

TRADE DRESS ...DO YOU HAVE ONE? THE CONCEPT AND ITS APPLICATION IN FASHION INDUSTRY

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...The take-away box of McDonald's™ has the following caution notice imprinted on it – “The ‘Design’ of this box is a registered TRADEMARK of McDonald’s Corporation and Affiliates.” Yes, you can’t copy even the design of the box!



Do you also possess something similar? If yes, that’s your TRADE DRESS...

ABSTRACT

Today, more than ever before, the value and commercial viability of any business is indubitably tied to its intellectual property (IP). Moreover, intellectual property is increasingly becoming the subject of extensive litigation. For these reasons, it’s inevitable for businesses to take steps to insure that the commercially important intangible assets that they possess are adequately and appropriately protected.

Trademark law is one such enactment, which serves to protect and distinguish the goods and services of one trader from those of another. In essence, a trademark is a ‘badge of origin’, used so that customers can recognise the product of a particular trader. It provides protection from others using the name of ones company or its products.

A ‘Trademark’ is a type of Intellectual Property, and in particular, a type of Industrial Property. Conventionally, a trademark comprises a name, word, phrase, logo, symbol, design, image, or a combination of one or more of these elements. In addition, there are also a range of non-conventional trademarks which don’t fall in these standard categories. A glaring example of a trademark is the ubiquitous Nike® ‘swoosh’. The general public recognises this graphic design as belonging to a genuine Nike® product, and thus expects a certain caliber of product to be attached to the mark.

SWOOSH, the popular logo of Nike, Inc., is a graphic design created by Carolyn Davidson in 1971 for \$35. The logo is meaningless, a graphical figure reminiscent of a calligraphical flick of the pen, and was created before the name was chosen. Swoosh remains one of the most well-known trademark.



Apart from the conventional protection under trade names and trademarks, there exists another form of safeguard known by the term “trade dress”.

This paper is an attempt to expound the concept of trade dress and its far-reaching implications in determining the commercial success of a fashion enterprise.

1. INTRODUCTION

A product, like people, has a personality and an idiosyncratic personality is a trademark owner’s most treasured and valuable asset. A key element of a product's personality (or brand image) is its *packaging* along with *other essential elements*. Under the trademark law, this total commercial image of a product is known as "**trade dress**". Trade dress

refers to the manner in which a product, or place of business is "dressed up" to be offered in the market.

Thus, simply put, trade dress is the arrangement of *identifying characteristics* associated with a product, whether in terms of its packaging or otherwise, intended to make the source of the product distinguishable from another and eventually promote its sale. This is the simplest 'legal' definition of trade dress. However, law relating to the concept is never simple.

In essence, to you as a layperson, trade dress is your 'company's image' within the market and you can actually take someone to court if they try to present products that "look" like yours but fall short of fraudulently representing their product as that of yours [though there are, of course, rules for when the concept of trade dress is applicable].



One of the best examples to illustrate the concept of trade dress is that of the Kellogg's[®] pack. In a supermarket, a box of Kellogg's[®] cereals can easily be found/identified on the shelf from a certain distance, due to the unique design, the color, the shape, the red-colour logo, and other additional elements of Kellogg's[®], which can readily be differentiated from other logotypes available in market, thus constituting a unique product-image.

Kellogg's[®] - A trade dress. The names and package designs of all Kellogg's[®] products and promotions belong exclusively to Kellogg Company, and are protected from copying and simulation under national and international trademark and copyright laws and treaties throughout the world.



The aforementioned example clearly illustrates that in order to establish a superior right to your unique trade dress, your trade dress must indicate or be distinctive towards your business or the product. This can be accomplished by showing that the public associates your trade dress with a particular source [of origin].

2. THE CONCEPT AND ITS ORIGIN

Trade Dress is basically a trademark concept. Though the concept of trade dress originated in the U.S. [trade dress can be registered under section 2 of the Lanham Act, 1946. However, even without registration, non-functional and distinctive trade dress, acting as a source identifier, gets protection as an unregistered product trademark under Section 43(a) of the Lanham Act, USA [15 U.S.C. 1125(a)], law relating to trade dress can be traced to the common law doctrine prohibiting '*unfair competition*'.

Trade dress is an expansive concept. The essential element of a trademark is the exclusive right of its owner to use a 'word', a 'logo', or a 'device' to distinguish his products or services from those of another. On the other hand, a claim of trade dress [under the doctrine of unfair competition] rests on the 'overall visual image' created by the product and its name together in the minds of the consumer. Trade dress has been defined by the U.S. Courts as "...a category that originally included only the packaging, or 'dressing,' of a product, but in recent years has been expanded by many courts of appeals to encompass even the design of a product." [Wal-Mart Stores vs. Samara Bros. 529 U.S. 205, 120 S.Ct. 1339 (2000)]

Thus, trade dress protects a product's image encompassing the total image or overall impression created by the product & its packaging.



The shape of a bottle containing perfume, shampoo, or hair oil can be trade dress. Similarly, the shape or ornamental features of a chair, its unique configuration, can constitute trade dress. Even the theme of a restaurant, the layout of a website or the distinctive performing style of a rock-band may be considered as a trade dress. Therefore, in some instances the trade dress is reflected in the combination of packaging and artistic labels, and in another, it is the product configuration that constitutes the trade dress. Examples of trade dress include *the shape of the Coca-Cola® bottle, the front grill on the Rolls-Royce® automobile, the shape of a classic Ferrari® sports car, cover jacket of Merriam-Webster's New Collegiate Dictionary, the appearance of a Teddy Bear toy, the 'G' shape of the frame of a GUCCI watch, or a particular fragrance on a sewing thread.*

Coca-Cola® or Coke is one of the world's most recognizable and widely sold commercial brands. Coca Cola's script is known the world over, but is best associated with the color red along with the wave shaped "dynamic ribbon device" on a distinct bottle shape, constituting a trade dress.

3. WHEN TRADE DRESS IS PROTECTABLE?

As a rule, for trade dress to be protected, it must be instantaneously identifiable in the mind of the consumer as the *indica of origin*. One must understand that to be registrable as a trademark / service mark, the elements of the trade dress must be capable of being listed and defined so that the public knows the exact parameters of the claimed exclusive right. If the trade dress constituting a combination of elements is unique or unusual, i.e. inherently distinctive, one can assume 'without evidence' that it will be automatically perceived by customers of the goods or services in question as an indication of origin, as a trademark. However, if the trade dress is descriptive or inconspicuous, or not different from what others are using, it cannot be considered as inherently distinctive and can be protected only on proof of 'secondary meaning' or 'acquired distinctiveness'. This is usually the function of strong sales over a long period, supported by consistent advertising, promotion and publicity.

If trade dress can protect items as varied as the aforementioned, surely there must be a place in trade dress law for fashion works? However, before we determine the suitability of the concept of trade dress to fashion, let us take a closer look at the law relating to trade dress in the Indian context.

4. APPLICATION OF THE CONCEPT IN INDIA

In view of the recent developments in the trading and commercial practices in India and to give effect to important judicial pronouncements, a need for simplification and harmonization of trademark management systems was felt. The new Trade Marks Act, 1999, which came into force in September 2003, remains a natural corollary to this realization.

To understand the new legal definition of what a trademark may consist of, it is useful to read the new Trade Marks Act, where the ‘shape of goods’, ‘packaging’ or ‘combination of colours’ or ‘any combination thereof’ has now come under purview of the definition. A ‘package’ is now protected under the Act, which includes any case, box container, receptacle, vessel, casket, bottle, wrapper, label, band, ticket, reel, frame, capsule, cap, lid, stopper, and cork.

In addition, “mark” has been redefined to include a device, brand, heading, label, ticket, name, signature, word, letter, numeral, shape of goods, packaging or combination of colours or any combination thereof. Thus, it’s evident that the new definition of trademark in India broadly encompasses almost all the elements of trade dress as enumerated under the US laws.

5. TRADE DRESS JURISPRUDENCE IN INDIA

Under the Indian Trademark law, any distinctive and identifying mark, which is capable of distinguishing the goods and services of one owner from that of another, may be utilized as a trademark and such marks are afforded protection under the law. In addition, as briefly mentioned above, a particular distinguishing trade dress is also considered as fully capable of serving as a ‘representation of source’.

A trade dress is protected under the Trademark law only if it is distinctive of the product thereby representing the origin of the product or, has acquired distinctiveness. Further, it should not have any functional value in relation to the product.

5.1. The recent decision of the Bombay High Court in the case - ***R.R. Oomerbhoy Pvt. Ltd.*** (Appellant) *vs. Court Receiver, High Court, Bombay and Another* (Respondents) [2003 (27) PTC (DB) (Bom)], has established the proclivity of Indian Judiciary to read the concept of trade dress within the existing trademark jurisprudence and afford trade dress protection in the country. In this case, the Bombay High Court granted an interim injunction on an action for passing off and infringement on the ground of deceptive similarity.

The case was concerning a partnership firm, Ahmed Oomerbhoy, which was dissolved due to some dispute amongst its partners. The trademark of plaintiff’s (person who brings suit in a court) firm “POSTMAN[®]”, together with accompanying labels, logo and device containing a pictorial depiction of a Postman was registered in respect of edible oils and was in continuous user for decades. The impugned trademark of the defendant (person against whom a claim or charge is brought in a court), one of the partners of the dissolved firm, was “POSTIANO”, and it was in respect of similar products. The design, colour scheme, layout, get-up and general visual appearance of the containers and plastic bottles in which the defendant was selling oil were almost identical and deceptive. Further, trade channel through which products of both parties were sold were also same.

The Court held, “*the essential feature of the mark consisted of the use of the mark POSTMAN that was printed in red colour on a blue background with the logo of a POSTMAN in yellow and with a thick blue circle around the mark and the logo. The word mark together with the accompanying device and logo had a strong association with the products of the partnership firm. The get-up and trade dress were essential aspects of the mark. The use of the mark*

“POSTIANO” by the Appellant has a striking visual and structural similarity with the mark “POSTMAN” which was used by the partnership firm. Apart from the use of the word “POSTIANO”, the Appellant has chosen carefully, various other features, which would lend a purchaser to associate the product of the Appellant with the POSTMAN brand of oil sold by the erstwhile partnership firm”.

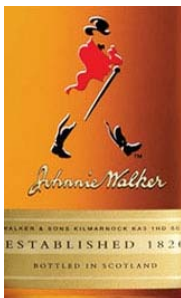
It was held by the Court that adoption of impugned trademark by the defendant was not bona fide. It's worth mentioning that in this case, the Indian courts recognized and applied the concept of trade dress.

5.2. In another case, *S.V.S. Oil Mills* (Petitioner) vs. *S.V.N. Agro-refineries & another* (Respondents) [2004 (29) PTC 548 (Mad)], the Court held,

“...the material form, colour and getup of the wrapper or label or container of the articles are the physical means of expression and the design of the container or the label is of great significance as it is meant to catch the attention of any purchaser. The design of the label would include not only the trademark, but also the colour scheme and getup of the wrapper or container as well. It is well known that there are several eye-catching designs and the customers who are familiar with the articles would invariably be guided and attracted to purchase goods by the sight of label. There is a power behind the design of the label as the customers have the intuitive instinct to select the goods by the design, colour, getup and the trade name, and if the goods of same kind with the same colour scheme and getup in the labels belonging to two manufacturers with phonetic similarity in trade names are exhibited or offered for sale, a normal consumer of average intelligence with imperfect memory would take one article as belonging to other”.

The Court therefore held that adoption of similar colour scheme and get-up by the defendant would cause confusion and deception in the minds of general public.

5.3. Similarly, in another case - *United Distillers Plc* vs. *Jagdish Joshi & Ors*, a 2000 judgement, the Plaintiff, United Distillers, owner of the trademark ‘Johnnie Walker’[®], for a scotch whisky successfully sued Jagdish Joshi and others, for infringement of its trademark & trade dress.



The trade dress of Johnnie Walker[®] consisted of a two tone color combination of black and gold on its angled label with a distinctive golden outline and a striding figure wearing a bowler hat. The defendants were the manufacturers of ‘Johnnie Walker Gutka’ with a logo and trade dress similar to the Plaintiff’s.



The court held, *“...the defendant's use of logo and get up of trade dress had overall similarity with Plaintiff's trademark and trade dress. Thus defendant has infringed the rights of Plaintiff in its trademark and trade dress”.*

From the above illustrations, it's apparent that under the new Trade Marks Act, though there is no specific provision on trade dress action, it is possible to get trade dress protection for whatever products or packaging one sees fit by filing a suit for passing

off/infringement of trademark. With the course of time as the law evolves, it is expected that the trade dress jurisprudence will further develop and take a concrete shape.

6. APPLICATION OF THE CONCEPT OF TRADE DRESS IN FASHION INDUSTRY

As discussed earlier, trade dress was originally developed to trademark the packaging of a product. However, over the years its scope and application has expanded and it can effectively be used to protect apparel designs in cases where the unique or distinctive combination of colors, designs, or other features makes a garment instantly recognizable.



A Trade dress concept can be effectively utilized to protect the outwardly visual appearance of the whole or part of actual apparel design resulting from features of lines, contours, colors, style, silhouette, shape, texture and other components of a design. It requires that either a 'unique style' or 'secondary meaning' be already imprinted in the minds of consumers.

Examples of trade dress in fashion includes the inverted 'Y' design formed by sewn tape on Jockey® shorts, the three stripes on an Adidas® athletic shoe or apparel, or the famous Red Tab® affixed at the vertical seam of the back pocket of Levi's® Jeans.

Levi's® remains a classic example of trade dress. Two most recognizable Levi's® trademarks on jeans are the **Tab Device®** along with the **Arcuate Stitching Design®** on the back pockets together constituting a unique trade dress.

6.1. Adidas-Solomon Case

One important U.S. case involving the application of trade dress law in fashion and lifestyle industry is *ACI Int'l Inc. vs. Adidas-Solomon AG, et al.* In this case, Adidas



filed suit against the defendant's sale of two and four-stripped footwear, claiming infringement of Adidas® three-stripped athletic shoes. The parties ultimately settled the dispute and entered into a settlement agreement whereby the defendant agreed not to sell the two and four-stripped shoes. The defendant then sold two-stripe shoes and the plaintiff claimed that the defendant's sale of the two-stripe shoe constitutes a willful breach of the parties' settlement agreement. The defendant then filed a motion to dismiss, claiming, in part, that plaintiff's three-stripe mark is not a strong mark and that there is no likelihood of confusion because the defendant's logo is also displayed on the shoe.

The court held that the strength of Adidas' three-stripe mark is a factual issue that must be determined based on the merits. The court also found that Adidas® sufficiently alleged that a likelihood of confusion exists, analogizing this case to *Adidas-Solomon AG vs. Target Corp.* and rejecting the "two does not equal three - mathematical



argument” when the defendant in that case claimed that its four-striped shoe does not infringe on Adidas’ three-striped shoe. The court in that case explained that “*the issue is not simply the number of stripes. Instead, the issue is whether the total effect of the allegedly infringing design is likely to cause confusion in the minds of an ordinary purchaser*”. The Court held that the use of a different name or logo in connection with similar marks does not necessarily reduce a likelihood of confusion and such factual determination must be resolved at trial. Thus, the defendant’s motion to dismiss was denied. [Source - INTA www.inta.org]

6.2. Wal-Mart Case

Another case involving the application of trade dress law in fashion industry is *Wal-Mart Stores vs. Samara Bros.*, 529 U.S. 205, 120 S.Ct. 1339 (2000), which has provide a ray of hope for those seeking to protect their brand/fashion labels by developing a unique trade dress. The case illustrates that under certain circumstances clothing designs can be protected by trade dress law.

In this case, the suit was filed by Samara Brothers, Inc. Samara Brothers designs and manufactures a line of children’s clothing. Wal-Mart Stores, Inc., contracted with a supplier, Judy-Philippine, Inc. (JPI), to manufacture outfits based on photographs of Samara garments and to be offered under Wal-Mart’s house label, “Small Steps.” When JPI manufactured the clothes, it copied sixteen of Samara’s garments with some minor modifications to produce the line of clothes required under its contract with Wal-Mart.

After discovering that Wal-Mart and other retailers were selling the so-called knockoffs, Samara brought an action for infringement of unregistered trade dress under section 43(a) of the Trademark Act of 1946. The jury found for Samara and awarded the company more than \$1 million in damages. Wal-Mart then renewed a motion for judgment as a matter of law, claiming that there was insufficient evidence to support a conclusion that Samara’s clothing designs could be legally protected as distinctive trade dress for purposes of section 43(a). The District Court denied the motion and awarded Samara relief. The Court of Appeals affirmed the denial of the motion and upheld almost the entire \$1.2 million jury award against Wal-Mart for selling, under its own “Small Steps” label, almost identical copies of children’s seersucker jumpers originally made by Samara Brothers.

However, the Supreme Court, in an opinion by Justice Scalia, reversed. The Court concluded that a “product design” can be entitled to trade dress protection; but a product design is not ‘inherently distinctive’ and can only acquire distinctiveness through ‘secondary meaning’. If a provider wishes to protect a design prior to the creation of secondary meaning, the provider can obtain a design patent [not applicable in Indian context] or copyright.

The opinion pulls back from the expansion of trade dress protection provided by *Two Pesos Case*, and limits that case to its facts and circumstances. It also creates a visible

distinction between ‘product packaging’, which can be *inherently distinctive*, and ‘product design’, which cannot be *inherently distinctive*.

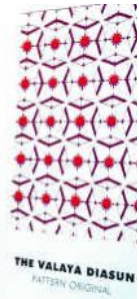
Thus, to summarize, the Court held that "*...in a section 43(a) action for infringement of unregistered trade dress, a product's design is distinctive, and therefore protectible, only upon a showing of secondary meaning.*"

While Wal-Mart’s judgment signals at the Court’s willingness to take a more expansive view of the concept of trade dress, one must note that in general, the legal standards for protectability of product configured as trade dress are quite rigorous. A plaintiff attempting to gain such protection must establish a number of elements that are not involved in a normal trademark dispute.

The logical reason for the difference in treatment of ‘trade dress’ and ‘trademarks’ (even though there are common elements to both) is the Courts’ constant concern to promote competition. Courts are wary of granting a single manufacturer a monopoly over a certain design, be it fashion or electrical appliances.

6.3. The Valaya experiment – A case study from Indian Fashion Industry

The concept of trade dress finds its direct relevance and application in the fashion design sector, if incorporated judiciously.



Of late, the famous Indian Master designer JJ Valaya came up with a unique **insignia**, as a stamp of originality, to protect his designs from being knocked-off – calling it the **Valaya Diasun**. The insignia is in the form of a ‘design pattern’ that would be present on his entire collection in the form of lining, piping or simply tabs.

J J Valaya showing the insignia he has created. [Source - The Hindu]

A handbag showing the distinct Trademark of Louis Vuitton

This repeated and sustained application of a distinct pattern/design/mark remains an established concept with many well-known designers who have successfully incorporated the same into their business strategies.

Louis Vuitton[®] has been using its distinct trademarks with great effect in order to curb the menace of piracy and counterfeiting of goods. **Burberry**[®] has been using ‘Burberry Check’ as a sign of origin since 1924. It was introduced as a lining to the trench coat and soon the red, camel, black and white check became synonymous with Burberry[®]. It is registered as a trademark throughout the world, constituting a trade dress.



Monogram – Canvas & Monogram – Multicolore of Louis Vuitton

While fashion is ephemeral, changing from season to season, trademarks are viewed as the

continuing asset upon which businesses are build in the long term and as a tool which affords protection to fashion designers and brand owners from counterfeiters and gray-marketeers. For instance, a pirate imitating Chanel® handbags, copying the ‘double C’ logo or a Lacoste® shirt, copying its ‘Crocodile devise’ mark. While trademark law will protect a designer/owner from such unauthorized use of his registered mark (designer’s label/brand), it will not protect the actual garment design. Under this reasoning, a pirate could make an exact reproduction of a garment design, without suffering any repercussions under the trademark law.

However, those designers who consistently utilize a distinct pattern / design onto their creations, such as Louis Vuitton, Burberry, Gucci, Chanel and more recently Valaya, may be successful in pursuing such a claim in the Court of law, as the repeated application of their mark would make it so very inherently distinctive that one can assume, without proof, that it would automatically be perceived by the customer as *indicia of origin*. A pirate can’t sell a dress as a particular designer’s ‘original creation’ without copying the repeatedly utilized mark; and the moment he reproduces the same, he would not only be infringing the original designers ‘copyright’ but would also infringe his ‘trade dress’, simultaneously.

Moreover, another benefit of the said concept is that the protection is potentially unlimited in time. It continues for as long as the trademark or trade dress is in use -- and this remains the beauty of trade dress.

7. CONCLUDING STATEMENT

Some of the factors that must be kept in mind by a fashion house / designer as they conceive of a trade mark and related rights including rights to trade dress are worth mentioning. In order to create evidences of ‘acquired distinctiveness’ or ‘secondary meaning’ in ones favour; and to impress the Court and influenced its decision to tackle any willful act of piracy with an intention to deceive the consumer as to the source:

- One must always be aware of the need to market effectively and consistently the **specific elements** and to retain evidence of such marketing.
- This will provide a conclusive proof of your intent that the look of your designer clothing (with its consistent elements) should come to be **identified with the brand**.
- This will help you to articulate the **specific elements** that comprise the distinct trade dress of your product line.

Trade dress, though relatively new in its origin and application, has far reaching implications in determining the commercial success of a business enterprise, and fashion is no exception to this. Judicious incorporation of the concept in ones business strategies is not only the key to commercial triumph, but is also an effective tool to safeguard the company’s image and products from any potential infringement.

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