

Fun-Damental Too, Ltd. v. Gemmy Industries Corp.

111 F.3d 993, 997-998, 999-1001 (2d Cir. 1997)

{Plaintiff Fun-Damental Too, Ltd. (“Fun-Damental”) brought suit for trademark infringement against defendants alleging that defendants had copied the trade dress of Fun-Damental’s “Toilet Bank” (see photo below) in the sale of their own “Currency Can.”}



Judge Mukasey of the S.D.N.Y. granted a preliminary injunction in favor of Fun-Damental. Defendants appealed. Excerpted here are the court’s description of the Toilet Bank’s trade dress and the court’s analysis of the inherent distinctiveness, if any, of that trade dress.}

CARDAMONE, Circuit Judge

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Plaintiff's product is displayed in stores in a royal blue triangular-shaped box. The Toilet Bank itself is visible within the open-style box, which allows a consumer access to the toilet handle so that the flushing sound may be tested. The toy's bowl is covered with a clear plastic cover that includes a raised three-dimensional circle to which is affixed a gray sticker depicting a coin. The bank is held in place in its box by a 1/4 inch strap running up one side of the toilet bowl, through the plastic cover, and down the other side.

The product name "TOILET BANK" appears in yellow letters on the royal blue box's lower front panel. The four inch-high upper rear panel is decorated with the product name and two pictures demonstrating how to use the product. The top picture shows a hand holding a coin over the toilet bowl, and the bottom one shows an index finger depressing the handle with the message "REAL FLUSHING SOUND" in white letters on a red bubble. In the upper right hand corner of this panel is a yellow starburst with the words "REAL FLUSHING SOUND" in red letters. Below it is a yellow arrow pointing down toward the handle with the legend in red: "TRY ME" and in smaller letters: "PRESS HANDLE." The same message appears on a red arrow sticker, affixed to the toilet tank, pointing diagonally towards the silver handle.

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We ordinarily evaluate inherent distinctiveness of trade dress by applying the trademark classifications as set forth by Judge Friendly in *Abercrombie & Fitch Co. v. Hunting World, Inc.*, 537 F.2d 4, 9 (2d Cir. 1976). See *Paddington Corp. v. Attiki Importers & Distrib., Inc.*, 996 F.2d 577, 583 (2d Cir. 1993) (adopting Judge Friendly's test to evaluate the inherent distinctiveness of product packaging). Within this framework, trade dress is classified on a spectrum of increasing distinctiveness as generic, descriptive, suggestive, or arbitrary/fanciful

The Supreme Court has emphasized that an inherently distinctive trade dress is one whose "intrinsic nature serves to identify a particular source of a product," *Two Pesos, Inc. v. Taco Cabana, Inc.*, 505 U.S. 763, 768 (1992), although it may not yet have widespread identification among consumers. *Id.* at 771. Consumers generally rely on packaging for information about the product and its source. But the varieties of labels and packaging available to wholesalers and manufacturers are virtually unlimited. As a consequence, a product's trade dress typically will be arbitrary or fanciful and meet the inherently distinctive requirement for § 43(a) protection. *Mana Prods., Inc. v. Columbia Cosmetics Mfg., Inc.*, 65 F.3d 1063, 1069 (2d Cir. 1995); *Chevron Chem. Co. v. Voluntary Purchasing Groups, Inc.*, 659 F.2d 695, 703 (5th Cir. 1981).

Yet trade dress protection has limits. A trade dress that consists of the shape of a product that conforms to a well-established industry custom is generic and hence unprotected. For example, the cosmetics industry's common use of black,

rectangular-shaped compacts renders that packaging generic. *Mana*, 65 F.3d at 1070; *see also Paddington*, 996 F.2d at 583 (soda industry practice would render green cans generic for the purpose of packaging lime-flavored soda). In short, despite the broad opportunity to design an arbitrary or fanciful trade dress, a specific trade dress must still be evaluated to determine whether it is so distinctive as to point to a single source of origin and thereby be entitled to Lanham Act protection.

Defendants urge us to adopt a more stringent standard of distinctiveness than that used by the trial court. Recently we declined to use the *Abercrombie* spectrum of distinctiveness in a trade dress case that involved features of the product itself. *Knitwaves, Inc. v. Lollytogs Ltd.*, 71 F.3d 996 (2d Cir. 1995). In an attempt to extend that rationale, defendants suggest we adopt an alternative test for inherent distinctiveness of trade dress set forth in *Seabrook Foods, Inc. v. Bar-Well Foods Ltd.*, 568 F.2d 1342, 1344 (C.C.P.A. 1977). Under *Seabrook*, the inquiry is whether the design or shape of a package is a common, basic one, or whether it is unique or unusual in a particular field; whether the design is a mere refinement of a commonly-adopted and well-known form of ornamentation for a particular class of goods viewed by the public as a trade dress or ornamentation for such goods, or whether it is one capable of creating a commercial impression separate from the accompanying words. *Id.*

We see no reason to abandon the *Abercrombie* distinctiveness spectrum in this case. Several reasons lead us to decline. First, we have expressly ruled that the *Abercrombie* classifications apply to packaging. *Paddington*, 996 F.2d at 583. Second, *Knitwaves* is a pure product configuration case, separate from product packaging, the category of trade dress at issue in this case. In *Knitwaves*, the trade dress lay in the product itself, rather than in a symbol—a trademark or packaging—associated with the product. It was therefore difficult to define some aspect or feature of the trade dress as “descriptive” or “arbitrary” in relation to the product. *See Knitwaves*, 71 F.3d at 1007–08 (quoting *Duraco Prods. v. Joy Plastic Enters., Ltd.*, 40 F.3d 1431, 1440–41 (3d Cir. 1994)). In contrast, a store display of a product’s packaging style creates an image of the product more readily separated from the product itself. Moreover, although there may be a finite set of ways to configure a product, the variety of packaging available for a given product is limited only by the bounds of imagination. These factors render packaging more suitable than product configuration for classification under the *Abercrombie* system as arbitrary or fanciful, suggestive, descriptive, or generic.

Third, use of the *Abercrombie* test tracks the purpose of the Lanham Act to identify source. That is, it is consistent with the Supreme Court’s emphasis on a trade dress’ capacity to “identify a particular source of the product.” *Two Pesos*, 505 U.S. at 771. While a more stringent test is necessary in the product configuration context, applying *Abercrombie* to product packaging serves the aims

of the Lanham Act because consumers are more likely to rely on the packaging of a product than on the product's design as an indication of source. Restatement (Third) of Unfair Competition § 16 cmt. b (1995). In contrast, over-inclusive protection of the product design risks conferring benefits beyond the intended scope of the Lanham Act and entering what is properly the realm of patent law. *See Fabrication Enters., Inc. v. Hygenic Corp.*, 64 F.3d 53, 59 n. 4 (2d Cir. 1995). Thus, though the *Abercrombie* classifications were originally developed for analysis of word marks, we conclude that because of the endless number of product packaging options the *Abercrombie* test is appropriately applied in this trade dress case.

B. Distinctiveness in the Instant Case

Defendants insist that the Toilet Bank's trade dress is not inherently distinctive, principally because the elements identified as part of that characterization are generic. Classification under the *Abercrombie* spectrum of distinctiveness is a question of fact reviewed under the clearly erroneous standard. *See Bristol-Myers Squibb Co. v. McNeil-P.P.C., Inc.*, 973 F.2d 1033, 1039-40 (2d Cir. 1992) (classification of trademarks). We evaluate trade dress distinctiveness by looking at all its elements and considering the total impression the trade dress gives to the observer. *Paddington*, 996 F.2d at 584. Concededly, a number of individual features of the Toilet Bank's trade dress are common in the toy industry; for example, the triangular shape of the box and its open styling are found everywhere on toy store shelves. The red arrows stating "Try Me," the starburst (separate from the notation "flushing sound"), and the raised blister are similarly quite usual legends in the toy business. Although some of the individual elements of a trade dress are generic or descriptive, the impression given by all of them in combination may be inherently distinctive. Such was what the district court found here; and we cannot say that this finding is clearly erroneous.

Gemmy maintains that the trial court improperly considered the similarities between its product and Fun-Damental's when making the inherently distinctive determination regarding the Toilet Bank's trade dress. We disagree. Although Fun-Damental makes no claim regarding the copying of its product, it was appropriate to consider the packaging in conjunction with the product, rather than simply the empty box. "[T]rade dress today encompasses a broad concept of how a product presented to the public looks, including its color, design, container, and all the elements that make up its total appearance." *Mana*, 65 F.3d at 1069.

This "total look" approach is the only workable way to consider such elements of the trade dress as the arrow sticker that is affixed to the Toilet Bank's tank. Because the box is open in order to display the product, it was proper to analyze Fun-Damental's trade dress as seen by consumers—including the Toilet Bank product. Further, there is no risk of "spillover" protection for the Toilet Bank as a product here since the injunction is limited to the sale of a similar product in a *particular* package, rather than an absolute ban on the sale of the Currency Can in

an open-style box. In sum, we conclude that looking at the product itself in the context of its packaging is a proper method of analyzing open-style packaging for trade dress protection.