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Talking Smack: When Bleeding Purple and Gold Just Isn’t Enough

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With football season upon us, a recent federal court decision extending trademark protection to color schemes could be of particular interest to rabid fans. In *Board of Supervisors of the Louisiana State Univ. et al. v. Smack Apparel Co.*, C.A. No.: 04-1593, 2006 U.S. Dist. LEXIS 51023 (E.D. La. July 18, 2006), Judge Mary Vial Lemmon ruled in favor of LSU and several other university plaintiffs (amicably including recent foes University of Oklahoma and University of Southern California), declaring that their color schemes, such as purple and gold or crimson and cream, were protected trademarks under the Lanham Act, and intentionally infringed by defendant Smack Apparel Co. At first glance, this case seems to represent the end of casual fanatical attire, forcing fans to negotiate licenses with their favorite universities’ licensing partner, Collegiate Licensing Company, for even the most mundane of articles. However, a closer look at Smack Apparel and its predecessors indicates that trademark protection for color schemes is viable, but limited in application.

Color scheme trademark protection traces its origin to *Qualitex Co. v. Jacobson Prods. Co.*, 514 U.S. 159 (1995), where the Supreme Court determined that a color (in that case, green-gold) could be registered for a federal trademark, provided it “identifies and distinguishes a particular brand (and thus indicates its sources).” The Court in *Qualitex* took careful pains to point out that color is not inherently distinctive (in contrast to a fanciful term like Xerox or Kodak, or an arbitrary one like Apple for computer products). Therefore, in order to be protected, color must have acquired a secondary meaning. *Id.* at 211-12. In other words, the primary significance of the color in issue must be to “identify the source of the product and not the product itself.” *Id.* In *Qualitex*, this factual question was easy. The green-gold color was used to identify a cleaning press-pad used on presses at dry cleaners. The green-gold color was not inherently distinctive, but by using the color, the manufacturer had created a secondary meaning wherein customers associated green-gold press-pads solely with the manufacturer. Another excellent example of a color that has derived secondary meaning through use is the pink shade made popular by Owens-Corning for fiberglass insulation. A tremendous amount of consumer advertising emphasizing the pink color in association with Owens-Corning products resulted in an overwhelming display of acquired distinctiveness. *See In re Owens-Corning Fiberglass Corp.*, 774 F.2d 1116 (Fed. Cir. 1985).

Other courts, weighing different factual scenarios, have found color to lack a required distinctiveness. For example, in *The Forschner Group, Inc. v. Arrow Trading Co.*, 124 F.3d 402 (2nd Cir. 1997), use of the color red for a multifunctional knife (i.e., the Swiss Army knife) “[did] not indicate in the minds of the public a single source of origin...” In particular, the court found that despite the fact that red is a “familiar feature of Swiss Army knives, ... foreclosing [a competitor]’s use of the color red would
significantly restrict the range of alternative colors necessary for [other competitors] to compete effectively in the Swiss Army knife market.” *Id.* at 409-410.

In contrast to sellers of conventional competing goods, Smack Apparel Co. sells parody T-shirts. The seven shirts featured in the suit brought jointly by LSU, the University of Oklahoma, Ohio State University, USC, and their collective licensing agent, Collegiate Licensing Co. (collectively, “Plaintiff Universities”), included shirts emblazoned, “Beat Oklahoma and Bring It Back to the Bayou - 2003 College Football National Championship” in LSU’s purple and gold color scheme, and “Bourbon Street or Bust” with Oklahoma’s “OU” insignia in a crimson and cream color scheme.

Plaintiff Universities generally alleged that Smack engaged in unfair competition under § 43 of the Lanham Act, which protects qualifying unregistered trademarks, by selling shirts bearing distinctive color schemes and other symbols identifying the universities. *Smack Apparel*, 2006 U.S. Dist. LEXIS at *2-3. Whether a mark qualifies for protection turns on whether the trademark is “capable of distinguishing the applicant’s goods from those of others.” *Two Pesos, Inc. v. Taco Cabana, Inc.*, 505 U.S 763, 768 (1992). The marks at issue in *Smack Apparel* were described as “color schemes in the context of merchandise that makes reference to the Plaintiff Universities or their accomplishments and is directed to their fans and other interested consumers.” *Id.* at *7.

With reference to *Qualitex*, Judge Lemmon stated that “[t]here is no question that a color scheme may be protectable as a trademark if it ‘identifies and distinguishes a particular brand (and thus indicates its sources).’” *Id.* at *7-8 (quoting *Qualitex*, 514 U.S. at 163-64). The court, therefore, applied the Fifth Circuit’s seven factor test for establishing secondary meaning to the color schemes, logos and designs on the allegedly infringing shirts, and determined that the color schemes acquired a secondary meaning. *Id.* at *8-9. As the court noted, “[i]t is undisputed that the universities have used their color combinations for lengthy periods of time. [They] market scores of items bearing their color schemes. Logos, and designs, and sales of those items exceed tens of millions of dollars.” *Id.* at *11. The court further used Smack Apparel’s admission that it “selected the color schemes, logos and designs for their shirts in order to refer to the universities and call them to the mind of the consumer” as evidence of an acquired distinctiveness. *Id.* at *12.

After determining that the collective marks, including color schemes, qualified for protection, the court addressed whether infringement occurred under the Lanham Act or common law tort of unfair competition, both inquiries focusing on whether the allegedly infringing goods create a likelihood of confusion with the mark owner’s goods. The Fifth Circuit’s test for whether use of a mark creates a likelihood of confusion involves several factors, including: “1) the type of mark; 2) the similarity between the two marks; 3) the similarity of the products or services; 4) the identity of retail outlets and purchasers; 5) the identity of the advertising media used; 6) the defendant’s intent; and 7) any evidence of actual confusion.” *Id.* at *14 (quoting *Scott Fetzer Co. v. House of Vacuums, Inc.*, 381 F.3d 477, 484-85 (5th Cir. 2000)). In addressing each of these factors, Judge Lemmon described the universities’ color schemes, logos and designs as “extremely strong marks

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1 In fact, the home page for Smack Apparel’s website boldly states that its products are “licensed only by the First Amendment.”
that have been used for decades and have acquired secondary meaning in the context of reference to the plaintiff’s universities or their accomplishments, which are directed to their fans and other interested consumers.” *Id.* at *15-16. Moreover, Judge Lemmon found the marks on the allegedly infringing shirts identical, “leaving no doubt that they refer to the plaintiff universities.” *Id.* at *17.

Smack Apparel argued that its T-shirts differed from licensed university products because they additionally “include irreverent phrases or slang comments.” *Id.* at *17. Judge Lemmon dismissed this as a “free ride” on a trademark owner’s good will and reputation, and noted that a trademark provides protection for the owner’s investment of great effort, skill and ability into the creation of value associated with the mark. *Id.* at *17-18. In describing this misuse of Plaintiff Universities’ marks, the court found that defendants intended to “identify[] the university plaintiffs as the subject of the message expressed in the shirt design,” and intended to “entic[e] fans of the particular universities to purchase their shirts.” *Id.* at *20.

In a final attempt to escape liability for intentional infringement, Smack Apparel argued that the color schemes were functional and that its use thereof was a nominative fair use. First, the court stated plainly that “there is no consumer demand without these identifying characteristics [i.e., the color schemes, logos and designs],” thus the marks were not functional. *Id.* at *24. Second, a nominative fair use defense, which is the right to use a protected mark to identify the mark owner’s products, was not applicable because the Plaintiff Universities demonstrated a likelihood of confusion. *Id.* at *25. In order to use a nominative fair use defense, Smack Apparel had to prove that it only used so much of the mark as necessary to identify the product or service and that it did not do anything suggesting affiliation, sponsorship, or endorsement by the mark owner. *Id.* at *25 (citing Pebble Beach Co. v. Tour 18 Ltd., 155 F.3d 526, 545-46 (5th Cir. 1998)). By definition, Smack Apparel’s use of the mark to identify its own goods, and thus establishing a likelihood of confusion, eliminated the possibility of any nominative fair use. *Id.*

Although it may seem surprising to find a color scheme protected under the Lanham Act, several salient points worth noting emerge from the *Smack Apparel* case. First, the defendants there consistently admitted to an intention to identify the university with the subject of the message embodied in the shirt designs, and admitted to referring to the universities or their accomplishments while using the same color schemes, logos and designs to insure the purchasing public would associate the shirt with the university in question. Clear intent on the part of the defendant is highly relevant. Second, a color scheme must acquire a secondary meaning with reference to certain goods or services to be protected. A mark may not acquire distinctiveness with respect to a universe of goods and services—the inquiry is limited to those goods and services for which secondary meaning has attached. Lastly, the determination of trademark infringement ultimately turns on whether a likelihood of confusion exists as to the source of the goods. Without a likelihood of confusion as to source, no liability exists.

In practice, simply dressing yourself in purple and gold (or olive green and sky blue, for that matter) to support your favorite university team should not be worrisome, even after the ruling in *Smack Apparel*. A determination of trademark infringement is highly fact-specific, and requires that a particular color scheme acquire distinctiveness
and likely cause confusion in consumers. Some occasions, like the parody shirts of *Smack Apparel*, may arise when purple and gold articles with unauthorized logos clearly infringe LSU’s marks. However, use of a color scheme without reference to the university, and in promotion of other goods and services not in direct competition with the university, does not seem to be actionable as infringement, despite protection of color schemes in certain circumstances. Regardless, fans are urged to be cautious when selecting gameday attire, both as a matter of good trademark practice and as a matter of taste.

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