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Cleaning Out the Closet: A Proposal to Eliminate the Aesthetic Functionality Doctrine in the Fashion Industry

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Cleaning Out the Closet: A Proposal to Eliminate the Aesthetic Functionality Doctrine in the Fashion Industry

Abstract

The aesthetic functionality doctrine seeks to promote competition, but is ineffective in the fashion industry because there is not one design that will be the most aesthetically appealing to everyone, as there is in other industries. This Article examines the various problems with the aesthetic functionality doctrine, and will argue that this doctrine, while relevant in other industries, should be eliminated from fashion.

Keywords

fashion industry, aesthetic functionality

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**Cleaning Out The Closet: A
Proposal to Eliminate the Aesthetic
Functionality Doctrine in the
Fashion Industry**

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Abstract

The aesthetic functionality doctrine seeks to promote competition, but is ineffective in the fashion industry because there is not one design that will be the most aesthetically appealing to everyone, as there is in other industries. This Article examines the various problems with the aesthetic functionality doctrine, and will argue that this doctrine, while relevant in other industries, should be eliminated from fashion.

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INTRODUCTION

The aesthetic functionality doctrine seeks to promote competition by barring trademark protection when the mark in question would *significantly* undermine competitors' ability to compete in the relevant market.¹ How does this doctrine relate to the fashion industry? Fashion is not only about choosing clothes that fit based on size and physical needs; consumers use fashion and their available options to express their individual style while also following current trends.² This style has important social significance and communicates messages about that person before others have even had the chance to meet them. Fashion has a symbolic function that provides visual cues and is a signifier of identity, personality, values, and other social meanings.³

This Article will argue that because of its inherent characteristics, the aesthetic functionality doctrine, while relevant in other industries, should be eliminated from fashion. Fashion is not just about choosing the prettiest shirt or the most eye appealing dress: “[i]nnovation in fashion creates vocabularies for self-expression that relate individuals to social worlds.”⁴ People use fashion to communicate every day, an element that is not present in other industries. For example, when a consumer buys a thermostat, he is looking for something that works and something that will look the best on his wall; there is no self-expression in that, and therefore the aesthetic functionality doctrine will be useful there. However,

¹ *Louboutin v. Yves Saint Laurent Am. Holding, Inc.*, 696 F.3d 206, 222 (2d Cir. 2012).

² C. Scott Hemphill & Jeannie Suk, *The Law, Culture, and Economics of Fashion*, 61 STAN. L. REV. 1147, 1158 (2009).

³ *Id.* at 1158.

⁴ *Id.* at 1151.

this doctrine is irrelevant in fashion because everyone is not attracted to the same thing; there will never be a single design that is the most aesthetically appealing in fashion, like there will be in other industries. Fashion is a social movement and although there are collective tastes,⁵ fashion also serves to distinguish people from others.⁶

I. BACKGROUND OF TRADEMARK LAW

A. *Basic Principles*

A trademark includes “any word, name, symbol, or device, or any combination thereof” used to identify and distinguish goods, “including a unique product, from those manufactured or sold by others and to indicate the source of the goods, even if that source is unknown.”⁷ United States trademark law is codified in the Lanham Act of 1946 and its amendments.⁸ The United States Patent and Trademark Office processes and grants trademark applications based on requirements set out in the Lanham Act.⁹ In determining what qualifies as a trademark, “it is crucial that the symbol in question be so distinctive that it is capable of performing the function of identifying and distinguishing the goods that bear the symbol.”¹⁰ Furthermore, a trademark by which the goods of the applicant may be distinguished from the goods of others shall not be refused registration on the principal register on account of its nature unless it is comprised of any matter that, as a

⁵ *Id.* at 1158.

⁶ *Id.* at 1163.

⁷ 15 U.S.C. § 1127 (2012).

⁸ 15 U.S.C. § 1051 (2012).

⁹ *Id.*

¹⁰ J. THOMAS MCCARTHY, MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 3:1 (4th ed. 2014).

whole, is functional.¹¹

The owner of a federally registered trademark may bring a trademark infringement claim under Section 32 of the Lanham Act,¹² or if the trademark at issue is unregistered, under Section 43(a) of the Lanham Act.¹³ In order to prevail, the plaintiff must show that there is a likelihood of confusion between the marks in question.¹⁴ The use of a trademark in connection with the sale of goods constitutes infringement if it is likely to cause consumer confusion as to the source of the goods.¹⁵ In determining if there is a likelihood of confusion, courts will consider a number of factors, including: (1) the strength of the mark, (2) the degree of similarity between the two marks, (3) the proximity of the products, (4) the likelihood that the prior owner will bridge the gap, (5) actual confusion, (6) defendant's good faith, (7) the quality of defendant's product, and (8) the sophistication of the consumers.¹⁶ The defendant may raise a number of defenses in a trademark infringement claim, including the functionality doctrine.¹⁷

B. The Functionality Doctrine

The Supreme Court has recognized that a product feature that is functional cannot serve as a trademark, noting that “[t]he functionality doctrine

¹¹ 15 U.S.C. § 1052(e)(5) (2012).

¹² 15 U.S.C. § 1114(1)(a) (2012).

¹³ 15 U.S.C. § 1125(a)(1)(A) (2012).

¹⁴ *Goto.com, Inc. v. Walt Disney Co.*, 202 F.3d 1199, 1205 (9th Cir. 2000).

¹⁵ 15 U.S.C. § 1114(1)(a).

¹⁶ *Polaroid Corp. v. Polarad Elecs. Corp.*, 287 F.2d 492, 495 (2d Cir. 1961).

¹⁷ *Louboutin v. Yves Saint Laurent Am. Holding, Inc.*, 696 F.3d 206, 219 (2d Cir. 2012).

prevents trademark law, which seeks to promote competition by protecting a firm's reputation, from instead inhibiting legitimate competition by allowing a producer to control a useful product feature."¹⁸ Furthermore, it is the goal of patent law, not trademark law, to encourage invention by granting limited monopolies over new product designs or functions.¹⁹ There are two forms of the functionality doctrine: traditional or utilitarian functionality, and aesthetic functionality.²⁰ "Both forms of the [functionality doctrine] serve as affirmative defenses to a trademark infringement claim."²¹

1. A Brief History of the Functionality Doctrine

In *In re Morton-Norwich Products, Inc.*, the court famously explained that functionality refers to the utility of an object's design and the issue is whether there is a need to copy certain articles, also termed as the right to compete effectively.²² The court also reasoned that in determining functionality, it was relevant that utilitarian advantages of claimed features were disclosed in an expired utility patent.²³ However, this factor was not dispositive and other factors included: whether the originator of the design touts the design's utilitarian advantages through advertising, whether alternative designs are available, and whether the design results from a

¹⁸ *Qualitex Co. v. Jacobson Prods. Co.*, 514 U.S. 159, 164 (1995).

¹⁹ *Id.*

²⁰ *Louboutin*, 696 F.3d at 219.

²¹ *Id.*

²² See Mark P. McKenna, *(Dys)Functionality*, 48 HOUS. L. REV. 823, 848 (2011).

²³ *In re Morton-Norwich Products, Inc.*, 671 F.2d 1332, 1340-41 (C.C.P.A. 1982).

comparatively simple or cheap method of manufacturing the article.²⁴

TrafFix Devices, Inc. v. Marketing Devices, Inc. was a response to *In re Morton-Norwich Products, Inc.*,²⁵ and before that case, courts relied on different definitions of functionality.²⁶ Some courts focused on the product feature's purpose and effect on the product, while others looked at competitive necessity to see if others could use alternative designs.²⁷ The Supreme Court separated these two views, dictating utilitarian functionality and aesthetic functionality.²⁸ The test of aesthetic functionality that was endorsed in *TrafFix* is overwhelmingly relied on today in courts that attempt to apply the doctrine correctly.²⁹ The court asked whether exclusive use of claimed features would put competitors at a significant non-reputation-related disadvantage.³⁰

2. Utilitarian Functionality

A product feature is functional under the utilitarian functionality doctrine if "it is essential to the use or purpose of the article or if it affects the cost or

²⁴ *Id.* at 1341.

²⁵ McKenna, *supra* note 22, at 825.

²⁶ Anne Gilson LaLonde, *Like What You See? A Half-Century of the Controversial, Confusing Doctrine of Aesthetic Functionality*, A.B.A. SEC. INTELL. PROP. L. 2 (2011), available at

<http://apps.americanbar.org/intelprop/spring2012/coursematerials/docs/TheRiseandFallandRiseofAestheticFunctionality/LikeWhatYouSee.pdf>.

²⁷ *Id.*

²⁸ *Id.*

²⁹ McKenna, *supra* note 22, at 851.

³⁰ *Id.*

quality of the article.”³¹ A design feature is essential to the use or purpose of the article “only if the feature is dictated by the functions to be performed; a feature that merely accommodates a useful function is not enough.”³² A design feature affecting the cost is one which allows the article to be manufactured at a lower cost.³³ If a product feature is found to be functional under this test, the feature will ordinarily be ineligible for trademark protection.³⁴ When the design is functional under *Inwood*, there is no need to proceed further to consider competitive necessity.³⁵ However, if the design feature is not functional, it still must pass the *Qualitex* test and “be shown not to have a significant effect on competition in order to receive trademark protection.”³⁶

3. Aesthetic Functionality

Qualitex adopted the Restatement (Third) of Unfair Competition’s definition of aesthetic functionality, which states:

a design is functional because of its aesthetic value only if it confers a significant benefit that cannot practically be duplicated by the use of alternative designs. Because of the difficulties inherent in evaluating the aesthetic superiority of a particular design,

³¹ *Inwood Labs., Inc. v. Ives Labs., Inc.*, 456 U.S. 844, 851 n.10 (1982).

³² *Warner Bros., Inc. v. Gay Toys, Inc.*, 724 F.2d 327, 331 (2d Cir. 1983).

³³ *Id.*

³⁴ *Louboutin v. Yves Saint Laurent Am. Holding, Inc.*, 696 F.3d 206, 219 (2d Cir. 2012).

³⁵ *TrafFix Devices, Inc. v. Mktg. Displays, Inc.*, 532 U.S. 23, 24 (2001).

³⁶ *Louboutin*, 696 F.3d at 220.

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a finding of aesthetic functionality ordinarily will be made only when objective evidence indicates a lack of adequate alternative designs.³⁷

Furthermore, the ultimate test of aesthetic functionality is whether the recognition of trademark rights would significantly hinder competition.³⁸ The Court of Appeals for the Second Circuit recently summarized this doctrine stating that “[i]n short, a mark is aesthetically functional, and therefore ineligible for protection under the Lanham Act, where protection of the mark *significantly* undermines competitors’ ability to compete in the relevant market.”³⁹ Furthermore, it indicated that in making that determination, “courts must carefully weigh ‘the competitive benefits of protecting source-identifying aspects’ of a mark against the ‘competitive costs of precluding competitors from using the feature.’”⁴⁰

The aesthetic functionality doctrine was most famously applied by the Ninth Circuit in *Pagliero v. Wallace China Co.*⁴¹ The court found that the designs on china were functional because their attractiveness was the primary selling feature.⁴² Therefore, the defendant was allowed to copy the designs and use them on its plates as well because they were not indicia of source, and “to imitate is to compete in

³⁷ RESTATEMENT (THIRD) OF UNFAIR COMPETITION § 17(c) (1995); *Qualitex Co. v. Jacobson Prods. Co.*, 514 U.S. 159, 170 (1995).

³⁸ *Id.*

³⁹ *Louboutin*, 696 F.3d at 222.

⁴⁰ *Id.* (quoting *Fabrication Enters., Inc. v. The Hygenic Corp.*, 64 F.3d 53, 59 (2d Cir. 1995)).

⁴¹ *See generally* *Pagliero v. Wallace China Co.*, 198 F.2d 339 (9th Cir. 1952).

⁴² *Pagliero*, 198 F.2d at 343-44.

this type of situation.”⁴³ However, the Ninth Circuit has had difficulty applying the doctrine since then, and seems to take a different position every time it comes up.⁴⁴ For example, it was recently decided that the name and image of the Betty Boop character were functional, aesthetic components of the product, and therefore not trademarks, and that the features could not receive protection.⁴⁵ However, six months later, the court received a petition for rehearing that was supported by several amicus briefs.⁴⁶ In response, it vacated and withdrew its opinion and then issued a new one that was silent on the aesthetic functionality doctrine altogether.⁴⁷ These actions demonstrate an obvious confusion on when and how to apply this doctrine that results in inefficiency in the courts.

The aesthetic functionality doctrine, when applied, if applied at all, is treated differently and inconsistently among the courts.⁴⁸ For example, some courts have little trouble with the doctrine and have been able to apply it appropriately, others accept that it exists but are reluctant to declare that any features are aesthetically functional, and then there are some courts that maintain that there is no such thing as aesthetic functionality altogether.⁴⁹ Although courts seem to have differing levels of difficulty with the aesthetic functionality doctrine in gen-

⁴³ *Id.* at 344.

⁴⁴ McKenna, *supra* note 22, at 848.

⁴⁵ *Fleischer Studios Inc. v. A.V.E.L.A., Inc.*, 636 F.3d 1115, 1124 (9th Cir. 2011), *aff'd*, 654 F.3d 958 (9th Cir. 2011).

⁴⁶ McKenna, *supra* note 22, at 848.

⁴⁷ *See Fleischer Studios Inc. v. A.V.E.L.A., Inc.*, 654 F.3d 958 (9th Cir. 2011).

⁴⁸ McKenna, *supra* note 22, at 848.

⁴⁹ *Id.*

eral, it is especially irrelevant in the fashion industry.

II. AESTHETIC FUNCTIONALITY IN THE FASHION INDUSTRY

The aesthetic functionality doctrine is irrelevant in the fashion industry because courts either apply it correctly but do not find the features at issue to be competitively necessary, apply the test incorrectly, or apply an entirely different test instead.

A. *Significant Non-Reputation-Related Disadvantage*

There are many cases in the fashion industry that appear to be applying a somewhat accurate aesthetic functionality test, but just do not find the features at issue to be competitively necessary. These cases seem to be applying the test endorsed by the Supreme Court in the *TrafFix* case that asks whether the exclusive use of the claimed feature puts competitors at a significant non-reputation-relation disadvantage.⁵⁰ For example, Knitwaves, Inc., a manufacturer of children's clothing, brought claims of copyright infringement and trade dress infringement against its competitor Lollytogs, Inc. for similar fall sweaters.⁵¹ At issue were its "Leaf Sweater,' a multicolored striped sweater with puffy leaf appliques, and its 'Squirrel Cardigan,' which ha[d] a squirrel and leaves appliqued onto its multipaneled front."⁵² Lollytogs contended that the designs on Knitwaves' sweaters were functional because their primary pur-

⁵⁰ *TrafFix Devices, Inc. v. Mktg. Displays, Inc.*, 532 U.S. 23, 33 (2001).

⁵¹ *Knitwaves, Inc. v. Lollytogs, Inc.*, 71 F.3d 996, 999 (2d Cir. 1995).

⁵² *Id.*

pose was aesthetic to enhance the sweaters' ornamental appeal, rather than to identify the sweaters as Knitwaves products.⁵³

Further, Lollytogs alleged that by precluding it from making sweaters with the basic fall motifs of squirrels and leaves, Knitwaves would significantly restrict the number of designs available for apparel manufacturers wishing to compete in the back to school market, and therefore would foreclose Lollytogs from competing effectively in that market.⁵⁴ However, the court noted that Lollytogs did not provide any evidence that the number of designs available for fall motifs sweaters is limited, and that consequentially, protection to Knitwaves' sweaters would restrict Lollytags' ability to produce alternative competitive designs.⁵⁵ Additionally, the court recognized that according trademark protection to Knitwaves' designs would not preclude Lollytags from using fall colors or motifs, including squirrels and leaves, it would only preclude the use of designs so similar as to create a likelihood of confusion.⁵⁶ Therefore, Lollytags did not meet the market foreclosure requirement of functionality.⁵⁷

Similarly, Maharishi Hardy Blehman brought a claim against Abercrombie & Fitch for trade dress infringement.⁵⁸ Abercrombie moved for

⁵³ *Id.* at 1006.

⁵⁴ *Id.*

⁵⁵ *Id.*

⁵⁶ *Id.*

⁵⁷ *Id.* However, the court did find that Knitwaves' sweater designs did not meet the first requirement of an action under § 43(a) of the Lanham Act – that they be used as a mark to identify or distinguish the source – since the primary purpose of the designs was aesthetic rather than source identifying.

⁵⁸ *Maharishi Hardy Blehman v. Abercrombie & Fitch Co.*, 292 F.Supp.2d 535, 538 (S.D.N.Y. 2003).

summary judgment.⁵⁹ At issue was Maharishi's line of high-end, baggy, military style pants called Snopants, which had an elaborate system of drawstrings, buttons, and other hardware components.⁶⁰ The pants could also be shortened by means of interior epaulettes, and some contained a fiery dragon on the back of one leg.⁶¹ Abercrombie claimed that the Snopants were aesthetically functional, and therefore not entitled to protection.⁶²

The court looked to the *Knitwaves* case for guidance and applied the same analysis to conclude that were the court to grant trade dress protection to the Snopants trade dress, as narrowly formulated, Abercrombie would be free to design nearly all varieties of military style pants as long as they were not confusingly similar to Snopants.⁶³ Accordingly, the court found that under both utilitarian and aesthetic functionality, Maharishi had raised a sufficient question of fact as to whether its trade dress was non-functional.⁶⁴

Furthermore, Yurman Design, Inc., better known as David Yurman, a manufacturer of cable design bracelets, sued Golden Treasure Imports, Inc. for trade dress and copyright infringement.⁶⁵ The defendant moved for summary judgment.⁶⁶ One of Golden Treasure's arguments was that Yurman's

⁵⁹ *Id.*

⁶⁰ *Id.* at 539.

⁶¹ *Id.*

⁶² *Id.* at 546.

⁶³ *Id.*

⁶⁴ *Id.*

⁶⁵ *Yurman Design, Inc. v. Golden Treasure Imps., Inc.*, 275 F.Supp.2d 506, 507 (S.D.N.Y. 2003).

⁶⁶ *Id.*

jewelry designs were aesthetically functional.⁶⁷ The court stated that this argument lacked merit because the defendants failed to identify which elements of the specific designs are the kind that preclude effective market competition.⁶⁸ Furthermore, they also failed to come forward with any evidence that extending trade dress protection to the combination of the elements of Yurman's designs, including the use of the cable element, would prevent the creation of other jewelry designs that would be competitive.⁶⁹ In contrast, Yurman had produced evidence from individuals in the jewelry industry that there were multiple alternative designs that were available to Golden Treasures that did not require the combination of the elements in Yurman's design.⁷⁰ Therefore, Golden Treasures had failed to show aesthetic functionality and its motion for summary judgment on the basis of aesthetic functionality was denied.⁷¹

In yet another case, Louis Vuitton Malletier sued Dooney & Bourke, Inc. for trademark infringement and dilution for its Monogram Multicolore and Eye Love marks.⁷² Dooney & Bourke raised the doctrine of aesthetic functionality and submitted that it barred the enforcement of Louis Vuitton's trademark for any purpose.⁷³ The court stated that Dooney & Bourke's reliance on this doctrine was misplaced because "[g]ranting trademark protection to Louis Vuitton's Monogram Multicolore and Eye Love

⁶⁷ *Id.* at 512.

⁶⁸ *Id.*

⁶⁹ *Id.*

⁷⁰ *Id.*

⁷¹ *Id.*

⁷² *Louis Vuitton Malletier v. Dooney & Burke, Inc.*, 340 F.Supp.2d 415 (S.D.N.Y. 2004).

⁷³ *Id.*

marks [would] not prevent Dooney & Bourke from using its own monogram in a spectrum of colors on its leather goods.”⁷⁴ The court noted that it would only prohibit the use of patterns so similar as to create a likelihood of confusion.⁷⁵

This case was appealed and the Second Circuit affirmed in part and vacated in part.⁷⁶ However, with respect to the trademark infringement claim, it agreed with the district court that the Monogram Mutlicolore mark was both inherently distinctive and held secondary meaning.⁷⁷ It is important that the court recognized that Louis Vuitton could enjoy trademark protection in an aesthetically appealing source identifying mark without foreclosing Dooney & Bourke from the relevant market. As long as it came up with a design that was not so similar as to create a likelihood of confusion, the adequate alternative designs seem almost endless.

The courts were reluctant to find that the features were aesthetically functional in these cases because there were repeatedly adequate alternative designs available. Even when the doctrine is applied correctly, the courts still seem hesitant to decide that a product feature in fashion is functional. It seems likely that a court will be able to determine that there are other adequate alternative designs that a competitor could use without being foreclosed from the relevant market. Therefore, going through the analysis of this doctrine is useless and a waste of time if the outcome is always going to be the same. Since it is not helping promote stronger trademarks,

⁷⁴ *Id.* at 440.

⁷⁵ *Id.*

⁷⁶ *Id.* at 376.

⁷⁷ *Id.*

it should just be eliminated from the fashion industry altogether.

B. Applying a Utilitarian Functionality Test

Additionally, some courts seem to misapply the doctrine or transform the question of aesthetic functionality into one of utilitarian functionality, whether they realize they are doing so or not. This is what happened in *Abercrombie & Fitch Stores, Inc. v. American Eagle Outfitters, Inc.*⁷⁸ Abercrombie sued American Eagle Outfitters for trade dress infringement and American Eagle was granted summary judgment; the United States Court of Appeals for the Sixth Circuit heard the appeal.⁷⁹ The court explained the two most common “tests” of aesthetic functionality and noted that they were both useful in this case.⁸⁰

First, the test for “comparable alternatives” asks whether trade dress protection of certain features would nevertheless leave a variety of comparable alternative features that competitors may use to compete in the market, and if the alternatives do not exist, then the feature is functional, but if they do exist, then the feature is not functional.⁸¹ Second, the “effective competition” test asks whether trade dress protection for a product’s feature would hinder the ability of another manufacturer to compete effectively in the market for the product, and if hindrance is probable, the feature is functional, but if the feature is not a likely impediment, then the feature is

⁷⁸ *Abercrombie & Fitch Stores, Inc. v. Am. Eagle Outfitters, Inc.*, 280 F.3d 619 (6th Cir. 2002).

⁷⁹ *Id.* at 624.

⁸⁰ *Id.* at 642.

⁸¹ *Id.*

not functional.⁸²

Among other things, Abercrombie claimed protection for the use of (1) the words “performance,” “authentic,” “genuine brand,” “trademark,” and “since 1892,” (2) suggestive symbols such as lacrosse sticks and ski patrol crosses, (3) primary colors in connection with solid, plaid, and stripe designs, as well as those (4) solid, plaid, and stripe designs, and (5) clothing made from all natural cotton, wool, and twill fabrics.⁸³ Although the court noted that the lack of comparable alternatives to pleasing design features means that granting an injunction would deny consumers the benefits of a competitive market, it focused on the fact that Abercrombie’s design features of words, symbols, designs, and fabrics were generic, and that competitors would have to spend more money to design around them.⁸⁴ This conclusion more closely resembles a finding that the trade dress was functional in a utilitarian sense since the court found that the design features would affect the cost (making it cheaper to manufacture the clothes).⁸⁵

Courts can rely on the utilitarian functionality doctrine in fashion, and it seems that some of them already do whether they realize they are or not. The important question to ask is whether a competitor will have to spend more money to design around a plaintiff. If the answer is yes, then the product feature in question will be determined to be functional in a utilitarian sense, and will not be afforded trademark protection. This test will ensure that a

⁸² *Id.*

⁸³ *Id.* at 643.

⁸⁴ *Id.* at 643-44.

⁸⁵ See *Inwood Labs., Inc. v. Ives Labs., Inc.*, 456 U.S. 844, 851 n.10 (1982).

manufacturer does not have a trademark monopoly on a useful feature while avoiding the confusion of trying to apply the aesthetic functionality doctrine.

C. Well-Known Source Identifiers Cannot Be Functional

There are also courts that conclude that a well-known source identifier cannot be found to be functional. This conclusion therefore supports that idea that the functionality doctrine has effectively already been eliminated. Adidas-America, Inc. brought an action against Payless Shoesource, Inc. alleging trademark infringement and other related claims.⁸⁶ Payless raised the affirmative defense of aesthetic functionality stating that Adidas could not be allowed to deplete a common, generic design feature in its claim of the exclusive use of stripes on apparel.⁸⁷ Further, Payless argued that Adidas' attempt to control two and four parallel stripe designs on shoes would put competitors at a significant non-reputation-related disadvantage by limiting the range of adequate stripe designs available on footwear.⁸⁸

The court recognized that the doctrine of aesthetic functionality had been limited, if not rejected, in favor of the utilitarian functionality doctrine in the Ninth Circuit.⁸⁹ However, it did note that under this doctrine, visually attractive and aesthetically pleasing designs are categorized as functional, and therefore free for all to copy and imitate.⁹⁰ The court

⁸⁶ Adidas-Am., Inc. v. Payless Shoesource, Inc., 546 F.Supp.2d 1029 (D.Or. 2008).

⁸⁷ *Id.* at 1083.

⁸⁸ *Id.*

⁸⁹ *Id.*

⁹⁰ *Id.*

went on to explain that to the extent it still applies the aesthetic functionality doctrine, it has been limited to product features that serve an aesthetic purpose wholly independent of any source-identifying function.⁹¹ Therefore, it concluded that this defense was inapplicable because Adidas was seeking to prevent Payless from using a confusingly similar imitation of a trademark that is a distinctive indicator of source.⁹² Although the court noted the limited applicability of the doctrine, it still came to the conclusion that although Adidas' mark was aesthetically pleasing, it was nevertheless being used properly as a source identifier, and therefore was not barred by the aesthetic functionality doctrine.

Similarly, Gucci America, Inc. sued Guess?, Inc. for trademark infringement, among other claims, and Guess raised the defense of aesthetic functionality solely with respect to the Diamond Motif trade dress.⁹³ The court explained that if an ornamental feature is claimed as a trademark, and if that protection would significantly hinder competition by limiting the range of adequate alternative designs, then the aesthetic functionality doctrine would deny such protection.⁹⁴ Further, the court defined a feature as being ornamental if "it is added purely for aesthetic reasons and serves no source identifying purpose."⁹⁵

The court noted that Guess' assertion of this defense was misplaced because the "Diamond Motif Trade Dress [was] a well-known source identifier of

⁹¹ *Id.*

⁹² *Id.*

⁹³ *Gucci Am., Inc. v. Guess?, Inc.*, 868 F.Supp.2d 207, 257 (S.D.N.Y. 2012).

⁹⁴ *Id.* at 245-46.

⁹⁵ *Id.* at 246.

Gucci, which [led] to the conclusion that it [was] used for more than purely aesthetic reasons, and therefore [was] not ornamental.”⁹⁶ Furthermore, Gucci introduced evidence of fifty years of extensive advertising highlighting the Diamond Motif, media coverage, and high volume of sales of products with the Diamond Motif.⁹⁷ This evidence made it clear that it was nearly impossible for Guess to show that it had a competitive need to use a similar mark on its products.⁹⁸ Again, this case shows that it is entirely possible to compete with other companies who have claimed rights in aesthetically appealing trademarks. There are countless adequate alternative designs in the fashion industry that make the aesthetic functionality doctrine irrelevant.

III. AN INAPPROPRIATE RESPONSE TO A VALID CONCERN

While the cases certainly display how courts struggle with the aesthetic functionality doctrine, some judges have explicitly stated their confusion as well. One judge noted that “the critics who argue that in application the concept is mischievously vague certainly have a point.”⁹⁹ In addition to courts having trouble with this doctrine, scholars have also argued for its elimination.¹⁰⁰ Professor McCarthy

⁹⁶ *Id.*

⁹⁷ B. Brett Heavner, *Trademark Aesthetic Functionality: A Zombie Apocalypse?*, BNA’S PATENT, TRADEMARK, & COPYRIGHT J., Dec. 7, 2012,

<http://www.finnegan.com/resources/articles/articlesdetail.aspx?news=b1e7f45e-8896-4d51-ae4d-4afc4f9c878e>.

⁹⁸ *Id.*

⁹⁹ LaLonde, *supra* note 26, at 2 (quoting Publications Int’l, Inc. v. Landoll, 164 F.3d 337, 339 (7th Cir. 1998) (Posner, J.)).

¹⁰⁰ MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 7:81 (4th ed.).

argues that “aesthetic functionality is an oxymoron [because] [o]rnamantal aesthetic designs are the antithesis of utilitarian designs.”¹⁰¹ Furthermore, he highlights Judge Posner’s observation that a design or image can be *both* aesthetically pleasing *and* source identifying.¹⁰² Finally, he states that “aesthetic functionality is an inappropriate response to a valid concern” because trademark law has long had a rule to deal with the concern over features that are merely ornamental and therefore not perceived as consumers as indicia of origin: the merely ornamental rule.¹⁰³ Although Professor McCarthy argues for the elimination of the aesthetic functionality doctrine in its entirety, this Article argues that there are still some situations in which this doctrine is helpful and valid. However, those situations will not be found in the fashion industry.

Professor McKenna recognizes that the functionality doctrine is “fractured” in his article entitled *(Dys)Functionality*.¹⁰⁴ He notes that although some courts probably do not understand or do not like the functionality doctrine, the greater problem is that they instead have fundamentally different views about the purpose of the doctrine.¹⁰⁵ He also realizes that courts seem persuaded that aesthetic features are generally not competitively necessary, which results in some courts rejecting the doctrine of aesthetic functionality altogether, and other courts being reluctant to apply in in relevant cases even when they recognize the doctrine.¹⁰⁶

¹⁰¹ *Id.*

¹⁰² *Id.*

¹⁰³ *Id.*

¹⁰⁴ McKenna, *supra* note 25, at 858.

¹⁰⁵ *Id.* at 824.

¹⁰⁶ *Id.* at 859.

IV. AESTHETIC FUNCTIONALITY IS RELEVANT IN OTHER INDUSTRIES

Although the doctrine of aesthetic functionality is essentially flawed in the fashion industry, it is still relevant in other industries. While one person wants the dress that she finds the prettiest, another consumer might want something for its bright color to in order to stand out. There is never going to be one fashion design that is the most aesthetically pleasing to everyone, but one design can be, and is, the best in other industries. The choices involved in picking out an outfit have social and cultural concerns and implications that are not seen or experienced with other products. For these reasons, aesthetic functionality is relevant in other industries although it is no longer an appropriate approach in fashion.

For example, rooftop air vents that were designed to look like rooftop tiles were held to be aesthetically functional, and thus not entitled to protection.¹⁰⁷ In a trademark opposition, the Trademark Trial and Appeal Board noted that “[b]ecause applicant’s vents match the contours of the roof vents with which they are used, alternatives will not have this advantage.”¹⁰⁸ Furthermore, applicant’s own testimony and promotional materials stated that the vents were “‘functional in design,’ camouflage[d] the existence of the vents and [were] aesthetically pleasing.”¹⁰⁹ In this case, the court made it clear that allowing trademark protection would significantly undermine the competitor’s ability to compete in the

¹⁰⁷ *M-5 Steel Mfg., Inc. v. O’Hagin’s Inc.*, 61 U.S.P.Q.2d 1086, 1097 (T.T.A.B. 2001).

¹⁰⁸ *Id.*

¹⁰⁹ *Id.*

relevant market. Apparently there is only one way that is the best way to hide rooftop air vents in an aesthetically pleasing manner. Therefore, the aesthetic functionality doctrine was relevant and appropriate in this case.

Similarly, Waddington North American Business Trust sought a preliminary injunction based on claims against EMI Plastics, Inc. for trade dress infringement, among other things.¹¹⁰ Waddington developed a line of disposable plastic serving trays with the name CaterLine that included designs of a spoked pattern on certain round trays and bowls, and an S-shape lip on all of its oval, square, and rectangular trays.¹¹¹ EMI started selling a Party Tray line that Waddington claimed incorporated CaterLine's spoked design and S-shape lip design on trays of identical shapes and dimensions, making the two lines indistinguishable.¹¹² The court noted that a functional feature is one the exclusive use of which would put competitors at a significant non-reputation related disadvantage, and it even applies to features of a product that are ornamental.¹¹³ The court recognized that where an ornamental feature is claimed as a trademark, and trade dress protection would significantly hinder competition by limiting the range of adequate alternative designs, the aesthetic functionality doctrine would deny such protection.¹¹⁴

Waddington claimed that the primary purpose

¹¹⁰ Waddington N. Am. Bus. Trust v. EMI Plastics, Inc., No. 02-CV-3781(FB), 2002 WL 2031372, at *1 (E.D.N.Y. Sept. 5, 2002).

¹¹¹ *Id.*

¹¹² *Id.*

¹¹³ *Id.* at *3.

¹¹⁴ *Id.*

of the spoke and S-shape lip designs was to identify the product as a CaterLine product.¹¹⁵ However, the court found that the design was functional both in the utilitarian sense and the aesthetic sense.¹¹⁶ The court observed that the simple, basic, and entirely unoriginal spoke and S-shape lip designs on its trays did not serve to identify or distinguish the trays as CaterLine trays.¹¹⁷ Rather, they served to enhance the aesthetic appeal of the trays and not to identify the source.¹¹⁸ Consumers would be likely purchase these trays because they found their combination of design features aesthetically pleasing, not because the designs served to identify or distinguish the goods as genuine CaterLine products.¹¹⁹ Based on this and other evidence, the court found that Waddington had failed to demonstrate a likelihood of success that its claimed trade dress designs were not functional.¹²⁰

Additionally, Honeywell International, Inc. moved for a preliminary injunction barring its competitor, Eco Manufacturing LLC from manufacturing and selling a round thermostat.¹²¹ Honeywell sought to protect its product configuration, the round shape of a thermostat, as a trademark.¹²² The court denied Honeywell's motion for a preliminary injunction because Honeywell was unlikely to succeed on the mer-

¹¹⁵ *Id.* at *4.

¹¹⁶ *Id.*

¹¹⁷ *Id.*

¹¹⁸ *Id.*

¹¹⁹ *Id.*

¹²⁰ *Id.* at *5.

¹²¹ *Eco Mfg. LLC v. Honeywell Int'l., Inc.*, 295 F.Supp.2d 854, 856 (S.D.Ind. 2003).

¹²² *Id.*

its of its claim.¹²³ The record taken as a whole supported the finding that giving Honeywell exclusive rights to the circular shape would put its competitors at a significant, non-reputation related disadvantage.¹²⁴

In its analysis, the court relied on the *Qualitex* case and reasoned that shape is similar to color, noting that “[t]hermostats work equally well to control temperature regardless of shape, but the evidence shows that the shape and overall appearance are important features in selling thermostats.”¹²⁵ A thermostat is a utilitarian device, but is also part of an interior décor.¹²⁶ Honeywell also had market research showing that overall appearance, including shape, plays a critical role in consumers’ initial response to products, and an advertisement emphasizing the aesthetic appeal of round design.¹²⁷ Accordingly, the court found that the shape met the standards for aesthetic functionality and could not be trademarked.¹²⁸

These cases show that the aesthetic functionality doctrine is still valuable in other industries. There are many products that have one design that is the most aesthetically appealing, and this doctrine should be used to ensure that those manufacturers that use it first do not get a trademark monopoly on those specific features. The aesthetic functionality doctrine seeks to promote competition, and in those situations, it still does. However, this doctrine does not have the same effect in the fashion industry be-

¹²³ *Id.* at 857.

¹²⁴ *Id.* at 857-58.

¹²⁵ *Id.* at 871.

¹²⁶ *Id.*

¹²⁷ *Id.*

¹²⁸ *Id.* at 872.

cause there is not one design that will be the most aesthetically appealing to everyone. The fashion industry is also much larger and more diverse because everyone is forced to participate in fashion, whether they want to or not, because of the fact that everyone needs to wear clothing.

V. THE GAME IS NOT WORTH THE CANDLE

There are many reasons why the aesthetic functionality doctrine is irrelevant in the fashion industry, including its inherent characteristics and the misapplication of the doctrine by various courts. Furthermore, this situation is similar to the one in *Wal-Mart Stores, Inc. v. Samara Brothers, Inc.*, where the court decided that design, like color, is not inherently distinctive, and therefore product designs must acquire secondary meaning before being capable of receiving trademark protection.¹²⁹ Justice Scalia reasoned that “[c]ompetition is deterred, however, not merely by successful suit but by the plausible threat of successful suit, and given the unlikelihood of inherently source-identifying design, the game of allowing suit based upon alleged inherent distinctiveness seems to us not worth the candle.”¹³⁰

Allowing the aesthetic functionality doctrine to be applied to cases in the fashion industry is also a situation where “the game is not worth the candle.” Putting aside the fact that courts have a lot of trouble applying the doctrine, even when they do so correctly, they are reluctant to find a product feature aesthetically functional.¹³¹ This supports the conclu-

¹²⁹ *Wal-Mart Stores, Inc. v. Samara Bros., Inc.*, 529 U.S. 205, 214 (2000).

¹³⁰ *Id.*

¹³¹ McKenna, *supra* note 22, at 848.

sion that this doctrine has already effectively been eliminated. If the outcome is always going to be the same, then claimants should not waste the courts' time and energy in trying to figure it out.

Furthermore, this doctrine does not belong in the fashion industry because of fashion's social significance. People participate in fashion to communicate their interests, their ideas, and their needs to be similar, or on the other hand, to be different. Because fashion is not a one-size-fits-all approach, the aesthetic functionality doctrine is not helpful in determining if trademark protection is warranted. This doctrine only gets in the way and detracts the focus of the courts by wasting the valuable time and energy of judges trying to interpret and apply it, when they should instead be immersed in other, more relevant, details in the case.

CONCLUSION

The aesthetic functionality doctrine should be eliminated from the fashion industry because it is inappropriate there, even though it remains appropriate in other industries. The fashion industry's products are some of the most immediate means whereby people can create and communicate meaning.¹³² Everyone participates in the fashion industry by buying and wearing clothing, and simultaneously achieves the contrasting goals of being distinct and belonging.¹³³

Furthermore, the courts struggle to apply this doctrine and the policy goal of promoting strong trademarks in the fashion industry gets lost in the shuffle. This ultimate goal of trademark law can be

¹³² Hemphill & Suk, *supra* note 2, at 1195.

¹³³ *Id.*

satisfied by instead focusing on: (1) the mark's strength as a trademark, including if it is being used as a source identifier, (2) the strength of its secondary meaning, (3) the likelihood of confusion, and (4) an analysis of utilitarian functionality. This will both eliminate the confusion in the courts and ensure that only marks that serve as valid trademarks will receive protection. The fashion industry is a social movement, and therefore there will never be one design that is the most aesthetically appealing to everyone.