IN DEFENSE OF PRODUCT CONFIGURATION PROTECTION: A COMPARISON OF BRITISH AND UNITED STATES TRADEMARK LAW

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1. INTRODUCTION

On May 8, 1986, the House of Lords denied the Coca-Cola Company (Coke) trademark protection for the shape and design of the bottle Coke had been using in England for almost eighty years.¹ The House of Lords denied protection despite: (1) convincing evidence that the public associated the shape of the bottle with Coke's beverage,² (2) a finding that the bottle had a distinctive shape,³ and (3) the fact that the bottle was "used . . . in relation to goods for the purpose of indicating . . . a connection . . . between the goods and some person having the right . . . to use the mark," as required by the British trademark statute.⁴

Denying protection to Coke's "container"⁵ has at least three negative implications. First, it will encourage others to enter the soft-drink market and profit from Coke's acceptance and goodwill. Second, it will

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⁴ Trade Marks Act, 1938, 1 & 2 Geo. 6, ch. 22, § 68.

⁵ See generally Coke, [1986] 1 W.L.R. at 698, [1986] 2 All E.R. at 276 (where Lord Templeman not only characterizes the item as a "container," instead of a mark, but uses that characterization as one of the bases for denying Coke trademark protection).
confuse consumers, many of whom buy such items impulsively without investigating the source of the product. Third, by denying trademark protection to Coke’s bottle, Britain’s treatment of distinctive containers (or “product configurations”) for liquid goods is completely opposite from that of the United States. This is incongruous because both the United States and British trademark laws are virtually identical. Moreover, the United States has developed a way to grant protection to such containers without causing confusion in the marketplace.


* The term “product configuration” is used instead of “container,” “package design,” “product shape,” or “product design,” because product configuration has a meaning which is broader in scope. Product configuration refers to all elements of a product or its packaging that may set the item apart and thus serve as a trademark. Moreover, many articles and cases on functionality now refer to product or container design as product configuration. See, e.g., Duft, “Aesthetic” Functionality, 73 Trademark Rep. 151 (1983) (discussing product configuration in relation to both utilitarian and aesthetic functionality); Schuman, supra note 6; Spratling, The Protectability of Package, Container, and Product Configurations, 63 Trademark Rep. 117 (1973) (discussing the continued use of state unfair competition protection in the wake of two principal United States Supreme Court decisions that held that state law cannot be used to protect a configuration not protected by federal trademark or patent law).

8 Compare 15 U.S.C. § 1115 (1982) (“Any registration . . . owned by a party to an action . . . shall be prima facie evidence of registrant’s exclusive right to use the registered mark . . . .”) and 15 U.S.C. § 1127 (1982) (“trademark includes any word, name, symbol or device . . . used by a manufacturer or merchant to identify and distinguish his goods . . . from those . . . sold by others . . . .”) with Trade Marks Act, 1938, 1 & 2 Geo. 6, ch. 22, § 4 (“registration . . . of a person in Part A . . . as proprietor of a trade mark . . . shall . . . [give] to that person the exclusive right to the use of the trade mark . . . .”) and id. § 68 (“‘trade mark’ means . . . a mark used . . . in relation to goods for the purpose of indicating . . . a connection . . . between the goods and some person having the right . . . to use the mark . . . .”). See also infra text accompanying notes 138-42 & 161-68.

9 See infra text accompanying notes 56-73.
This Comment analyzes the United States experience in this area of trademark law, looking particularly at the rationale used to protect distinctive product configurations with trademark rights. An analysis of the British experience then follows, concluding with an examination of the Coca-Cola decision itself. The United States and British approaches are then compared, examining the assertions that the United States treatment is (1) more consistent with the purposes of trademark protection, (2) less likely to confuse consumers regarding similar products, and (3) more likely to reward those who successfully market products with protection for their recognized configurations.

2. UNITED STATES TRADEMARK PROTECTION

2.1. Statutory Protection

2.1.1. General Concepts

One of the fundamental objectives of United States economic regulatory law is the promotion of free and fair competition.\textsuperscript{12} Trademark law furthers this objective by first, encouraging merchants to differentiate their products with marks or configurations and second, assuring them that such marks will be protected from infringement by competing merchants. Thus, most products and services in the United States are differentiated by either marks on the item (or its packaging) consistently used in conjunction with the item, or by different designs of the same item.\textsuperscript{13} One of the most important functions of such marks is to encourage the production of quality products on a consistent basis.\textsuperscript{14} Trademarks facilitate this because "they fix responsibility. Without marks, a merchant's mistakes or low quality products would be untraceable to their source. Therefore, trademarks create an incentive to keep up a good reputation."\textsuperscript{15}


\textsuperscript{13} See Schuman, supra note 6, at 780.

\textsuperscript{14} 1 J. McCarthy, supra note 12, § 2.1, at 45-46.

\textsuperscript{15} Id. As long as consumers can link a particular quality level with a particular brand, providers of goods and services will have an incentive to increase (or maintain) that quality. In contrast, if there were no marks or other devices that enabled product differentiation, providers would have little or no incentive to improve (or maintain) a certain level of quality. Market share would shift to those who provided equivalent goods at the lowest price, regardless of quality. To recoup market share, producers would lower prices by abandoning efforts to maintain quality, leading to an overall decrease in quality.

In a predominantly competitive economy, it is unlikely that an absence of differentiating marks would persist. Rather, it is likely that competitive innovation would eventually lead to the creation of marks, much the same as Adam Smith thought "the invis-
Another important function of such marks or product configurations is the reduction of information-gathering costs for the consumer. This reduction occurs when the consumer can associate certain levels of quality and product performance with certain product configurations. Essentially, the configuration becomes "a basis for choice." The risk of variations in quality is reduced if the consumer can associate a particular product configuration with a particular product.

The major sources of product configuration protection in the United States are unfair competition law and trademark law. Unfair competition is a much broader concept than trademark law, since "everything that is likely to have an impact on the purchaser is relevant to the ultimate determination of whether there is probable 'unfairness' [by the merchant] or confusion by the purchaser." While trademark law is thus generally considered a separate doctrine within unfair competition law, it is important to note:

[t]here is . . . a fundamental distinction to be drawn between trade-mark infringement and unfair competition . . . The essential element of a trade-mark is the exclusive right of its owner to use a word or device to distinguish his product. On the other hand, a claim of unfair competition considers the total physical image given by the product and its name together.
Although this doctrinal distinction exists, both sets of laws have common goals related to free and fair competition. Both attempt to balance "the interests of entrepreneurs in securing goodwill, the interests of consumers in not being deceived as to the source of goods and services, and the interests of competitors in not being disabled from using [configurations necessary to compete]." 22

2.1.2. Important Provisions

Unfair competition is generally governed by state law. 23 Similarly, most states provide trademark protection for product configuration rights acquired through trading within the state. 24 These statutes are of limited consequence, 25 however, because the protection they provide is limited both geographically and substantively. 26 Because of this limitation, most trademark protection in the United States is granted and governed by the Trademark Act of 1946 (known as the Lanham Act). 27 "Although [this Act] imposes registration as a prerequisite to protection, federal trademark law closely follows unfair competition law's substantive principles." 28 This is clear not only from the sections of the Lanham Act that will be discussed below, 29 but the final section of the Act as well, which states:

The intent of this chapter is to regulate commerce . . . by making actionable the deceptive and misleading use of marks . ..; to protect registered marks . .; from interference by State, or territorial legislation; to protect persons . . against unfair competition; to prevent fraud and decept-

22 1 PINNER'S, supra note 12, U.S.A., Brands and Signs, at 1.
23 See Aronson v. Quick Point Pencil Co., 440 U.S. 257 (1979) (Federal patent law is not a barrier to enforcement of a "trade secret" contract under state law.).
26 Id.; 2 J. MCCARTHY, supra note 12, § 22.1, at 25. In general, however, the type of protection provided and the mode of protection used in individual states very closely imitates federal trademark law. See, e.g., Standard Terry Mills, Inc. v. Shen Mfg. Co., 803 F.2d 778 (3d Cir. 1986) (trademark protection laws in Pennsylvania are very similar to federal law).
28 E. KITCH & H. PERLMAN, supra note 20, at 264. For example, the fundamental rule of unfair competition that rights are honored only to the extent of a mark's actual use is paralleled in the Lanham Act's requirement that, to be registered, a mark must already be in use commercially in connection with goods or services. Id. The requirement of actual use is found at 15 U.S.C. § 1051 (preamble).
29 See infra text accompanying notes 31-37 & 44-47.
tion . . .; and to provide rights and remedies stipulated by treaties . . . respecting trade-marks, trade names, and unfair competition.\textsuperscript{30}

Under the Act, the owner\textsuperscript{31} of a product configuration\textsuperscript{32} may register it on the "Principal Register"\textsuperscript{33} if it is actually used in commerce\textsuperscript{34} and if the owner complies with certain procedural matters.\textsuperscript{35}

"Actual use," the first fundamental concept embodied in the law, requires the product configuration to be used in commerce prior to the time the owner seeks to register it.\textsuperscript{36} Thus, "ownership [of a trademark] rests on adoption and use, not registration."\textsuperscript{37} A second fundamental


\textsuperscript{31} As used in the Act, the word person "and any other word or term used to designate the applicant or other entitled to a benefit or privilege . . . under . . . this chapter includes a juristic person as well as a natural person. The term 'jurist person' includes a firm, corporation, union, association, or other organization capable of suing and being sued in a court of law." Id.

\textsuperscript{32} "Trade mark" is defined as including "any word, name, symbol or device or any combination thereof adopted and used by a manufacturer or merchant to identify his goods and distinguish them from those manufactured or sold by others." Id.

\textsuperscript{33} There are two different registers upon which to register a trademark in the United States. These are known as the Principal Register and the Supplemental Register. The requirements for registration on the Principal Register are listed in 15 U.S.C. § 1051, and include what one would normally consider necessary for the registration of a trademark — distinctiveness, use, and procedural requirements. Registration on the Principal Register confers certain procedural and substantive advantages on the owner, such as automatic federal jurisdiction, id. § 1121; recoverability of treble damages, id. § 1117; and the allowance of proof of the registration as prima facie evidence of ownership and exclusive rights, id. §§ 1057(b), 1115(a). Many of these advantages are not available with registration on the Supplemental Register. See 1 J. McCARTHY, supra note 12, § 19.8, at 887. Many marks capable of distinguishing an applicant's goods or services and not registrable on the Principal Register may be registered on the Supplemental Register as long as they have been in lawful use in commerce for the year immediately preceding the registration. 15 U.S.C. § 1091. Registration on the Supplemental Register, however, confers no substantive rights beyond those granted under common law. See Clairol, Inc. v. Gillette Co., 389 F.2d 264, 267 (2d Cir. 1968).

One of the main reasons for the existence of the Supplemental Register is to enable persons in the United States to domestically register marks so they can obtain registration under the laws of other countries. See 1 J. McCARTHY, supra note 12, § 19.8, at 886. This is possible because many foreign nations (including Britain) automatically allow registration (and provide protection) without prior use based on registration in the United States. Id. § 19.1, at 877.

\textsuperscript{34} "[A] mark shall be deemed to be used in commerce . . . when it is placed in any manner on . . . goods or their containers or the displays associated therewith or on the tags or labels affixed thereto and the goods are sold or transported in commerce . . . ." 15 U.S.C. § 1127.

\textsuperscript{35} See id. § 1051.

\textsuperscript{36} For a discussion of ways to mitigate the harshness of the use requirement, see Harrison, How to Maintain a United States Trademark Registration Without Use in Commerce; Section 8 and Registrations Under Section 44, 74 TRADEMARK REP. 254 (1984).

\textsuperscript{37} 1 J. McCARTHY, supra note 12, § 19.4, at 881; see E. KINTNER & J. LAHR, AN INTELLECTUAL PROPERTY LAW PRIMER 263 (2d ed. 1982).
concept is that no configuration may be registered that is so similar to another one already in use that the new configuration would cause confusion, mistake or deception. This is known as the "likelihood of confusion" standard. The concept is often the central issue in many trademark cases, leading courts to examine many factual issues regarding the product, the configuration at issue, and different aspects of the market in which the product competes. Both the substantive and procedural elements of the Act are brought together in the overall protection provided the owner of a properly registered and maintained product configuration: "Any registration on the principal register and owned by a party to an action shall be prima facie evidence of [an] exclusive right to use the registered mark in commerce on the goods or services." Where there is sufficient use but no registration, the same protection can be obtained by way of section 43(a).

The registration of any configuration is valid for twenty years from the date of issuance, provided the owner files an affidavit during the sixth year of its use asserting that the configuration is in use in commerce or, if it is not in use, that the owner has no intention of abandoning it and has a legitimate excuse for not using it. 15 U.S.C. § 1058(a). Failure to file such an affidavit will result in cancellation of the registration at the end of the sixth year. Id. Such registration may be renewed indefinitely for periods of twenty years as long as all the initial requirements continue to be met and certain procedural requirements are followed. Id. § 1059. This is in direct contrast to the treatment afforded patents. These last for a limited period of time (regardless of the number of assignments of the patent), after which time the protection expires, releasing the subject matter into the public domain. Id. at 66.

Additionally, the right to a configuration may become incontestable after use in commerce for five consecutive years provided the initial requirements continue to be met and no final decision has been rendered adverse to the owner's claim of ownership. 15 U.S.C. § 1065.


Schuman, supra note 6, at 782.

Id. at 781 ("The essential issue in trademark infringement actions is whether the purchasers are likely to be misled or confused as to the source of different products."); see also Vitek Systems, Inc. v. Abbot Laboratories, 675 F.2d 190, 192 (8th Cir. 1982); Purolator, Inc. v. EFRA Distributors, Inc., 524 F. Supp. 471, 475 (D. P.R. 1981), aff'd 687 F.2d 554 (1st Cir. 1982) (essential question in both cases was whether purchasers would be misled or confused).

See, e.g., Standard Terry Mills, Inc. v. Shen Mfg., 803 F.2d 778 (3d Cir. 1986) (examination of the different weaves and color combinations used in dish towels determinative as to outcome on both distinctiveness and functionality).


See Scott Paper Company v. Scott's Liquid Gold, Inc., 589 F.2d 1225 (3d Cir. 1978) (owner of registered mark for paper goods denied injunctive relief against owner of similar trademark for household cleaners because the two products were sold in different markets with only marginal likelihood of confusion regarding their source).

The "likelihood of confusion" is more fully examined infra text accompanying notes 56-73.
of the Act, which provides:

[any person who shall affix, apply, or annex, or use in con-
nection with any goods . . . or any containers for goods . . .
any false description or representation, including words or
other symbols tending falsely to describe or represent the
same, and . . . cause [the same] to enter into commerce, . . .
shall be liable to . . . any person who believes that he is or
is likely to be damaged by the use of any such false descrip-
tion or representation.]

The broad review possible under this section has permitted courts to
fashion doctrines granting protection to deserving unregistered marks
without violating the standards for distinctiveness set forth in the
statute.

2.2. Common Law Protection

Where a product configuration has been registered and properly
maintained, an action for its infringement may be brought based on its
registration alone. The burden of proof is then on the owner of the
allegedly infringing configuration to show why there has been no in-
fringement. Where a configuration has not been registered, however,
its owner is not entitled to the presumption of exclusive use that pro-
tects a statutory registration. Instead, each time protection is sought,
the owner must prove that the configuration has achieved sufficient rec-
ognition in the marketplace, and request protection based on this proof
alone.

To facilitate actions where the owner of a product configuration
legitimately deserves protection, federal courts have long held that the
Lanham Act protects unregistered as well as registered configura-

46 Id.; see also infra note 52 and accompanying text.
47 See infra text accompanying notes 48-81.
48 See supra text accompanying note 44; see also supra note 33.
50 See American Diabetes Ass’n v. National Diabetes Ass’n, 533 F. Supp. 16, 19
(E.D. Pa. 1981), aff’d per curiam, 681 F.2d 804 (3d Cir. 1982) (Since the designation
for which protection is sought is not registered, “plaintiffs are required to prove that
the mark can be protected and that it has achieved a secondary meaning.”).
51 This would occur where, for example, the public has become so familiar with
an unregulated product or its configuration that it associates the same connotations
with its purchase that it does with the purchase of a product or configuration protected
by a registered mark. This is not a difficult scenario to hypothesize, since most consum-
ers probably do not know (or care) if a configuration is registered or not.
The reason for this policy is clear: where the consuming public has come to recognize a configuration and to associate it with a particular merchant, protection should follow regardless of registration since, in effect, the configuration has essentially obtained the recognition the statute requires for protection. In providing protection in this area, however, the courts have acted without substantial statutory guidance, and have derived their own conceptual standards to duplicate and interpret the practical standards dictated by the statute.

2.2.1. Secondary Meaning

The first of these important conceptual standards is "secondary meaning," often used as a proxy for distinctiveness, is the yardstick used to measure likelihood of confusion. The more distinctive a product or configuration is from other products or configurations that per-

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52 See Armstrong Paint & Varnish Works v. Nu-Enamel Corp., 305 U.S. 315 (1938); see also SK & F, Co. v. Premo Pharmaceutical Laboratories, Inc., 625 F.2d 1055, 1065 (3d Cir. 1980) ("[S]ection 43(a) proscribes not only acts that would technically qualify as infringement, but also unfair competitive practices involving actual or potential deception."); Ives Laboratories, Inc. v. Darby Drug Co., 601 F.2d 631, 642 (2d Cir. 1979) (stating that the Lanham Act makes "certain types of unfair competition federal statutory torts, whether or not they involve infringement of a registered trademark."); Federal-Mogul-Bower Bearings, Inc. v. Azoff, 313 F.2d 405, 409 (6th Cir. 1963) ("The legislative history of the Lanham Act indicates that Congress intended to fashion a new federal remedy against a particular kind of unfair competition that the common law had effectively protected.").

53 See supra text accompanying notes 31-43. Furthermore, denying protection to such configurations would actually be against consumers' best interests. Since other merchants would probably rush to the market with similar products or configurations, confusion among consumers would arise where there had been none before. Providing protection thus serves as notice to merchants who may desire to use the configuration in which ownership is being claimed.

54 There is, for example, no definition of distinctiveness (which is used to measure likelihood of confusion) in the Lanham Act. Although the statute delineates a broad likelihood of confusion standard, its guidance ends there. It makes no attempts to create a narrower, more useful standard for the courts to apply. It fails to consider, for example, that what is not deceiving due to accepted advertising methods in one decade may become completely deceiving in another as more complex advertising practices become accepted. In addition, while the statute implies that it is deception to the ultimate consumer which is to be measured, it fails to consider products or configurations purchased by consumers of differing levels of sophistication.

55 See supra text accompanying notes 12-22.

56 See 15 U.S.C. § 1127 (1982 & Supp. III 1985) (which defines a trademark as "any word, name, symbol or device . . . used by a manufacturer . . . to identify and distinguish his goods . . . from those . . . sold by others. . . ."); see also Application of Mogen David Wine Corp., 328 F.2d 925, 931 (C.C.P.A. 1964) ("Section 45 requires not only the adoption and use of the mark but that it does in fact identify the goods and distinguish them from those manufactured or sold by others. This requirement is the basic element of a trademark."); E. KINTNER & J. LAHR, supra note 37, at 257 ("The extent to which a mark will be protected relates directly to the degree of distinctiveness it possesses.").
form the same function, the less likely it is to cause confusion.  

The courts have divided the field of distinctiveness into four separate categories: generic, descriptive, suggestive, and arbitrary or fanciful. Each category represents a different degree of distinctiveness by which all marks were analyzed. "Generic" generally refers to terms commonly used to describe factual aspects of products. Generic terms are not given protection because they describe what the product is rather than identifying the product and distinguishing it from those sold by others.

At the other end of the spectrum are arbitrary or fanciful marks. Fanciful marks are phrases coined for the express purpose of functioning as trademarks. Similarly, arbitrary marks consist of words or symbols taken from common usage and arbitrarily applied to goods in such a way that they are not descriptive of what the goods do or are. Both fanciful and arbitrary marks receive per se protection.

Similar to fanciful marks are suggestive marks. These "[require] imagination, thought and perception to reach a conclusion as to the nature of [the] goods [they describe]." Both fanciful and suggestive marks are considered "inherently distinctive." They are registrable.

57 See E. Kintner & J. Lahr, supra note 37, at 275.
58 See Zatarains, Inc. v. Oak Grove Smokehouse, Inc., 698 F.2d 786, 790 (5th Cir. 1983); see also 1 J. McCarthy, supra note 12, § 11.1, at 433.
60 1 J. McCarthy, supra note 12, § 12.1, at 520. The justification is that if one merchant of the good can monopolize something generic to the industry, such as a term necessary to describe the food or a feature necessary to the functioning of the good, no other merchant will be able to market competing goods. Thus, competition and progress will suffer, and the public interest will be harmed. See, e.g., National Conference of Bar Examiners v. Multistate Legal Studies, Inc., 692 F.2d 478 (7th Cir. 1982), cert. denied, 464 U.S. 814 (1983) (term “multi-state bar examination” held to be generic); King-Seeley Thermos Co. v. Aladdin Indus., Inc., 321 F.2d 577 (2d Cir. 1963) (term “thermos” held not protectable because generic); Bayer Co. v. United Drug Co., 272 F. 505 (S.D.N.Y. 1921) (term “aspirin” held to be generic and not protectable because the public associated the term with cold medicine in general, as opposed to one merchant’s cold medicine (Bayer)).
and protectable immediately upon use, without proof that consumers recognize and associate them with particular goods. 65

Between generic and suggestive marks are descriptive marks. A mark is descriptive if it describes the intended purpose, function or use, size, class of users, desirable characteristics or end effect on the user of the product. 66 Descriptive marks are generally not given protection because they can be applied to a wide range of related products, 67 and because the words or adjectives used are, like many generic terms, considered to be in the public domain. 68 However, descriptive marks are treated less restrictively than generic marks. Descriptive marks can receive protection if they have achieved some measure of distinction in the marketplace. 69 This distinction is known as "secondary meaning." 70 It is the common law's attempt to analyze the image created in buyers' minds by a mark that, "in that trade and to that branch of the purchasing public, . . . ha[s] come to mean that the article was [a single merchant's] product; in other words, had come to be, to them, his trademark." 71 Secondary meaning is usually created through extensive advertising in one particular market, constantly stressing the association between the mark and the good. 72 In litigation, it is usually proven empirically, with consumer surveys, evidence of advertising budgets and sales figures. 73

2.2.2. Functionality

The second important common law standard is known as "functionality." 74 This doctrine mandates that a configuration cannot receive

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65 1 J. McCarthy, supra note 12, § 11.2, at 435; see, e.g., Sweet Sixteen Co. v. Sweet "16" Shop, Inc., 15 F.2d 920 (8th Cir. 1926) (upholding the validity of the term "Sweet Sixteen" as suggestive); Orange Crush Co. v. California Crushed Fruit, 297 F. 892 (D.C. Cir. 1924) (granting protection to the term "Orange Crush" based on its suggestiveness).

66 1 J. McCarthy, supra note 12, § 11.4, at 442-43.

67 See id. (this area includes self-laudatory or "puffing" marks).


69 See 1 J. McCarthy, supra note 12, § 15.1, at 656.

70 Id.


72 Scott Paper Co. v. Scott's Liquid Gold, 589 F.2d 1225, 1228 (3d Cir. 1978).

73 See id. For examples of form statements from customers and merchants submitted as evidence of secondary meaning, see 1 J. McCarthy, supra note 12, § 15.26, at 717.

74 The requirement of non-functionality is not mandated by statute. It is strictly a
protection "if it is essential to the use or purpose of the article or if it affects the cost or quality of the article." There are two principle rationales for using this doctrine to help screen products or configurations for those deserving of protection. First, protecting functional configurations with trademark rights would inhibit competition within that particular industry or market, because other merchants of the same product could be prohibited from including a configuration that is necessary to the functioning of the good itself. Second, "if functional features were given protection, such protection would clearly clash with the objective of federal patent law." Patent law, which only grants exclusive rights over new inventions for a limited time, would be defeated if a single merchant could effectively obtain a patent of infinite duration on a feature necessary to the functioning of the product.

Summarizing the use of these doctrines, it is clear that a non-registered configuration can receive protection if it is both non-functional and distinctive, either inherently or via secondary meaning.

common law doctrine created by the courts to express their view that the fundamental right to compete by copying a competitor's product exists. In re Morton-Norwich Prod., Inc., 671 F.2d 1332, 1336 (C.C.P.A. 1982).


See Morton-Norwich, 671 F.2d at 1339; Zelnick, supra note 7, at 128.

For example, if General Motors were allowed to obtain a trademark (or patent) on rubber tires, and other auto makers could be precluded from producing rubber tires, then (most likely) General Motors would have a monopoly on the production of rubber tires. Consumers would be hurt not only by the lack of variety, but by monopolistic pricing as well. See Morton-Norwich, 671 F.2d at 1336.

1 J. McCARTHY, supra note 12, § 7.26(A), at 236.


1 J. McCARTHY, supra note 12, § 7.26(A), at 236. Under the doctrine of functionality, trademark protection has been denied for things such as the design of a mathematical handicapping formula for a computerized handicap golf system, United States Golf Ass'n v. St. Andrews Sys., 749 F.2d 1028 (3d Cir. 1984); an exterior wall-mounted industrial light fixture, Keene Corp. v. Paraflex Indus., Inc., 653 F.2d 822 (3d Cir. 1981); the ribbed design on the top of a construction worker's hard hat, Mine Safety Appliances Co. v. Electric Storage Battery Co., 405 F.2d 901 (C.C.P.A. 1969); and the shape of a clip on a pocket pen, In re Lindey Pen Co., 159 U.S.P.Q. (BNA) 634 (T.T.A.B. 1968). Examples of items held non-functional in spite of a strong challenge to the contrary include a cheerleading uniform, Dallas Cowboy Cheerleaders, Inc. v. Pussy Cat Cinema, Ltd., 604 F.2d 200 (2d Cir. 1979); the exterior design of a grain semi-trailer, Truck Equip. Serv. Co. v. Fruehauf Corp., 536 F.2d 1210 (8th Cir. 1976); and a shower head spray nozzle, Teledyne Indus. v. Windmere Prods., 433 F. Supp. 710 (S.D. Fla. 1977).

See Freixenet, S.A. v. Admiral Wine & Liquor Co., 731 F.2d 148, 151 (3d Cir. 1984); see also infra text accompanying notes 82-117.
2.3. Liquid Container Protection Using Secondary Meaning and Functionality

Relying upon the above concepts, United States courts and the Patent and Trademark Office (PTO) have granted protection to merchants of goods (mainly liquids) that cannot form their own container or take on any consistent shape, therefore protecting the design, shape, and overall configuration of the distinctive containers in which such goods are marketed.

Since the primary purpose of this Comment is to examine the House of Lord's decision regarding Coke's registration of a configuration (a bottle) for a liquid product (the soft-drink), the focus of the remainder of the discussion will narrow to examining cases directly relevant to this specific area. Where cases relating to non-liquid products are relevant to the analysis, they will be examined as appropriate.

It is important to note, however, that the terms used — container and product configuration — and the concepts involved cover a very broad area within trademark law, and can have very significant effects on both competition and the availability of consumer goods. First, there are cases concerning containers for solid goods. Many of these goods could in essence be shaped, molded, or otherwise produced in a way that no "container" is needed in which to sell them, other than possibly a clear plastic covering to prevent the product from falling apart or spoiling. Using this line of reasoning, courts have denied protection for a cylindrical metal container for crackers, Keebler Co. v. Rovira Biscuit Corp., 624 F.2d 366 (1st Cir. 1980); a molded plastic package for sliced luncheon meats, In re Oscar Mayer Co., 189 U.S.P.Q. (BNA) 295 (T.T.A.B. 1975); and a ribbed paper packet for salt and pepper, In re Diamond Crystal Salt Co., 161 U.S.P.Q. (BNA) 502 (T.T.A.B. 1969).

Second, there are cases concerning a particular design, shape, or configuration of the product itself, which may or may not function as its own container or trade dress. The scope of cases within this group is extensive. Protection has been denied for the pie-shape of a fishing tackle box, In re Water Gremlin Co., 635 F.2d 841 (C.C.P.A. 1980); the round shape of a thermostat, In re Honeywell, Inc, 532 F.2d 180 (C.C.P.A. 1976); as well as the shape of a special rhomboidal table top designed for concentrating and cleaning iron ore, In re Deister Concentrator Co., 289 F.2d 496 (C.C.P.A. 1961); and a unique curved shape given to index cards, Oxford Pendaflex Corp. v. Rolodex Corp., 204 U.S.P.Q. (BNA) 249 (T.T.A.B. 1979). However, protection has been allowed for jewelry in the shape of a key, In re Penthouse Intl', 565 F.2d 679 (C.C.P.A. 1977); and the overall configuration of a solid chemical composition compressed into a triangular shape, Application of Minnesota Mining & Mfg. Co., 335 F.2d 836 (C.C.P.A. 1964).

A broad overview, as well as an appreciation of the commercial importance of the field can be gleaned from Schuman, supra note 6. For a discussion of the role of the related fields of copyright and unfair competition in protecting trade dress, see Pattishall, Protection of Labels Through Copyright Infringement and Unfair Competition Laws, 56 TRADEMARK REP. 408 (1966).

While primary authority allowing protection for containers and similar configurations comes from the statute itself, 15 U.S.C. § 1125(a) (1982 & Supp. III 1985), the courts and the Patent and Trademark Office must place substantial reliance on the doctrines of functionality and secondary meaning, since the containers in which such goods are marketed are rarely inherently distinctive. 1 J. McCarthy, supra note 12, § 7.31, at 264.

The PTO is the administrative body established to decide in the first instance whether a trademark should issue. See 15 U.S.C. § 1051 (1982).

See infra text accompanying notes 86-111. There are also many cases where
One of the earliest reported cases occurred before the Lanham Act existed. The case, however, was decided on the same basic principles as those used in the Act. Charles E. Hires Co. v. Consumers' Co. concerned the Hires Root Beer bottle. For marketing reasons, Hires adopted "[a] new, peculiar, and distinctive form of bottle." The beverage grew in popularity, and the court found that the shape or style of the bottle was the principal method of identification used by purchasers. Hires was thus granted an injunction against a competitor who intentionally imitated the bottle.

Another pre-Lanham Act case was Lucien Lelong, Inc. v. George W. Button Corp. In that case, the court found a cologne bottle to be both non-functional and distinctive, noting that "the shape was novel in the trade . . . [and that] the bottle's contents were identified as the plaintiff's manufacture by the bottle which was the container." An injunction was granted "forbidding the defendant [from] merchandising . . . its cologne . . . in bottles . . . having the same proportions and symmetry as the plaintiff's bottle or so substantially like it . . . as to be confusing."

The first principal post-Lanham Act case dealt with the Scotch protection has been denied for containers and other configurations used to market liquid goods. While several of these cases will be discussed or mentioned, it is critical to note that protection, in most, if not all cases, was not denied because the item for which registration was sought was a container or configuration per se. Rather, protection was denied because the registrant failed to show either non-functionality or distinction (usually through secondary meaning). See, e.g., In re McIlhenny Co., 278 F.2d 953 (C.C.P.A. 1960) (Tabasco sauce bottle refused protection because bottle shape not inherently distinctive and insufficient proof of secondary meaning); In re Johnson & Johnson, 129 U.S.P.Q. (BNA) 371 (T.T.A.B. 1961), appeal dismissed, 312 F.2d 455 (C.C.P.A. 1963) (glue bottle refused registration because of failure to prove secondary meaning in bottle shape alone).

It should also be noted that, while registration on the Principal Register is the object of all the cases and registrations discussed here, registration on the Supplemental Register may provide some protection for owners unable to receive protection anywhere else. See, e.g., In re The Pepsi-Cola Co., 120 U.S.P.Q. (BNA) 468 (T.T.A.B. 1959) ("[O]ne of the basic purposes of the Supplemental Register was to provide U.S. registration of a distinctive package — even though the design is patented in this country — in order that the registrant might use such registration to obtain . . . protection in foreign countries . . . ").

Charles E. Hires Co. v. Consumers' Co., 100 F. 809 (7th Cir. 1900).
Id. at 809.
Id. at 810.
Id. at 814. Since the case arose before the Lanham Act existed, relief was granted based on grounds of unfair competition. The effect, however, was the same as registration on the Principal Register, since the competitor was enjoined from using the infringing bottles, and was forced to change the design of its bottle.
Id. at 709.
Id. at 711.
Whisky bottle known as a “Pinch.” There was strong evidence of non-functionality, especially since the bottle was peculiar in appearance and “different in shape from any theretofore used by any person or corporation for the bottling of Scotch Whisky.” There was also extremely strong evidence of distinctiveness through secondary meaning since it was “common knowledge that customers order[ed] [Haig’s] whisky as ‘Pinch’ and ‘Pinch Bottle’.” Given this evidence, the Commissioner of Trademarks held that the contour or conformation of the container was a trademark entitled to registration on the Principal Register.

Regardless of the protection given to a mark, trademark protection extends only to use in connection with goods so similar that buyers are not likely to be confused. For example, Haig brought suit in 1966 against a maker of bubble bath denoted “PINCHY” and shaving lotion called “SCOTCH AND Soft-drink.” Both products were whisky-colored and marketed in bottles that were, except for their size, almost exact duplicates of Haig’s “Pinch” bottle. The court denied protection because it was not clear that the public would have been misled into thinking that Haig produced bath products.

In a situation directly analogous to that examined by the House of Lords, Coke applied to have its bottle registered in the Principal Register on March 19, 1959. The registration was initially rejected.}

99 Id. at 230.
100 Id.
101 Id. at 231. The Haig bottle thus became the first liquid container configuration registered on the Principal Register. Lunsford, The Protection of Packages and Containers, 56 TRADEMARK REP. 567, 573 (1966). Haig also protected its bottle in a passing-off suit in Scotland against another supplier of whiskey that imitated the special bottle. John Haig & Co. v. Forth Bleeding Co., 1953 R.P.C. 259 (Scot. Sess. Cas.). In Britain, Wales and Scotland, however, the Haig bottle is known as a “dimple.” See id. For a discussion of the tort of passing-off in Britain, see infra note 122 and text accompanying notes 201-02.
102 See supra notes 1-5 and accompanying text; see also text accompanying notes 169-80.
103 See Lunsford, supra note 96, at 572. Since the registration was later approved by the PTO, see infra text accompanying note 105, no adversarial proceeding took place from which to draw a written record. This is because the Commissioner usually
by the examiner because of a lack of proof regarding distinctiveness.\textsuperscript{103} Coke filed a new application, without appealing the initial rejection, including a great deal of evidence regarding the distinctiveness its bottle had achieved with the public.\textsuperscript{104} This second application was accepted, and the Coke bottle became the second liquid container configuration registered on the Principal Register, on August 12, 1960.\textsuperscript{105}

A recent holding of the Trademark Trial and Appeal Board demonstrates that functionality, secondary meaning and particularity of use\textsuperscript{106} are still the principal doctrines applied in considering whether to grant or deny protection for unregistered configurations. At issue was the plastic container for a chemical drain opener.\textsuperscript{107} The top portion of the container was shaped like the pipe trap in a kitchen drain.\textsuperscript{108} The examiner for the PTO denied protection because he felt the bottle merely indicated the area of the product’s use.\textsuperscript{109} The Board overturned this decision and held the shape of the bottle inherently distinctive,\textsuperscript{110} stating:

\begin{quote}
[i]t is now well settled that while [the] configuration or shape of a container is not registrable for the container, per se, it may be registrable for the particular contents thereof if the shape is nonfunctional . . . and . . . distinctive.\textsuperscript{111}
\end{quote}

An examination of most cases in which protection was denied indicates that the sole reason for the denial was the registrant’s failure to prove either non-functionality or distinctiveness. In Application of Mogen David Wine Corp.,\textsuperscript{112} for example, protection was denied for the bottle of a very popular wine\textsuperscript{113} because there was insufficient evidence

\textsuperscript{103} See Lunsford, supra note 96, at 572.
\textsuperscript{104} Id.
\textsuperscript{105} Id. at 573 n.28.
\textsuperscript{106} See supra text accompanying notes 86-89.
\textsuperscript{108} Id. at 567.
\textsuperscript{109} Id.
\textsuperscript{110} Id. at 568.
\textsuperscript{111} Id. at 567-68.
\textsuperscript{112} 372 F.2d 539 (C.C.P.A. 1964).
\textsuperscript{113} See Application of Mogen David Wine Corp., 328 F.2d 925, 927 (C.C.P.A. 1967) (this earlier version of the case relates to a different issue and is incorporated by reference in 372 F.2d at 541).
of distinctiveness of the container’s shape, as opposed to the decoration on it. “The average purchaser [was] likely to recognize and identify [the] wine by the written [trade mark “MOGEN DAVID”] and pictorial representations prominently displayed on the label and neck band rather than on the confidingly of the rather prosaic bottle, per se.”

Similarly, the small glass bottle used for Tabasco sauce was denied registration because it was not inherently distinctive, and because it was “a little bottle with no features particularly connecting it with the pepper sauce except [that] the pepper sauce itself [gave] . . . the bottle and sauce together the characteristic of being descriptive.”

3. British Trademark Protection

3.1. Statutory Protection

3.1.1. General Concepts

The fundamental concepts underlying British trademark law are very similar to those underlying United States trademark law. As with trademark law in America, British trademark law developed initially to prevent unfair trade practices. Consistent with the needs of merchants to differentiate their goods from those of competitors, the law progressed from punishing fraudulent sales perpetrated by false representations (“passing off”) to punishing the mere use of another’s mark or name on a product. Today, the statutory right regarding

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114 372 F.2d at 542.
116 The bottle was clear. Its coloring, therefore, came from the sauce inside.
117 278 F.2d at 956; see also Keebler Co. v. Rovira Biscuit Corp., 624 F.2d 366 (1st Cir. 1980) (holding that a standard, cylindrical-shaped can for crackers was not protectable because it was functional); Lucien Lelong, Inc. v. Lander Co., 164 F.2d 395 (2d Cir. 1947) (denying protection for a cologne bottle because it had not acquired any secondary meaning); California Crushed Fruit Corp. v. Taylor Beverage & Candy Co., 38 F.2d 885 (W.D. Wis. 1930) (denying protection to frosted black bottle used for fruit juice because of a lack of secondary meaning, but granting protection to certain bottles that had the provider’s name blown into the glass at the bottom of the bottle).
118 See 1 J. McCarthy, supra note 12, § 5.2, at 133 (discussing the parallel development of English and American common law relating to unfair competition or “passing off” in the eighteenth century). Because of this similarity, a much more limited discussion of British statutory trademark law will be given compared to that given for American trademark law. See also infra notes 128-42 and accompanying text.
119 See 48 Halsbury’s Laws of England ¶ 1, at 5 (4th ed. 1984) [hereinafter Halsbury’s]. Originally, actions in this area were based on the common law of fraud or deceit. Law and equity then developed differently, with equity courts willing to recognize and protect the exclusive right to use a trade name or mark, even in the absence of fraud, as a property right. Berlei (UK) Ltd. v. Bali Brassiere Co., [1969] 2 All E.R. 812 (H.L.); see also supra note 19.
120 See 48 Halsbury’s, supra note 119, ¶ 1, at 5.
121 Id.
registered trademarks and the common law right of passing off. The elements of an action for passing-off are (1) a misrepresentation (2) made by a trader in the course of trade (3) to prospective customers or ultimate consumers of goods (4) which is calculated to injure the business or goodwill of another trader (in the sense that this is a reasonably foreseeable consequence) and (5) which causes actual damage to the business or goodwill of another trader. Erven Warnink B.V. v. J. Townsend & Sons (Hull), [1979] 2 All E.R. 927, 932-33. Passing-off is a tort action in Britain, analogous to actions under state unfair competition law in America. There are several reported instances in the United Kingdom where the supplier of a configuration or container for liquid goods has been successful in a passing-off suit against the supplier of an infringing configuration. For example, in 1961 Coke brought such a suit against another supplier of soft-drinks in Scotland. The Coca-Cola Co. v. A.G. Barr & Co., 1961 R.P.C. 387 (Scot. Sess. Cas.). Coke alleged that its own bottle had a distinctive shape and that the consuming public in Scotland recognized this shape as indicating a connection between Coke (the beverage) and Coca-Cola (the company). Id. at 388. Since an agreement was reached before trial to the effect that Barr (the infringing party) would stop using the allegedly similar bottle for beverages that were the same color as Coke, no injunction was granted. Id. Lord Walker noted, however, that an injunction would have been issued had an agreement not been reached: "petitioners have made out a prima facie case that the bottle used by [Barr] might well be mistaken by members of the public for the petitioners' bottle containing their Coca-Cola." Id.

Similarly, Haig brought suit in Scotland in 1953 to protect its distinctive "Pinch" bottle, known there as a "dimple." John Haig & Co. v. Forth Bleeding Co., 1953 R.P.C. 259 (Scot. Sess. Cas.). This case pointed out what most other passing-off cases also make clear — that what was being protected was not the shape or design of the bottle per se, but the entire image of the product (known in passing-off cases as "get-up"), which may or may not include the design of the container used. Id. at 262. Thus, "[a] container such as a bottle may be part of the get-up of goods of a trader if it is of a peculiar shape which catches the eye of the ordinary purchaser." Id. (emphasis added). See also Reckitt & Colman Prods. Ltd. v. Borden Inc. (Q.B. Ch. Div., July 9, 1986) (LEXIS, Enggen library, Cases file) ("The plaintiffs' claim is based essentially upon an allegation of distinctiveness in the get-up of a container for the lemon juice which they have now been selling for some 30 years . . . . What is perfectly plain on the evidence is that the plaintiffs are not in a position to assert that they and they alone can sell lemon juice in [plastic] lemon shaped containers.").

The point made by these cases is critical to understanding the difference between protecting a configuration from direct, immediate infringement in a passing-off suit and protecting the same configuration by registering it on the national register. While a similar result may be achieved with either method, it is clear that registering a configuration on the general register provides far greater protection for the owner than could be achieved through a series of passing-off suits. Registration is likely to cost much less than pursuing an unknown and possibly large number of lawsuits. Registration is also more definite and final than a series of passing-off suits. Once the configuration is registered, it never has to be registered again. Assuming continued use and proper application in the future, the right established becomes unequivocal and incontestable against all parties. A series of passing-off suits would not provide such protection, since the owner desirous of protecting his configuration would have to prove in each separate case that his configuration had achieved the necessary distinction with regard to the allegedly infringing configuration. Each time, a defendant owner would be allowed to defeat the infringement claim by raising as a defense the fact that his own goods were not designed with an intent to profit from the reputation and goodwill of the plaintiff. Thus the presumption of exclusive use available to the owner of a registered configuration would not be available to such a plaintiff. See T. BLANCO WHITE & R. JACOB, PATENTS, TRADEMARKS, COPYRIGHT AND INDUSTRIAL DESIGNS 60 (3d ed. 1986) ("Where [registration] is possible it enables the expensive and uncertain action for passing-off to be almost completely replaced by the cheaper and more reliable action for
distinct branches of the law in the United Kingdom. This development is almost identical to the concurrent existence of federal trademark law and state unfair competition law in the United States.

Trademarks serve the same functions within the British economy as they do in the United States economy, including the encouragement of the production of quality goods, the reduction of information-gathering costs for consumers, and the balancing of the interests of entrepreneurs, consumers and competitors.

3.1.2. Important Provisions

The current legislation governing trademarks in Britain is the Trade Marks Act of 1938. The Act has effect throughout the United Kingdom and must therefore be applied uniformly in all jurisdictions.

Under the Act, the applicant for registration of a trademark

Registration also provides the owner with a saleable, assignable asset. See Trade Marks Act, 1938, 1 & 2 Geo. 6, ch. 22, § 24. The possession of such an asset would obviously increase the value (including goodwill) of the owner’s business to a far greater extent than would the probability of winning an unpredictable number of lawsuits in the future.

Another reason a passing-off suit is not as effective as registration is that with a passing-off suit, the owner must actually wait for a competitor to enter the market for the good in question and (possibly) take away some of the owner’s market share before suit can be brought. This is not the case with a registered configuration, since unequivocal protection is provided the owner before a competitor enters the marketplace with an infringing configuration. See infra note 134. Thus, the probability of permanent damage to market share is far less with registration than with a series of passing-off suits.

For an excellent discussion of the present-day use of passing-off, see T. BLANCO WHITE & R. JACOB, supra, at 100-07.

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For an excellent discussion of the present-day use of passing-off, see T. BLANCO WHITE & R. JACOB, supra, at 100-07.
must be the proprietor of the mark and must use or intend to use the mark in commerce. To be registrable in "Part A" of the register, the mark must also be distinctive to be registrable in "Part meral, or any combination thereof." Id. Further, 

[r]efereces in [the Act] to the use of a mark shall be construed as references to the use of a printed or other visual representation of the mark, and references therein to the use of a mark in relation to goods shall be construed as references to the use thereof upon, or in physical or other relation to, goods.

Id. § 68(2).

131 "Proprietor" is not defined in the Trade Marks Act of 1938. However, § 17 implies that only the person claiming to be the proprietor may apply for registration, and only the registered proprietor may sue for infringement. See 48 HALSBURY'S, supra note 119, ¶ 28, at 23. By common law rule, the person who first designed or used the trademark is entitled to claim proprietorship in it. Re Application of Vitamins Ltd., [1955] 3 All E.R. 827 (Q.B. Ch. Div.).

132 "Used or proposed to be used" is not separately defined in the Trade Marks Act of 1938 either. However, there must be a genuine and present intention to use the trademark in trade for a profit. 48 HALSBURY'S, supra note 119, ¶ 30, at 124. The mere contemplation of future use will not suffice. Id.

133 48 HALSBURY'S, supra note 119, ¶ 25, at 20. "A trademark must be registered in respect of particular goods or classes of goods." Trade Marks Act, 1938, § 3.

134 The primary registration book in Britain is called the general register. It is divided into two parts, Part A and Part B. Trade Marks Act, 1938, § 1(2). Part A has stricter requirements for registration ("distinctive" versus "capable of distinguishing") and gives the proprietor "the exclusive right to use of the trademark" in relation to goods in respect of which it is registered. Id. § 4(1). This right is infringed when any person uses an identical trademark or one so nearly resembling the registered trademark as to be likely to deceive or cause confusion, in the course of trade, which causes the infringing trademark to be taken either as the registered trademark or a negative comparison with the registered trademark. Id. § 4. Furthermore, the trademark becomes "valid" (incontestable) after seven years of use, provided the registration was not obtained by fraud. Id. at § 13(1).

Registration in Part B grants to the proprietor the same rights as in Part A registration except that (1) the trademark does not automatically become "valid" after seven years of use, id. § 13(2), and (2) a defendant in a case of alleged infringement is allowed to plead (and defeat the claim based on proof) that the alleged infringing trademark is not likely to deceive or cause confusion. Id. § 5(2).

It is generally easier to obtain registration in Part B than in Part A. See 48 HALSBURY'S, supra note 119, ¶ 54, at 44. Also, it is common for marks registered in Part B to obtain registration in Part A after use sufficient to give the trademark the distinctiveness necessary for registration in Part A. Id. Further, a trademark may be registered in Part B notwithstanding a registration in Part A. Trade Marks Act, 1938, § 10(3).

There are also two specialized registers, known as the Manchester Record and the Sheffield Register. The Manchester Record is a copy of all entries in the general register related to trademarks registered with respect to textile goods. 48 HALSBURY'S, supra note 119, ¶ 39, at 32. The Sheffield Register is for entering trademarks with respect to metal goods, such as cutlery and ancient armaments. Id. ¶ 38, at 31. This register actually forms part of the general register, and marks entered on the Sheffield Register must also be registered on the general register. Id.

135 Trade Marks Act, 1938, § 9. The statute itself defines certain trademarks as inherently distinctive, such as "the name of a company, individual, or firm, represented in a special or particular manner," id. § 9(1)(a); "the signature of the applicant," id. § 9(1)(b); "an invented word or words," id. § 9(1)(c); "a word or words having no direct
B,"136 the mark must be "capable of distinguishing."137

The great similarity between the United States and British trademark statutes can be seen by comparing the statement above with the previous statement of the Lanham Act.138 Both statutes define the term trademark to include any word, name or device used by a merchant to identify his goods and set them apart from the goods of others.139 Both statutes require the registrant to claim ownership of the trademark.140 Both statutes set up a two-part registration system that grants exclusive rights to trademarks registered on a primary register and lesser rights to trademarks registered on a secondary register.141 Further, both statutes seek to prevent confusion or deception in the marketplace by examining the distinctiveness of trademarks offered for registration and denying protection to those that are confusingly similar to others already in use.142

reference to the character or quality of the goods and not being according to its ordinary signification a geographical name or a surname," id. § 9(1)(d); or "any other distinctive mark," id. § 9(1)(e). "Distinctive" means adapted to distinguish goods with which the proprietor of the trademark is or may be connected in the course of trade from goods in the case of which no such connection subsists. Id. § 9(2).

136 See supra note 134.

137 Trade Marks Act, 1938, § 10. "Capable of distinguishing" is defined in a very straightforward way: capable of distinguishing goods with which the proprietor of the trademark is or may be connected in the course of trade from goods for which no such connection subsists. Id. § 10(1). Thus, virtually all the elements considered relevant to registrability in Part A are considered relevant to registrability in Part B. 48 HALSBURY'S, supra note 119, ¶ 54. The principal difference is the standard of distinctiveness required.

This use of two different standards for two different registers is almost identical to the United States registration system. See supra note 33.

138 See supra text accompanying notes 31-37.

139 Compare 15 U.S.C. § 1127 (1982 & Supp. 1985) ("The term 'trademark' includes any word, name, symbol, or device . . . adopted and used by a . . . merchant to identify and distinguish his goods . . . from those manufactured . . . by others and to indicate the source of the goods . . .") with Trade Marks Act, 1938, § 68(1) ("'trade mark' means . . . a mark used or proposed to be used in relation to goods for the purpose of indicating . . . a connection in the course of trade between the goods and some person having the right either as proprietor or as registered user to use the mark . . . ").

140 Compare 15 U.S.C. § 1051 ("The owner of a trade-mark used in commerce may register his trade-mark.") with Trade Marks Act, 1938, § 17 ("Any person claiming to be the proprietor of a trade mark used or proposed to be used by him . . . ").

141 Compare 15 U.S.C. § 1051 (principal registration) and § 1091 (supplemental registration) with Trade Marks Act, 1938, § 4 (Part A registration) and § 5 (Part B registration).

142 Compare 15 U.S.C. § 1127 ("The intent of this chapter is to regulate commerce . . . by making actionable the deceptive and misleading use of marks . . . ") with Trade Marks Act, 1938, § 9 ("In order for a trade mark . . . to be registrable in Part A of the register, it must contain or consist of: . . . any . . . distinctive mark . . . ").

The principal difference between the statutes is that the United States statute requires actual use of the trademark before any rights will be granted, 15 U.S.C. § 105,
3.2. Common Law Liquid Container Protection

While there are a great number of “passing-off” suits brought to protect containers of liquid goods,144 there are extremely few cases brought for infringement of trademark.145 For example, in the four tribunals that heard the Coke case,146 the only case mentioned that was on point was Sobrefina S.A.’s Trade Mark Application,147 which re-

while the British statute allows an “intent to use” to suffice, Trade Marks Act, 1938, §§ 68(1), 26.

It is clear that British trademark law gives far more comprehensive guidance within the statute itself as to what constitutes distinctiveness than United States trademark law does. Compare Trade Marks Act, 1938, § 9 (which not only gives a definition of distinctiveness but also defines different categories of inherently distinctive terms) with 15 U.S.C. § 1052 (which prohibits registration of any mark on the Principal Register in the United States that would cause confusion, mistake or deception without defining these terms at all or defining categories of inherently distinctive terms). It is possible that British courts have to spend less time defining and measuring distinctiveness than United States courts. Therefore, many of the important aspects regarding distinctiveness can probably be understood from examining the statute itself, as opposed to delving deeply into common law. Due to the analysis above and since the House of Lords in Application of Coca-Cola Co., [1986] 1 W.L.R. 695, [1986] 2 All E.R. 274 (H.L.) did not rely on absence of distinction in its decision, a much less intense survey of British common law doctrine was undertaken in this section of the text than was undertaken regarding United States common law.

As with the discussion of United States common law relating to the trademark protection afforded configuration, this section of the text will be limited to a discussion of those cases directly relevant to the issue of protection for configurations and containers of liquid goods. For a discussion of other kinds of goods protected by trademark rights, see supra note 82; 1 J. McCarthy, supra note 12, §§ 7.34-.37, at 272-79.

See T. Blanco White & R. Jacob, supra note 122, at 60 ("Passing-off actions are the more numerous, in fact.").


See also Re Coca-Cola Co.’s Trade Marks Application, 1985 F.S.R. 315, 323, 1986 R.P.C. 421 (C.A. 1985) (per Sir Denys Buckley) ("Apart from the Sobrefina case ... there appears to be no reported decision touching on this point. We have no information about how often applications of this kind have been refused or (apart from Sobrefina) have been appealed.").

Initial application in Application of Coca-Cola Co. [1986] 1 W.L.R. 695, [1986] 2 All E.R. 274 (H.L.) was made to the Registrar of Trade Marks. Id. at 696. Appeal was then taken to the trial examiner, who rendered a decision on December 14, 1983. Id. After registration was denied by the trial examiner, the next appeal was dismissed by the Court of Appeal on January 23, 1985. The final appeal (also dismissed) was to the House of Lords. The final decision came down on May 8, 1986. Id. at 695-96.

Sobrefina, 1974 R.P.C. 672 (Q.B. Ch. Div.).

Two other cases were mentioned in the opinions, although neither was on point. The first was the earliest reported case regarding containers of any kind, relating to a trademark for blocks of lead. James’, 33 Ch. D. 392 (C.A. 1886), 1886 R.P.C. 340 (C.A.). While the real issue was whether the supplier James, could use the outline of a dome-shaped piece of lead as his trademark, there was confusion as to whether James
related to a container for beer. The Registrar in Sobrefina first cited the definitions of "mark" and "trademark," then noted that these definitions were accompanied by a statement in the statute stating:

References in this Act to the use of a mark shall be construed as references to the use of a printed or other visual

was also trying to prevent others from selling lead in dome-shaped blocks. Id.; see also Smith Kline, [1975] 1 W.L.R. 914, [1975] 2 All E.R. 578, 584 (H.L.) (The trial judge in James' appeared "to have taken the erroneous view that the effect of the registration of a trade mark in the shape of a dome would be to make it an infringement of that trade mark for anyone [else] to make blocks of block lead in that shape."). In dicta preceding James', Lord Justice Cotton stated "[t]he Appellants here cannot possibly claim any monopoly in the shape in which they sell their . . . lead . . . ." James', 33 Ch. D. at 394, 1886 R.P.C. at 344. Similarly, Lord Justice Lindley stated "it is obvious to all lawyers that the Plaintiffs . . . have no monopoly in black lead of this shape." Id. at 395, 1886 R.P.C. at 334. In reaching the conclusion that James could stamp the outline of a dome-shaped piece of lead into his blocks of lead and use it as a trademark, Lord Justice Lindley also stated "[o]ne must be careful to avoid confusion . . . a mark must be something distinct from the thing marked. The thing itself cannot be a mark of itself . . . ." Id. at 395, 1886 R.P.C. at 344. The case thus decided the peripheral issue of the non-registrability of the shape of goods themselves, not their containers. Erroneously, this case went on to become the primary authority as to the non-registrability of the shape of both goods and containers even though its holding dealt only with the shape of goods.

More recently, the issue of whether the outer covering of a capsule for sustained-release drugs could be registered was addressed in Smith Kline, [1975] 1 W.L.R. 914, [1975] 2 All E.R. 578 (H.L.). The application defined the item being registered as "[p]harmaceutical substances sold in pellet form with capsules [with a solid color applied to one-half the capsule and no color applied to the other half, so that the multi-colored pellets inside were visible through the clear half] . . . ." Id. at 916, [1975] 2 All E.R. at 584. While there was no direct assertion that the capsules were containers for the goods, the court noted the James' case and distinguished it by saying "the 'thing marked' in the instant case is the pharmaceutical substance in pellet form within capsules and the 'mark' is the colour applied to one half of the capsule and the various colours applied to the individual pellets within the capsule." Id. at 920, [1975] 2 All E.R. at 581, 584. Based on the great recognition the capsules had achieved in the industry, the court held that the definition of "trade mark" in § 68(1) of the Trade Marks Act of 1938 did not exclude a mark that covered the whole surface of the good to which it applied. Id. at 918, [1975] 2 All E.R. at 585. The court also held that a mark did not have to be two-dimensional when intended to contain the goods for which it was registered. Id. No mention of the Sobrefina case appeared anywhere in the pharmaceuticals decision. The court assumed that the capsule surrounding the pellets was "applied to" them but was not necessary to their consumption. The opinion failed to mention how the "pellets" could have been consumed without being contained in some form of capsule.

148 It was described by the Registrar as "a container in the shape of a bottle with a cap, the whole being made of plastics material, and having the lower portion enclosed in a cardboard cylindrical sleeve." Sobrefina, 1974 R.P.C. at 674. The company applying for the registration had, instead of (as was customary) drawing a picture of the bottle in the blank space on the registration form, actually taped an empty bottle in the space, and described the mark it sought protected as consisting of "the shape or form of the accompanying representation, when applied to a container." Id.

149 See Trade Marks Act, 1938, 1 & 2 Geo. 6, ch. 22, § 68(1).
representation of the mark, and references therein to the use of a mark in relation to goods shall be construed as references to the use thereof upon, or in physical or other relation to, goods.\textsuperscript{151}

While observing that the definition of "mark" did not define an exclusive list of what constituted such a thing,\textsuperscript{152} the Registrar asserted that the items listed in the definition were "all in the nature of visual symbols capable of being applied to goods or used in relation to goods and not either forming an essential part or, as in this instance, an essential physical concomitant of the goods."\textsuperscript{153} Containers were necessary to consume beverages away from their place of sale; therefore, the Registrar reasoned:

a container is a prerequisite to such sale and must . . . be regarded as an essential . . . concomitant of the goods.

The references in section 68 of the Act to the use of a mark in relation to goods imply, to my mind, that a mark is something separate and distinct from the goods and not a physical object which forms either an essential part of the article itself, or its packaging . . . .\textsuperscript{154}

As an additional reason for rejecting the application, the Registrar cited the fact that a committee examining "the Law and Practice relating to Trade Marks"\textsuperscript{155} had explicitly considered the addition of containers to the definition of "marks" and rejected the idea, fearing that monopolies might "interfere with the right of the public to use a design of which the period [provided by patent] protection had expire[d]."\textsuperscript{156}

On appeal, Judge Whitford of the Chancery Division felt "the shape [was] the container . . . ."\textsuperscript{157} The court held upon dismissal that a device is not appropriate for registration unless it can be represented in two dimensions, because only then could it be known exactly what shape was being asserted as distinctive.\textsuperscript{158} The court also noted that,

\begin{footnotes}
\footnotetext{151} Sobrefina, 1974 R.P.C. at 674 (quoting the Trade Marks Act, 1938, § 68(2)).
\footnotetext{152} Sobrefina, 1974 R.P.C. at 675. Trade Marks Act, 1938, § 68 is a definitional section for terms used in the Act. The section defines all the terms as having fixed meanings, except for the term "mark." "Mark" is defined as including certain items. An interpretation that examined the possibility of including other items within the definition of "mark" is not unrealistic or without a reasonable basis. See infra text accompanying notes 224-26.
\footnotetext{153} Sobrefina, 1974 R.P.C. at 675.
\footnotetext{154} Id.
\footnotetext{155} This committee was the "Goschen Committee." Id.
\footnotetext{156} Id. at 676.
\footnotetext{157} Id. at 679.
\footnotetext{158} Id.
\end{footnotes}
while the special committee\textsuperscript{169} had rejected the addition of the word “container” to the definition of “mark,” they never actually dealt with whether wrappers or containers were already within the purview of the existing definition.\textsuperscript{160}

Analysis of the reasoning used in the Sobrefina case as well as in the other two cases cited in the Coke opinion\textsuperscript{161} reveals that similar fundamental doctrines that govern United States trademark law are present and are applied in much the same way as in British trademark cases. That functional aspects of a product cannot be protected is clear from the opinions in In re James’ Trade Mark\textsuperscript{162} and Smith Kline & French v. Sterling Winthrop Group Ltd.\textsuperscript{163} The statute itself requires some form of distinctiveness.\textsuperscript{164} Further, the statute also allows proof of distinctiveness in a way similar to proof of secondary meaning,\textsuperscript{165} since it allows the Registrar to consider whether the trademark has acquired distinctiveness “by reason of the use of the trademark.”\textsuperscript{166} Lastly, the United States doctrine that trademarks will only be protected when used on goods for which they are registered\textsuperscript{167} corresponds to the British statute, which requires trademarks to be registered “in respect of particular goods.”\textsuperscript{168}

4. **The Coke Decision**

In its terse three-page decision disposing of Coke’s application,\textsuperscript{169}

\textsuperscript{169} See supra note 155.
\textsuperscript{160} Sobrefina, 1974 R.P.C. at 681.
\textsuperscript{161} See supra note 147.
\textsuperscript{162} 33 Ch. D. 392, 394 (C.A. 1886), 1886 R.P.C. 340 (C.A.) (“The Appellants cannot claim any monopoly in the shape in which they sell their black lead . . . .”).
\textsuperscript{163} [1975] 1 W.L.R. 914, [1975] 2 All E.R. 578 (H.L.); see also Sobrefina, 1974 R.P.C. at 675 (“Registration [of the bottle] as a trade mark would in effect be a means of extending indefinitely protection for a design which Parliament had intended should be of limited duration.”).
\textsuperscript{164} See Trade Marks Act, 1938, 1 & 2 Geo. 6, ch. 22, § 9.
\textsuperscript{165} See supra text accompanying notes 56-73.
\textsuperscript{166} See Trade Marks Act, 1938, § 9(3); see also British Petroleum Co. v. European Petroleum Distributors, [1968] R.P.C. 54 (Ch.) (where the unregistered term “B.P.” was granted protection based on its wide recognition by consumers as well as its related use to several registered marks incorporating term within them.)
\textsuperscript{167} See supra text accompanying notes 44-46.
\textsuperscript{168} See Trade Marks Act, 1938, § 3.
\textsuperscript{169} Coke’s initial application was to the Registrar of Trade Marks. Coca-Cola Trade Marks (Q.B. Ch. Div., Dec. 14, 1983) (LEXIS, Enggen library, Cases file).

The application defined the mark as consisting of the distinctive shape and appearance applied to a bottle when used as a container for the goods and as shown in the accompanying registration, characterized by vertical flutes or ribs throughout the surface of the bottle and interrupted by a smooth middle panel dividing the upper and lower fluted areas, the whole being contained within a configuration comprising...
an upper section to which a cap or closure may be affixed; a neck; a relatively broad central portion; a waist; and a base having a tapering effect.

Id. at LEXIS, p. 1.

The hearing officer rejected the application on April 29, 1983, for two reasons. Id. at LEXIS, p. 2. First, since the mark applied for was a bottle, it could not be a mark (and therefore a trademark) within § 68(1) of the Trade Marks Act of 1938. Id. The hearing officer stated the practice of the Trade Marks Registry for over 100 years had been to reject container shapes for registration. Id. He also stated that two committees examining British trademark law, the Goschen Committee in 1934 and the Mathys Committee in 1974, had recommended that shapes of containers should not be registrable as trademarks. Id.

The hearing officer also felt the bottle was not distinctive enough to receive protection, as required by § 9 of the Trade Marks Act of 1938. Id.

The trial judge had adopted the definition of “mark” stated in Murray’s Oxford English Dictionary, which defined it as “a sign affixed or impressed for distinction. A device, stamp, seal, brand, inscription, written character, or the like, placed upon an article . . . .” Id. at LEXIS, p. 3. He added to this the remark from § 68(2) of the Trade Marks Act referring to marks as “printed or other visual representation[s],” and analyzed Smith Kline & French Laboratories, Ltd. v. Sterling-Winthrop Group, Ltd. [1975] 1 W.L.R. 914, [1975] 2 All E.R. 578 (H.L.) using this conception of “mark.” He asserted that the marks sought to be registered in that case were the pellets themselves, surrounded by capsules, and that this combination was not a container. Id. at LEXIS, p. 4. The trial judge finally distinguished the case, saying it was concerned with “whether a combination of colored coatings applied to the whole visible surface of the goods, and, therefore, necessarily applied three-dimensionally, was a registrable trade mark under section 68.” Id. at LEXIS, p. 5.

The judge then examined In re James’ Trade Mark, and stated that it had not been disapproved in Smith Kline:

[It] has always been regarded as correctly stating the law as to the non-registrability of the shape of the actual particular goods as a trade mark for those goods. If . . . the shape of goods cannot be a mark for the purposes of registration as a trade mark so as to give a monopoly in the shape of the product — the “goods” in question — it seems to me that equally the shape of a container or package for the product cannot be a mark for the purposes of registration under the Act. I can see no logical distinction in this respect between the shape of the goods and the shape of the containers or packages in which the goods are contained.

Id. at LEXIS, p. 7.

The judge went on to state that it was reasonable to assume that Parliament knew containers were not registrable when it drafted the Trade Marks Act in 1938 and, since it did not amend the Act to include containers in the definition of “mark,” it must have decided against allowing protection for containers. Id. at LEXIS, p. 8.

Since the judge found the bottle could not be a mark, he found it unnecessary to examine the Registrar’s assertion that the bottle was not distinctive. Id. at LEXIS, p. 9.

The next appeal was to the Court of Appeal. Re Coca-Cola Co.’s Trade Marks Application, 1985 F.S.R. 315, 1986 R.P.C. 421 (C.A. 1985). The Court of Appeal (per Lawton, L.J.) also found the main issue to be whether a bottle — admittedly of an unusual shape — could be a mark under § 68. Id. at 318, 1986 R.P.C. at . . . .

After citing the definition of “mark,” the opinion stated, “If the starting point in this appeal must be the construction of the word ‘mark’ . . . . It is a word in ordinary use; it is not a word of art and its construction is not limited by the words which follow it in the statutory definition.” Id. at 319, 1986 R.P.C. at . . . . The court adopted the same definition of “mark” the trial court did, and reasoned “[i]t follows that in this case the relevant question is: can the applicants’ bottle be said to have been ‘applied’ to the goods . . . . As a matter of the ordinary usage of the English language, in my
the House of Lords cited only the *James* lead-block case170 and the *Smith Kline* pellet-capsule case.171 The Coke application was viewed antagonistically from the start, as Lord Templeman opened by saying, "[t]his is another attempt to expand on the boundaries of intellectual property and to convert a protective law into a source of monopoly."172 He then, however, appeared to undermine his opening by remarking, "[s]ince the early 1920s . . . [Coke] has sold in the United Kingdom a . . . beverage under the name ‘Coca-Cola’ contained in bottles of a

judgment, the answer is ‘no.’” *Id.*

After distinguishing *Smith Kline*, the court reiterated the quote from *James*: “a mark is something distinct from the thing itself.” *Id.* at 320, 1986 R.P.C. at ______

The next opinion in the Court of Appeal was that of Sir Denys Buckley. He agreed with the first opinion that a “concept” such as the shape of a bottle was not within the definition of the word “mark,” but conceded that the shape of a bottle or container could be protected under the law of passing-off if the item had achieved the requisite distinctiveness. *Id.* at 322, 1986 R.P.C. at ______.

The opinion then focused on the two committees that examined the issue (the Goschen Committee in 1934 and the Mathys Committee in 1974), since “[a]part from the *Sobrefina* case . . . there [appeared] to be no reported decision touching on [the issue of protecting containers].” *Id.* at 323, 1986 R.P.C. at ______. Further, Sir Denys admitted,

[t]here is no material available . . . to indicate whether past refusals to register the shapes of containers as trade marks have been the result of the interpretation of the word “mark” as not extending to features of that kind or to the exercise by registers of their discretion under what is now section 17(2) of the Trade Marks Act 1938. *Id.* at 324, 1986 R.P.C. at ______.

In spite of the strong reasoning found in the *Sobrefina* case, Sir Denys found that since the Chancery Court phrased its support for the refusal of the registration as being a matter of “discretion,” see *Sobrefina S.A.’s Trade Mark Application, 1974 R.P.C. at 672, 682 (Q.B. Ch. Div.) “[t]he judgment . . . did not decide that the shape of a container could in no circumstances be subject matter for registration as a trade mark . . .” *Re Coke’s Trade Mark Application, 1985 F.S.R. at 324, 1986 R.P.C. at ______.

In the second-to-last paragraph of his opinion, Sir Denys faces the issue squarely for the first time, by recognizing that “[a] liquid can have no stable shape.” *Id.* at 326, 1986 R.P.C. at ______. However, instead of proceeding with this analysis and examining the possibility that there is no way to apply a mark to a liquid good, he retreats and takes refuge in the analysis used by the judge in the *Sobrefina* case and finds that since a liquid good must be held in a container, the container “is an integral part of the goods dealt in.” *Id.* His analysis ends with the statement “[i]f a brewer wishes to use a trade mark in relation to his beer, the ‘thing to be marked’ must be the containers . . . in which he sells the beer. The mark must be something distinct from the containers, even if the containers be made in fancy shapes.” *Id.* The next appeal was to the House of the Lords.

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171 *Smith Kline*, [1975] 1 W.L.R. 914, [1975] 2 All E.R. 578 (H.L.). Why the House of Lords failed in the *Coke* case to mention the only existing case on point, *Sobrefina*, is unclear. That case is used by both the trial court and the appeal court in their opinions. See *supra* note 169.

distinctive shape." Thus influenced, Lord Templeman "assume[d], without deciding," that the bottle was distinctive.

Continuing in its antagonistic view, the court stated:

It is not sufficient for the ... bottle to be distinctive. [Coke] must succeed in the startling proposition that the bottle is a trade mark. If so, then any other container or any article of a distinctive shape is capable of being a trade mark. This raises the spectre of a total and perpetual monopoly in containers ... A rival manufacturer must be free to sell any container or article of similar shape provided [it] is labelled or packaged in a manner which avoids confusion ... Consistent with dicta from the 1886 James' lead-block case, the court stated what appears to be the key element of its holding: "[a] bottle is a container not a mark." Continuing to cite the same case, the court repeated the dicta from 1886: "[a] mark must be something distinct from the thing being marked ... There is no monopoly in the shape."

In the closing paragraph, the court distinguished the Smith Kline pellet-capsule case, asserting that the case related only to the color applied to goods and had no application to goods themselves or containers for goods.

5. Analysis

The brief survey above of the protection given liquid good containers in the United Kingdom and the United States reveals diametrically opposed views. While United States law is willing to grant pro-
tection where there is sufficient consumer recognition\textsuperscript{184} of a container,\textsuperscript{185} the United Kingdom refuses to do so.\textsuperscript{186} More specifically, the United States has granted protection to Coke for the shape and design of its distinctive bottle while the United Kingdom has not. An analysis of the House of Lords decision reveals very little solid reasoning for this stubbornness on the part of the British legal system. The House of Lords should have allowed Coke's appeal.

The British courts' difficulty with allowing protection of trademarks stems from their unfounded fear that granting protection might lead to perpetual monopolies over the shape of some containers,\textsuperscript{187} and to the eventual restriction of new liquid goods entering the market.\textsuperscript{188} This fear seems unfounded given the United States experience.

The fundamental goals and standards of American trademark law are almost identical to those of British trademark law.\textsuperscript{189} United States trademark law, however, has found a way to grant trademark protection to containers for liquid goods\textsuperscript{190} without eliminating competition in particular industries, such as the soft-drink industry. No "monopolization" of container shapes seems to have occurred, as evidenced by the large number of soft-drinks consumers can choose from today.\textsuperscript{191}

Many of these soft-drinks are contained in standard metal cans and generically-shaped one- and two-liter plastic bottles, identified by colors, words and symbols.\textsuperscript{192} Trademark law performs the important acquired a secondary meaning . . . .\textquotedblright; with Application of Coca-Cola Co., [1986] 1 W.L.R. 695, 698, [1986] 2 All E.R. 274, 276 ("A bottle is a container not a mark.").\textsuperscript{184}

\textsuperscript{184} Known in trademark terminology as "secondary meaning." See supra text accompanying notes 56-73.

\textsuperscript{185} See supra text accompanying notes 74-80; see also Keene Corp. v. Paraflex Indus., Inc., 653 F.2d 822, 824 (3d Cir. 1981) ("One of the essential elements of the law of trademarks . . . [is] the principle that no legal protection [is] available for products or features that [are] functional.").

\textsuperscript{186} See, e.g., Coke, [1986], 1 W.L.R. at 697, [1986] 2 All E.R. at 276 ("Coca-Cola contained in bottles of a distinctive shape.").

\textsuperscript{187} See supra text accompanying notes 125-27, 138-42 & 161-68.

\textsuperscript{188} See United States Patent and Trademark Office, Trademark Reg. No. 696,147 (Approved Aug. 12, 1960) (allowing Coke to trademark in America the identical bottle for which trademark protection was denied in Britain).

\textsuperscript{189} A short list of the soft-drinks available in the United States today would include Coke, Pepsi, RC Cola, Sprite, 7-Up, Hires Root Beer, Dr. Pepper, Slice, Crush (Orange, Cherry, Grape), Sunkist, TAB, Canfield's Diet Chocolate Fudge, Yoo-Hoo Beverages, as well as the large number of generic brands offered by smaller merchants within the regional markets they serve.

\textsuperscript{190} Both Coke and Pepsi can be purchased in standard 16-ounce bottles. Such soft-drinks as Hires Root Beer, 7-Up, Sprite, Teem and Dr. Pepper can be purchased in generically shaped 12-ounce bottles. Almost any brand of soft-drink can today be

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function of distinguishing soft-drinks from each other by granting protection based on the way the containers are decorated, still requiring that they meet the standards imposed by both statutory and common law. Since liquid goods (such as soft-drinks) that attempt to identify themselves by the shape of their container rather than (or in addition to) the use of other means are required to meet the same standards, United States trademark law grants protection to these containers as well. The doctrine of functionality ensures that containers designed for functional reasons will not be removed from use by competitors by acting as the initial hurdle in most examinations. The requirement of distinctiveness serves to prohibit confusion in the marketplace by granting protection to only truly unique configurations. After the product and its container have been in use for a while, the “particularity of use” doctrine ensures that containers granted protection remain available for use on unrelated products in other industries.

Thus, the risk that “monopolies” on container shapes will form because of trademark registration is marginal. This is true not only because strict standards are imposed in order to receive trademark protection, but also because many liquid goods are differentiated by the trade dress of their container, as opposed to the shape.

British trademark law is equally able to prevent the “monopolization” of containers since it employs the same standards in granting protection as United States trademark law. However, British law denies protection to containers based upon the principle that a “bottle is a container not a mark.” This policy contradicts the purposes of trademark law. The interest of the entrepreneur, Coke, is harmed because other merchants of similar goods, such as Pepsi, are now free to market their goods in similar containers. Thus, the entrepreneur’s market share is likely to decrease due to circumstances not calculated at the time the entrepreneur entered the market. In the long run, the effect is purchased in standard metal cans and/or one and two-liter plastic bottles.

The terms Coke, Coca-Cola, Pepsi, Pepsi-Cola, Sprite, Hires, and Sunkist are some of the examples of soft-drink names granted trademark protection by registration.


See, e.g., Keebler Co. v. Rowira Biscuit Corp., 624 F.2d 366, 378 (1st Cir. 1980) (metal container for crackers denied protection based on functionality of design); see also supra text accompanying notes 74-81.


See generally supra text accompanying notes 97-100.

See supra text accompanying notes 161-68.

to reduce the entrepreneur's incentive to enter the market with new designs, since other merchants have a greater chance of appropriating his success. In turn, consumers will be more confused when choosing among products.\textsuperscript{200}

Denying protection to deserving containers leaves the entrepreneur in the United Kingdom with the alternative of defending his product with a passing-off suit. This remedy is insufficient for several reasons. First, registration is likely to cost much less than pursuing the possibly large number of passing-off suits. Second, registration is more definite and final. Once the configuration is registered it never has to be registered again. Third, the presumption of "exclusive use" available to the owner of a registered configuration is not available to the plaintiff entrepreneur bringing a series of passing-off suits. In each separate case, the entrepreneur must prove that the configuration has achieved the necessary statutory distinction with regard to the allegedly infringing configuration.\textsuperscript{201} Fourth, registration provides the owner with a tangible, salable asset\textsuperscript{202} of greater value than the uncertainty of winning a number of passing-off suits. Denying trademark protection to merchants of liquid goods in distinctive containers, therefore, removes the only viable mode of protection available to protect their product.

In its opinion, the House of Lords relied solely on the reasoning used by the three tribunals that had previously examined the case. First, the definition of "trademark" required the object under consideration be a "mark."\textsuperscript{203} Second, "mark" was defined in a way that did not explicitly include containers or their shapes.\textsuperscript{204} Third, \textit{In re James's Trade Mark} (the lead-block case) mandated the result that "[t]here is no monopoly in the shape."\textsuperscript{205}

One part of the first conclusion is technically indisputable. The definition of "trademark" clearly states that something must first be a "mark" before it can be a trademark.\textsuperscript{206} The rest of the definition,

\textsuperscript{200} The effect on competing merchants is unclear. While initially they are likely to gain a portion of the market by profiting from the original entrepreneur's goodwill, they too will lose market share to other merchants desirous of sharing in the success. Whether this action will increase the overall market for the good (by causing more shelf space to be devoted to it) or decrease it (by causing consumers to purchase less confusing products) cannot be predicted. The fact that the result is unpredictable, however, means there is uncertainty in the introduction of new products. This uncertainty alone may keep other merchants from entering, since uncertainty increases the risk of any venture.

\textsuperscript{201} For a discussion of the British tort of passing off, see supra note 122.

\textsuperscript{202} See \textit{Trade Marks Act, 1938}, 1 & 2 Geo. 6, ch. 22, § 24.


\textsuperscript{204} Id.

\textsuperscript{205} Id.

\textsuperscript{206} See \textit{Trade Marks Act, 1938}, § 68.
however, mandates only that the mark be "used or proposed to be used in relation to goods for the purpose of indicating, or so as to indicate, a connection in the course of trade between the goods and some person having the right either as proprietor or as registered user to use the mark..." Applying each part of the definition to Coke's situation reveals a strong probability that Coke's bottle is exactly the type of item that the statute was created to protect. The bottle had been used (1) "[s]ince the early 1920's" (2) solely in relation to Coke's product (3) to indicate a connection between Coke (the company) and Coke (the beverage), and (4) by Coke as a proprietor.

The only potential issue is whether Coke had the "right" to use the bottle as a proprietor. While the statute does not define "proprietor," the general rule is that the person who first designs or uses a trademark is entitled to claim ownership. Alternatively, a literal reading of the definition would seem to indicate that the "right" comes from a combination of intent to use the mark as one's own and actual use of the mark. Coke would clearly be the proprietor under either of these two tests: Coke was the first to design and use the bottle, with a clear intent to distinguish its product from others. Since the House of Lords refused to read the entire definition, however, it never reached the level of analysis necessary to examine this issue.

The second conclusion relates to the definition of "mark" and is much more open to dispute. The definition "includes a device, brand, heading, label, ticket, name, signature, word, letter, numeral, or any combination thereof..." This list is not meant to be exclusive. Further, as Lord Judge Lawton admitted in the Court of Appeal decision, there is no authority at all stating whether past refusals to reg-

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207 Id.
209 Id.
210 This is inherent in the finding of the House of Lords' opinion that the bottle was distinctive. Id. Something is distinctive when it is adapted "to distinguish goods with which the proprietor... is or may be connected in the course of trade from goods in the case of which no such connection subsists..." Trade Marks Act, 1938, § 9(2). It is also inherent in the House of Lords' finding that the design of the bottle was registered as a design mark until 1940, when the registration expired. Coke, [1986] 1 W.L.R. at 697, [1986] 2 All E.R. at 275.
211 Trade Marks Act, 1938, § 68 requires "some person" to have "the right" to use the mark as either a proprietor or a registered user.
212 See supra note 131.
213 Id.
215 See Trade Marks Act, 1938, § 68(1).
216 Id.
217 Sobrefina S.A.'s Trade Mark Application, 1974 R.P.C. 672 (Q.B. Ch. Div.).
218 Re Coca-Cola Co.'s Trade Marks Application, 1985 F.S.R. 315, 1986 R.P.C.
ister containers were predicated on an interpretation of the word "mark" that excluded container shape.\textsuperscript{219} First, the House of Lords insisted on assuming that the term "mark" was used "only to describe something which distinguishes goods rather than the goods themselves. A bottle is a container not a mark."\textsuperscript{220} This error in reasoning is fatal for three reasons. The House of Lords never even discussed the issue of whether a bottle is a "device" and thus included within the definition of "mark." The House of Lords' dismissal of the issue, bluntly stating "[t]he distinction between a mark and the thing which is marked is supported by authority,"\textsuperscript{221} misses the point that the "thing marked" is the soft-drink within the bottle, not the bottle, just as the "thing marked" in the pellet-capsule case\textsuperscript{222} was the "pharmaceutical substance [ ] in pellet form . . . ."

Second, even if a bottle is not a "device," all terms defined in the "Interpretation" section of the Act\textsuperscript{224} are defined as meaning certain things except "mark," which is defined as including certain things.\textsuperscript{225} While the reason for this is not stated in the statute, Parliament apparently intended to leave the definition open for the possible addition of future terms.\textsuperscript{226} Thus, an interpretation of the statute allowing for a liberal construction of "mark" appears both reasonable and realistic.

Third, there is no way any of the items listed in the definition of "mark" can be applied to a liquid good. With the exception of frozen liquid goods produced from a mold with the merchant's trademark imprinted into the mold, such items are useless in relation to liquid goods. The two ways by which a company may distinguish its goods are to either package them in a distinctively shaped container or package them in a container distinctively decorated. No purpose of the trademark law is furthered by denying the former alternative merely because the latter is also available. Where only two methods of distinguishing a particular good are available, denying the use of one of them unnecessarily limits the ways in which a good may be identified and distinguished. This makes the product more difficult to market, and, therefore, less likely to be sold. The end result is contrary to the interests of all parties in-

\textsuperscript{219} Id. at 324, 1986 R.P.C. at ________.
\textsuperscript{221} Id.
\textsuperscript{223} Id. at 916, [1975] 2 All E.R. at 579.
\textsuperscript{224} See Trade Marks Act, 1938, 1 & 2 Geo. 6, ch. 22, § 68.
\textsuperscript{225} Id.
\textsuperscript{226} See supra text accompanying notes 221-23.
olved. Merchants of all types suffer because they have one less way to distinguish their goods. Consumers suffer from less competition and less variety in the marketplace. The Patent and Trademark Office and several courts in the United States have implicitly recognized this by granting protection in several instances. The British refusal to do so by unnecessarily insisting "a bottle is a container not a mark" is anachronistic in an age when numerous products compete for consumer attention with sophisticated marketing techniques.

The House of Lords lastly relied on the *James'* case mandate that there can be no monopoly in shape, and that a mark must be something distinct and different from the thing marked. This case does not support the *Coke* decision for two reasons. First, the decision in *James'* related to the shape of goods, not containers. The court was concerned with a monopoly on the shape — and thus the function — of goods. The shape of goods themselves is far more determinative of how they can be used than is the shape of their container. Such an argument when applied to liquid goods focuses attention on the wrong issue, since the item consumers desire to purchase is the soft-drink inside — which cannot have its own shape — not the bottle. As such, the concern with monopolies over shape in *James'* cannot be easily analogized to containers for liquids.

Second, since the case related to solid goods, the trademark there could be applied directly to the goods. This is not possible with liquid goods. The only way to impart a particular shape to liquid goods is through the use of a specially shaped container. Just as the lead block was stamped with its distinctive trademark in *James',* so the liquid is "stamped" with its distinctively shaped container.

6. CONCLUSION

Trademarks make "effective competition possible in a complex, impersonal marketplace by providing a means through which . . . consumer[s] can identify products which please [them] and reward the pro-

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227 See, e.g., *supra* note 9.
228 See *supra* text accompanying notes 195-97.
231 *Id.* at 394-95, 1886 R.P.C. at 343.
232 For example, Coke can be consumed almost regardless of the shape of the container it comes in. In contrast, the ability of a satellite dish to receive and focus radio waves is directly dependent on the shape of the disk.

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ducer with continued patronage." Unfounded reluctance to grant protection to distinctively shaped containers simply because they are containers is a semantic attempt to dodge the reality that liquid goods are not solid enough to receive trademarks in the way non-liquid goods are.

Trademark protection should be granted on the basis of uniform, sound principles that further the public interest in confusion-free competition. With a product marketable in so few ways, trademark law should be used to protect the only available methods, not eliminate them.

233 Smith v. Chanel, Inc., 402 F.2d 562, 566 (9th Cir. 1968).