



A Rose (Art) by any Other Color

By: Jim Astrachan

The U.S. Court of Appeals for the Third Circuit, in December, established a new standard for trade dress protection involving lines of product packaging. Donna Thomas and Kathryn Goldman of this office represented the appellee in a case in which Rose Art Industries, the appellant, unsuccessfully attempted to enjoin our client from selling crayons, colored pencils and markers in packages that shared common elements with Rose Art's packages.

Once upon a time, trade dress was considered only the labels, wrappers and containers with which goods were packaged. Generally, trade dress evolved to be more generally defined as the totality of the elements in which a product or service is packaged or presented. Thus, trade dress is the total image or overall appearance of a product. When combined, these elements become capable of identifying the seller as the exclusive source of the goods. They are the visual image that strikes the consumer.

Today, even the non-functional shape of the package or the color of the product can qualify as trade dress. For example, the distinctive Pinch Scotch whiskey and Coke bottles or pink insulation. A consumer need not see the label to know what the bottles contain or who makes the insulation. Even a particular sales technique can qualify as trade dress. Once a

package or décor acquires trade dress status, any use of it by a competitor in a manner likely to confuse consumers as to the source of the goods is infringement.

Trade dress is important property to the sellers of inexpensive goods because consumers often rely on overall package identification and not brand name. They grab what they think is familiar. Consumers are as likely to purchase raisins with a red box and a yellow circle as they are a box of raisins with a red box and yellow circle containing the words SUN MAID.

The Third Circuit has decided to adopt, when considering trade dress infringement of a line of product packaging, a rule different than it would apply when considering a case of infringement of a single product or a specific package. Where protection is sought for packaging covering a line or series of products, federal courts in the Third Circuit now must balance the protection sought with the concern that a plaintiff may preempt every viable method of packaging its goods and thus quash the competitors' legitimate needs.

Rose Art sells crayons, colored pencils and markers and claims trade dress protection in the combination of elements comprising its packaging: Rose Art sought protection for three distinct package designs which were designated as the primary color line, the neon color line and the color fade line. Rose Art claimed that the following design elements were common to all three of Rose Art's package designs: Black band with white descriptive lettering; a yellow background with a contrasting color on the package's bottom; the rainbow swish-design Rose Art logo and the legends "Since 1923," "Certified non-toxic" and an invitation to send consumer comments to Rose Art.

The defendant's packaging of art supplies for children also had the product name in white letters on a black band; a yellow color on top and contrasting color on the bottom; a rainbow background featuring its trademark; and the legends, "Since 1924," and "Certified non-toxic." Consumers were also invited to send their comments to the manufacturer.

When the defendant's products, and not Rose Art's, were selected for sale by Dollar General Stores, Rose Art sued for trade dress infringement, claiming that the defendant's packaging was too similar to its, and that consumers of these inexpensive goods would be confused. In other words, buyers would reach for our client's products thinking that they were really buying Rose Art's.

Here's what the court held. A plaintiff seeking protection for a series or line of products or its packaging must first demonstrate that the series or line has a recognizable and consistent overall look. This inquiry must be made even before the court tests for non-functionality, distinctiveness and likelihood of confusion. In other words, the plaintiff's first burden is to prove that its trade dress is uniform across the line of products. It loses if it can't. Then, it needs to show the trade dress serves to identify it as the source of the product (remember the Pinch bottle?) and that the trade dress is non-functional. Only after meeting each of these burdens will the plaintiff be permitted to present evidence of the likelihood of consumer confusion.

It is important to note that the court did not require a showing that each package in the line be identical. But given the language of the decision, it appears unlikely that federal courts in

the Third Circuit will permit more than slight variations in the design of one package to another. These deviations in design must not alter the distinctive characteristics and the packages must convey a single and continuing commercial expression. Consumers viewing the packages of a line of products on a shelf must be able to recognize that one seller is the sole source of all of the goods in the line.

But this determination that all packages in the line have a “consistent overall look” is very subjective and designers must err on the side of caution.

Finally, the Third Circuit has instructed that a trial court, in determining whether a “consistent overall look” is present, may not examine packages outside the scope of the plaintiff’s request for trade dress protection. If plaintiff has 500 packages but sues over 50, it is only those 50 that the court may consider.

The Third Circuit now joins with the Second Circuit on these issues. Designers in the Fourth Circuit would be well advised to follow these rules. Lawyers should be certain to bring these rules to the attention of their clients who design packages or manufacture consumer products.

Word Count: 971

James B. Astrachan is a principal at the Baltimore firm of Astrachan, Gunst, Goldman & Thomas, P.C. Mr. Astrachan is an adjunct professor of Intellectual Property Law at the University of Baltimore School of Law.