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Commentary: Faux Amis in Design Law

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COMMENTARY

FAUX AMIS IN DESIGN LAW

*By Sarah Burstein**

I. INTRODUCTION

When I was learning French, I was often warned to beware of *faux amis*—words that “appear the same in French and English but that can have problematically different meanings.”¹ There are also *faux amis* in U.S. design law—words that appear the same in the key legal regimes (design patent, trademark, and copyright) but which can have problematically different meanings. Consider, for example, the words “functional” and “ornamental.” These terms are used in all three regimes to describe limits on protectable subject matter.² But they have different meanings in each.³ And this definitional disconnect is causing real problems, especially at the intersection of design patent and trademark law. This commentary will begin to explore the problem of *faux amis* in design law by focusing on that intersection. It will first demonstrate that “functional” and “ornamental” do not mean the same things in design patent law that they do in trademark law. It will then explain why this is a problem and will propose a solution.

II. THE FAUX AMIS

A. “Functional”

“Functional” matter cannot be protected by trademark law.⁴ This rule was created by judges in order to police the boundary between trademark and utility patent law.⁵ Maintaining this boundary became increasingly important as trademark law expanded to cover “trade dress”—a category that originally

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1. Saul H. Rosenthal, *Speaking Better French: Faux Amis* 9 (2007).

2. See, e.g., *Carol Barnhart Inc. v. Economy Cover Corp.*, 773 F.2d 411 (2d Cir. 1985); *Traffix Devices, Inc. v. Mktg. Displays, Inc.*, 532 U.S. 23 (2001); *Ethicon Endo-Surgery, Inc. v. Covidien, Inc.*, 796 F.3d 1312 (Fed. Cir. 2015).

3. Whether or not these terms *should* mean the same in all three regimes—or more precisely, whether the same types of designs should be excluded from all three regimes—is an issue that exceeds the scope of this commentary.

4. See, e.g., *Two Pesos, Inc. v. Taco Cabana, Inc.*, 505 U.S. 763, 769 (1992).

5. See, e.g., *Kohler Co. v. Moen Inc.*, 12 F.3d 632, 648 (7th Cir. 1993) (Cudahy, J., dissenting).

included only the packaging, or ‘dressing,’ of a product, but in recent years has been expanded . . . to encompass the design of a product.”⁶ In 1998, Congress codified the rule against protecting functional matter in the U.S. Trademark (Lanham) Act.⁷

It is also well established that “functional” designs cannot be protected by design patents. But the word “functional” does not appear in the U.S. Patent Act. Instead, the contemporary rule against protecting such designs springs from judicial interpretation of the statutory requirement that a patentable design be “ornamental.”⁸ The U.S. Court of Appeals for the Federal Circuit (Federal Circuit), which has had exclusive appellate jurisdiction over design patent cases since 1982,⁹ has created a “general rule that a design is ‘ornamental’ for purposes of 35 U.S.C. Section 171 when it is not primarily functional.”¹⁰ It has thus become common to refer to a design that fails to satisfy the “ornamental” requirement of Section 171 as being “invalid as functional.”¹¹

But “functional” does not mean the same thing in design patent law as it does in trademark law. The Federal Circuit will not deem a design to be “primarily functional”—and, therefore, unpatentable—unless “the design is dictated by the function performed by the article of manufacture.”¹² And, according to the Federal Circuit, “[a] design is ‘not dictated by function alone’ when there are alternative designs or configurations available for the article of manufacture.”¹³ In this analysis, “alternative design must simply provide ‘the same or similar functional capabilities.’”¹⁴

6. See *Wal-Mart Stores, Inc. v. Samara Bros.*, 529 U.S. 205, 209 (2000).

7. See 15 U.S.C. § 1052(e) (as amended Oct. 30, 1998, Pub. L. 105-330, Title II, § 201(a)(2), (12), 112 Stat. 3069, 3070).

8. See 35 U.S.C. § 171(a).

9. See Federal Courts Improvement Act of 1982, Pub. L. No. 97-164, 96 Stat. 25 (codified, in relevant part, as amended, at 28 U.S.C. § 1295(a)(1)).

10. *Best Lock Corp. v. Ilco Unican Corp.*, 94 F.3d 1563, 1567 (Fed. Cir. 1996) (citing *In re Carletti*, 328 F.2d 1020 (1964)).

11. See, e.g., *Ethicon Endo-Surgery, Inc. v. Covidien, Inc.*, 796 F.3d 1312, 1329 (Fed. Cir. 2015).

12. See *Best Lock*, 94 F.3d at 1567.

13. *Id.* at 1567-68. There are a few Federal Circuit cases that state that functionality should be decided using a multi-factor approach wherein the availability of alternatives is merely one factor, following *dicta* from *Berry Sterling Corp. v. Pescor Plastics, Inc.* See, e.g., *PHG Techs., LLC v. St. John Cos., Inc.*, 469 F.3d 1361, 1366-67 (Fed. Cir. 2006) (citing 122 F.3d 1452, 1456 (Fed. Cir. 1997)). However, the Federal Circuit recently reaffirmed the primacy of alternative designs in the functionality analysis. See Sarah Burstein, *Ethicon v. Covidien—Some key design patent issues*, Patently-O (Aug. 11, 2015), <http://patentlyo.com/patent/2015/08/burstein-ethicon-covidien.html>. But even if *Berry Sterling* did state the controlling test for design patents, its multifactor approach is still very different from the *TrafFix* inquiry.

14. *Ethicon*, 796 F.3d at 1331 (quoting *Rosco, Inc. v. Mirror Lite Co.*, 304 F.3d 1373, 1378 (Fed. Cir. 2002)).

So in design patent law, “functional” essentially means “the only configuration that is fit for a particular purpose.”

By contrast, in *TrafFix Devices, Inc. v. Marketing Displays, Inc.*, the Supreme Court held that “a product feature is functional, and cannot serve as a trademark, ‘if it is essential to the use or purpose of the article or if it affects the cost or quality of the article.’”¹⁵ The court stated that a feature “is essential to the use or purpose of the article” when “it is the reason the device works,” as opposed to “an arbitrary flourish in the configuration of [the] product.”¹⁶ Under *TrafFix*, a feature is also “functional” for trademark purposes if restricting its use “would put competitors at a significant non-reputation-related disadvantage.”¹⁷ In the latter inquiry, the existence of alternative designs may be relevant.¹⁸ But, where a product feature is “essential to the use or purpose of the article or if it affects the cost or quality of the article,” then the existence of alternative designs will not defeat a finding of functionality.¹⁹

B. “Ornamental”

As mentioned above, the U.S. Patent Act requires that a patentable design be “ornamental.”²⁰ The Federal Circuit has essentially defined this term in the negative, interpreting it to impose two different limitations on design patent subject matter. Specifically, the Federal Circuit has ruled that a design fails to satisfy the statutory requirement of ornamentality when: (1) it is “dictated by function” in the objective, utilitarian sense described above; or (2) it is not a “matter of concern.”²¹ The Federal Circuit will deem a design to be a “matter of concern” unless it is “concealed in its normal and intended use.”²² And the court has “construe[d] the ‘normal and intended use’ of an article to be a period in the article’s life, beginning after completion of manufacture or assembly and ending with the ultimate destruction, loss, or disappearance of the article.”²³ So in design patent law, “ornamental” effectively means “not dictated by function” and “not hidden during the entire lifetime of the completed product.”

15. *TrafFix Devices, Inc. v. Mktg. Displays, Inc.*, 532 U.S. 23, 32 (2001) (quoting *Qualitex Co. v. Jacobson Prods. Co.*, 514 U.S. 159, 165 (1995)).

16. *See id.* at 34.

17. *See id.* at 32 (quoting *Qualitex*, 514 U.S. at 165).

18. *See id.* (quoting *Qualitex*, 514 U.S. at 165).

19. *See id.* at 33.

20. 35 U.S.C. § 171(a).

21. *In re Webb*, 916 F.2d 1553, 1557 (Fed. Cir. 1990).

22. *See id.*

23. *Id.* at 1557-58.

The word “ornamental” does not appear in the Lanham Act, but it arises frequently in trademark law and practice. It arises in at least two different contexts with at least three different meanings—none of which match the Federal Circuit’s negative definition of the statutory term “ornamental.” First, the U.S. Patent & Trademark Office (PTO) refuses to register—and courts have refused to protect—matter that is “purely ornamental or decorative.”²⁴ According to the Trademark Manual of Examining Procedure, “[s]ubject matter that is merely a decorative feature does not identify and distinguish the applicant’s goods” and “should be refused registration because it is merely ornamentation and, therefore, does not function as a trademark.”²⁵ As used in this context, “ornamental” is not the opposite of “functional” or “hidden”—it is, effectively, the opposite of “trademark.”²⁶ The word “ornamental” is also used in cases dealing with trademark functionality. In some cases, the word “ornamental” is used to describe visual or aesthetic product features that are “functional” under the doctrine of aesthetic functionality.²⁷ In other cases, it is used to describe product features that are *not* “functional” in the utilitarian sense—including *TrafFix*, where the Supreme Court apparently was using it as a synonym for “decorative.”²⁸

III. THE PROBLEM

Of course, the fact that terms of art have different meanings in two different areas of law is not necessarily a problem. But it is a problem where, as here, legal regimes overlap substantially in potentially protectable subject matter and the same terms of art are used to describe limits on protectability. In this situation, a reader might reasonably assume that the terms of art mean the same things in the related regimes, leading to confusion.

Indeed, the differing meanings of “ornamental” and “functional” are already causing actual confusion among courts, commentators, and other relevant players. For example, consider the use of design patents as evidence that a product design is “nonfunctional” for trademark purposes. The PTO and some courts

24. See, e.g., U.S. Patent & Trademark Off., Trademark Manual of Examining Procedure § 1202.03(a) (Oct. 2015) (hereinafter “TMEP”).

25. *Id.* § 1202.03.

26. See, e.g., *id.* § 1202.03(a); J. Thomas McCarthy, McCarthy on Trademarks & Unfair Competition § 7:24 (4th ed.).

27. See, e.g., *Wallace Int’l Silversmiths, Inc. v. Godinger Silver Art Co.*, 916 F.2d 76, 81 (2d Cir. 1990). See also generally McCarthy, *supra* note 26, § 7:49 (comparing the concept of aesthetic functionality to utilitarian functionality).

28. See *TrafFix Devices, Inc. v. Mktg. Displays, Inc.*, 532 U.S. 23, 30 (2001); *id.* at 34 (using “arbitrary curves in the legs or an ornamental pattern painted on the springs” as examples of “arbitrary, incidental, or ornamental aspects of features” that might not be “functional” under *Inwood*).

have reasoned that, because neither regime protects “functional” designs, the issuance of a design patent constitutes evidence that a design is “nonfunctional” for trade dress purposes.²⁹ This line of reasoning, however, is fatally flawed because, as demonstrated above, the word “functional” does not mean the same thing in both regimes.

And while a design deemed to be “functional” under the Federal Circuit’s design patent test will also be “functional” under the Supreme Court’s trademark test, the reverse is not true. If a design is deemed to be “ornamental” (i.e., not “functional”) under the Federal Circuit’s design patent test, that does *not* mean—or even plausibly suggest—that the design is also “nonfunctional” for trademark purposes. As discussed above, a patented design will not be deemed to be “functional” if there are alternative designs with “the same or similar functional capabilities.”³⁰ And the existence of alternative designs is not enough, standing alone, to defeat a finding of functionality under *TrafFix*.³¹

So the fact that a design patent has been issued simply is not probative on the issue of whether a design is “nonfunctional” for trademark purposes. And using design patents as evidence of trademark nonfunctionality is likely to lead to false positives on the issue of trademark validity. This is a clear example of how the *faux amis* “ornamental” and “functional” have led courts and the PTO astray.

IV. PROPOSAL

As demonstrated above, *faux amis* in design law are a very real problem. So how do we solve it? First, we need to identify the *faux amis* in design law. Bringing attention to the different meanings may, in and of itself, help ameliorate some of the confusion. But ideally, we should go a step further and stop using the same words to describe different legal concepts in related regimes.

This commentary has identified “functional” and “ornamental” as *faux amis* in design patent and trademark law. To minimize problematic errors in translations between these two legal regimes, here is a proposal: Let’s stop using the term “functional” in the context of design patents and stop using the term “ornamental” in the context of trademarks.

In trademark law, we could use the term “decorative” instead of “ornamental.” The PTO already uses these words as synonyms

29. See, e.g., TMEP, *supra* note 24, § 1202.02(a)(v)(A); Global Mfg. Group, LLC v. Gadget Universe.com, 417 F. Supp. 2d 1161, 1169 (S.D. Cal. 2006).

30. *Ethicon*, 796 F.3d at 1331 (quoting *Rosco*, 304 F.3d at 1378).

31. See *TrafFix*, 532 U.S. at 32.

in the context of its “merely ornamental” rule.³² And “decorative” has the decided advantage of not being an express statutory requirement in a related legal regime. To the extent that we need a different word to describe features that may be aesthetically functional, we could simply use the word “aesthetic.”³³

In the design patent context, instead of saying that a claimed design is “invalid as functional,” we could say that it is “invalid as not ornamental” or “invalid for lack of ornamentality.”³⁴ Granted, these options are less concise and considerably more clunky. But they are more accurate and less confusing.

V. CONCLUSION

As demonstrated here, the words “functional” and “ornamental” do not mean the same things in design patent law that they do in trademark law. And this is not simply a matter of academic curiosity; it is causing very real problems. To eliminate translation errors between these *faux amis*, we should stop using the term “ornamental” in the context of trademarks and stop using the term “functional” in the context of design patents. Admittedly, this isn’t a complete cure for all that ails the law in these areas.³⁵ And it won’t cure all the confusion caused by the overlaps in the various areas of design law. But it’s a start.

32. See, e.g., TMEP, *supra* note 24, § 1202.03(a). See also McCarthy, *supra* note 26, § 7:24 (also using “ornamental” and “decorative” as synonyms in this context).

33. See generally McCarthy, *supra* note 26, § 7:81 (arguing that the “merely ornamental” rule could resolve many issues currently framed in terms of “aesthetic functionality”).

34. Even “invalid as dictated by function” would be better than “invalid as functional,” though it would not as clearly differentiate the design patent rule from the trademark rule.

35. For example, the doctrine of “functionality” in design patent law is desperately in need of greater attention and purposeful development.