Trademark Law: *Qualitex Co. v. Jacobson Products Co.*—The Supreme Court Upholds Trademark Protection for a Color

Paige Stratton Bass

Follow this and additional works at: https://digitalcommons.law.ou.edu/olr

Part of the Intellectual Property Law Commons

**Recommended Citation**


This Note is brought to you for free and open access by University of Oklahoma College of Law Digital Commons. It has been accepted for inclusion in Oklahoma Law Review by an authorized editor of University of Oklahoma College of Law Digital Commons. For more information, please contact darinfox@ou.edu.
Trademark Law: Qualitex Co. v. Jacobson Products Co. — The Supreme Court Upholds Trademark Protection for a Color

I. Introduction

Certainly a trademark could not be claimed of a rope, the entire surface of which was colored; and if color be made the essential feature, it should be so defined, or connected with some symbol or design, that other manufacturers may know what they may safely do.

— Supreme Court Justice Henry Billings Brown

Justice Brown's declaration embodies the traditional view that color alone is not capable of trademark protection. That is, one seller may not make a product in a certain color and claim that product in that color as its exclusive trademark property. However, in a dramatic departure from tradition, the United States Supreme Court abandoned this hoary maxim in Qualitex Co. v. Jacobson Products Co. The Qualitex case resolved a conflict between the United States courts of appeal. The Seventh and Ninth Circuits imposed a prohibition against the registration of a color, while the Eighth and Federal Circuits found no per se prohibition for protection of a color alone. In an increasingly rare unanimous decision, the United States Supreme Court held that the Lanham Trademark Act "permits the registration of a trademark that consists, purely and simply, of a color."

This note first explores the background of color protection within trademark law, specifically addressing the United States Supreme Court's early treatment of the issue, requirements for a trademark under the Lanham Act, and the conflicting decisions of the United States courts of appeal. Second, this note discusses the facts of Qualitex and the Court's reasons for its holding. Third, the Court's decision to recognize trademark protection of a color is analyzed and problems with the Supreme Court's analysis and the practical application of the holding are examined. The note presents a recommendation that should help prevent a small but significant group of problems that result from the Qualitex decision.

2. See, e.g., J. THOMAS McCARTHY, McCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 7.16[1], at 7-66 (3d ed. 1994) (stating traditional view that color alone is not subject to trademark protection).
3. Id. § 7.16[2], at 7-68.
5. See discussion infra Part II.C.
7. Qualitex, 115 S. Ct. at 1302.
II. Background

A. The Traditional Approach of the Supreme Court

In 1878, the Supreme Court described the common law definition of trademark rather broadly to "consist of a name, symbol, figure, letter, form, or device, if adopted and used by a manufacturer or merchant in order to designate the goods he manufactures or sells to distinguish the same from those manufactured or sold by another." But as early as 1906, in A. Leschen & Sons Rope Co. v. Broderick & Bascom Rope Co.,\(^8\) the Court questioned "whether mere color [could] constitute a valid trademark."\(^9\) In dicta, the Court explained, "if color be made the essential feature, it should be so defined, or connected with some symbol or design, that other manufacturers may know what they may safely do."\(^10\) In other words, the Court found that a trademark should clearly describe a colored figure so that other manufacturers will know how to avoid infringement.\(^11\) The Court concluded that "a trademark which may be infringed by a streak of any color, however applied, is manifestly too broad."\(^12\)

In 1920, more than twenty-five years before the passage of the Lanham Act, the Supreme Court denied trademark protection for the brown color of a beverage. In Coca-Cola Co. v. Koke Co.,\(^13\) the Supreme Court held that "[t]he product including the coloring matter is free to all who can make it if no extrinsic deceiving element is present."\(^14\) Applying these cases, lower courts historically have denied trademark protection for color alone.\(^15\)

B. The Lanham Trademark Act

The Act of July 8, 1870,\(^16\) the first federal trademark statute, created few substantive rights for trademark protection.\(^17\) That statute merely provided for the registration of marks already protected under common law.\(^18\) However, in 1946, Congress passed the Lanham Trademark Act, which greatly expanded trademark

-----

9. 201 U.S. 166 (1906).
10. Id. at 171.
11. Id. The plaintiff claimed a trademark in wire rope with one strand a different color than the rest. Id. at 172.
12. Id. at 171.
13. Id.
15. Id. at 147.
16. See, e.g., Life Savers Corp. v. Curtis Candy Co., 182 F.2d 4, 9 (7th Cir. 1950) (denying exclusive use of multicolored stripes on packaging because color cannot be monopolized to distinguish a product); Campbell Soup Co. v. Armour & Co., 175 F.2d 795, 798 (3d Cir. 1949) (denying exclusive use of half red and half white labels because one cannot acquire a trademark in color alone).
19. Id.
Some of the principal purposes of the Lanham Act were to modernize trademark law, facilitate commerce, and protecting consumers. Under the Lanham Act, Congress defined a trademark as including "any word, name, symbol or service, or any combination thereof." Generally, three elements must be present for a word or symbol to function as a trademark: (1) a tangible symbol — a word, name, symbol, device, or any combination of these; (2) use of the symbol — actual adoption and use of the symbol as a mark by a manufacturer or seller of goods or services in commerce; and (3) function — to identify and distinguish the seller's goods from goods made or sold by another manufacturer. In determining what can qualify as a trademark, it is crucial that the symbol be so distinctive as to identify and distinguish the source of the goods from that of another manufacturer, as embodied by the third element. Symbols which are inherently nondistinctive — that is, they are not capable in and of themselves of distinguishing the source of the product — require proof that the mark has become distinctive. When a mark becomes distinctive, it acquires a "secondary meaning." The keystone of trademark protection is the avoidance of the "likelihood of confusion" in the minds of the buying public. To determine the likelihood of confusion, courts weigh a number of factors. These factors include: (1) the strength of plaintiff's mark; (2) the degree of similarity between plaintiff's and defendant's marks; (3) the proximity of the products or services; (4) the likelihood plaintiff will enter defendant's market; (5) evidence of actual confusion; (6) defendant's good faith in adopting the mark; (7) the quality of defendant's product or service; and (8) the sophistication of the buyers. Based on an evaluation of these factors, if a court concludes that a product's trademark is likely to confuse consumers as to its manufacturing source, the court will find infringement.

In addition to expressly allowing a trademark infringement action in section 2, the Lanham Act provides for a claim of unfair competition. Under section 43(a),

---

23. McCarthy, supra note 2, § 3.01[1], at 3-2.
24. Id.
25. Id. § 15.01[1], at 15-4.
26. Id. § 15.01[1], at 15-5.
27. Id. § 2.03, at 2-16.
29. Id. at 495.
   (1) Any person who, on or in connection with any goods or services, or any container for goods, uses in commerce any word, term, name, symbol, or device, or any combination thereof, or any false designation of origin, false or misleading description or fact, or false or misleading representation of fact, which-
   (A) is likely to cause confusion, or to cause mistake, or to deceive as to the affiliation, connection, or association of such person with another person, or as to the origin,
unfair competition embraces a broad range of competitive conduct likely to confuse consumers.\textsuperscript{32} Thus, an unfair competition claim may take many different forms including infringement of "trade dress."\textsuperscript{33} The trade dress of a product is its overall image as the manufacturer presents it to the consumer, including the size, shape, color, or design of the product.\textsuperscript{34} Registration of a trademark is not a prerequisite for recovery under section 43(a).\textsuperscript{35} However, the test for infringement — the likelihood of confusion — is the same for both trade dress and trademark infringement.\textsuperscript{36}

C. Conflicting Federal Appellate Court Decisions

1. In re Owens-Corning Fiberglas Corp.

The first United States Court of Appeals case to examine whether color alone affords protection under the Lanham Act was In re Owens-Corning Fiberglas Corp.\textsuperscript{37} In that case, Owens-Corning had colored its fiberglass insulation "pink," rather than leaving the insulation its natural yellow color.\textsuperscript{38} To encourage the public to identify pink insulation with Owens-Corning, Owens-Corning engaged in extensive promotion and advertising, including a campaign which used the "Pink Panther" cartoon character.\textsuperscript{39}

After several years of continuous sales of the pink insulation, Owens-Corning applied to the United States Patent and Trademark Office (PTO) to register pink as a trademark.\textsuperscript{40} The Trademark Examiner denied the application, and Owens-Corning appealed to the Trademark Trial and Appeals Board (the Board).\textsuperscript{41} The Board affirmed the Examiner's denial of a trademark;\textsuperscript{42} however, on appeal the United


\begin{itemize}
  \item \textbf{Id.}
  \item 32. \textit{Goldstein, supra} note 18, at 55.
  \item 33. Other forms of unfair competition include false designation of origin and false description or representation. \textit{See, e.g., Can-Am Eng'g Co. v. Henderson Glass, Inc., 814 F.2d 253, 254 (6th Cir. 1987) (deciding claims of false designation of origin and false description or representation).}
  \item 34. \textit{See NutraSweet v. Stadt Corp., 917 F.2d 1024, 1027 n.7 (7th Cir. 1990).}
  \item 35. \textit{New West Corp. v. NYM Co., 595 F.2d 1194, 1198 (9th Cir. 1979); see also Metric & Multistandard Components Corp. v. Metric's, Inc., 635 F.2d 710, 714 (8th Cir. 1980) (holding a mark may be entitled to unfair competition protection regardless of whether it is registered as a trademark).}
  \item 36. \textit{See, e.g., Vision Sports, Inc. v. Melville Corp., 888 F.2d 609, 616 (9th Cir. 1989) (applying likelihood of confusion to action for trade dress infringement); New West Corp., 595 F.2d at 1201 (holding test for trademark and trade dress infringement is likelihood of confusion). For discussion of trademark and unfair competition, see generally \textit{McCarthy, supra} note 2.}
  \item 37. 774 F.2d 1116 (Fed. Cir. 1985).
  \item 39. \textit{Id.} at 1198-99.
  \item 40. \textit{Id.} at 1196.
  \item 41. \textit{Id.}
  \item 42. \textit{Id.}
States Court of Appeals for the Federal Circuit reversed. The Federal Circuit acknowledged that at common law, prior to the passage of the Lanham Act, courts did not consider color susceptible of trademark protection. However, the court concluded that because the Lanham Act had expanded the categories of potential marks, a manufacturer could register color per se. Further, the court used a two-step analysis to determine whether Owens-Corning’s pink satisfied the other requirements of trademark protection. First, the court found that the color pink served a strictly nonfunctional purpose for the insulation. The Federal Circuit explained that “the color ‘pink’ has no utilitarian purpose, does not deprive competitors of any reasonable right or competitive need, and is not barred from registration on the basis of functionality.”

Second, the court determined that the color pink had acquired secondary meaning and consequently indicated Owens-Corning as the source of the insulation. The Owens-Corning court considered factors such as the amount of advertising dollars spent to promote the pink insulation, the length of time Owens-Corning had continuously used the color pink to identify its insulation, and survey evidence which demonstrated that the public associated pink insulation with Owens-Corning.

Judge Bissell dissented from the majority, complaining that the majority had deviated from the traditional rule that the overall color of a product could not be a trade identity designation, nor was it entitled to trademark protection. Judge Bissell offered four reasons to deny trademark protection for color alone. First, consistency and predictability required deference to prior court decisions that had not recognized protection of a color. Lawyers had advised clients and clients had conducted their affairs in light of the traditional rule. Thus, Judge Bissell believed that discarding the established jurisprudence would have a divisive effect on trademark law.

Second, Judge Bissell determined that because the law currently protected the use of color as an element of a trademark there was no need to establish a new rule for the Federal Circuit and, thus, create a division of the law among the United States

43. In re Owens-Corning Fiberglas Corp., 774 F.2d 1116, 1128 (Fed. Cir. 1985). The administrative process for obtaining trademark protection first requires application to the PTO. If the application is in sufficient form, it is referred to a trademark examiner. The applicant may appeal to the Trademark Trial and Appeals Board upon rejection of the application. See McCarthy, supra note 2, § 19.40, at 19-214 to -216. The United States Court of Appeals for the Federal Circuit hears appeals from the Board. See, e.g., In re Owens-Corning Fiberglas Corp., 774 F.2d 1116, 1118 (Fed. Cir. 1985). For discussion of the administrative procedure, see generally McCarthy, supra note 2, § 19.

44. Owens-Corning, 774 F.2d at 1118.
45. Id. at 1119-20.
46. Id. at 1122.
47. Id.
48. Id. at 1127-28.
49. Owens-Corning spent more than $42 million advertising its pink insulation over a thirty-year period. Id. at 1125. Further, a consumer survey conducted in 1981 showed that fifty percent of male homeowners questioned identified Owens-Corning as the manufacturer of pink insulation. Id. at 1127.
50. Id. at 1128 (Bissell, J., dissenting).
51. Id. at 1129 (Bissell, J., dissenting).
52. Id. (Bissell, J., dissenting).
53. Id. (Bissell, J., dissenting).
courts of appeal.\textsuperscript{54} Third, trademark protection for color alone might create market dominance by one manufacturer and, therefore, bar new entrants into the market.\textsuperscript{55} For example, Judge Bissell explained that if a color becomes synonymous with a certain product, a competitor may be unable to compete in the market if prevented from using that same color.\textsuperscript{56} Finally, Judge Bissell concluded that trademark protection for a color would result in problems of shade confusion.\textsuperscript{57}

2. \textit{NutraSweet Co. v. Stadt Corp.}

Five years after the Federal Circuit's decision in \textit{Owens-Corning}, the United States Court of Appeals for the Seventh Circuit reached a contrary result in \textit{NutraSweet Co. v. Stadt Corp.}.\textsuperscript{58} In \textit{NutraSweet}, Stadt began selling a sugar substitute named "Sweet 'N Low" in 1958 and packaged the substitute in pink packets to distinguish it from sugar.\textsuperscript{59} In 1982, NutraSweet began to sell its own sugar substitute, "Equal," in blue packets.\textsuperscript{60} Subsequently, in 1988, Stadt introduced another sugar substitute, "Sweet One," which it packaged in blue, albeit a different shade than the "Equal" packet.\textsuperscript{61} NutraSweet brought a trade dress infringement action against Stadt, contending the packets were confusingly similar. NutraSweet claimed that the product's trade dress consisted of color alone.\textsuperscript{62} The court agreed, "NutraSweet's action for trade-dress infringement did not include any logos, designs or other markings on its 'Equal' packets."\textsuperscript{63} Thus, the \textit{NutraSweet} court addressed whether the Lanham Act provides trade dress protection for mere color.\textsuperscript{64} Although a trade dress infringement case, the Seventh Circuit determined that there was no substantive legal difference between trade dress and trademark and cited trademark cases in resolving the issue of protection against NutraSweet.\textsuperscript{65}

In denying NutraSweet's claim for trade dress infringement, the \textit{NutraSweet} court found persuasive Judge Bissell's dissent in \textit{Owens-Corning}. Borrowing from Judge Bissell's analysis, the court recited four reasons for denying the claim. First, lawyers had advised clients based upon the prevailing law in the circuit.\textsuperscript{66} Second, there was no need to change the law.\textsuperscript{67} Third, infringement actions could soon degenerate into questions of shade confusion.\textsuperscript{68} Finally, "changing the law . . . might create a barrier

\textsuperscript{54} Id. at 1129-30 (Bissell, J., dissenting).
\textsuperscript{55} Id. at 1130 (Bissell, J., dissenting).
\textsuperscript{56} Id. (Bissell, J., dissenting).
\textsuperscript{57} Id. at 1131 (Bissell, J., dissenting).
\textsuperscript{58} 917 F.2d 1024 (7th Cir. 1990).
\textsuperscript{59} \textit{NutraSweet}, 917 F.2d at 1025.
\textsuperscript{60} Id. at 1026.
\textsuperscript{61} Id.
\textsuperscript{62} Id.
\textsuperscript{63} Id. at 1027 n.6.
\textsuperscript{64} Id. at 1026-27.
\textsuperscript{65} Id. at 1027 n.7.
\textsuperscript{66} Id. at 1027.
\textsuperscript{67} Id.
\textsuperscript{68} Id.
to otherwise lawful competition in the tabletop sweetener market.\textsuperscript{69}


Three years following the \textit{NutraSweet} decision, the United States Court of Appeals for the Eighth Circuit had the opportunity to consider the protection of a color trademark. In \textit{Master Distributors, Inc. \textit{v.} Pako Corp.},\textsuperscript{70} the court evaluated whether a common law color trademark was subject to an infringement action.\textsuperscript{71} In the case, Master Distributors, Inc. (MDI) had manufactured and sold a blue leader splicing tape used during photoprocessing.\textsuperscript{72} Although leader tape was traditionally colored black, MDI had dyed its tape blue to distinguish it from other tapes.\textsuperscript{73} Subsequently, a subsidiary of Pako began to manufacture and sell its own brand of blue leader splicing tape.\textsuperscript{74} Upon learning of this activity, MDI initiated an action alleging Pako infringed its common law trademark of the color blue.\textsuperscript{75}

The federal district court granted Pako's motion for summary judgment.\textsuperscript{76} However, the Eighth Circuit reversed, holding there was no 
\textit{per se} prohibition against protecting color as a trademark.\textsuperscript{77} The court noted, "[t]he United States Supreme Court has never expressly denied the possibility that color can be protected as a trademark."\textsuperscript{78} Further, the court expressly rejected the three traditional arguments against mere color protection — the color depletion theory,\textsuperscript{79} shade confusion,\textsuperscript{80} and the functionality doctrine.\textsuperscript{81}

III. Qualitex Co. \textit{v.} Jacobson Products Co.

A. The Facts

Qualitex Co. began manufacturing and selling various products for dry cleaners, laundries, and garment manufacturers in 1945.\textsuperscript{82} One such product was a press pad, a long pad that fits over the steel steam-delivering plate of a commercial steam press.\textsuperscript{83} Qualitex named the press pad "Sun Glow."\textsuperscript{84} Since 1970, Qualitex used a

\textsuperscript{69} Id. at 1028.
\textsuperscript{70} 986 F.2d 219 (8th Cir. 1993).
\textsuperscript{71} Id. at 221.
\textsuperscript{72} Id. at 220.
\textsuperscript{73} Id.
\textsuperscript{74} Id.
\textsuperscript{75} Id. at 220-21.
\textsuperscript{77} \textit{Master Distrbs.}, 986 F.2d at 221.
\textsuperscript{78} Id.
\textsuperscript{79} The color depletion theory assumes that there are a limited number of colors and granting rights in one color will deplete the number of available colors to manufacturers. \textit{See} discussion \textit{infra} Part IV.B.
\textsuperscript{80} Shade confusion involves the difficulty of distinguishing between similar color shades. \textit{See} discussion \textit{infra} Part IV.A.
\textsuperscript{81} Master Distrbs., Inc. \textit{v.} Pako Corp., 986 F.2d 219, 223 (8th Cir. 1993). The functionality doctrine prevents trademark protection of a feature that serves a utilitarian purpose. \textit{See} \textit{infra} text accompanying notes 99-101.
\textsuperscript{83} Id. The various components of the pads are: a heavy cover cloth, typically colored, made of a
green-gold cover cloth on its pad. In 1989, Jacobson Products Co., a long-time competitor of Qualitex, decided to extend its product line and began manufacturing press pads. To compete fairly with Qualitex, who was considered the leading manufacturer of quality press pads in the United States, Jacobson sought to obtain identical component parts for its press pads as those used by Qualitex. Additionally, Jacobson used the same green-gold cover cloth as that used by Qualitex because the cloth was of a high quality, was very durable, and the color was popular.

Qualitex registered the green-gold color for use on press pads as a trademark in 1991. That same year, Qualitex sued Jacobson for trademark infringement. The federal district court entered judgment for Qualitex and enjoined Jacobson from using the registered color. The court also held Jacobson liable for profits earned from the infringement. On appeal, the United States Court of Appeals for the Ninth Circuit reversed, holding that the Lanham Act does not permit registration of color alone as a trademark.

B. The Decision

The United States Supreme Court granted certiorari to consider whether the Lanham Act prohibits the registration of color as a trademark. Writing for the Court, Justice Breyer held that the Lanham Act permits the registration of a trademark "that consists, purely and simply, of a color." The Court found no theoretical objection to the use of color alone as a trademark where that color has

durable yarn able to withstand high temperatures, an interior comprised of a slab of foam rubber and a slab of fiberglass, and a bottom cloth, usually lighter and less durable than the cover cloth but heat resistant. Brief for Respondent at 2, Qualitex Co. v. Jacobson Prods. Co., 115 S. Ct. 1300 (1995) (No. 93-1577).

84. Qualitex, 21 U.S.P.Q.2d (BNA) at 1457. In 1959, Qualitex registered the name "Sun Glow" as a trademark. Id. at 1458.
85. Id.
86. Id.
88. Id. Jacobson decided to call the press pad "Magic Glow." Id.
89. The PTO permits trademark registration of color alone if: (1) the color is distinctive, (2) the color serves no competitive need in the industry, and (3) the color is not functional. U.S. PATENT & TRADEMARK OFFICE, TRADEMARK MANUAL OF EXAMINATION PROCEDURES § 1202.04(e), at 1202-13 (2d ed. 1993).
91. Qualitex, 21 U.S.P.Q.2d (BNA) at 1462. The district court also enjoined further trade dress infringement. Id.
92. Id.
95. Id.
attained secondary meaning and thus distinguishes the source of a particular product.\(^{96}\) Justice Breyer explained the basic purposes of trademark law are to encourage quality production, while discouraging competitors from selling inferior products by capitalizing on a consumer's inability to quickly evaluate a product's quality.\(^{97}\) The Court emphasized that "the source-distinguishing ability of a mark — not its . . . status as color, shape, fragrance, word, or sign — . . . permits it to serve these basic purposes."\(^{98}\)

Additionally, the Court rejected the functionality doctrine as an absolute bar to the use of color as a mark.\(^{99}\) The Court explained that under the functionality doctrine "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 . . . ."\(^{100}\) However, the Court recognized that sometimes color is not essential to a product's use or purpose and does not affect its cost or quality.\(^{101}\)

The Court also rejected two other traditional objections to the use of color as a trademark — shade confusion and color depletion.\(^{102}\) Rather, the Court found these objections insufficiently persuasive to justify a blanket prohibition. The Court explained that trial courts should address shade confusion and color depletion on a case-by-case basis.\(^{103}\) Further, the Court questioned pre-Lanham Act case law suggesting color could not constitute a trademark and noted that the Lanham Act "significantly changed and liberalized the common law to 'dispense with mere technical prohibitions . . . ."\(^{104}\) Finally, the Court rejected the argument that there is no need to permit color alone to function as a trademark because color maintains protection as part of a trademark or trade dress.\(^{105}\) The Court instead found that because trademark law affords more protection than trade dress protection, for instance, a competitor may prefer color protection alone rather than protection as part of a design.\(^{106}\)

96. Id. at 1303. "The law thereby 'encourage[s] the production of quality products' . . . . and simultaneously discourages those who hope to sell inferior product . . . . It is the source-distinguishing ability of a mark — not its ontological status as color, shape, fragrance, word, or sign — that permits it to serve these basic purposes." Id. at 1303-04 (quoting J. THOMAS MCCARTHY, MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 2.01(2), 2-3 (3d ed. 1994)).

97. Id. at 1304.
98. Id.
99. Id.
100. Id. (quoting Inwood Labs., Inc. v. Ives Labs., Inc., 456 U.S. 844, 850 n.10 (1982)).
101. Id. at 1304. "In general terms, 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 . . . ." Id. (quoting Inwood Labs., 456 U.S. at 850 n.10).
102. Id. at 1305-06.
103. Id.
104. Id. at 1307 (quoting S. REP. NO. 79-1333, at 3 (1946)).
105. Id. at 1308.
106. Id. "[A] firm might want to use color, pure and simple, instead of color as part of a design. . . . Trademark law helps the holder of a mark in many ways that 'trade dress' protection does not." Id.; see, e.g., 15 U.S.C. § 1124 (1994) (ability to prevent importation of confusingly similar goods); id. § 1072 (constructive notice of ownership); id. § 1065 (incontestable status); id. § 1057(b) (prima facie evidence of validity and ownership).
IV. Analysis

A. Shade Problems

In Qualitex, defendant Jacobson argued that permitting use of a color as a trademark would produce uncertainty and unresolvable legal disputes about what shades of a color a competitor may lawfully use. Jacobson added that differences in lighting and human perceptions would cause competitors and courts to suffer from "shade confusion" as they attempted to decide whether use of a similar color confuses customers and ultimately results in infringement.

Indeed, several courts have found Jacobson's argument compelling. For example, in NutraSweet Co. v. Stadt Corp., the Seventh Circuit predicted that "infringement actions could soon degenerate into questions of shade confusion." The facts of NutraSweet provide a vivid example of the problems with shade confusion.

NutraSweet does not contend that the color blue of the "Sweet One" packet is identical to the color blue of the "Equal" packet, but rather, based upon market research, that the shades of blue are confusingly similar. How different do the colors have to be? Under NutraSweet's proposed test, the only way to answer that question is through litigation.

The dissenting judge in In re Owens-Corning Fiberglas Corp. likewise cited shade confusion as a reason to bar trademark protection for a color. Moreover, the Owens-Corning dissent noted further a problem with shade confusion: "Considering that registrations are printed only in black and white, . . . and have only code linings for color (pink and red [indicated] the same), registration will add only greater imprecision." In other words, the application for trademark registration does not allow an applicant to designate a specific color shade; rather, the application provides only for the designation of one of the primary colors listed.

The Supreme Court in Qualitex, nonetheless, rejected shade confusion as a reason for barring trademark protection of a color. The Court recognized that judges routinely decide quite difficult questions about whether two words or phrases or symbols are sufficiently similar to confuse buyers. Indeed, lower courts are
commonly called upon to decide whether two colors are similar in cases where a trademark consists of a color and a design.\textsuperscript{118}

Furthermore, some commentators agree with the Supreme Court and argue that although the determination of the differences between shades of color, or between colors themselves, may be difficult, this often amounts to no more than determining the differences between word marks or graphic marks that are very similar.\textsuperscript{119} Frequently, courts are required to determine likelihood of confusion in infringement actions with respect to all kinds of marks.\textsuperscript{120} This argument suggests that the determination of likelihood of confusion caused by two colors is no different. Of course, confusion is the essence of an infringement claim; therefore, under this analysis, infringement actions should "degenerate" into questions of confusion.\textsuperscript{121}

However, by dismissing the importance of shade confusion, the Supreme Court failed to recognize inevitable practical problems with the above reasoning. Ironically, Amsted Industries, Inc. v. West Coast Wire Rope & Rigging, Inc.,\textsuperscript{122} a case which the Qualitex Court cited as an example of prior judicial determination of color similarity in a trademark design, perfectly illustrates these problems.\textsuperscript{123} In Amsted, West Coast Wire (WCW), a rope manufacturer, sought trademark registration for its wire rope, describing the mark as consisting of one green strand and one yellow strand forming a structural part of the rope.\textsuperscript{124} Amsted, a competitor, opposed the registration on the grounds that WCW's green and yellow striped rope resembled Amsted's own wire rope which had two adjacent yellow strands; thus, Amsted claimed that WCW's rope would deceive or confuse customers.\textsuperscript{125} Both Amsted and WCW failed to introduce actual samples of their products into evidence, relying instead on photographs.\textsuperscript{126} These photographs were of such poor quality that the Trademark Trial and Appeal Board (the Board) could not determine the actual shade of the colors.\textsuperscript{127}

The Board noted that the absence of any reliable evidence as to the colors was a consequence of existing rules and practices in the registration of color marks.\textsuperscript{128} These rules require the applicant to designate colors on the registration application by using various patterns of lines.\textsuperscript{129} The rules do not provide a method to specify sickness remedies); 'Huggies' and 'Dougies' (diapers); 'Cheracol' and 'Syrocol' (cough syrup); 'Cyclone' and 'Tornado' (wire fences) and 'Mattres' and '1-800-Mattres' (mattress franchiser telephone numbers)."

\textit{Id.}

\textsuperscript{118} \textit{Id.}


\textsuperscript{120} \textit{Id. at 14.}

\textsuperscript{121} \textit{Id.}


\textsuperscript{123} See Qualitex, 115 S. Ct. at 1305.

\textsuperscript{124} Amsted, 2 U.S.P.Q.2d (BNA) at 1756.

\textsuperscript{125} \textit{Id.}

\textsuperscript{126} \textit{Id. at 1758.}

\textsuperscript{127} \textit{Id.}

\textsuperscript{128} \textit{Id.}

\textsuperscript{129} \textit{Id. at 1759-60. The Rule of Practice setting forth the various linings and their color equivalents.}
particular color shades or hues apart from the colors designated on the application. 130 Further, in judicial proceedings held to determine likelihood of confusion, the court is required to consider the marks as presented for registration, rather than the marks as they appear in the marketplace, unless the parties present actual samples of their marks. 131

Therefore, lacking actual samples from the parties, the Board in Amsted had to decide the likelihood of confusion based on the registration application alone. Because the shade of green can vary greatly, the Board presumed it might be yellowish-green. 132 Thus, the Board concluded that confusion was likely between Amsted's rope, containing two adjacent yellow strands, and WCW's rope, containing adjacent yellow and green strands. 133

Based on its experience in Amsted, the Board expressed dissatisfaction with the present procedure for designating colors in trademark applications and questioned whether it is adequate for contemporary needs. 134 The Board additionally noted that in Owens-Corning the Federal Circuit expressed confidence in the Board's ability to exercise judgment in determining shade confusion questions. 135 However, the Board suggested that, in light of the difficulty illustrated in Amsted, the Federal Circuit might have misplaced its confidence. 136

In addition to the evidentiary problems in shade confusion cases just discussed, other complications may arise when the color as it appears in the marketplace varies greatly. For example, in Youngstown Sheet and Tube Co. v. Tallman Conduit Co., 137 also favorably cited in Qualitex, the Board had to evaluate the likelihood of confusion between two trademarks. 138 Youngstown's registered mark consisted of a band of orange paint applied to its metal pipe. 139 Tallman sought to register a mark consisting of a band of gold paint applied to its bituminous fiber sewer pipe. 140

The Board held that confusion was likely because both orange and gold are combinations of red and yellow. 141 Further, the Board found the color orange can vary in hue, saturation, and brilliance. 142 In fact, Youngstown's evidence showed

---

is codified in 37 C.F.R. § 2.52(e) (1995). Certain linings are usable for two different colors. The colors are red or pink, brown, blue, gray or silver, violet or purple, green, orange, and yellow or gold. 37 C.F.R. § 2.52(e) (1995). When one of the dual-color linings (such as the one for violet or purple) is used, the word description of the mark accompanying the drawing controls the determination of which of the colors is intended. Id. § 2.35.

130. Amsted, 2 U.S.P.Q.2d (BNA) at 1760.
131. Id. at 1758 (citing Youngstown Sheet & Tube v. Missouri Rolling Mill Corp., 133 U.S.P.Q. (BNA) 661 (T.T.A.B. 1962)).
132. Id. at 1760.
133. Id. at 1762.
134. Id. at 1762 n.9
135. Id.
136. Id.
139. Youngstown, 149 U.S.P.Q. (BNA) at 657.
140. Id.
141. Id. at 657-58.
142. Id.
that its color mark varied greatly in the use and advertising of its pipe from deep reddish orange to light orange.\textsuperscript{143} Thus, the Board concluded that light orange is virtually indistinguishable from gold and refused to register Tallman's gold mark.\textsuperscript{144} Such an outcome, however, seems unreasonable considering the difference between the two colors.

The problems evident in \textit{Amsted} and \textit{Youngstown} could have easily occurred in a case such as \textit{Qualitex}. Qualitex had registered its green-gold mark as a trademark. The trademark application required Qualitex to designate the mark as either green or as yellow or gold (yellow and gold are indicated by marking the same code lining). Thus, Qualitex could not have specified the specific green-gold shade. Further, Qualitex could have used the color in varying shades in the marketplace from mostly green to mostly gold. Thus, competitors such as Jacobson would not have been able to determine which specific shade was subject to trademark protection.

In addition, a court could have an extremely difficult time deciding if a competitor's shade infringed Qualitex's green-gold. For example, if a court had the black and white trademark application and samples of varying shades of green-gold used by Qualitex, a court could conclude that a competitor's yellowish-green infringes on Qualitex's green-gold because both colors contain yellow and green. Thus, a competitor may not be able to use a color that is clearly distinguishable from the trademark color. In light of the problems evident in \textit{Amsted} and \textit{Youngstown}, the Supreme Court's disregard of shade confusion neglects the actual problems courts and competitors will face under the \textit{Qualitex} holding.

\textbf{B. Limiting Available Colors}

The defendant in \textit{Qualitex} also argued that color depletion should bar trademark protection for color alone. The basis of the color depletion theory is that there are a limited number of colors.\textsuperscript{145} Thus, granting rights in one color will deplete the number of colors available to other manufacturers.\textsuperscript{146} Because the use of color for marketing a product is important in any industry, limiting a manufacturer's use to only a few colors is clearly anticompetitive.

In \textit{Diamond Match Co. v. Saginaw Match Co.},\textsuperscript{147} the Sixth Circuit relied on color depletion to deny trademark rights for the color of a match head. The court stated "[t]he primary colors, even adding black and white, are but few. If two of these colors can be appropriated for one brand of tipped matches, it will not take long to appropriate the rest."\textsuperscript{148} Additionally, the court determined that potential entrants into the market would be unable to sell a product when competitors have spoken for all the available colors.\textsuperscript{149} Similarly, in \textit{Campbell Soup Co. v. Armour \\& Co.},\textsuperscript{150}

\begin{flushright}
\textsuperscript{143} Id. at 658.
\textsuperscript{144} Id.
\textsuperscript{145} See Campbell Soup Co. v. Armour \\& Co., 175 F.2d 795, 798 (3d Cir. 1949).
\textsuperscript{146} Id.
\textsuperscript{147} 142 F. 727 (6th Cir. 1906).
\textsuperscript{148} Id. at 729.
\textsuperscript{149} Id. at 730.
\textsuperscript{150} 175 F.2d 795 (3d Cir. 1949).
\end{flushright}
the Third Circuit refused to protect the red and white color of Campbell's labels based on the color depletion theory. The court reasoned that "[i]f [Campbell] may thus monopolize red in all of its shades the next manufacturer may monopolize orange in all its shades and the next yellow in the same way. Obviously, the list of colors will soon run out."151

Nonetheless, the Supreme Court in Qualitex rejected the color depletion theory. The Court found the theory to be unpersuasive because it relies on an occasional problem to justify a blanket prohibition.152 Citing Owens-Corning, the Court stated, "[w]hen a color serves as a mark, normally alternative colors will likely be available for similar use by others."153 The Court further observed that the functionality doctrine would provide an adequate safeguard against the anticompetitive concerns that might arise in the case where alternate colors were not available.

The functionality doctrine . . . forbids the use of a product's feature as a trademark: where doing so will put a competitor at a significant disadvantage because the feature is "essential to the use or purpose of the article" or "affects [its] cost or quality." The upshot is that, where color serves a significant nontrademark function . . . courts will examine whether its use as a mark would permit one competitor (or a group) to interfere with legitimate (non-trademark related) competition through actual or potential exclusive use of an important product ingredient . . . But, ordinarily, it should prevent the anticompetitive consequences of Jacobson's hypothetical "color depletion" argument . . . .154

Several commentators agree with the Supreme Court's disregard of the color depletion theory. One commentator has argued that there is not an easily exhaustible supply of colors: "Hundreds of color pigments are manufactured and thousands of colors can be obtained by mixing hues with each other . . . ."155 Similarly, the Master Distributors, Inc. v. Pako Corp.156 court found that a color atlas contained names and samples of 1266 colors.157

In Qualitex, however, Jacobson argued that only some colors are usable for a particular product.158 Jacobson further claimed that because competitors will have to discard colors they cannot use without risking infringement of a similar shade, only a handful of possible colors will remain available for use.159 Although the Court found no merit in this argument, it is clearly logical. The ordinary person can

151. Id. at 798.
153. Id.
154. Id. at 1306-07. (citations omitted).
155. Id. at 1305.
156. 986 F.2d 219 (8th Cir. 1993).
157. Id. at 223.
158. Qualitex, 115 S. Ct. at 1305.
159. Id.
only distinguish a few basic color shades. Although scientific methods can accurately distinguish color shades, no method can determine whether or not the human eye can distinguish them.

In addition, other practical limitations in an industry may reduce the range of colors available for a product or package. For example, only a certain number of colors are available for children's toys because of government toxicity standards. Further, consumers consider dark colors unattractive for containers of many food products such as milk and ice cream: "Dark-colored packages tend to look used, and people do not want to buy goods that look as if they have been handled a lot."

Another consideration in color depletion is that consumers may examine products and their colors either side by side or individually. Because a person's ability to remember a color individually is less precise than in a side by side analysis of two products, the range of colors taken up by products individually presented will be greater. In NutraSweet, a further illustration of the color depletion problem, the Equal package description was "greenish-blue" while the Sweet One package color description was "reddish-blue." A survey showed fifty percent of those questioned confused the two colors. This survey suggests that a consumer will confuse a broader range of colors than merely the precise protected color, thus limiting the number of available colors for competitors to use. Therefore, the number of useable colors is greater than the traditional "few primary" colors but clearly is not as large as the Supreme Court and some commentators suggest.

Professor J. Thomas McCarthy, a well-known author on trademark law, has criticized those who would reject the color depletion theory because of the abundance of useful colors: "Some courts blithely assume that because there are hundreds of scientifically identifiable shades, consumers can distinguish between them ... and that therefore colors will never be 'depleted'." McCarthy considers this to be a "naive view." This view erroneously assumes that the first com-

160. MCCARTHY, supra note 2, § 7.16[2], at 7-70.
161. Id. § 7.16[2], at 7-72.
163. Id. at 997.
165. Summerfield, supra note 162, at 996.
166. Id. (citing Brief for Appellee at 18, NutraSweet Co. v. Stadt Corp., 917 F.2d 1024 (7th Cir. 1990)).
167. Id. (citing Evidence for Appellant, NutraSweet Co. v. Stadt Corp., 917 F.2d 1024 (7th Cir. 1990)).
168. Id.
169. Id. (quoting Brian R. Henry, Right History, Wrong Peg: In re Owens-Corning Fiberglass Corporation and the Demise of the Mere Color Rule, 76 TRADEMARK REP. 389, 403 (1986)).
170. MCCARTHY, supra note 2, § 7.16[2], at 7-71.
171. Id.
petitor in a market to use a primary color such as "red" as its distinguishing color will not sue when a competitor enters the same market with red, based on the junior user's argument that its "yellowish-red" is not confusingly similar to the senior user's "bluish-red." In reality, the senior user of red will surely attempt to protect its mark by suing the junior use for its use of yellowish-red.

Finally, one commentator noted that "[a]ll that it takes to erode the color depletion theory is a quick trip to any paint store, hardware store, or art supply store." Presumably, it would take a very long time to exhaust all of the color choices. However, anyone who has been unable to distinguish between fine variations of shades in a paint store will clearly appreciate the real problem when a judge or juror is asked to determine whether "yellowish red" infringes "bluish red." C. Fostering Anticompetition

According to the legislative history of the Lanham Act, trademark statutes serve three purposes: (1) "to protect the public from deceit, (2) to foster fair competition, and (3) to secure to the business community the advantages of reputation and good will. . . ." In interpreting the Lanham Act, courts have struggled to balance the conflicting goals of consumer protection and the maintenance of good will and reputation of a business with the interference in legitimate competition. The dissent in Owens-Corning found that "the 'property' in a trademark is the right to prevent confusion, not to bar new entrants into the market." Further, in support of the procompetitive theme, the Second Circuit in Wallace International Silversmiths, Inc. v. Godinger Silver Art Co. noted, "[i]t is a first principal of trademark law that an owner may not use the mark as a means of excluding competitors from a substantial market."

In Qualitex, Jacobson unsuccessfully argued that color is the "most vital human sense." Jacobson claimed that "color is one of the few modes of communication which touches all but the few who cannot experience it." Because "color plays a dramatic role in the marketplace today," Jacobson explained that it would be

172. Id.
174. Id.
175. McCarthy, supra note 2, § 7.16[2], at 7-71.
178. 916 F.2d 76 (2d Cir. 1990).
179. Id. at 81.
180. Respondents' Brief at 18, Qualitex (No. 93-1577) (citing Brief Amicus Curiae of Dr. Pepper/Seven-Up Corporation, at 10).
181. Id.
inappropriate and anticompetitive to grant any manufacturer of any product a complete monopoly for any particular color for their product.\textsuperscript{182}

The Supreme Court contemplated the effect on competition of allowing trademark protection for a color but nonetheless dismissed Jacobson's claims that such protection would be anticompetitive: "Although it is important to use some color on press pads to avoid noticeable stains, the [Ninth Circuit] . . . found 'no competitive need in the press pad industry for the green-gold color, since other colors are equally usable."\textsuperscript{183} By mixing the functionality doctrine and competitive need, the Supreme Court found that courts will examine whether a color's use as a mark would permit one competitor to interfere with legitimate competition through exclusive use of an important product ingredient — color.\textsuperscript{184}

In \textit{NutraSweet}, however, the Seventh Circuit found that protection of color alone might create a barrier to otherwise lawful competition.\textsuperscript{185} NutraSweet had urged the court to adopt a fact-driven standard, such as that adopted by the Supreme Court in \textit{Qualitex}.\textsuperscript{186} This standard would require the trial court to determine the number of competitors and the likelihood of future competitors in the market to determine whether there is a competitive need for the color blue to remain available.\textsuperscript{187} Nonetheless, the Seventh Circuit correctly rejected this standard. That court feared that such a standard "would prove unworkable, for there is no way for a court to predict the likelihood of future competitors in a particular market."\textsuperscript{188} Contrary to the \textit{Qualitex} Court, the \textit{NutraSweet} court further recognized such a standard's effect on competition:

> It is likely, however, that if each of the competitors presently in the tabletop sweetener market were permitted to appropriate a particular color for its product, new entrants would be deterred from entering the market. The essential purpose of trademark law is to prevent confusion, not to bar new entrants into the market.\textsuperscript{189}

Moreover, the \textit{NutraSweet} court observed that, without monopolizing a color, NutraSweet could seek protection through an unfair competition claim under the Lanham Act if a competitor tried to pass off its goods as those of NutraSweet.\textsuperscript{190}

In her \textit{Owens-Corning} dissent, Judge Bissell gave an excellent example of how trademark protection of a color alone might bar new entrants into the market.\textsuperscript{191}

\begin{flushright}
\textsuperscript{182} \textit{Id.} at 19.
\textsuperscript{184} \textit{Id.} at 1306.
\textsuperscript{185} \textit{NutraSweet Co. v. Stadt Corp.}, 917 F.2d 1024, 1028 (7th Cir. 1990).
\textsuperscript{186} \textit{Id.}
\textsuperscript{187} \textit{Id.}
\textsuperscript{188} \textit{Id.}
\textsuperscript{189} \textit{Id.}
\textsuperscript{190} \textit{Id.}
\textsuperscript{191} \textit{In re Owens-Corning Fiberglas Corp.}, 774 F.2d 1116, 1130 (Fed. Cir. 1985) (Bissell, J., dissenting).
\end{flushright}
She reasoned that due to the dominance of Owens-Corning in the field, pink insulation had become virtually synonymous with home insulation.192 Thus, if barred from making pink insulation, new entrants would be unable to effectively compete.193 In fact, the record revealed the extent of Owens-Corning's domination of the field stating "some shoppers will no longer buy fiberglass insulation unless it is pink."194

Indeed, the Owens-Corning market situation is remarkably similar to the market situation in Qualitex. Nonetheless, the Supreme Court neglected to address the fact that trademark protection of a color could bar new entrants into a market. Qualitex had manufactured a green-gold press pad for more than thirty years. Further, Qualitex was arguably the leading manufacturer of quality press pads in the United States. To compete fairly in the press pad market, Jacobson sought to use the same green-gold cover cloth for its own press pad. However, the unfortunate result of the Supreme Court's anticompetitive holding is that Jacobson might be barred from successful entry into the press pad market.

V. Recommendation to Limit Shade Confusion Problems

It is inevitable that color depletion and shade confusion problems will result from trademark protection of color alone. However, federal legislation could prevent at least some of the shade confusion problems. Congress could easily revise the existing rules regarding trademark registration. Currently, registration applications appear in black and white and merely have eight separate code linings for colors.195 Further, of the eight code linings, four are dual linings which indicate either of two colors, such as red or pink.196 Registration does not provide a means of specifying particular shades or hues different from the primary colors listed on the application. To avoid problems with what will surely be an increase in color trademark infringement suits, Congress should modify the rules to allow precise color registration. The application section that provides for color designation could be printed in color.197 Additionally, the section could contain a broad range of shades for each primary color currently listed. Thus, the applicant could more precisely indicate its color mark. Although this recommendation will not solve all the problems of shade confusion, courts and competitors will at least know which particular shade has trademark protection.

VI. Conclusion

The consequences of the Qualitex decision will be significant. In addition to the problems with shade confusion and color depletion and the negative effect on

192. Id. (Bissell, J., dissenting).
193. Id. (Bissell, J., dissenting).
194. Id. (Bissell, J., dissenting) (quoting the record).
197. The increased cost of printing color applications will surely be far more than offset by the decrease in litigation cost's.

https://digitalcommons.law.ou.edu/olr/vol49/iss1/8
competition, *Qualitex* will encourage owners of trademarks that consist simply of color to quickly register those marks. Therefore, companies formerly relegated to trade dress infringement claims will now likely sue for trademark infringement as well. However, because a color is inherently nondistinctive, companies seeking to obtain trademark rights in a color will have to promote the color mark as an identifier of the product source until the mark has acquired secondary meaning. In *Owens-Corning*, for example, Owens-Corning spent more than $42 million advertising its pink insulation over a thirty-year period. Thus, manufacturers who can afford to may have to spend large amounts of time and money to establish secondary meaning for their color mark.

Despite the Supreme Court's flawed reasoning and the practical problems of trademark protection of a color alone, *Qualitex* nonetheless succeeds in establishing a clear rule for all circuits to follow. The Lanham Act permits the registration of a trademark that consists of a color if: (1) the color has acquired secondary meaning; (2) the color does not serve a utilitarian function; and (3) the color mark meets all other requirements for trademark protection. Further, the Court in *Qualitex* expressed that, except in exceptional cases, shade confusion and color depletion are no longer valid reasons to deny trademark protection of a color.

*Paige Stratton Bass*

---

198. *See supra* text accompanying notes 24-25.
199. *Owens-Corning*, 774 F.2d at 1125.