfunctionality] on the plaintiff.").
functional.\textsuperscript{45} Most authority, however, treats functionality as an affirmative defense.\textsuperscript{46} Regardless of proof, once a design or trade dress has been determined functional, it is not protectible, despite any evidence of secondary meaning or source confusion.\textsuperscript{47} If found nonfunctional, however, questions remain as to whether a design or trade dress is inherently distinctive or has acquired secondary meaning and whether any likelihood of confusion exists as to the source of the product.\textsuperscript{48}

2. Distinctiveness

Distinctiveness is a trademark classification term\textsuperscript{49} meaning that the mark or trade dress is capable of distinguishing a producer's goods or services from those of its competitors.\textsuperscript{50} Courts place potential trademarks into four categories\textsuperscript{51} in an order that roughly corresponds to the degree of trademark protection accorded them:

\begin{itemize}
  \item \textsuperscript{45} See Abbott Lab. v. Mead Johnson & Co., 971 F.2d 6, 20, 23 U.S.P.Q.2d (BNA) 1663, 1673 (7th Cir. 1992) ("functionality is actually an affirmative defense as to which [defendant] bears the burden of proof.").
  \item \textsuperscript{46} See, e.g., LeSportsac, Inc. v. K Mart Corp., 754 F.2d 71, 76, 225 U.S.P.Q. (BNA) 654, 657 (2d Cir. 1985) (stating that "burden ... falls on the defendant to prove functionality"); see also Rachel, 831 F.2d at 1506 n.2, 4 U.S.P.Q.2d (BNA) at 1880 n.2 (acknowledging that weight of authority treats functionality as defense).
  \item \textsuperscript{47} See Coach Leatherware Co. v. AnnTaylor, Inc., 933 F.2d 162, 168, 18 U.S.P.Q.2d (BNA) 1907, 1912 (2d Cir. 1991) (holding that trade dress infringement claim will fail if disputed feature is functional, even where plaintiff proves secondary meaning and confusion); see also Famolare, Inc. v. Melville Corp., 472 F. Supp. 738, 744-45, 203 U.S.P.Q. (BNA) 68, 74 (D. Haw. 1979) (ruling that functional features are not entitled to trademark protection even if those features may, in addition, identify source of product), aff'd, 652 F.2d 62 (9th Cir. 1981).
  \item \textsuperscript{49} See McCARTHY, supra note 1, § 11:1, at 433 (explaining that distinctiveness, either inherent or acquired as secondary meaning, is needed for trademark status).
  \item \textsuperscript{50} McCARTHY, supra note 1, § 3:1, at 103.
(1) generic;\(^5\) (2) descriptive;\(^6\) (3) suggestive;\(^7\) and (4) arbitrary or fanciful.\(^8\) Of these four categories, the last two, "suggestive" and "arbitrary or fanciful," are considered to be "inherently distinctive," that is, capable of federal registration without any further proof of secondary meaning.\(^9\)

Similarly, trade dress that has been classified as arbitrary because

52. See Abercrombie & Fitch, 537 F.2d at 11, 189 U.S.P.Q. (BNA) at 766 (defining generic terms as those that refer to type or class of goods and noting as example that term "safari" is generic for expedition into African wilderness). Generic terms cannot serve as trademarks. Id. at 9, 189 U.S.P.Q. (BNA) at 764. See generally McCarthy, supra note 1, § 12, at 519-76 (discussing meaning and application of generic terms).

53. See McCarthy, supra note 1, § 11:5, at 442-43 (defining descriptive terms as those that identify significant characteristic(s) of goods or services). Courts have developed various tests for determining whether a product's term or mark is descriptive. Among the tests applied are the basic dictionary definition of "descriptive," see Vision Center v. Opticks, Inc., 596 F.2d 111, 116, 202 U.S.P.Q. (BNA) 333, 338 (5th Cir. 1979) (applying dictionary test to conclude that words "vision center" describe nature of services performed); the imagination test, used to distinguish between descriptive and suggestive terms, see Union Carbide Corp. v. Ever-Ready Inc., 531 F.2d 366, 379, 188 U.S.P.Q. (BNA) 623, 635 (7th Cir.) (approving of imagination test and holding that "incongruity is a strong indication of non-descriptiveness"), cert. denied, 429 U.S. 830 (1976); the necessity standard, reasoning that other producers need to use certain terms to describe a product, see Zatarain's, 698 F.2d at 793, 217 U.S.P.Q. (BNA) at 996 (finding term "fish fry" necessary to describe batter for frying fish), and the common use test, indicating that the term is not unusual in the field, see Vision Center, 596 F.2d at 117, 202 U.S.P.Q. (BNA) at 339 (finding that words "vision center" have been used by many optical stores throughout United States). See generally Zatarain's, 698 F.2d at 792-93, 217 U.S.P.Q. (BNA) at 994 (setting forth tests courts have used in making descriptive determination).

As a general rule, descriptive terms or marks are not registrable. 15 U.S.C. § 1052(e) (1988). Descriptive marks that have become "distinctive," that is, have acquired "secondary meaning," however, are registrable with proof of substantially exclusive and continuous use of the mark for five years prior to the date that the distinctiveness claim is made. Id. § 1052(f); see infra notes 60-89 and accompanying text (discussing secondary meaning). An example of a descriptive term is PORTLY for larger men's clothing.


55. See Abercrombie & Fitch, 537 F.2d at 11 n.12, 189 U.S.P.Q. (BNA) at 766 n.12 (noting that arbitrary marks consist of words or symbols in common usage that are applied to goods or services in way that is neither descriptive nor suggestive). An example is the term IVORY for soap. Id. at 9 n.6, 189 U.S.P.Q. (BNA) at 764 n.6. Fanciful marks are those that are created solely for use as a trademark, such as EXXON. Id. at 11 n.12, 189 U.S.P.Q. (BNA) at 766 n.12. See generally McCarthy, supra note 1, § 11:3:4, at 436-42 (discussing fanciful and arbitrary marks).

Arbitrary or fanciful marks or features are in seemingly endless supply for use in marketing products. Chevron Chem. Co. v. Voluntary Purchasing Groups, Inc., 659 F.2d 695, 702-03, 212 U.S.P.Q. (BNA) 904, 911 (5th Cir.), cert. denied, 457 U.S. 1126 (1981). In light of this fact, courts should focus on whether consumers will be confused by imitations, rather than on whether the original producer's feature has secondary meaning. Id. at 703, 212 U.S.P.Q. (BNA) at 911-12.

56. Abercrombie & Fitch Co. v. Hunting World, Inc., 537 F.2d 4, 11, 189 U.S.P.Q. (BNA) 759, 765 (2d Cir. 1976); see McCarthy, supra note 1, § 11:2, at 435 (stating that inherently distinctive marks need no further proof of secondary meaning for registrability). But see infra note 28 and accompanying text (discussing former split of authority as to whether inherently distinctive trade dress requires proof of secondary meaning).
it possesses features that neither assist in describing the product nor assist in the product's effective packaging may also be considered inherently distinctive. To determine if a trade dress is inherently distinctive, a court must examine the trade dress and consider factors such as whether it is a "common" design, whether it is "unique or unusual" in a particular market area, and whether it is merely a subtle alteration in an otherwise well-known form of ornamentation for a particular class of goods that the public views as a dress or ornamentation for the goods. Trade dress that is not inherently distinctive, however, must exhibit proof of secondary meaning to be protectible.

3. Secondary meaning

Secondary meaning is also an established doctrine in trademark and unfair competition law. At common law, descriptive words or phrases could not become trademarks upon mere adoption and use. Trademark rights could not be conferred on a descriptive term because the courts believed that assigning a property right in a descriptive term would preclude its use by others who were likely to find the term useful in describing their products. For similar reasons, the common law of trademarks denied protection to package

57. See Chevron, 659 F.2d at 702, 212 U.S.P.Q. (BNA) at 911 (maintaining that trade dress packaging, like word marks, could be classified as arbitrary and thus distinctive); accord Am-Brit, Inc. v. Kraft, Inc., 812 F.2d 1531, 1536-37, 1 U.S.P.Q.2d (BNA) 1161, 1167 (11th Cir. 1986) (upholding district court finding that arbitrary features rendered product inherently distinctive), cert. denied, 481 U.S. 1041 (1987). It was the clash between the Fifth Circuit's Chevron viewpoint that inherently distinctive trade dress may be protectible without further proof of consumer association, and the Second Circuit's rulings that trade dress protection requires a showing of secondary meaning regardless of its distinctiveness, that gave rise to the Supreme Court's decision in Two Pesos, Inc. v. Taco Cabana, Inc., 112 S. Ct. 2753, 23 U.S.P.Q.2d (BNA) 1081 (1992). See infra notes 230-49 and accompanying text (discussing Supreme Court's decision in Two Pesos).


60. See McCarthy, supra note 1, § 15, at 656-716 (providing extensive analysis of scope and application of secondary meaning doctrine).

61. See McCarthy, supra note 1, § 11:5, at 442 (explaining that prior to passage of Lanham Act in 1946, descriptive terms were not registrable as marks); see also supra note 53 (discussing protectibility of descriptive terms).

62. See G. & C. Merriam Co. v. Saafield, 198 F. 369, 373 (6th Cir. 1912) (holding that "one may not appropriate to his own exclusive use" descriptive words or marks because they "are of public or common right"); Zatarain's, Inc. v. Oak Grove Smokehouse, Inc., 698 F.2d 786, 793, 217 U.S.P.Q. (BNA) 988, 995 (5th Cir. 1983) (explaining that courts look to whether marks are useful in describing products in determining if marks are descriptive and, therefore, not protectible); Jean Patou, Inc. v. Jacqueline Cochran, Inc., 201 F. Supp. 861, 865, 133 U.S.P.Q. (BNA) 242, 246 (S.D.N.Y. 1962) (explaining that while it is desirable to protect person whose products have acquired secondary meaning, it is also undesirable to block channels of expression by awarding protection to all who appropriate ordinary descriptive word for business use), aff'd, 312 F.2d 125, 136 U.S.P.Q. (BNA) 236 (2d Cir. 1963).
configurations or symbols upon mere adoption and use. Unfair competition law, however, did afford protection against the copying of descriptive terms or package configurations where, through use, secondary meaning had been acquired. The judicial doctrine of secondary meaning recognizes that a descriptive word or phrase, after a period of time and exclusive association with particular goods or services, can identify the goods or services with their producer. Similarly, when a producer could show consumer-source association in his or her trade dress or configuration, the trade dress was protectible at common law.

Simply put, secondary meaning is buyer association. Although

63. McCarthy, supra note 1, § 7:23, at 189.
64. McCarthy, supra note 1, § 4:3, at 99.
65. See Hanover Star Milling Co. v. Allen & Wheeler Co., 208 F. 513, 517 (7th Cir. 1913) (setting forth rationale for protecting descriptive marks by stating that reason for granting relief "was to stop the defendant's dishonesty in trade, [regardless of] whether the fraud-doer was filching trade by means of using others' marks ... in their secondary meaning"), aff'd, 240 U.S. 403 (1916); see also McCarthy, supra note 1, § 4:3, at 100-01 (discussing archaic distinction between trade names and trademarks, with law of unfair competition protecting trade names).
66. McCarthy, supra note 1, § 4:3, at 102.
67. See Aloe Creme Lab., Inc. v. Milson, Inc., 423 F.2d 845, 848, 165 U.S.P.Q. (BNA) 37, 39-40 (5th Cir.) (explaining that doctrine of secondary meaning is one expression of courts' reaction to realities of modern business), cert. denied, 398 U.S. 928 (1970); G. & C. Merriam, 198 F. at 373 (defining secondary meaning as descriptive word or phrase that has become exclusively associated with producer's article and identifies that article as emanating from producer); see also Zatarain's, 698 F.2d at 795, 217 U.S.P.Q. (BNA) at 997-98 (holding that finding of secondary meaning requires that term or mark "must denote to the consumer 'a single thing coming from a single source' ") (quoting Coca-Cola Co. v. Koke Co., 254 U.S. 143, 146 (1920)). See generally McCarthy, supra note 1, § 15:1, at 657 (stating that secondary meaning is acquisition of distinctiveness for those marks that are merely descriptive).
68. See, e.g., Tas-T-Nut Co. v. Variety Nut & Date Co., 245 F.2d 3, 5-6, 113 U.S.P.Q. (BNA) 493, 495-96 (6th Cir. 1957) (holding that general rule permitting imitation in absence of patent does not control where trade dress has acquired secondary meaning); Spangler Candy Co. v. Crystal Pure Candy Co., 255 F. Supp. 18, 29, 143 U.S.P.Q. (BNA) 94, 103 (N.D. Ill. 1964) (finding that similarity in package configurations will not support injunction without proof of secondary meaning); Chun King Sales, Inc. v. Oriental Foods, Inc., 136 F. Supp. 659, 665, 108 U.S.P.Q. (BNA) 400, 405 (S.D. Cal. 1955) (holding that innovators have no right to be free from imitation of trade dress without showing of source confusion). But see supra note 28 and accompanying text (recognizing past split of authority as to whether showing of secondary meaning was required for trade dress protection).
69. See Schuman, supra note 2, at 805-06 (discussing function of buyer association and secondary meaning in protection of package designs); see also Coach Leatherware Co. v. AnnTaylor, Inc., 933 F.2d 162, 168, 18 U.S.P.Q.2d (BNA) 1907, 1912 (2d Cir. 1991) (explaining that secondary meaning exists when consuming public "associates" feature with particular source). Defining secondary meaning as buyer association asks with what the buyer associates a particular mark or dress. Vincent N. Palladino, Techniques for Ascertaining If There Is Secondary Meaning, 73 TRADEMARK REP. 391, 393-94 (1983). The Supreme Court explains that secondary meaning is an association between a feature and the "source of the product rather than the product itself." Inwood Lab., Inc. v. Ives Lab., Inc., 456 U.S. 844, 851 n.11, 214 U.S.P.Q. (BNA) 1, 4 n.11 (1982). Definition of secondary meaning can be categorized as (1) trade dress associated with a single product; (2) trade dress associated with the product of a single producer; and (3) trade dress associated with a single producer. Palladino, supra, at 394; see McCarthy, supra note 1, § 15:2, at 661 (setting forth various judicial definitions of secondary meaning).
it is not necessary to prove that consumers are able to identify the producer or source of the product.\textsuperscript{70} Proof of secondary meaning is not easily established.\textsuperscript{71} In determining whether the mark or trade dress has acquired secondary meaning, courts examine several factors,\textsuperscript{72} which may include any or all of the following: (1) consumer surveys;\textsuperscript{73} (2) evidence of intentional copying by the defendant;\textsuperscript{74} (3) advertisement expenditures;\textsuperscript{75} (4) sales success;\textsuperscript{76} (5) length and

\textsuperscript{70} See Union Carbide Corp. v. Ever-Ready, Inc., 531 F.2d 366, 380, 188 U.S.P.Q. (BNA) 629, 636 (7th Cir.) (holding that "[i]t is sufficient if the public is aware that the product comes from a single, though anonymous, source"), cert. denied, 429 U.S. 830 (1976). The Lanham Act was clarified in 1988 and now reflects this judicial consensus. See 15 U.S.C. \S\ 1127 (1988) ("The term 'trademark' includes any word, name, symbol or device or combination thereof used . . . to indicate the source of the goods, even if that source is unknown.").


\textsuperscript{72} See Thompson Medical Co. v. Pfizer Inc., 753 F.2d 208, 217, 225 U.S.P.Q. (BNA) 124, 132 (2d Cir. 1985) (listing factors relevant to proof of secondary meaning). See \textit{generally} McCarthy, supra note 1, \S\ 15.10-20, at 683-704 (discussing, at length, factors considered by court in determining secondary meaning).

\textsuperscript{73} See, e.g., American Television & Communications Corp. v. American Communications & Television, Inc., 810 F.2d 1546, 1549, 1 U.S.P.Q.2d (BNA) 2084, 2086-87 (11th Cir. 1987) (finding that failure to submit survey evidence of secondary meaning is compelling evidence that none existed); see also Palladin, supra note 69, at 395-404 (providing practical suggestions for identifying secondary meaning through consumer surveys). \textit{But see} Coach Leatherware Co. v. AnnTaylor, Inc., 933 F.2d 162, 169, 18 U.S.P.Q.2d (BNA) 1907, 1913 (2d Cir. 1991) (hesitating to rely on consumer surveys in unregistered trade dress infringement action).

\textsuperscript{74} See, e.g., L.A. Gear, Inc. v. Thom McAn Shoe Co., 12 U.S.P.Q.2d (BNA) 1001, 1009 (S.D.N.Y. 1989) (recognizing that intentional copying provides strong support for finding of secondary meaning). \textit{But see} Coach Leatherware, 933 F.2d at 169, 18 U.S.P.Q.2d (BNA) at 1913 (holding that "conscious replication" is not sufficient to establish secondary meaning).

\textsuperscript{75} See, e.g., Aloe Creme Lab., Inc. v. Milson, Inc., 423 F.2d 845, 850, 165 U.S.P.Q. (BNA) 37, 41 (5th Cir.) (finding large expenditure of $3,000,000 on national media and local promotions probative of secondary meaning), cert. denied, 398 U.S. 928 (1970). \textit{But see} Smith v. Chanel, Inc., 402 F.2d 562, 568, 159 U.S.P.Q. (BNA) 388, 393 (9th Cir. 1968) (stating that large expenditure of money does not in itself create legally protectible rights). For advertising to be probative of secondary meaning, it must feature the trade dress in some way. \textit{See} Textron, Inc. v. United States Int'l Trade Comm'n, 753 F.2d 1019, 1027, 224 U.S.P.Q. (BNA) 625, 651 (Fed. Cir. 1985) (holding that advertisements must focus buyer's attention on feature at issue). Moreover, in weighing the value of advertisement evidence, the focus is on the effectiveness of the promotion, not its extent. \textit{Aloe Creme Lab.}, 423 F.2d at 850, 165 U.S.P.Q. (BNA) at 41.

exclusivity of use;\textsuperscript{77} and (6) unsolicited media coverage.\textsuperscript{78} No single factor is dispositive on the issue of secondary meaning,\textsuperscript{79} nor need every factor support a finding of secondary meaning.\textsuperscript{80} It is only necessary that the party claiming trade dress protection show that a substantial segment of the relevant group of consumers made the requisite association between product and producer.\textsuperscript{81}

Despite the many means available to prove secondary meaning, a recent market entrant may have difficulty proving secondary meaning to the satisfaction of a court.\textsuperscript{82} If, for example, a producer's trade dress is copied at the start of its market life, the producer could increase its advertising budget in the hope of attaining consumer recognition.\textsuperscript{83} At the same time, however, the competition may prevent the original producer from attaining such recognition by virtue of its imitation.\textsuperscript{84}

Furthermore, courts have judicial discretion in how they will apply secondary meaning factors to the case at bar. As a result, it be-

\textsuperscript{77} See, e.g., Morgan Creek Prods., 22 U.S.P.Q.2d (BNA) at 1886 (stating that length and continuity of use are relevant indicia for determining secondary meaning). But see Eldon Indus., Inc. v. Rubbermaid, Inc., 735 F. Supp. 768 app. at 817 (N.D. Ill. 1990) (stating that length of use alone is not dispositive of secondary meaning). While § 2(f) of the Lanham Act requires five years of continuous use for a descriptive mark to acquire distinctiveness and registrability, 15 U.S.C. § 1052(f) (1988), courts have not articulated such an exact standard for secondary meaning. See, e.g., Centaur Communications, Ltd. v. A/S/M Communications, Inc., 830 F.2d 1217, 1225, 4 U.S.P.Q.2d (BNA) 1541, 1547 (2d Cir. 1987) (noting that "no absolute time span can be posited as a yardstick in cases involving secondary meaning"); see also Braun Inc. v. Dynamics Corp., 975 F.2d 815, 826, 24 U.S.P.Q.2d (BNA) 1121, 1131 (Fed. Cir. 1992) (holding that 18 months is rarely long enough time span to establish secondary meaning); L.A. Gear, 12 U.S.P.Q.2d (BNA) at 1010 (recognizing that five months is sufficient time to develop secondary meaning).

\textsuperscript{78} See, e.g., Harlequin Enters. Ltd. v. Gulf & Western Corp., 644 F.2d 946, 950, 210 U.S.P.Q. (BNA) 1, 3 (2d Cir. 1981) (finding unsolicited media coverage of consumers' "enthusiasm and loyalty" for products probative of secondary meaning).

\textsuperscript{79} See Thompson Medical Co. v. Pfizer Inc., 758 F.2d 208, 217, 225 U.S.P.Q. (BNA) 124, 132 (2d Cir. 1985) (elaborating on factors to be considered and concluding that each case "must be resolved by reference to relevant factual calculus"); Zatarain's, Inc. v. Oak Grove Smokehouse, Inc., 698 F.2d 786, 795, 217 U.S.P.Q. (BNA) 988, 997 (5th Cir. 1983) (stating that link between product and source may come from combination of sources).

\textsuperscript{80} Thompson Medical, 753 F.2d at 217, 225 U.S.P.Q. (BNA) at 132.

\textsuperscript{81} Centaur Communications, 830 F.2d at 1222, 4 U.S.P.Q.2d (BNA) at 1545; cf. First Brands Corp. v. Fred Myer, Inc., 809 F.2d 1378, 1383, 1 U.S.P.Q.2d (BNA) 1779, 1782 (9th Cir. 1987) ("The test of secondary meaning is the effectiveness of the effort to create it.").

\textsuperscript{82} See, e.g., Perfect Fit Indus., Inc. v. Acme Quilting Co., 484 F. Supp. 643, 645-46, 203 U.S.P.Q. (BNA) 481, 483 (S.D.N.Y. 1979) (finding that four months is not long enough to establish secondary meaning, despite showing of advertising expenditures and product popularity, rev'd on other grounds, 618 F.2d 950 (2d Cir. 1980).

\textsuperscript{83} See Smith v. Chanel, Inc., 402 F.2d 562, 568, 159 U.S.P.Q. (BNA) 388, 395 (9th Cir. 1968) (stating that large expenditure of money does not in itself create legally protectible rights).

\textsuperscript{84} See Bauer, supra note 6, at 714-15 (posing that it is unfair for courts to require market entrant to continue efforts at achieving secondary meaning in face of imitation that only serves to confuse consumers); Webb, supra note 5, at 15 (noting that "an intentional copier can pull the rug out from under a prospective trademark owner who is in the process of acquiring secondary meaning").
comes more difficult for producers to acquire protection because uncertainty exists as to what factors will lead a court to find that trade dress has secondary meaning. For example, some courts employ a presumption of secondary meaning where the second manufacturer has deliberately and closely copied the trade dress of the first. Other courts, however, do not employ such a presumption. Additionally, consumer surveys used to prove secondary meaning are also subject to inconsistent judicial interpretation. Such judicial inconsistencies result in a burden of proving secondary meaning that is not only onerous, but also costly.

4. Likelihood of confusion

A finding of nonfunctionality and inherent distinctiveness or secondary meaning does not in itself guarantee protection of a product's trade dress. Under section 43(a) of the Lanham Act, the ultimate test of unfair competition is the same as for trademark infringement: whether the purchasing public is unlikely to determine the source of the goods or is likely to be misled or confused by the similarity of the goods. That is, a producer must also show that a likelihood of confusion exists between the product and its

85. See American Footwear Corp. v. General Footwear Co., 609 F.2d 655, 663, 204 U.S.P.Q. (BNA) 609, 615 (2d Cir. 1979) (noting that secondary meaning is difficult to prove in that "no precise guidelines are applicable and . . . [e]ach case must, therefore, be decided on its facts").


88. See supra note 73 (citing cases interpreting use of consumer surveys differently in secondary meaning determinations); see also Palladino, supra note 69, at 404 (explaining that "designing [survey] questions to measure secondary meaning is difficult, . . . fraught with uncertainty and likely to be less than entirely successful"); Comment, Lack of Uniformity in Determining Secondary Meaning, 47 IOWA L. REV. 781, 784-85 (1962) (discussing "barriers to the use of surveys" as proof of secondary meaning and inconsistent weight given to consumer surveys by courts on issue of secondary meaning).

89. See Gaske, supra note 71, at 1135-37 (stating that proof of secondary meaning results in heavy burden that is costly, particularly considering expense of surveys).

90. See Sicilia Di R. Biebow & Co. v. Cox, 732 F.2d 417, 425 (5th Cir. 1984) (stating that questions of functionality, distinctiveness, and secondary meaning compose only first part of trade dress analysis).

91. 15 U.S.C. § 1125(a) (1988); McCarthy, supra note 1, §§ 8:3-4, at 287-93; see also Century 21 Real Estate Corp. v. Sandlin, 846 F.2d 1175, 1178; 6 U.S.P.Q.2d (BNA) 2034, 2035 (9th Cir. 1988) (holding that defendant's former franchisee's use of name "Century" in his new business was unfair competition and trademark infringement).
As in the determination of the existence of secondary meaning, courts look to various factors considered generally important in determining the issue of confusing similarity. The factors most commonly used by the courts include similarity of the goods, classes of prospective buyers, actual consumer confusion, and the intent of the defending competitor. These factors, however, are merely a guide in determining whether confusion would be likely.

Courts have discretion in weighing these various factors. Some courts appear to view all the factors as being important in a determination of likelihood of confusion, while others weigh some factors

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92. Sicilia Di R. Biebow, 732 F.2d at 425.
93. See supra notes 60-89 and accompanying text (discussing secondary meaning). The circuits, however, are split regarding the relationship between the tests for proof of secondary meaning and that of likelihood of confusion. The Ninth Circuit holds that a finding of no secondary meaning renders moot further determination on the issue of likelihood of confusion. Levi Strauss & Co. v. Blue Bell, Inc., 778 F.2d 1352, 1359, 228 U.S.P.Q. (BNA) 346, 351 (9th Cir. 1985). The Second Circuit disagrees and holds that a finding of likelihood of confusion as to source does not include an implicit finding of secondary meaning. 20th Century Wear, Inc. v. Sanmark-Stardust, Inc., 747 F.2d 81, 90 n.10, 224 U.S.P.Q. (BNA) 98, 103 n.10 (2d Cir. 1984), cert. denied, 470 U.S. 1052 (1985).
94. Cf. RESTATEMENT OF TORTS § 729 (1938) (setting forth four factors for determining likelihood of confusion). The four factors set forth in the Restatement are as follows:
  (a) the degree of similarity between the designation and the trade-mark or tradename in
    (i) appearance;
    (ii) pronunciation of the words used;
    (iii) verbal translation of the pictures or designs involved;
    (iv) suggestion;
  (b) the intent of the actor in adopting the designation;
  (c) the relation in use and manner of marketing between the goods or services marketed by the actor and those marketed by the other; and
  (d) the degree of care likely to be exercised by purchasers.
95. See Schwinn Bicycle Co. v. Ross Bicycles, Inc., 870 F.2d 1176, 1183-85, 10 U.S.P.Q.2d (BNA) 1001, 1006-09 (7th Cir. 1989) (setting forth various factors relevant to test of confusion and holding that evidence of deliberate copying does not give rise to presumption of confusion but rather is only one factor bearing on issue); see also Schuman, supra note 2, at 781-86 (discussing court's determination of likelihood of confusion vis-à-vis trademark protection of containers and package configurations).
96. See Wynn Oil Co. v. Thomas, 839 F.2d 1183, 1186, 5 U.S.P.Q.2d (BNA) 1944, 1946 (6th Cir. 1988) (holding that factors are flexible guide to help determine likelihood of confusion).
97. Schwinn Bicycle, 870 F.2d at 1184, 10 U.S.P.Q.2d (BNA) at 1007-08.
98. See, e.g., Thompson Medical Co. v. Pfizer, Inc., 753 F.2d 208, 214, 225 U.S.P.Q. (BNA) 124, 129 (2d Cir. 1985) ("The wisdom of the likelihood of confusion test lies in its recognition that each trademark infringement case presents its own unique set of facts ... No single ... factor is pre-eminent, nor can the presence or absence of one without analysis of the others, determine the outcome of an infringement suit.").
more heavily than others. In general, the complainant need not show that all, or even most, of the factors tested are present in any particular case to be successful.

II. SECONDARY MEANING IN THE MAKING

A. The Birth

As discussed, there are intrinsic difficulties in proving secondary meaning. These difficulties and the inherent judicial discretion involved in applying the various factors that comprise a secondary meaning determination probably led to the judicial substitution of the incipient secondary meaning doctrine, also known as secondary meaning in the making, for that of secondary meaning. The origin of secondary meaning in the making, according to trademark scholar Rudolf Callman, was the 1925 patent infringement and unfair competition case of Edward G. Budd Manufacturing Co. v. C.R. Wilson Body Co. In Budd, the plaintiff filed suit to enjoin Wilson Body’s use of the words ALL-STEEL to market its steel automobile bodies. The court restrained Wilson Body’s use of the words, notwithstanding Budd Manufacturing’s failure to prove that the words had secondary meaning. In its opinion, the court held that allowing Wilson Body to use the words ALL-STEEL on its goods or in its advertising might create a “great injustice” to Budd Manufacturing, which had been the first user of the term.

99. See, e.g., Ziebart Int’l Corp. v. After Market Assocs., Inc., 802 F.2d 220, 226, 231 U.S.P.Q. (BNA) 119, 124 (7th Cir. 1986) (finding that three factors, similarity of marks, intent of infringer, and evidence of actual confusion, are most important in determining likelihood of confusion).

100. See Wynn Oil, 839 F.2d at 1186, 5 U.S.P.Q.2d (BNA) at 1946 (holding that use of factors imply no mathematical precision). But see Centaur Communications, Ltd. v. A/S/M Communications, Inc., 830 F.2d 1217, 1219, 4 U.S.P.Q.2d 1541, 1542 (2d Cir. 1987) (Cardamone, J.) (finding that determination of secondary meaning and likelihood of confusion necessitate considering long list of factors, without recourse to shortcut). In an acerbic concurrence in Centaur Communications, however, Judge Sprizzo expressed his view that a proper analysis of these factors could not be “properly characterized as a recital of the ‘the right formulas’ akin to Ali Baba’s magical incantation.” Id. at 1230, 4 U.S.P.Q.2d (BNA) at 1551 (Sprizzo, J., concurring).


103. 7 F.2d 746 (E.D. Mich. 1925), aff’d, 21 F.2d 803 (6th Cir. 1927), cert. denied, 276 U.S. 632 (1928).


105. Id. at 748-49.

106. Id. at 749.
Secondary meaning in the making did not reemerge until 1974 in *National Lampoon, Inc. v. American Broadcasting Cos.* 107 In that case, National Lampoon Magazine brought suit against American Broadcasting Companies to enjoin the use of a portion of its magazine title, *National Lampoon,* as a title for a television series. 108 The court found that the magazine had presented "strong evidence" of secondary meaning. 109 The court did not stop there, however. It further suggested in dictum that the magazine might have prevailed even without a showing of secondary meaning. The court stated: 

[A] mark with secondary meaning in the making should also be protected, at least against those who appropriate it with knowledge or good reason to know of its potential in that regard or with an intent to capitalize on its quality. "Piracy should no more be tolerated in the earlier stage of development of quality than in the later." 110

After its reemergence in the *National Lampoon* case, the secondary meaning in the making doctrine was used by plaintiffs over the next eighteen years with mixed results in the district courts of New York. 111 During that period, the U.S. Court of Appeals for the

107. 376 F. Supp. 733, 182 U.S.P.Q. (BNA) 24 (S.D.N.Y.), aff’d, 497 F.2d 1343 (2d Cir. 1974). The concept was used in two previous New York state cases, but these do not have any bearing on the discussion here. *See* Scagnelli, *supra* note 101, at 529-43 (discussing development of incipient secondary meaning in case law).


109. *Id.* at 746, 182 U.S.P.Q. (BNA) at 33.

110. *Id.* (quoting 3 RUDOLPH CALLMAN, THE LAW OF UNFAIR COMPETITION, TRADEMARKS AND MONOPOLIES 356 (3d ed. 1969)).

The Second Circuit did not explicitly reject the doctrine, however, until 1992.113 Outside the Second Circuit, the doctrine of secondary meaning in the making did not attract many followers.114

Despite the possible positive competitive effects of the doctrine, the judicial death knell for secondary meaning in the making began to sound in 1982 when the Eighth Circuit refused to recognize the doctrine in Black & Decker Manufacturing Co. v. Ever-Ready Appliance Manufacturing Co.115 In that case, Black & Decker, the manufacturer of a foldable step stool, brought action for patent infringement and violation of the Lanham Act against Ever-Ready Appliance for manufacturing a similar foldable step stool.116 The step stools were virtually identical: “almond in color with black nonskid treads on the steps,” and “black plastic handle[s] on the back of the top step for

making are available, if at all, only against “intentional deliberate attempts to capitalize on a distinctive product”); Metro Kane Imports, Ltd. v. Federated Dep't Stores Inc., 625 F. Supp. 313, 317, 228 U.S.P.Q. (BNA) 761, 763 (S.D.N.Y. 1985) (finding that plaintiff’s claim of secondary meaning in the making presented “viable federal question”), aff’d, 800 F.2d 1128 (2d Cir. 1986); Loctite Corp. v. National Starch & Chem. Corp., 516 F. Supp. 190, 210-11, 211 U.S.P.Q. (BNA) 237, 253-54 (S.D.N.Y. 1981) (finding that doctrine of secondary meaning in the making afforded plaintiffs no trademark protection because plaintiffs had not persuasively shown that their mark had ever been in process of gaining secondary meaning); Black Publishing Corp. v. O'Quinn Studios, Inc., 202 U.S.P.Q. (BNA) 848, 856 (S.D.N.Y. 1979) (stating that plaintiff does not necessarily have to show secondary meaning because of growing recognition by courts that secondary meaning in the making deserves protection); Orion Pictures Co. v. Dell Publishing Co., 471 F. Supp. 392, 396, 202 U.S.P.Q. (BNA) 819, 823 (S.D.N.Y. 1979) (stating that had plaintiff not established inference of secondary meaning, secondary meaning in the making could afford protection); Nature's Bounty, Inc. v. Basic Organics, 492 F. Supp. 546, 552 n.8, 196 U.S.P.Q. (BNA) 622, 627 n.8 (E.D.N.Y. 1977) (noting that plaintiff's interpretation of secondary meaning in the making was correct, but argument was not supported by evidence); West & Co. v. Arica Inst., Inc., 194 U.S.P.Q. (BNA) 32, 35 n.10 (S.D.N.Y. 1976) (acknowledging that even without showing of secondary meaning, word PSYCHOALISTHENICS could be protected under secondary meaning in the making doctrine due to evidence of intentional appropriation), aff’d, 557 F.2d 338 (2d Cir. 1977); Glamorene Prods. Corp. v. Boyle-Midway, Inc., 188 U.S.P.Q. (BNA) 145, 165 (S.D.N.Y. 1975) (holding that others will not be allowed to interfere with mark that is “developing secondary meaning”).
carrying and hanging the folded stool." The lower court concluded that neither manufacturer had seen the other's product until they were both unveiled at a hardware show. Black & Decker urged the court to find that the trade dress of its step stool, the Stowaway, had secondary meaning in the making based on the company's marketing attempts. The court refused to find in favor of Black & Decker. It held that the theory behind secondary meaning in the making improperly "focuse[d] solely upon the intent and actions of the seller of the product to the exclusion of the consuming public." The essence of secondary meaning, the court noted, is based on the consumer's association between "particular aspects of trade dress" and a single product and producer.

B. The Scholarly Debate

"[T]here is a notion at large called secondary meaning in the making. It should be stamped out."

The emergence of the doctrine of secondary meaning in the making drew primarily negative scholarly and judicial commentary. Furor over the new doctrine arose because secondary meaning was viewed as the touchstone of the law of unfair competition. For example, the common law tort of unfair competition has been limited to protection against copying of nonfunctional aspects of products that have acquired secondary meaning. Legal scholars opposed to the doctrine of secondary meaning in the making

117. Id. at 548, 215 U.S.P.Q. (BNA) at 98.
118. Id.
119. Id. at 550, 215 U.S.P.Q. (BNA) at 100.
120. Id.
121. Id.
122. Id. The court further noted that all the cases relied on by Black & Decker for a claim of secondary meaning in the making merely acknowledged the possibility of protection under the doctrine while finding that secondary meaning existed. Id. at 550 n.5, 215 U.S.P.Q. (BNA) at 100 n.5; see also Scagnelli, supra note 101, at 532-39 (arguing that cases cited as standing for doctrine of incipient secondary meaning merely discuss doctrine in dicta and decide case on traditional grounds).
124. See, e.g., Laureysens v. Idea Group, Inc., 964 F.2d 131, 138, 22 U.S.P.Q.2d (BNA) 1811, 1818 (2d Cir. 1992) (holding that doctrine of secondary meaning in the making should be rejected); Brown, supra note 123, at 1374 (arguing that doctrine should be rejected); Scagnelli, supra note 101, at 543 (arguing that doctrine is unnecessary); Schuman, supra note 2, at 807 n.22 (noting contradictory precedent and questioning doctrine); Note, Trade Name Protection: Relaxation of the "Secondary Meaning" Requirement and Its Implications, 1962 DUKE L.J. 507, 516 (arguing that serious consideration should be given to legal and economic implications before altering secondary meaning requirement).
125. See Brown, supra note 123, at 1374 ("Source identification is still the bedrock of unfair competition."); see also Smithkline Beckman Corp. v. Pennex Prods. Co., 605 F. Supp. 746, 750, 225 U.S.P.Q. (BNA) 963, 965 (E.D. Pa. 1985) (stating that "[r]ecognition and association are the cornerstones of secondary meaning.").
thought that the doctrine was generally "inimical to the purpose of . . . secondary meaning" because it did not focus on consumer association, but rather on the attempts of the producer to acquire consumer association.\textsuperscript{127}

The inherent problem in applying secondary meaning in the making is that no criteria exist for evaluating the evidence that would be presented by a "wronged" producer. For example, the courts would have to determine the length of marketing time or the amount of advertising required before consumer association with the trade dress could be established. There are no standards available for the consistent application of the doctrine.\textsuperscript{128} In fact, the sole judicial guidance provided indicates that the doctrine should only be applicable in cases where there is deliberate appropriation.\textsuperscript{129} If secondary meaning in the making were used without any fixed standards to determine trade dress infringement, the outcome of cases would be hard to predict and judicial confusion would result.\textsuperscript{130} Furthermore, because of the different evidence used to prove secondary meaning, courts would be unlikely to evaluate the same evidence the same way.\textsuperscript{131}


\textsuperscript{128} See Scagnelli, \textit{supra} note 101, at 543 (arguing against application of secondary meaning in the making because of doctrine's lack of standards).

\textsuperscript{129} Scagnelli, \textit{supra} note 101, at 543; see National Lampoon, Inc. v. American Broadcasting Cos., 376 F. Supp. 733, 746, 182 U.S.P.Q. (BNA) 24, 33 (S.D.N.Y. 1974) (holding ABC liable under secondary meaning in the making doctrine where facts showed deliberate intent to imitate). On the other hand, deliberate appropriation both raises an inference that the market entrant has achieved secondary meaning and obviates the need to examine why the second entrant might copy the plaintiff's dress, such as the second entrant reasonably believing that the dress is functional. See Bryant, \textit{supra} note 87, at 495-502 (arguing that evidence of copying is not relevant to establishment of secondary meaning).

\textsuperscript{130} See Note, \textit{supra} note 124, at 317 n.55 (claiming that all businesses will suffer from confusion in atmosphere of uncertainty caused by relaxation of secondary meaning standards).

\textsuperscript{131} See Note, \textit{supra} note 124, at 317 (suggesting that secondary meaning test provides more predictability than would "incipient secondary meaning" application). The same argument can be and has been made about the factors used to prove secondary meaning. See American Scientific Chem., Inc. v. American Hosp. Supply Corp., 690 F.2d 791, 792, 216 U.S.P.Q.(BNA) 1080, 1081 (9th Cir. 1982) (claiming that although numerous cases determining secondary meaning exist, no consensus on secondary meaning's elements has been reached); Bryant, \textit{supra} note 87, at 474 n.8 (noting that "[t]he Lanham Act provides little guidance for the evidence required to prove secondary meaning, . . . [and] judicial discretion has filled the gap"). For a discussion of the types of factors generally used in proving secondary meaning, see Gaske, \textit{supra} note 71, at 1135-37 (citing factors including market survey data, sales or advertising data, and evidence of imitation).
Another concern is that the application of incipient secondary meaning could encourage courts to become regulators of the marketplace. Rather than letting the market take its course and ensuring that the fittest survive, the doctrine would encourage courts to substitute their attitudes and biases when called upon to discourage imitation or free-riding by the second producer. The absence of any guideposts could fuel unprincipled decisions without contributing any greater judicial flexibility than is already provided under traditional concepts of unfair competition law. In fact, relaxation of secondary meaning standards might lead to the creation of a monopoly without the attendant safeguards that are built into the statutory monopolies of patents and copyrights. In applying the doctrine of secondary meaning in the making, courts would more readily grant protection for product designs that otherwise would not be protectible.

On the other hand, it has been argued that requiring an entrant to prove secondary meaning could destroy the incentives necessary to develop valuable informational devices. While waiting for secondary meaning to develop, a producer is faced with the possibility that another will appropriate his or her idea. Understandably, a producer who knows that his or her trade dress may be copied as soon as it is introduced on the market is less likely to invest the capital and energy in creating new trade dress.

One of the arguments in favor of the incipient secondary meaning doctrine is that such a doctrine protects market incentives. The protection of trade dress likely to acquire secondary meaning encourages producers to devote significant amounts of money in re-

132. See Note, supra note 124, at 317 (arguing that incipient meaning doctrine greatly increases involvement of courts in market relationships).
133. Note, supra note 124, at 317.
134. See Scagnelli, supra note 101, at 528 (arguing that undeveloped doctrine of secondary meaning in the making confuses doctrine of secondary meaning unnecessarily).
135. See Brown, supra note 123, at 1378 (arguing that patent and copyright laws were written so as to prevent creation of monopolies, but that judiciary might create monopolies under incipient secondary meaning doctrine).
136. See Brown, supra note 123, at 1378 (asserting as example that novelty requirement for design patents could be avoided through incipient secondary meaning doctrine).
138. See Mims, supra note 33, at 662 ("If firms know... trade dress can be copied upon first use—before secondary meaning could develop... they may balk at investing in it.").
search and development to create new trade dress. Knowledge that trade dress is protected, early on, from poachers frees creativity. In a protective atmosphere, which results from relaxing the strict requirements necessary for proof of secondary meaning, producers will more readily develop new trade dress.140

Relaxation of the secondary meaning requirements should not have a chilling effect on the market, but rather should help to elicit new product designs and foster competition,141 particularly considering that properties of trade dress include a product’s size, shape, color, or color combinations.142 Any anticompetitive effects that may be created by the protection of trade dress are minimal because others are not precluded from entering the market143—they have a virtually unlimited source from which they can choose.144 Variety in trade dress is thus encouraged and the value of the trade dress is increased.145 Furthermore, application of the secondary meaning in the making doctrine makes it less likely that the consumer will confuse the source of product “y” with the source of product “z” because the confusingly similar trade dress would have been eliminated from the market. Thus, an inflexible insistence on proof of certain criteria for secondary meaning in trade dress infringement cases seems without merit.146

A few legal commentators find merit in the doctrine of secondary meaning in the making because application of the doctrine has positive effects.147 The protection from competitors encourages produ-

140. See Schuman, supra note 2, at 779-81 (arguing that marketing is key to product development and sales and that incipient secondary meaning doctrine protects marketing efforts).

141. See, e.g., Gifford, supra note 5, at 786 (arguing that greater trade dress protection “creates incentives for sellers to design creatively”). But see Smith, supra note 139, at 172 (arguing that application of secondary meaning in the making may frustrate healthy competition).

142. See Bauer, supra note 6, at 714 (observing that trade dress may be found without relying on producer’s use of particular words).

143. See Mims, supra note 35, at 661 (stating that products that differ only on aesthetic basis will compete on equal footing in market).

144. See Perfect Fit Indus. v. Acme Quilting Co., 618 F.2d 950, 953, 205 U.S.P.Q. (BNA) 297, 300 (2d Cir. 1980) (finding that monopolization is not problem in trade dress area because possible varieties of advertising, display, and packaging are virtually endless), cert. denied, 459 U.S. 832 (1982). But see Stephen L. Carter, The Trouble with Trademark, 99 YALE L.J. 759, 787 (1990) (claiming that legal system allowing producers to gain trademark protection without making initial investment in good will risks reducing supply of superior marks without any corresponding benefit to public).

145. Perfect Fit Indus., 618 F.2d at 953, 205 U.S.P.Q. (BNA) at 300.

146. See Bauer, supra note 6, at 713-14 (arguing that “insistence on strong proof of secondary meaning in all cases of unauthorized imitation of trademarks or trade symbols is misguided”).

147. See, e.g., Bauer, supra note 6, at 712 n.180 (arguing that Lanham Act protection should be available for “evolving” consumer association of trade dress with particular product); Pegram, supra note 23, at 26 (supporting secondary meaning in the making by arguing that gap of time prior to acquisition of secondary meaning often prevents creation of secon-
cbers to create a niche for themselves, provides incentives for them to expend the resources necessary to develop creative and attractive products, and leads to a lessening of consumer confusion. Arguments for increased recognition of the incipient secondary meaning doctrine were not persuasive, however, and two judgments that followed the Eighth Circuit's decision in Black & Decker were decisive in the decline of the doctrine.

C. The Death

1. The Federal Circuit decision

After Black & Decker, the doctrine of secondary meaning in the making received two death blows, one from the Federal Circuit and one from the Second Circuit. In a case before the Federal Circuit, Cicena Ltd. v. Columbia Telecommunications Group, both parties manufactured and sold clear plastic neon-lit telephones. Cicena brought suit against Columbia Telecommunications for unfair competition under New York state law and section 43(a) of the Lanham Act, as well as for design patent infringement. The U.S. District Court for the Southern District of New York granted Cicena a preliminary injunction under section 43(a) of the Lanham Act, but refused to consider either design patent infringement or state unfair competition law claims.

The Federal Circuit, using Second Circuit law, reviewed the grant of the preliminary injunction by the district court. The court ex-  

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148. Schuman, supra note 2, at 779-81.
149. See infra notes 150-98 and accompanying text (discussing Federal Circuit and Second Circuit opinions rejecting doctrine).
151. Cicena Ltd. v. Columbia Telecommunications Group, 900 F.2d 1546, 1548, 14 U.S.P.Q.2d (BNA) 1401, 1403-04 (Fed. Cir. 1990). The U.S. Court of Appeals for the Federal Circuit was established in 1982. While the court has exclusive jurisdiction over appeals of patent cases, it does not have exclusive appellate jurisdiction over unfair competition and trademark matters. See id. (explaining limitation on court's appellate jurisdiction). The Federal Circuit shares its jurisdiction with other courts. Although decisions of the Federal Circuit in trademark and unfair competition law are not binding, the court's influence is nonetheless powerful, and its decisions are treated as persuasive. See generally American Direct Mktg., Inc. v. Azad Int'l, Inc., 783 F. Supp. 84, 97, 22 U.S.P.Q.2d (BNA) 1108, 1118 (E.D.N.Y. 1992) (noting that concept of secondary meaning in the making was rejected by Federal Circuit and concluding that although Federal Circuit "has special expertise in such matters, ... [its] decision is not binding authority").
152. Cicena, 900 F.2d at 1548, 14 U.S.P.Q.2d (BNA) at 1403.
153. Id. The district court opinion is unpublished. The Federal Circuit had jurisdiction over the appeal due to the design patent infringement claim. Id.
154. Id., 14 U.S.P.Q.2d (BNA) at 1403-04. In deciding unfair competition appeals from district court cases, the Federal Circuit applies the law of the circuit in which the district court is located to avoid forum shopping and "to avoid exacerbating the problem of intercircuit
plained that according to the Second Circuit, the plaintiff must show that its trade dress had acquired secondary meaning in order to prevail on a theory of trade dress infringement under section 43(a).\(^{155}\) If the plaintiff could not prove that the public had come to associate its trade dress with the source or producer, known or unknown, rather than with the product, then protection was unavailable under section 43(a).\(^{156}\)

In *Cicena*, however, the district court did not explicitly find evidence of secondary meaning; rather, it found secondary meaning in the making.\(^{157}\) Noting this finding, the Federal Circuit explained that the Second Circuit had never explicitly disavowed (or accepted) the doctrine of secondary meaning in the making, nor had it rendered an opinion on the doctrine's merits.\(^{158}\) Thus, the Federal Circuit found itself "in the delicate position of deciding a question of first impression in the Second Circuit."\(^{159}\) The Federal Circuit concluded that the Second Circuit would reject the doctrine of secondary meaning in the making.\(^{160}\) The Federal Circuit was correct.\(^{161}\)

In arriving at its conclusion, the Federal Circuit narrowly construed the text of section 43(a) of the Lanham Act as protecting trademark and trade dress only against false designation of origin.\(^{162}\) From its analysis of the text, the court reasoned, circularly,
that if there was no consumer association, that is, no secondary meaning, then there could be no false designation of origin.\textsuperscript{163} That is, a consumer must recognize that the telephone is made by Cicena before he can be confused by a similar phone originating from Columbia Telecommunications.\textsuperscript{164} If there was no false designation of origin, then there was no violation of the Lanham Act or trade dress infringement by the defendant.\textsuperscript{165}

The court then addressed the issue of whether Cicena's telephone had acquired secondary meaning. Although Cicena proffered evidence of sales success, advertising expenditures, and unsolicited media coverage, all of which are criteria for determining secondary meaning,\textsuperscript{166} the court found that there was not enough evidence to conclude that the trade dress had secondary meaning.\textsuperscript{167} The court also noted that no consumer surveys were offered as evidence to link the Cicena telephone with its source.\textsuperscript{168} These factors, coupled with the limited amount of time that the product had been on the market, weighed against a finding of secondary meaning.\textsuperscript{169} Accordingly, the Federal Circuit vacated the preliminary injunction.\textsuperscript{170}

Having concluded that secondary meaning was a prerequisite to a section 43(a) claim, the court rejected Cicena's argument that it was in the process of acquiring secondary meaning.\textsuperscript{171} The court acknowledged that the goal of secondary meaning in the making, "preventing a deliberate copier from capitalizing on the efforts of the first producer," was an admirable one.\textsuperscript{172} Agreeing with the Eighth Circuit, the court stated that granting a plaintiff protection on the theory of secondary meaning in the making would destroy the very foundation of the secondary meaning requirement: public

\textsuperscript{164} Cicena, 900 F.2d at 1550, 14 U.S.P.Q.2d (BNA) at 1405.
\textsuperscript{165} This is because consumer association and likelihood of confusion are such closely-related concepts that they "collapse into one another in trade dress cases." Charles Jacquin et Cie, Inc. v. Destileria Serralles, 921 F.2d 467, 472 n.5, 17 U.S.P.Q.2d (BNA) 1104, 1108 n.5 (3d Cir. 1990).
\textsuperscript{166} Cicena, 900 F.2d at 1550, 14 U.S.P.Q.2d (BNA) at 1405; see Thompson Medical Co. v. Pfizer Inc., 753 F.2d 208, 216, 225 U.S.P.Q. (BNA) 124, 130 (2d Cir. 1985) ("In the absence of secondary meaning, however, there will be no [producer] association in the minds of the purchasing public.").
\textsuperscript{167} Cicena, 900 F.2d at 1551, 14 U.S.P.Q.2d (BNA) at 1406.
\textsuperscript{168} \textit{Id.} at 1552, 14 U.S.P.Q.2d (BNA) at 1407.
\textsuperscript{169} \textit{Id.}
\textsuperscript{170} \textit{Id.} at 1550, 14 U.S.P.Q.2d (BNA) at 1405.
\textsuperscript{171} \textit{Id.} at 1550, 14 U.S.P.Q.2d (BNA) at 1405.
\textsuperscript{172} \textit{Id.}
association of product to source. Therefore, the court held that such a goal surpassed the scope of section 43(a) of the Lanham Act.

2. The Second Circuit decision

Two years after the Federal Circuit's "delicate" pronouncement, the Second Circuit also rejected the doctrine of secondary meaning in the making in a trade dress action under the Lanham Act. In Laureysens v. Idea Group, Inc., one of the issues before the court was the alleged trade dress infringement of an interlocking foam rubber puzzle. The (plaintiff) Laureysens' puzzles, marketed under the name HAPPY CUBE, came in six colors: yellow, green, purple, orange, blue, and red. The puzzles were packaged for sale in flat assembled form in a clear plastic shrink wrap with a cardboard insert. The name HAPPY CUBE was imprinted on the insert against a black background with the word HAPPY colored in one of the puzzle colors. The word CUBE was in blue.

The (defendant) Idea Group's puzzles, SNAFOOZ, were also interlocking foam rubber puzzles. The puzzles were marketed in the same colors as HAPPY CUBE and were also assembled in flat
form and wrapped in shrink wrap. The cardboard insert featured the name SNAFOOZ across the top in rainbow-colored lettering against a black background.

The district court granted Laureyssens a preliminary injunction for trade dress infringement under section 43(a) of the Lanham Act and under New York common law of unfair competition. The court found that the similarities of packaging raised a serious question about trade dress protection under the doctrine of incipient secondary meaning. The Second Circuit reviewed the district court's decision and analyzed the text of section 43(a). The court concluded that the text limited causes of action based on source confusion or deception to situations involving a "word, term, name, symbol, or device or combinations thereof." Thus, where there was no consumer association of the trade dress to its source, i.e., no secondary meaning, there would not be confusion, mistake, or deception as to the origin or sponsorship of goods if a second comer adopted a similar trade dress. The Second Circuit, like the Federal Circuit, found that the second comer's use of imitating dress was not a false designation of origin under section 43(a) of the Lanham Act where there was no secondary meaning in the first comer's trade dress.

In addition, the Second Circuit made an economic argument against adopting the doctrine of secondary meaning in the making. The court argued that granting protection before consumers are likely to associate the trade dress with a particular producer "constrains unnecessarily the freedom to copy and compete." Thus, for the Second Circuit, unless there is "something worth protecting," that is, the consumer's association between a distinctive trade

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185. Id.
186. Id.
188. Id. at 1048, 20 U.S.P.Q.2d (BNA) at 1030-31.
189. Laureyssens v. Idea Group, Inc., 964 F.2d 131, 136-39, 22 U.S.P.Q.2d (BNA) 1811, 1815-18 (2d Cir. 1992). Unlike Cicena, where the Federal Circuit applied the text of the pre-1988 version of § 43(a), the Second Circuit decision analyzed the 1988 text. Id. at 137, 22 U.S.P.Q.2d (BNA) at 1816-17. There is nothing to suggest that the outcome would have been any different had the pre-1988 text been the subject of analysis. See id. at 137-39, 22 U.S.P.Q.2d (BNA) at 1816-17 (citing both pre-1988 and post-1988 precedent in trade dress infringement analysis); see also supra note 6 (quoting both versions of § 43(a)).
190. Laureyssens, 964 F.2d at 137, 22 U.S.P.Q.2d (BNA) at 1816-17.
191. Id.
dress and its producer, a competitor may copy. Laureyssens argued on appeal that without the doctrine of secondary meaning in the making producers would be subject to unfair competition from pirates until their products gained secondary meaning. The court disagreed, noting that existing New York common law affords adequate protection against piracy in the early stages of product development. The court also mentioned that intentional copying is "persuasive evidence of secondary meaning" and that possibilities exist for the quick development of secondary meaning. In essence, the court concluded that innovators under New York law had adequate recourse in preventing piracy without resorting to a doctrine considered "inimical" to the tenets of trademark law.

III. THE RENAISSANCE

Adding a secondary meaning requirement could have anticompetitive effects, creating particular burdens on the start-up of small companies.

1. The Supreme Court decision

Although the Federal Circuit’s prediction that the Second Circuit would reject incipient secondary meaning was correct, the doctrine has risen, seemingly, from the ashes. The Supreme Court decision in Two Pesos, Inc. v. Taco Cabana, Inc. has resurrected the...
doctrine. The issue in Two Pesos was whether inherently distinctive dress of a restaurant may be protected under section 43(a) of the Lanham Act without proof of secondary meaning. 202

Taco Cabana and Two Pesos were upscale fast-food Mexican restaurants with similar decors, or trade dresses. 203 Taco Cabana's claimed trade dress was comprised of a festive eating atmosphere with interior dining and patio areas decorated with artifacts, bright colors, paintings, and murals. 204 The patio could be divided into interior and exterior areas by using overhead garage doors. 205 The exterior of the restaurant was brightly colored with neon stripes. 206

Taco Cabana brought suit against Two Pesos in the U.S. District Court for the Southern District of Texas for trade dress infringement under the Lanham Act. 207 The jury found the following in favor of Taco Cabana's claim: (1) the trade dress was nonfunctional; (2) the trade dress was inherently distinctive; (3) the trade dress had not acquired secondary meaning in Texas; and (4) a likelihood of confusion existed. 208 Judgment was entered for Taco Cabana on the jury's verdict. 209

Two Pesos appealed the judgment of the district court. It argued that the jury had been misled by the district court's instructions on trade dress. 210 The district court told the jury that trade dress was the total image of the business, which consisted of the shape and general appearance of the restaurant, and could also include, inter alia, the decor, menu, or servers' uniforms. 211 Two Pesos argued that based on these instructions, the jurors believed that the "total

203. Id.
204. Id.
205. Id.
206. Id.
208. Id. at 1117, 19 U.S.P.Q.2d (BNA) at 1256. The issue of misappropriation, however, is not relevant to the present discussion.
209. Id. at 1118, 19 U.S.P.Q.2d (BNA) at 1256.
210. Id. at 1118, 19 U.S.P.Q.2d (BNA) at 1256. Another issue on appeal dealt with a cross-licensing agreement made by and between Taco Cabana's owners several days prior to filing the district court case. Id. at 1121-22, 19 U.S.P.Q.2d (BNA) at 1259. Two Pesos claimed that this cross-licensing agreement was actually an abandonment of trademark protection. Id. at 1121, 19 U.S.P.Q.2d (BNA) at 1259. The circuit court disagreed. Id. The circuit court also affirmed the jury's finding of misappropriation. Id. at 1125, 19 U.S.P.Q.2d (BNA) at 1262.
211. Id. at 1118, 19 U.S.P.Q.2d (BNA) at 1256.
image" of Taco Cabana included not only the shape and general appearance of the restaurant, but also the Mexican theme.212 These instructions, Two Pesos argued, would impermissibly allow the jurors to believe that Taco Cabana could preclude a competitor from appropriating a festive Mexican theme for a Mexican restaurant.213 The Fifth Circuit upheld the jury's findings,214 however, agreeing that Taco Cabana could not preclude the use of elements of its trade dress such as Mexican motifs or neon lights, but finding that Taco Cabana did have the right to preclude a competitor from imitating its overall look.215

Two Pesos also argued that the Fifth Circuit should distinguish Taco Cabana's "concept" of its restaurant, the Mexican motif, from its trade dress—the murals, neon lights, and so forth.216 Under Two Pesos' reasoning, the elements that Taco Cabana claimed were so distinctive, which were its decorative Mexican elements, were merely functional.217 Functionality, according to one test, provides no protection for elements of trade dress that are essential to the purpose of a product.218

The Fifth Circuit disagreed with Two Pesos' argument, however. The court found that the jury instructions correctly cautioned the jury against singling out components of Taco Cabana's trade dress.219 In addition, established case law provided that distinctive combinations of functional elements are protectible.220

212. Id.
213. Id.
214. Id., 19 U.S.P.Q.2d (BNA) at 1257.
217. Taco Cabana, 932 F.2d at 1118-19, 19 U.S.P.Q.2d (BNA) at 1257.
218. See W.T. Rogers Co. v. Keene, 778 F.2d 334, 339-40, 228 U.S.P.Q. (BNA) 145, 147 (7th Cir. 1985) (finding that if words, symbols, and dress are commercially necessary or primarily attractive, they do not generally merit protection); see also Jerre B. Swann, The Design of Restaurant Interiors—A New Approach to Aesthetic Functionality, 76 TRADEMARK REP. 408, 408 (1986) (arguing that use of aesthetic functionality may not be appropriate in considering infringement of restaurant interior design).
219. Taco Cabana, 932 F.2d at 1118, 19 U.S.P.Q.2d (BNA) at 1257.
220. See, e.g., Sicilia Di R. Biebow & Co. v. Cox, 732 F.2d 417, 429 (5th Cir. 1984) (holding that protection may be accorded to distinctive or identifying design, even though that design is also related to function of product); Chemlawn Servs. Corp. v. GNC Pumps, Inc., 690 F. Supp. 1560, 1571, 6 U.S.P.Q.2d (BNA) 1348, 1356 (S.D. Tex. 1988) (holding that arbitrary configuration of functional parts may be protected because functional element is separable from distinctive configuration).
The Fifth Circuit also used another functionality test, the competitive alternative test, in evaluating Two Pesos' claim that Taco Cabana's trade dress was functional.\footnote{221} Under this test, if no alternatives would allow a junior user to compete effectively, then the senior user's dress is deemed functional and not protectible.\footnote{222} According to the Fifth Circuit, a multitude of trade dress alternatives exist in the upscale Mexican fast-food industry.\footnote{223} Therefore, Two Pesos could effectively compete in the Mexican fast-food industry without imitating Taco Cabana's trade dress.\footnote{224}

The last argument advanced by Two Pesos before the Fifth Circuit was that Taco Cabana's trade dress was not inherently distinctive, but instead was descriptive of the type of food served in the restaurant.\footnote{225} The thrust of Two Pesos' argument was that a decor consisting of Mexican artifacts, bright colors, and murals was essential to a Mexican restaurant.\footnote{226} According to trademark law, descriptive terms are incapable of serving as indicators of source unless there is a showing of secondary meaning.\footnote{227}

The Fifth Circuit again disagreed. According to the court, the "combination of elements" in Taco Cabana's trade dress prevented the trade dress from being descriptive, although descriptive elements were present in the trade dress.\footnote{228} Furthermore, the Fifth Circuit ruled that Taco Cabana need not prove its dress had acquired secondary meaning because the jury had found it to be inher-

\footnote{221. \textit{Taco Cabana}, 932 F.2d at 1118-19, 19 U.S.P.Q.2d (BNA) at 1257; \textit{see also} Brunswick Corp. v. Spinit Reel Co., 832 F.2d 513, 519-20, 4 U.S.P.Q.2d (BNA) 1497, 1500-01 (10th Cir. 1987) (holding under competitive alternative test that precise shape and configuration of fishing reel's front cover is not competitively essential because cover need not be slavishly copied for product to be functional); \textit{cf.} Keene Corp. v. Paraflex Indus., 653 F.2d 822, 827, 211 U.S.P.Q. (BNA) 201, 205 (3d Cir. 1981) (rejecting competitive alternative test on ground that it is too narrow).


223. \textit{Id.} at 1119, 19 U.S.P.Q.2d (BNA) at 1257.

224. \textit{Id.}


227. \textit{See} McCarthy, \textit{supra} note 1, § 7:14, at 208-10 (discussing role of descriptive designs, symbols, and pictures in trademark protection); \textit{see also} supra note 53 (discussing descriptiveness factor).

228. \textit{See} Taco Cabana, 932 F.2d at 1120, 19 U.S.P.Q.2d (BNA) at 1258 ("Taco Cabana's trade dress does not surrender the possibility of inherent distinctiveness merely by embodying certain descriptive elements."). \textit{But cf.} \textit{Taj Mahal}, 745 F. Supp. at 252, 16 U.S.P.Q.2d (BNA) at 1586 (holding that Indian motif consisting of images of minarets, elephants, and so forth is not inherently distinctive, but rather is common to many facilities with Indian themes).
Two Pesos petitioned for certiorari on two issues: (1) whether inherently distinctive trade dress is protectible under section 43(a) of the Lanham Act without proof of secondary meaning; and (2) whether the Fifth Circuit was correct in accepting the jury's finding that Taco Cabana's trade dress was nonfunctional. The Supreme Court granted certiorari only on the first issue. It did so to resolve the conflict between the Fifth Circuit and the Second Circuit as to whether secondary meaning is necessary to establish inherently distinctive trade dress under section 43(a) of the Lanham Act.

The Supreme Court held that inherently distinctive trade dress is protectible under section 43(a) without a showing that the trade dress had acquired secondary meaning. In arriving at its decision, the Court first analyzed three sections of the Lanham Act: sections 2, 43(a), and 45. Using section 45, the Court established that the purpose of the Lanham Act is to make "actionable the deceptive and misleading use of marks" and "to protect persons engaged in... commerce against unfair competition." The Court reasoned that section 43(a), on the other hand, protects unregistered, qualifying trademarks from unfair competition. The Court then used section 2, which sets forth the conditions that govern which terms qualify as trademarks, to determine whether trade dress is entitled to protection under section 43(a). Using these provisions, the Court found that inherently distinctive trade dress, like word marks, is protectible without proof of secondary meaning.
Two Pesos argued as it did before the Fifth Circuit that the jury's finding that Taco Cabana had not acquired secondary meaning was inconsistent with a finding of inherent distinctiveness. It also argued in the alternative that inherently distinctive trade dress should receive limited protection, at least until it could be proven that secondary meaning did or did not exist.

The Supreme Court disapproved of the notion ofaccording limited protection to the owner of an inherently distinctive trade dress until such a time as secondary meaning could be proven. It reasoned that only an inherently distinctive trade dress should be protectible from its earliest use. It further reasoned that the withdrawal of limited protection for failure to acquire secondary meaning would not be based on an evaluation of the trade dress's distinctiveness, but would be based on the marketing failure of the user.

The Court, again construing sections 2 and 43(a), determined that trade dress has the same ability to serve as a source identifier as do unregistered trademarks. It held that the Second Circuit's requirement of proof of secondary meaning in trade dress infringement cases, but not in word mark infringement cases, was unsupported by the language of section 43(a).

See supra note 6 (quoting text of amended § 43(a)). The judicially created expansion of the reach of § 43(a) was acknowledged in the concurrence, however. See Two Pesos, 112 S. Ct. at 2764, 23 U.S.P.Q.2d (BNA) at 1089 (Stevens, J., concurring) (finding that expansion is consistent with general purposes of Act). The Court also arrived at its decision without reviewing whether the trade dress was, in fact, inherently distinctive. See id. at 2758, 23 U.S.P.Q.2d (BNA) at 1084 (affirming court of appeals' disposition of issue without explanation).

240. Two Pesos, 112 S. Ct. at 2758-59, 23 U.S.P.Q.2d (BNA) at 1084. It appears that Two Pesos thought that Taco Cabana, after a period of nine years, should have been able to prove secondary meaning. See Petitioner's Reply Brief on the Merits at 3-4, Two Pesos (No. 91-971) (arguing that Taco Cabana should prove secondary meaning to receive protection); Petitioner's Brief on the Merits at 9, Two Pesos (No. 91-971) (arguing that jury's finding that Taco Cabana's trade dress, after almost decade of use, had no secondary meaning, meant that no associational relationship existed between Taco Cabana as commercial source and trade dress used by Taco Cabana).

241. See Two Pesos, Inc. v. Taco Cabana, Inc., 112 S. Ct. 2753, 2761, 23 U.S.P.Q.2d (BNA) 1081, 1086 (1992) (declaring that no basis exists in Lanham Act to support suggestion that secondary meaning is born after specified time); see also Two Pesos, Inc. v. Taco Cabana, Inc., 60 U.S.L.W. 4762, 4764 n.8 (U.S. June 26, 1992) (footnote subsequently dropped) (noting that Second Circuit had explicitly rejected theory of secondary meaning in the making, theory which Supreme Court found similar to argument propounded by petitioner). The Court felt that the Second Circuit had recognized the problem of piracy created by a requirement of secondary meaning for trade dress infringement. Two Pesos, 60 U.S.L.W. at 4764.

242. Id. at 2759-60, 23 U.S.P.Q.2d (BNA) at 1084-85.

243. Id. at 2759, 23 U.S.P.Q.2d (BNA) at 1085.

244. Id. at 2760, 23 U.S.P.Q.2d (BNA) at 1085-86.

245. Id. at 2760-61, 23 U.S.P.Q.2d (BNA) at 1086. In fact, neither the pre-1988 version
held that no basis exists for requiring secondary meaning for inherently distinctive trade dress under section 43(a) of the Lanham Act. The Court wrote:

Denying protection for inherently distinctive nonfunctional trade dress until after secondary meaning has been established would allow a competitor, which has not adopted a distinctive trade dress of its own, to appropriate the originator's dress in other markets and to deter the originator from expanding into and competing in these areas.

This reasoning echoes the underlying rationale of the doctrine of secondary meaning in the making, which is that some protection should exist for a producer who has spent and is spending money in an effort to create good will and consumer association, but whose product has not yet acquired secondary meaning, from a competitor whose appropriation would deter the originator from achieving that goal.

IV. PROBLEMS WITH THE RENASCENT DOCTRINE

Although the decision of the Supreme Court in Two Pesos appears to be founded on the principles embodied in the doctrine of secondary meaning in the making, the Supreme Court appears to have gone further than even the proponents of incipient secondary meaning might have gone. The Court has resurrected the secondary meaning in the making doctrine as the "inherently distinctive test." According to the Supreme Court, if trade dress is "inherently distinctive," legal recognition of the owner's proprietary interest is required, regardless of whether substantial consumer association has bestowed secondary meaning upon it. The Court

nor the revised version of § 43(a) mentions trademarks, trade dress, or secondary meaning. See supra notes 6-10 and accompanying text (discussing and quoting both versions of § 43(a)).


248. Id.

249. See supra notes 101-22 and accompanying text (discussing origin and operation of secondary meaning in the making doctrine).

250. See supra part II (discussing evolution of secondary meaning in the making doctrine).

251. In fact, the Southern District Court of New York in Häagen-Dazs, Inc. v. Früsen Glädjé Ltd., 493 F. Supp. 73, 75, 210 U.S.P.Q. (BNA) 204, 205 (S.D.N.Y. 1980), where the doctrine originated, refused to grant a preliminary injunction against Früsen Glädjé on similar grounds. In Häagen-Dazs, Häagen-Dazs claimed that Früsen Glädjé was imitating its unique Scandinavian marketing theme. Id. at 74, 210 U.S.P.Q. (BNA) at 205. The court found that Häagen-Dazs failed to appreciate the difference between an attempt to trade off the good will of another and the legitimate imitation of an admittedly effective marketing technique. See id. at 75, 210 U.S.P.Q. (BNA) at 206 (denying preliminary injunction request and finding little merit in complaint).

252. Cf. Gaske, supra note 71, at 1123-25 (arguing that "inherent distinctiveness" test should be used in determining infringement of trade dress consisting of packages and display designs, but not for product design trade dress).

does not elaborate on what might constitute inherent distinctiveness, however.

The normal requirement for inherent distinctiveness is that a design must be unusual or extraordinary in some way. In a case before the Ninth Circuit similar to the Two Pesos case, a plaintiff claimed trade dress protection for the total visual image of a restaurant that was created by a collection of common or functional elements. The trade dress claimed by the plaintiff included items such as director’s chairs, white tile, and food preparation areas that were visible to the customers. It also claimed neon signs, mirrors, and exterior yellow awnings. The court found that while the restaurant’s overall impression might be protectible, the trade dress claimed by the plaintiff was simply not the sort of arbitrary or uncommon trade dress that might qualify as inherently distinctive.

The trade dress claimed by Taco Cabana was similar. It featured neon signs in addition to its festive decorations and Mexican artifacts. These too are a "collection of common or functional elements of [Mexican] restaurant decor." It is thus arguable that Taco Cabana’s trade dress in Two Pesos similarly did not rise to the level of protectible, inherently distinctive, arbitrary, or uncommon trade dress. A restaurant should not be able to monopolize those elements that improve the usefulness, efficiency, or appeal of the

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254. See In re D.C. Comics, Inc., 689 F.2d 1042, 1051 (C.C.P.A. 1982) (Nies, J., concurring) (arguing that protection should be deferred until secondary meaning is established and recognizing that more unusual designs achieve secondary meaning more quickly).


256. Id. at 842 n.7, 4 U.S.P.Q.2d (BNA) at 1030 n.7.

257. Id. at 840-41, 4 U.S.P.Q.2d (BNA) at 1028.

258. Id. at 844, 4 U.S.P.Q.2d (BNA) at 1031.


260. Fuddruckers, 826 F.2d at 844, 4 U.S.P.Q.2d (BNA) at 1031.

261. It has been noted that the Fifth Circuit’s description of the trade dress at issue in Taco Cabana leads one to conclude that the trade dress created a “Mexican” atmosphere, which, given the nature of the restaurant, can hardly be described as distinctive. See Excerpts from the United States Trademark Association’s Amicus Brief in Two Pesos, Inc. v. Taco Cabana Int’l, Inc. and Taco Cabana, Inc., 82 TRADEMARK REP. 440, 451 (1992) [hereinafter Excerpts] (quoting portions of amicus brief without further comment). The case on which Two Pesos relied, Prufrock, Ltd. v. Lasater, 781 F.2d 129, 228 U.S.P.Q. (BNA) 435 (8th Cir. 1986), held that § 43(a) of the Lanham Act did not protect elements of trade dress that relate to the concept or theme of a restaurant. Prufrock, 781 F.2d at 134, 228 U.S.P.Q. (BNA) at 438-39; cf. Fuddruckers, 826 F.2d at 846-47, 4 U.S.P.Q.2d (BNA) at 1033-34 (vacating jury verdict and remanding for new trial upon finding that evidence of inherent distinctiveness was strong but not sufficient to justify removing issue from properly instructed jury).
product or service.\textsuperscript{262} Unfortunately, the Supreme Court in \textit{Two Pesos} accepted rulings of both the Fifth Circuit and the district court on the distinctiveness of Taco Cabana's trade dress without further inquiry.\textsuperscript{263}

The Supreme Court recognized in \textit{Two Pesos} the possible anticompetitive effects of requiring secondary meaning,\textsuperscript{264} as have the proponents of secondary meaning in the making.\textsuperscript{265} Nevertheless, the Supreme Court appears to have placed the notion of a legitimate proprietary interest ahead of consumer association. At common law, a consumer's association of the item with the source, particularly in conjunction with trade dress, determined whether the trade dress was protectible.\textsuperscript{266} In essence, the presence of secondary meaning served as notice that the mark, or trade dress, was protectible.\textsuperscript{267} Indeed, it appears that the Supreme Court found it useful to dismiss consumer association altogether.\textsuperscript{268} In contrast, the incipient secondary meaning doctrine does not advocate rejecting

\textsuperscript{262} See Fuddruckers, Inc. v. Doc's B.R. Others, Inc., 225 U.S.P.Q. 133, 134 (D. Ariz. 1984) (ruling that functional components in context of restaurant include those that improve appeal of product or service as well as those that lead to food being produced in efficient and sanitary manner).


\textsuperscript{264} \textit{Two Pesos}, 112 S. Ct. at 2761, 23 U.S.P.Q.2d (BNA) at 1086.

\textsuperscript{265} \textit{See supra} notes 141-43 and accompanying text (discussing proponents' views as to anticompetitive effects of incipient secondary meaning doctrine).

\textsuperscript{266} \textit{See supra} notes 60-89 and accompanying text (discussing common law origin and development of secondary meaning).

\textsuperscript{267} \textit{See Hanover Star Milling Co. v. Allen & Wheeler Co.}, 208 F. 513, 517 (7th Cir. 1913) (recognizing argument that mark that has acquired secondary meaning should be protectible because mark signifies to consumers origin of product), \textit{aff'd}, 240 U.S. 403 (1916); \textit{see also} Brief of Private Label Manufacturers Association as Amicus Curiae in Support of Reversal of Decision Below at 15, \textit{Two Pesos, Inc. v. Taco Cabana Int'l}, Inc., 112 S. Ct. 2753, 23 U.S.P.Q.2d (BNA) 1081 (1992) (No. 91-971) (arguing that consumer association with trade dress serves public notice, thereby enabling competitors to avoid imitative design).

\textsuperscript{268} \textit{See Two Pesos}, 112 S. Ct. at 2758, 23 U.S.P.Q.2d (BNA) at 1084 (agreeing with Fifth Circuit's disposition of issue by stating that protection grounded in "inherent distinctiveness" of product could be granted without showing of consumer association between trade dress and producer).
consumer association. Instead, the doctrine proposes a loosening of the standards of proof of consumer association. The inherently distinctive test, on the other hand, substitutes a trier of fact's impressions of the trade dress' distinctiveness for proof of consumer association.

Furthermore, in using the inherently distinctive test, the Court has called into question the viability of functionality in trade dress. Although the question of the functionality of Taco Cabana's trade dress was not before the Court, it should have been considered. The doctrine of functionality helps to limit trademark and common law protection for trade dress. If a particular feature is essential to a product's use or if it affects the cost or quality of the article, then the feature is functional and cannot be protected. In the case of a restaurant's interior decor, however, the trade dress is not the packaging, but the ambience. Thus, the issue before a court in restaurant trade dress cases becomes a question of whether the decor has aesthetic functionality and not whether it has utility of design.

In Taco Cabana, the Fifth Circuit reviewed the jury's findings on the issue of functionality. Although Taco Cabana claimed as its

269. See supra notes 101-13 and accompanying text (discussing incipient secondary meaning and citing cases applying relaxed secondary meaning requirement).

270. See Brown, supra note 123, at 1380 (arguing that inherently distinctive test replaces consumer association proof with impermissible intuitive judging).

271. See Brown, supra note 123, at 1380 (arguing that purpose of functionality inquiry is diminished by use of inherent distinctiveness test); Thomas F. Smegal, Jr., High Court Considers Trade Dress Issues, Nat'l L.J., Apr. 27, 1992, at 20, 22 (“A ruling that trade dress can be inherently distinctive could lead to a lessening of concern about the functionality of trade dress features.”).

272. The Court did not grant certiorari on the question of functionality and considered for the purposes of the appeal that the lower courts' rulings on that issue were correct. Two Pesos, Inc. v. Taco Cabana, Inc., 112 S. Ct. 2753, 2757-58, 23 U.S.P.Q.2d (BNA) 1081, 1083-84 (1992).

273. See supra notes 29-47 and accompanying text (discussing purpose and application of functionality doctrine).


275. Gifford, supra note 5, at 789.

276. See, e.g., Taj Mahal Enters. v. Trump, 745 F. Supp. 240, 252, 16 U.S.P.Q.2d (BNA) 1577, 1586 (D.N.J. 1990) (applying aesthetic functionality test in denying trade dress protection alternative test); T.G.I. Friday's, Inc. v. International Restaurant Group, Inc., 405 F. Supp. 698, 708-09, 189 U.S.P.Q. (BNA) 806, 814 (M.D. La. 1975) (analyzing aesthetics and finding that "turn-of-century" motif was probably impossible to protect), aff'd, 569 F.2d 895 (5th Cir. 1978). But see Swann, supra note 218, at 408 (arguing that courts have failed in restaurant trade dress cases to distinguish between concepts of utilitarian and aesthetic functionality). Jerre Swann argues the proper test is whether the interior decor is generic. Swann, supra note 218, at 408-15; see also Fuddrucker's Inc. v. Doc's B.R. Others, Inc., 225 U.S.P.Q. (BNA) 133, 133 (D. Ariz. 1984) (finding that "[r]estaurant trade dress is typically much more complex than that of simple consumer product.").

trade dress the "total image" created by its decor,278 the court applied the utilitarian test. It asked whether there were other viable alternatives available to the defendant.279 Using this definition of functionality, the answer would almost always be yes, resulting in protection of a restaurant's decor.280

A better question would have been to ask whether the primary function of the restaurant's trade dress was to serve as a source indicator or whether it merely provided a pleasing ambience for the customers.281 If the primary function of the trade dress is to indicate source, then consistent use of those elements would be required in every restaurant operating under that name.282 The decor sought to be protected, however, would have to be unique; that is, it would have to be conceptually separate from the product.283 For example, the decor of a discotheque located in a former church, with its stained glass windows intact, would properly be considered conceptually separate from its service, and protectible.284

If, however, the total visual impact of the trade dress was inherently compatible with the restaurant theme, then arguably the primary function of the trade dress was not to operate as an indicator of source.285 Under this test, the trade dress claimed by Taco Cabana would have been found unprotectible. As Two Pesos claimed, it is difficult, if not impossible to separate a Mexican "concept" from

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278. Id. at 1119, 19 U.S.P.Q.2d (BNA) at 1257.
279. Id.
280. See id. (finding that in case of upscale Mexican restaurant theme, multitude of variations exists); Gifford, supra note 5, at 784 (arguing that functionality and alternative means tests properly determine outcome based on presumption granting benefit to innovator).
281. If a pleasing ambience was the goal of a restaurateur, then the trade dress would be properly classified as generic and would not be protectible. See Swann, supra note 218, at 413 (arguing that restaurant interiors are often associated with products and not producers, and thus are not protectible).
282. Excerpts, supra note 261, at 447.
283. See Dumas, supra note 29, at 493 (proposing that properties for determining functionality of nonmechanical product is conceptual separability and that if feature is not conceptually separable from product, then it is functional).
284. I am referring to the Limelight discotheque, which inhabits an 1846 landmark building, formerly the Church of Holy Communion, at 6th Avenue (Avenue of the Americas) and 20th Street in New York City, New York.
285. See Taj Mahal Enters. v. Trump, 745 F. Supp. 240, 252, 16 U.S.P.Q.2d (BNA) 1577, 1586 (D.N.J. 1990) (stating that "elements of a trade dress which relate to the concept or theme of a restaurant are functional as they enhance consumer demand for the restaurant's food"); Proctor, supra note 21, at 29 (noting "as such [marketing] techniques become more and more related to the products or services...[it] becomes more likely that such techniques are not distinctive, and the users...should be required to demonstrate the existence of secondary meaning before they can claim any trademark rights to such techniques"); Swann, supra note 218, at 413-14 (positing that restaurant interior "should at least stand apart from or even clash with its surroundings" in order to become source indicative).
a Mexican restaurant.\(^{286}\) If the purpose of the restaurant’s trade dress is to be merely pleasing to the diners or conjure up attributes of the restaurant, then it is not protectible. An aesthetically pleasing ambiance is an important ingredient in the success of any restaurant. It is unlikely that a consumer would spend money to eat in a restaurant that fails to provide its diners with a pleasing atmosphere. Therefore, any restauranteur should be allowed to appropriate those elements. Had the court examined the issue in this way, the focus of inquiry would more properly have been on the content of the trade dress itself\(^ {287}\) and not on the intent of the competitor.\(^ {288}\)

In failing to review the question of functionality, the Supreme Court missed an opportunity to define the factor more clearly, particularly for cases in which functionality may be combined with the “inherently distinctive” test.\(^ {289}\) This result suggests that the doctrine has no real purpose when the object of inquiry is inherently distinctive. Therefore, if functionality is no longer viable and secondary meaning is no longer an “important ingredient,” then no more limits remain to preclude monopolization. The problem with Two Pesos is that the Supreme Court has accomplished precisely what was feared by the opponents of secondary meaning in the making: it has put into place the machinery for creating a monopoly in trade dress without providing any safeguards.\(^ {290}\)

The incipient secondary meaning doctrine provides protection for a market entrant whose dress has not yet acquired secondary meaning. The doctrine serves the purpose of the Lanham Act, which centers on fostering competition while at the same time protecting the consumer.\(^ {291}\) Protection of the first comer’s trade dress would force the second to design around its rival’s dress, thereby providing the first with some benefit.\(^ {292}\) Requiring proof of secondary meaning or

\(^{286}\) Taco Cabana, 932 F.2d at 1118-19, 19 U.S.P.Q.2d (BNA) at 1257.

\(^{287}\) See Excerpts, supra note 261, at 451 (arguing that appropriate inquiry for lower court was whether Taco Cabana’s trade dress was so unique and different from other restaurant designs that it could be deemed inherently distinctive).

\(^{288}\) See J. Steven Patterson, Comment, Defining the Role of Defendant’s Intentions Under Section 43(a) of the Lanham Act: Centaur Communications v. A/S/M Communications, 46 WASH. & LEE L. REV. 335, 354-55 (1989) (arguing that trademark infringement decisions should not rest on subjective intentions of alleged infringers).

\(^{289}\) See Sicilia Di R. Biebow & Co. v. Cox, 732 F.2d 417, 422 (5th Cir. 1984) (stating that doctrine of functionality has been in flux since its inception, resulting in differing circuit definitions that create no judicial agreement regarding its present and proper scope).

\(^{290}\) See, e.g., Brown, supra note 123, at 1378 (“Slack doctrine leads to the creation of monopolies, large and small, without the safeguards that attend the statutory monopolies of copyright and patent.”).

\(^{291}\) See supra notes 101-13 and accompanying text (discussing emergence and history of incipient secondary meaning doctrine); supra note 8 (discussing purpose of Lanham Act).

\(^{292}\) See, e.g., Schwinn Bicycle Co. v. Diversified Prods. Corp., 740 F. Supp. 517, 520, 15
even secondary meaning in the making prior to granting protection in the trade dress would limit this protection and ensure that competition would remain viable.\textsuperscript{293}

The arguments made against secondary meaning in the making are even more applicable here. Application of the inherently distinctive test could result in judicial confusion because the Court did not provide any criteria for determining when a product design is "inherently distinctive." As we all know, "beauty is in the eye of the beholder." Must we apply these subjective principles in determining the scope of the term "inherently distinctive"? The absence of any guiding standards could fuel the same unprincipled decisions that were arguably to have been the result of the application of secondary meaning in the making.\textsuperscript{294}

\section*{Conclusion}

The competing interests of the needs of the public and those of producers have always required balancing when the law is applied.\textsuperscript{295} On the one hand, the public has an interest in lower prices and free competition that result from unfettered copying of products and trade dress when such items are not protected by federal intellectual property laws.\textsuperscript{296} On the other hand, the producer has an interest in protecting its property rights.\textsuperscript{297} In addition, the consumer should be protected from being confused as to the source of goods or services, but not protected from similarities in appearances.

The doctrine of secondary meaning in the making managed to attain those goals by maintaining the integrity of the doctrine of functionality and relaxing the strict standards of secondary meaning. While the doctrine forced second comers to design around an al-

\textsuperscript{293} See Brown, \textit{supra} note 123, at 1374 (arguing that secondary meaning or source identification is vital to unfair competition claims).

\textsuperscript{294} See \textit{supra} part ILB (discussing scholarly debate regarding advantages and disadvantages of secondary meaning the in making).

\textsuperscript{295} See Note, \textit{Trademark Protection of Objects and Configurations: A Critical Analysis}, 59 \textit{Minn. L. Rev.} 541, 541, 556-57 (1975) (noting that interests to be balanced include those of producer, consumer, and potential or real competitors).


\textsuperscript{297} See Smegal, \textit{supra} note 271, at 22 (arguing that one public policy interest encompassed in secondary meaning requirement is protecting producer's interest in its product's clear identification).
ready existing trade dress, thereby fostering competition, it also benefitted the consumer by offering new designs and packaging. The incentives to produce new trade dress also ensured that the consumer would not be confused as to the source of the goods. Furthermore, it protected the producer’s property rights.

In refashioning the doctrine, however, the Court threw out the baby with the bath water. The procompetitive effects of the doctrine of secondary meaning in the making appear to have been jettisoned in the Supreme Court’s pronouncement of the role of secondary meaning in inherently distinctive trade dress. Although the Supreme Court refashioned the doctrine in order to secure good will for the business owner and ostensibly to foster competition, it appears that instead of fostering competition, the Supreme Court’s decision in Two Pesos in effect chills competition—at least it had that effect for Two Pesos. Under the Supreme Court’s ruling, the first comer can, without proof of any consumer recognition, stake a claim to a particular style simply by virtue of being the first with an “inherently distinctive” dress. The result is that competition will be foreclosed, and the cost to the consumer will increase.

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300. See Two Pesos, 112 S. Ct. at 2767, 23 U.S.P.Q.2d (BNA) at 1091 (Thomas, J., concurring) (“The first user of an arbitrary package . . . should be entitled to the presumption that his package represents him without having to show that it does so in fact.”).
301. Supreme Court affirms ‘Thou shalt not steal’ rule in Copycat cafe case, NATION’S RESTAURANT NEWS NEWSPAPER, July 13, 1992, at 21 (speculating that court’s decision could stimulate litigation and affect lawsuits over packaging of everything from soda pop to designer wristwatches).
302. See Richard Stern & Joel Hoffman, Public Injury and the Public Interest: Secondary Meaning in the Law of Unfair Competition, 52 TRADEMARK REP. 1271, 1276 n.23 (discussing negative effects on competition when one producer is granted protection of its trade dress).