

Assessing Single-Colour Registrability- Principled on the United States'

Approach

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ABSTRACT

The Qualitex judgement in 1995 sent ripples across American academia, with authors denouncing the ratio rendered therein, while others heralded it as a landmark in the modern trademark law. The debate of single-colour registrability has become even more important today, with companies like Cadbury and Christian Louboutin filing for registration of singular colours for their exclusive usage. Courts of varying jurisdictions have rendered their judicial interpretation of the domestic trademark laws regarding the protection and registration of single-colours as trademarks. The Indian judiciary however, has not rendered its conclusive instruction pertaining to the registration of single-colour marks. Amidst such confusion and chaos, the Delhi High Court, which has often been lauded as the haven of Intellectual Property jurisprudence, has rendered a series of judgements over the span of 8 months (January 2017- July 2018), which involve similar subject matter and same plaintiff(s), yet the judgements are surprisingly incompatible, further evidencing a need for the assessment of issues surrounding the registrability of abstract colour marks.

The present research analyses the arguments against the registration of single-colour marks and judges its efficacy within the Indian legal structure. The cases which have been lauded as jurisprudential innovations pertaining to single colour marks have also been summarised and critiqued. The present stand of the Indian Judiciary, along with a critique of the recent controversy within the Delhi High Court, forms an important element of this research. The principles adopted by the Indian judicial system are contrasted with the ones incorporated within the American Jurisprudence, thus providing a cross-jurisdictional assessment of the present issue.

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INTRODUCTION

The US Supreme Court in the year 1995, rendered a judgement, which in effect opened a new Pandora's Box in the arena of trademark registration and protection. The *Qualitex*¹ judgement was met with sharp criticism, with authors and journals terming it the '*Qualitex Monster*', a 'trademark disaster'.² On the other hand, there were authors that lauded the pragmatic response of the Supreme Court and opined that it was necessary to address the needs of the modern competitive advertising structures. Trademark registration policy has moved from a restrictive practice to an expansive understanding. Development of colour identification techniques such as Pantone, has arguably been a very important milestone to ensure colour differentiation and specification.

The Indian judiciary seems to be rather confused with the issue of protection of Single Colour Marks. The same can be evidenced by the debacle which unfolded in the December 2017; a series of judgements on a similar subject matter, with irreconcilable judgements rendered by the Delhi High Court, manifesting the necessity of assessment of single colour marks in the Indian legislative framework. Three distinct judgements were given, having the same plaintiff and similar subject matter, in the same court, yet they were incompatible judgements.

The purpose of trademark registration is arguably two-pronged. First, to ensure that the product carves out a niche for itself in the market, which often hosts products with minimal to no differentiating elements. Second, to enable the target population to distinguish the products of a specific manufacturer from those of others. Companies have aggressively been pushing for identification of colours with their product not only for their products and their packaging but also in advertising, and even their sales outlets. Colour has undeniably become a strong determinant in modern commercial dealings.³ Hence, a reassessment of the *Qualitex* judgment in light of rather recent judicial instruction, such as registration of *Cadbury Purple* or the *Louboutin's Red Soles* becomes pertinent.

The dispute regarding the registration of colours can be understood in three distinct manners⁴. Firstly, by way of indirect protection in combination with letters, words or shapes (Eg: The

¹ *Qualitex Co. v. Jacobson Products Co.*, 514 U.S. 159 (1995).

² Elizabeth A. Overcamp, *The Qualitex Monster: The Color Trademark Disaster*. 2 JOURNAL OF INTELLECTUAL PROPERTY LAW, (1995); Stephen J. Newman, *Kill The "Mere Color" Rule: Equal Protection for Color Under the Lanham Act*. 61 THE UNIVERSITY OF CHICAGO LAW REVIEW. (1994).

³ WIPO, 'Standing Committee on The Law of Trademarks, Industrial Designs and Geographical Indications' (2006).

⁴ Jekaterina Kudrjavceva, *Issues surrounding Registration of Colour Trade Marks*. RIGA GRADUATE SCHOOL OF LAW. (2012)

McDonald's trademarked logo). Secondly, as a single feature of a get-up of a product (Eg: Christian Louboutin's red outsole of shoes). Thirdly, without circumscribing the contours of limitations of the colour sought to be registered. Obtaining such registration is the most difficult of the three ways of protecting colour.⁵ The present research is concerned with only the second and the third categories discussed hereabove.

Various researchers and authors have identified three major arguments against registration of colours *per se*.⁶ The first of them being the Colour Depletion Theory, which assumes that there are only a limited number of colours which can be used by a certain business and if producers are allowed to monopolize then the list of available colours will run out for the later tenants (*Campbell Soup Co. v. Armour & Co.*, 1948). The second one is the Functionality Theory, which suggests that a manufacturer cannot be provided a trademark over a colour which is necessary to the practical operation of the product itself. The third argument is based on the Shade Confusion Theory, which suggests that litigation over trademarks will become hopelessly confused if the different shades of the same colour are trademarked, which would in turn lead to a problem for resolving disputes.⁷

The present research shall be divided into four sections. The first section shall discuss the three theories which have been extracted to counter the registration of single-colour marks. The second section shall aim to assess the landmark judgements of *Owens-Corning*, *Qualitex* and *Cadbury*, which lay the functional basis of the registrability of single-colour trademarks. The third section analyses the reservations employed by the Courts for the registration of single-colour marks. The last section covers the three *Christian Louboutin* judgements which corroborate the necessity of the present research.

ARGUMENTS AGAINST THE REGISTRABILITY OF SINGLE-COLOUR MARKS

Registrability of single-colour marks has met with a fair share of dissent and criticism. It is an undeniable tenet that granting commercial ownership to a colour might result in unfair competition in the marketplace. Also, authors have argued that such registration forms yet another instance of "intellectual property land grab"⁸. Colour monopolisation has been argued

⁵ 'Conditions For Registration And Scope Of Protection Of Non-Conventional Trademarks (Q181)', AIPPI World Congress (AIPPI 2004) <<https://aippi.org/library/q181-resolutions/>> accessed 25 April 2018.

⁶ Peter Koebler, *Qualitex Co. V. Jacobson Products Co.*, 115 S. Ct. 1300 (1995): *It Is Possible to Trademark Color Alone?* 12 SANTA CLARA HIGH TECHNOLOGY LAW JOURNAL. (1996).

⁷ *Colgate Palmolive Company Ltd.v. Patel and Anr.*,2005 (31) PTC 583.

⁸ A. Moore, *Intellectual Property: Theory, Privilege and Pragmatism*. 16 THE CANADIAN JOURNAL OF LAW AND JURISPRUDENCE, (2003).

to be the “proptertisation of seemingly unownable resources.”⁹ Registration of single-colour marks has basically been challenged by reason of three theories¹⁰, the Colour Depletion Theory, the Shade Confusion Theory and the Functional Theory¹¹. The following section shall extract and analyse each of these theories.

1.1 The Colour Depletion Theory

The proponents of this theory lay their emphasis on fair competition and assert that there are only a limited number of colour which can be extracted for specific products, if individual producers are allowed to monopolize particular colours, then the list of available colours will run out, which would result in a commercial prejudice upon the later competitors. The case of *Cambell Soup Co. v. Armour & Co.*¹² has been particularly important for the construction of this theory. Campbell introduced an infringement suit against Armour for using red and white labels. No injunction was granted against Armour because the District Court and the Third Circuit court concurred in their opinion that monopolistic rights cannot be granted to a specific producer.

1.2 The Functionality Theory

A functional feature of a trademark is one which is “essential to the use or purpose of the article or affects the cost or quality of the article”.¹³ The *Qualitex* judgement also provides a valuable insight of the Functionality Doctrine, the court opined that the trademark shall be registered unless “*exclusive use of the feature would put competitors at a significant non-reputation-related disadvantage.*” The functionality doctrine has been incorporated in the Indian trademark law by inclusion of S. 9(3) in the Trademarks Act, 1999.

The Functionality Theory can further be subcategorised into Aesthetic Functionality and Utilitarian Functionality. While judicial dictum pertaining to the former is very scattered and unclear the latter has a rather definite connotation. A feature of a trademark cannot serve as a trademark if it is “essential to the use or purpose of the article” or if it affects “the cost or quality of the product.”¹⁴ (For eg: A manufacturer cannot trademark the colour brown for a

⁹ Charlene Elliott, *Purple Pasts: Color Codification in The Ancient World*. 33 LAW AND SOCIAL ENQUIRY, (2008).

¹⁰James L. Vana, *Color Trademarks*. 7 TEXAS INTELLECTUAL PROPERTY LAW JOURNAL. (1999).

¹¹ Master Distributors v. Pako Cororation, 25 USPQ 1794; Colgate Palmolive Company Ltd.v. Patel and Anr.,2005 (31) PTC 583.

¹² 81 USPQ 430.

¹³ Emilie Winckel, *Hardly A Black-And-White Matter: Analysing the Validity and Protection Of Single-Color Trademarks Within The Fashion Industry*. 66 VANDERBILT LAW REVIEW. (2013).

¹⁴ Inwood Laboratories, Inc. v. Ives Laboratories, Inc., 456 U.S. 844.

chocolate but can very well register the colour purple.) The Utilitarian Functionality Doctrine provides for an absolute ground for refusal of a trademark and acquisition of secondary meaning does not qualify to be an exception of the doctrine.¹⁵ Aesthetic Functionality has been held to bar a trademark registration where the design of a product itself constitutes the trademark for which protection has been sought or obtained and where the mark is deemed to be functional and unprotectable.¹⁶ As far as the Aesthetic Functionality is concerned, it has often been traced to a comment in the 1937 Restatement of Torts¹⁷: “*When goods are bought largely for their aesthetic value, their features may be functional because they definitely contribute to that value and thus aid the performance of an object for which the goods are intended*” (For eg: A heart shaped chocolate box for Valentine’s Day, can be seen as aesthetically functional whereas it is not the same case with a box of chips. The intended consumer population would not buy a Valentine’s Day chocolate box if it is not heart shaped.)

1.3 Shade Confusion Theory

This argument against registration is rooted in the fundamental premise of trademark law that no trademarks should be granted if they are likely to cause confusion among general public regarding the source of goods. Proponents of the shade confusion theory argue that litigation over trademarks would become hopelessly confused if different shades of the same colour are allowed registration, while adjudicating on cases pertaining to ‘likelihood of confusion’¹⁸. Despite the development of colour identification systems (such as pantone), determining as to whether a trademark sought to be registered is ‘deceptively similar’ shall be a very intricate process for the courts, hence this theory is based on the practical application of the single-colour rule.

FUNCTIONAL BASIS OF REGISTRATION OF SINGLE-COLOUR MARKS

Colour marks have been a reality for more than two decades now and have been recognised by various jurisdiction across the globe. Similarly, there are various jurisdictions which have laid down guidelines for registration of single-colours as trademarks,¹⁹ although, such movement

¹⁵ Pagliero v. Wallace China Co., 198 F.2d 339, 344 (9th Cir. 1952) “The design being a functional feature of china, we find it unnecessary to inquire into the adequacy of the showing made as to secondary meaning of the designs.”

¹⁶ Theodore C. Max, 'Coloring Outside the Lines In The Name Of Aesthetic Functionality: Qualitex, Louboutin, And How The Second Circuit Saved Color Marks For Fashion' (2012) 102 The Trademark Reporter.

¹⁷ *Au-tomotive Gold Inc. v. Volkswagen of America Inc.*, 457 F.3d 1062.

¹⁸ Peter Koebler, *Qualitex Co. V. Jacobson Products Co.*, 115 S. Ct. 1300 (1995): *It Is Possible to Trademark Color Alone?*. 12 SANTA CLARA HIGH TECHNOLOGY LAW JOURNAL. (1996).

¹⁹ SMD Group, 'Protection of Colour Marks Worldwide' <http://www.country-index.com/images/colour_marks_preview.png> accessed 25 April 2018.

towards a forbearing approach for registration of single-colour marks is a rather recent development in most jurisdictions.²⁰ Such shift can be attributed to development in technology which has now made it possible to represent the most sophisticated shades of any colour, also each shade is recognised with its unique code to minimise the risk of confusion (Eg: Pantone identification system).²¹

Despite the arguments against registration (2.1, 2.2 & 2.3), in 1985, the US Court of Appeals for the federal circuit allowed the registration of the colour pink, as uniformly applied to fibrous glass home insulation. This marked the beginning of a new chapter in trademark registration for the American jurisdiction.²² Although, the decision was not accepted with without reluctance, and several other courts of appeal did not follow the *Owens-Corning* rule of registration.²³ The judicial dictum was finally fortified in the case of *Qualitex Co. v. Jacobson Products Co.*

2.1 *In re: Owens-Corning Fiberglas*

The Federal Circuit court examined the scope of the Lanham Act, 1946 and opined that it was intended to liberalize the subject of trademark registration. Colour Depletion Theory was held to be in conflict with the expansive scope of the Lanham Act. The colour pink was not being used by any manufacturer in the fiberglass industry but Owens-Corning, which pointed to the conclusion that the colour was not functional and while adjudicating upon the scope of acquisition of secondary meaning the court opined that the use of the colour pink was not merely for ornamentation purposes as Owens-Corning had spent 42 million USD on advertisements since 1956 and the consumers also associated pink fiberglass with the manufacturer's product.

2.2 *Qualitex Company v. Jacobson Products Company Litigation*

The US Supreme Court in the year 1995 laid down that the Lanham Act “*permits the registration of a trademark that consists, purely and simply of a colour*”. The two limitations upon such registration were that the said colour should have acquired a secondary meaning in reference to the particular product and the second one being that the colour sought to be

²⁰ MMS Karki, *Non-traditional Areas of Intellectual Property Protection: Colour, Sound, Taste, Smell, Shape, Slogan and Trade Dress*. 10 JOURNAL OF INTELLECTUAL PROPERTY RIGHTS, (2005).

²¹ Deli Yang, *Colour Markability: Registrable in Few Nations, But Debatable Among Many!* 17 JOURNAL OF INTELLECTUAL PROPERTY RIGHTS. (2012).

²² *In re Owens-Corning Fiberglas*, 774 F.2d 1116 (Fed. Cir. 1985)

²³ L. Samuels & J. Samuels, *Color Trademarks: Protection Under U.S. Law*. 15 JOURNAL OF PUBLIC POLICY AND MARKETING, (1996).

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registered should not be functional. The plaintiff herein used a unique ‘green-gold’ colour on their dry-cleaning pads since 1950s. In 1991, a trademark for the green-gold colour was registered by the plaintiff. Meanwhile, the defendant started marking dry-cleaning pads which were of a similar green-gold colour.

While assessing the definition of trademark within the Lanham Act, the court said that “*If a shape, a sound and a fragrance can act as a symbol why, one might ask, can a colour not do the same?*” Hence, the Court brought colour marks within the purview of the term ‘trademark’. The court systematically addressed individual arguments against the registration of singular colours. Firstly, addressing the shade confusion issue the court said that solving infringement issues pertaining to colours are similar to those pertaining to the word marks or shape marks. Also, the court opined that if in case lighting situations change the perception of the colour, the court can replicate the lighting conditions under which the products are normally viewed. Secondly, the ‘colour depletion’ argument was rejected on the reasoning that “*it relies on an occasional problem to justify a blanket prohibition*”. Also, the functionality theory bars registration of any colours which are incidental to the use of the product and hence, would ensure that the necessary colours are available for usage for new competitors. Thirdly, the court relied on the *Owens-Corning* judgement to provide that the scope of registration in the Lanham Act was far more expansive than the earlier trademark regulations.

2.3 *Cadbury UK Ltd v. Société des Produits Nestlé SA*²⁴

Cadbury sought to register the colour purple on grounds of acquired distinctiveness in the year 2004. The attempt to register was soon challenged by Nestle and little did either parties know that they shall be involved in what is arguably the most important litigations while assessing registrability of single-colour marks.

The conclusion of the litigation before the Court of Appeal rendered a judgement against registration of Cadbury’s Purple. The judgement has time and again been cited and construed as an evidence of the judicial aversion relating to registration of Single-colour marks. Although, such conclusion is fallacious because the registration of the mark was rejected because the said mark could not be represented graphically, and not because the court objectively ruled against the registration of single-colour marks.

²⁴ [2013] EWCA Civ 1174.

The Court considered a catena of judgements including the *Libertel*²⁵ judgement and the *Sieckmann*²⁶ judgement. The qualifications required for the registration of a valid trademark were also extracted from Article 2 of the Trade Mark Directives of 2008. Cadbury explained its mark as the “predominant colour applied to the whole visible surface”, which could be used for a multitude of distinct marks as a result of its implied reference to other colours and other visual material not displayed or described in the application over which the colour purple may predominate.

The mark sought to be registered was distinguished from mark which formed the subject matter of litigation in the *Libertel* case, as the latter employed an unchanging application of a single-colour. The Court concluded that by virtue of the description employed by Cadbury they did not seek to register the colour purple but to register multiple marks which were predominantly associated with the colour purple.

The registration was denied because it lacked specificity, clarity and specificity of visual appearance and not because a single-colour cannot be the subject matter of a valid trademark. Thus, the *Cadbury* judgement does not invalidate the registration of single-colour marks but lists the necessary conditions which qualify a mark for being the subject matter of a valid trademark.

CONDITIONS NECESSARY FOR THE REGISTRATION OF COLOUR AS A TRADEMARK

It can very well be argued that various jurisdictions provide for the registration of colour marks and the rule of single-colour registrability has also gained recognition within select jurisdictions.²⁷ Although, various cases across the judicial spectrum have submitted that registration of single-colour marks imposes a higher standard of proof than what is imposed on the registration of marks containing a multiplicity of colours.²⁸ Apart from confirming to the theoretical understandings of a trademark, authors have often argued that there are two considerations which the court should indulge into while assessing the registrability of single-colour marks. The first one being that the colour should not serve any functional purpose i.e. it

²⁵ *Libertel Groep BV v. Benelux-Merkenbureau*, [2003] ECR I-3793.

²⁶ *Sieckmann v. Deutsche Patent –und Markenamt*, [2002] ECR I-11754

²⁷ *Lending Color to Trademarks: Protection under U.S. Law*. 70 INTERNATIONAL TRADEMARK ASSOCIATION BULLETIN. (2015).

²⁸ L. Samuels & J. Samuels, *Color Trademarks: Protection Under U.S. Law*. 15 JOURNAL OF PUBLIC POLICY AND MARKETING, (1996).

should not contradict to the Functionality Doctrine and the second one being that it should acquire a ‘secondary meaning’ and should be sufficiently distinctive.²⁹

3.1 Significant Non-Trademark Function

The concept of a ‘Significant Trademark Function’ is essentially an extension of the Functionality Doctrine. The *Qualitex* judgement mentions that if a trademark “performs a significant non-trademark function”, the court must engage in the functionality analysis. Thus, the same shall be discussed in relation to the Functionality Doctrine.

The theoretical understanding of the functionality doctrine has already been discussed (2.2). The 1938 case of *Kellogg Co. v. National Biscuit Co.*,³⁰ decided by the US Supreme Court can be assessed. Kellogg Co. sought to register the name ‘Shredded Wheat’ and the pillow shape of its cereal. Neither of the two were provided any protection as the court held that the sought registrations are functional for the product in reference to which they are sought to be registered. The cheapest machine which processed shredded wheat automatically made the cereal into pillow shape. The court reasoned that the pillow shaped product identified the product itself rather than identifying the source of the product, further stating that when an article may be manufactured by all the manufacturers in the industry, a particular manufacturer cannot assert exclusive rights in a form in which the general public has become accustomed to seeing the product. The sought registration should not be associated with the article itself rather than the producer seeking said registration.

The following factors have been opined to indicate functionality. Firstly, the existence of an expired utility patent that disclosed the utilitarian advantage of the design; Secondly, the touting of the utilitarian advantages of the design through advertising; Thirdly, the availability of alternative designs; and lastly, the fact that the design is accomplished by comparatively cheap or simple manufacturing methods.³¹

The concept of Utilitarian Functionality is fairly simple, and various judicial pronouncements and literary opinions have clarified the scope and extension of the doctrine, but the concept and application of the Doctrine of Aesthetic Functionality is very scattered. Various authors have opined that Aesthetic Functionality Doctrine should be put to rest, as it undermines the

²⁹ Narumon Saardchom, *Risk of Intellectual Property among Fashion Designs*. 20 JOURNAL OF LEGAL, ETHICAL AND REGULATORY ISSUES, (2017).

³⁰ 305 U.S. 111 (1938).

³¹ Peter Koebler, *Qualitex Co. V. Jacobson Products Co., 115 S. Ct. 1300 (1995): It Is Possible to Trademark Color Alone?*. 12 SANTA CLARA HIGH TECHNOLOGY LAW JOURNAL. (1996).

principles embodied in Trademark Law.³² Hence, an assessment of Aesthetic Functionality is provided hereunder.

The test for Aesthetic Functionality is threefold. Firstly, the considerations as laid down in the case of *Inwood Laboratories*³³ are to be addressed. Whether the design feature is either "essential to the use or purpose" or "affects the cost or quality" of the product at issue. Next, if necessary, we turn to a third prong, which is the competition inquiry set forth in *Qualitex*. In other words, if a design feature would, from a traditional utilitarian perspective, be considered "essential to the use or purpose" of the article, or to affect its cost or quality, then the design feature is functional under *Inwood* and our inquiry ends.¹⁵ But if the design feature is not "functional" from a traditional perspective, it must still pass the fact-intensive *Qualitex* test and be shown not to have a significant effect on competition in order to receive trademark protection.³⁴

Tracing the development of the Aesthetic Functionality Doctrine, it can be assessed that the first American case to apply this doctrine was the case of *Pagliari*³⁵. The dispute was regarding the use of a particular floral design on hotel china. Despite owning a substantial market share and having spent considerably on advertising, the Court opined that since the feature is essential for the commercial success of the product, the interest of free competition prohibits its registration. Basically, the doctrine bars registrability of a mark that "is necessary to compete in the market."³⁶

The modern application of the doctrine can be derived from the case of *Qualitex* wherein the Court opined that "*the ultimate test of aesthetic functionality ... is whether the recognition of trademark rights, in an aesthetic design feature would significantly hinder competition*". Again in 2001, the US Supreme Court in *Traffix Devices Inc.*³⁷ provided the ultimate test for Aesthetic Functionality, opining that the courts must inquire as to whether recognizing a trademark would put competitors at a significant non-reputation related disadvantage.

Hence, the Aesthetic Functionality Doctrine is embedded in the principle of fair competition and is an extension to the traditional, utilitarian functionality doctrine. Although, the doctrine

³² Sarah Hopkins, *Aesthetic Functionality: A Monster The Court Created But Could Not Destroy*. 102 THE TRADEMARK REPORTER. (2012); Theodore C. Max, *Coloring Outside the Lines in Name of Aesthetic Functionality*. 102 THE TRADEMARK REPORTER. (2012).

³³ *Inwood Laboratories v. Ives Laboratories*, 456 U.S. 844(1982).

³⁴ *Christian Louboutin v. Yves Saint Laurent America Holding Inc.*, MANU/FESC/1390/2012.

³⁵ *Pagliari v. Wallace China Co.*, 198 F.2d 339 (9th Cir. 1952).

³⁶ *Villeroy & Bosh Keracmische Werke K.G. v. THC Sys Inc*, 999 F.3d 619, 622 (2d. Cir., 1993)

³⁷ *Traffix Devices Inc.v. Marketing Display Inc.*, 532 U.S. 23 (2001).

has been criticised because often a producer establishes, ‘identities’ of the product through extensive use and advertisement and since the same have now been so extensively identified with the product, such registration may not be granted under the Aesthetic Functionality Doctrine.

3.2 Secondary Meaning

It is a settled principle of law that a trademark shall not be registered unless it is distinctive and can be identified as the source of the goods. A trademark can be inherently distinctive and can also assume such distinctiveness by virtue of continuous use, which is called acquired distinctiveness.³⁸ Although, when the registration of single-colours is in question, this distinction can be rendered futile. Can a colour be inherently distinctive and how does a colour assume acquired distinctiveness? This section shall analyse the legal standpoint on these two questions.

The inherent distinctiveness of a colour has often been rejected by the courts of US jurisdiction. Even after the *Qualitex* judgement of the Supreme Court, the question as to whether a colour can be granted protection without acquiring any secondary meaning was left ambiguous. The dust settled when in the year 2000 the Court pronounced the *Wal-Mart*³⁹ judgement, wherein the court inexplicably opined that “color per se is not registrable. For a color to qualify as a trademark it has to be coupled with some other attribute”. Hence, the dictum was clear that a colour cannot be inherently distinctive.

A secondary meaning is assumed by a trademark when in the minds of the public, the primary significance of a product feature or term is to identify the source of the product rather than the product itself.⁴⁰ The question to be addressed although is that how a producer can prove that his product has acquired secondary meaning. Following can be the evidences which can be submitted to establish that a product has ‘acquired distinctiveness’.

- Customer Testimony

Testimony directly from consumers is a strong piece of evidence to substantiate that the product has been necessarily distinguished by virtue of the trademark. The entire idea of registering a trademark is duly associating the product to the source of said product and if the targeted

³⁸ V.K. AHUJA, *INTELLECTUAL PROPERTY RIGHTS IN INDIA* (2nd edn, Lexis Nexis 2015)

³⁹ *Wal-Mart Stores, Inc. v. Samara Brothers, Inc.*, 529 U.S. 205 (2000).

⁴⁰ Emilie Winckel, *Hardly A Black-And-White Matter: Analysing the Validity and Protection Of Single-Color Trademarks Within The Fashion Industry*. 66 *VANDERBILT LAW REVIEW*. (2013)

population associates a trademark with the goods of the producer it can very well be understood having acquired a secondary meaning.⁴¹

In re Ideal Industries Inc.,⁴² the court took letters from professional customers of the applicant which directed towards the fact that the trademark so being used has acquired a distinctive character as evidence. Similarly, in *Federal Glass Co. v. Corning Glass Works*⁴³, wherein the court took customer testimonies as a valid indicator of secondary distinctiveness.

- Survey Evidence

Survey Evidence has time and again been accepted as evidence when secondary meaning is to be adduced to a trademark. In both *Owens-Corning and Qualitex* the court appreciated the survey evidence which was presented before it. In the year 2012, the United Kingdoms High Court also appreciated survey evidence in the case of *Cadbury UK Ltd. v. Societ des Produits Nestle*⁴⁴, while determining that the colour purple is reasonably identified with the Cadbury product while intending to register the colour purple as its exclusive trademark.

In *Owens-Corning*, a survey evidence was submitted to establish that their extensive advertisement campaigns had successfully registered ‘pink insulation glass’ as a product of Owens-Corning.

- Amount spent on Advertising

The amount which the manufacturer spends on advertising to ensure a market share for his product is a very relevant criteria in assessing as to whether a secondary meaning is associated with the product or not. As the Owens-Corning court noted, “*the size of advertising expenditures alone has been found to serve as strong evidence of secondary meaning.*” Owens-Corning demonstrated that, from 1956 to 1981, it had spent over \$42 million on consumer for advertising for its pink insulation boards. Authors have also postulated that the amount spent on advertising amounts for a very important indicator that the targeted population associate a certain colour with the goods of a certain producer.⁴⁵

⁴¹ Willajeanne F. McLean, *The Birth, Death and Renaissance of The Doctrine Of Secondary Meaning In The Making*. 42 THE AMERICAN UNIVERSITY LAW REVIEW. (1993).

⁴² 508 F.2d 1336, 1340.

⁴³ 162 USPQ 279, 283 (TTAB 1969).

⁴⁴ [2013] EWCA Civ 1174.

⁴⁵ Sakshi Mahajan & Aastha Tandon, *Legal Acceptability of Single-Colour as a Trademark*. 4 CHANAKYA NATIONAL LAW UNIVERSITY LAW JOURNAL. (2014).

The time since when such advertisements are being published and the use of the specific colour in the advertisements also accounts for an appreciable evidence which has time and again been considered by the courts.⁴⁶

THE CONTROVERSY WITHIN THE DELHI HIGH COURT

Christian Louboutin conducted a survey in February 2016 and instituted infringement proceedings for unauthorized use of their trademarks. Their group of registered trademarks, along with their registered word marks included the registration of red colour soles for women's shoes.⁴⁷ Subsequently, three distinct judgements have been delivered by the Delhi High Court in the span of eight months which have highlighted the dearth of judicial instruction and precedent to assess the cases of Single-Color Trademarks.

The controversy unfolded in the month of December 2017, with *Justice Mukta Gupta* adjudicating upon a suit brought forth by Christian Louboutin for the infringement of their 'RED SOLE' mark. The litigation concluded with a declaration that awarded the 'RED SOLE' mark the coveted character of a Well-known Trademark, considering factors such as international presence and continuous use.⁴⁸ Another suit initiated by Christian Louboutin was up for scrutiny before *Justice Valmiki Mehta*, where taking recourse of various legislative interpretations and discrediting the judgements rendered by his peers, he declared that a single-colour mark does not fall within the contours of the Trademark Law in the Indian Jurisdiction and hence, the Plaintiff was not entitled to any damages for infringement. Interestingly enough, a similar issue was brought in the court of *Justice Yogesh Khanna*, in July 2018, who ruled that the violation of the Plaintiff's 'RED SOLE' mark was ground for awarding punitive damages.

The confusion within the Delhi High Court clearly evidences the need for assessing the registrability of Single-Colour marks within the Indian Jurisdiction in light of the Trademark Act, 1999 and the Trademark Rules, 2017.

4.1 Analyzing the Delhi High Court Controversy

The prayer presented before the High Court in all the three cases are identical and the subject matter of the suits is also similar, with the exception of Justice Mehta's case wherein only the

⁴⁶ *Abercrombie Fitch v. A.M. Eagle Outfitters*, 2d 928 (S.D. Ohio 1999).

⁴⁷ Para 8, *Christian Louboutin v. Pawan Kumar*, 2018 (73) PTC 403 (Del).

⁴⁸ Prashant Reddy, *By Invitation: The Delhi High Court Declares Louboutin's Red Sole As a 'Well Known Trademark'* SpicyIP (2017), <https://spicyip.com/2017/12/by-invitation-the-delhi-high-court-declares-louboutins-red-sole-as-a-well-known-trademark.html> (last visited Sep 6, 2018).

colour mark was being infringed and not the word mark. Subject to these similarities the difference between the two streams of instruction is surprisingly irreconcilable.

1. *Christian Louboutin v. Pawan Kumar*⁴⁹, was the first judgement delivered of what has turned out to be a spectacle of judicial confusion. Justice Gupta considered the plaint which was brought before her and with due regard to the evidence at record, she decreed that the plaintiff's 'red sole' mark amounts to being a well-known trademark in the Indian Context. While discussing about infringement analysis and the analysis of whether or not the mark can be attributed the character of a well-known mark, the judgement fails to discuss the validity of the 'red sole' mark itself.
2. *Christian Louboutin v. Ashish Bansal*⁵⁰, is the latest judgement of the three, with the case concluded on 31st July 2018. Justice Khanna was also presented with similar subject matter. Although, the Plaintiff's mark in this judgement was not awarded the accolade of being a well-known mark. The judgement decreed the defendants liable of infringement of the registered trademarks and domains names and punitive damages were awarded. Although, similar to Justice Gupta, Justice Khanna never indulged in an analysis of the validity of the mark itself. Also, Justice Mehta's judgement involving a similar subject matter and the same plaintiff had already been declared but there is no mention of that opinion.
3. In *Christian Louboutin v. Abubaker*⁵¹, Justice Mehta has provided a very detailed and comprehensive analysis of the issue, and finally declared that the 'red sole' mark of the plaintiffs is not registrable within the Indian legislative framework. The judgement systematically dismantles the submissions of the plaintiff to finally hold that a single-colour mark is not worthy of registration. There is a multiplicity of issues discussed in the case but for the sake of this analysis only arguments regarding single-colour registrability shall be discussed. The embargo against single colour registrability in the judgement rests on two limbs. The first one being the definition of mark under the Trade Marks Act, 1999 and another one being the limits on effect of registered trade mark enshrined in S. 30(2)(a).

⁴⁹ *Christian Louboutin v. Pawan Kumar*, 2018 (73) PTC 403 (Del).

⁵⁰ CS (Comm.) 503/2016 and IA No. 5766/2016, MANU/DE/2683/2018, 2018 SCC OnLine Del 10205.

⁵¹ (2018) 250 DLT 475.

Single Colour Registrability

The first argument stems from S. 2(m) of the Trade Marks Act, 1999. It provides an inclusive definition of the word 'mark' which includes 'combination of colours'. Justice Mehta has interpreted the definition to put a prohibition on single colours as being eligible for registration. The judgement reads "*Combination of colours is sine qua non, and meaning thereby that quite obviously one single colour, as contra-distinguished from combination of colours, cannot be a mark falling in the definition of 'mark'.*"⁵² The interpretation so rendered in the judgement is flawed because the definition of 'mark' under S. 2(m) includes within its ambit single color marks. There is scholarly opinion which establishes that S. 2(m) is an inclusive definition, and comprehends within its scope any mark, even consisting of a single colour, with or without the arrangement of any other sign or words.⁵³

The second limb of the judgement was that even if the 'red sole' mark is eligible for protection as a Trade Mark, an infringement proceeding shall not lie over the unauthorized use of the mark because of its functional character in accordance with S. 30(2)(a).⁵⁴ *Qualitex* was also perused to elucidate contours of functionality. The interpretation and contours of the Functionality Doctrine have already been discussed in this submission (4.1 and 2.2). The four factors which have been cited to indicate functionality can very well determine that the 'red sole' mark is not a functional characteristic.⁵⁵ Firstly, there has not been a utility patent on the use of red-coloured shoe soles. Secondly, there are no specific advantages which are derived by use of red soles. Thirdly, there are possibly millions of alternative colours available which can be used in shoe soles and lastly, the soles of shoes are not naturally red, there are additional steps involved to ensure the colour of the sole. As far as the issue of the controversial Aesthetic Functionality is concerned, neither can a red sole be essential to the use or purpose of a footwear itself nor can it be said to affect the cost or quality of the footwear, which are both tests to indicate Aesthetic Functionality as dictated in the case of *Inwood Laboratories*⁵⁶ Inclusion of a red sole does not necessarily affect the cost of production of the good, neither was any evidence presented to direct that the quality of the product is improved by use of a red sole.

⁵² Para 8(ii).

⁵³ K C KAILASAM & RAMU VEDARAMAN, LAW OF TRADEMARKS 49 (3 ed. Lexis Nexis 2016).

⁵⁴ Para 19(v).

⁵⁵ Peter Koebler, 'Qualitex Co. V. Jacobson Products Co., 115 S. Ct. 1300 (1995): It Is Possible to Trademark Color Alone?' (1996) 12 Santa Clara High Technology Law Journal.

⁵⁶ *Inwood Laboratories v. Ives Laboratories*, 456 U.S. 844(1982).

CONCLUSION

The interest of the companies which formulate aggressive strategies and invest in associating their product with a single colour should not be jeopardized because of the fact that the legislative framework does not *explicitly* address the registrability of single colour marks. Cadbury, Louboutin and many other companies have successfully associated the identity of their product with a single colour and their efforts and rights should be duly protected. Also, the vulnerability of the targeted markets should be considered. More often than not, consumers do not actually undertake a rigorous survey of the various identifications of the product they intend to buy. Hence, such legislative framework should not be interpreted in a way so as to defeat the basic tenet of the subject itself.

Conclusively, any producer or manufacturer should not be allowed to take the advantage of a brand value created by another manufacturer by continuous and extensive use. If a producer can sufficiently prove that his product has acquired distinctiveness in the market and the targeted population associates a certain colour with his products, he should be given protection.

The position in the United States jurisdiction is very clear relating to the registration of a single-colour mark. If said mark has acquired a 'Secondary Meaning' and is not functional to the usage of the goods such marks can very well be registered and protected. In India, a conclusion of the subject is yet to be witnessed.
