

Chippendales' 'Cuffs & Collar' Mark Not Inherently Distinctive

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In re Chippendales USA, Inc., No. 2009-1370, 2010 US App. LEXIS 20421, US Court of Appeals for the Federal Circuit, 1 October 2010.

Abstract

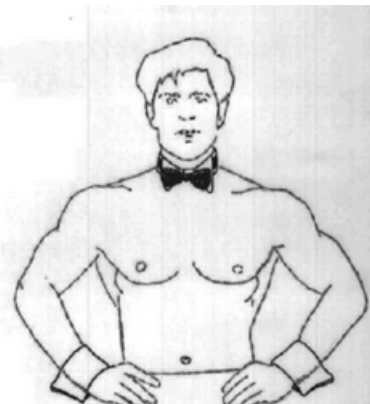
The US Patent and Trademark Office's refusal to register Chippendales' 'Cuffs & Collar' mark is affirmed by the Federal Circuit because the mark is not inherently distinctive in view of Playboy's bunny costume.

Legal Context

Costume designs associated with a particular source of entertainment (like adult entertainment) can be the subject of trade dress protection in the US, and the subject of associated trade mark registrations. *In re Chippendales USA, Inc.* ('*Chippendales II*'), addresses the standards by which inherent distinctiveness is determined with respect to registrability of trade dress designs in the US. Although the unique procedure by which *Chippendales II* was raised to the US Court of Appeals for the Federal Circuit has been mooted, for the most part by rule changes at the US Patent and Trademark Office, its discussions of various fundamental principles of US trade mark and trade dress law are nonetheless informative.

Facts

Since the first Chippendales opened in Los Angeles in 1978, the famed adult entertainment establishment for women has been cloaking its exotic male dancers and servers in a 'Cuffs & Collar' outfit (an abbreviated tuxedo comprising wrist cuffs and a bow tie collar without a shirt). Although granted a US trade mark registration for the Cuffs & Collar trade dress based on acquired meaning, Chippendales nonetheless pursued a second registration for the Cuffs & Collar trade dress based on the assertion that the mark is inherently distinctive, as shown below:



In 2003 Chippendales submitted evidence that this mark was both inherently distinctive and, in the alternative, as having acquired distinctiveness. The Examiner rejected Chippendales' argument that the mark was inherently distinctive, but accepted that the mark had acquired distinctiveness. That application issued as US trade mark for 'adult entertainment services, namely exotic dancing for women', claiming first use in 1979.

Because of unique procedural limitations in effect at that time, Chippendales was precluded from challenging the Examiner's rejection of its claim based on inherent distinctiveness. Thus Chippendales filed a second application in 2005

for the Cuffs & Collar mark for 'adult entertainment services, namely exotic dancing for women', in the nature of live performances.

In 2007 the Examiner issued a final office action refusing to register the Cuffs & Collar mark because the mark was not inherently distinctive. This decision was affirmed by the US Trademark Trials Appeals Board in 2009: *In re Chippendales USA, Inc.*, 90 USPQ2d 1535 (US TTAB 25 Mar. 2009) ('*Chippendales I*).

Chippendales I, as it was bound to do, applied the decision of the US Court of Customs and Patent Appeals (a predecessor court of the Federal Circuit) in *Seabrook Foods, Inc. v Bar-Well Foods, Ltd.*, 568 F.2d 1342 (CCPA 1977), to determine inherent distinctiveness. Applying *Seabrook*, *Chippendales I* found that:

1. The mark was not inherently distinctive because it was a common basic shape design and it is not unusual for exotic dancers to 'wear costumes or uniforms which are ... revealing and provocative' (*Chippendales I* at 1541);
2. The mark was not unique or unusual in the particular field of use, because costumes generally are common to the field of exotic dancing since '[A]ll strippers begin their routine with some kind of fantasy outfit', citing as examples of 'various provocative costumes' 'a stripper representing either a doctor wearing a stethoscope or a construction worker wearing a utility belt, or a cowboy wearing chaps and a ten-gallon hat' (*Id.* at 1542, 1541);
3. In the alternative, the mark was not unique or unusual in the particular field of use because it was inspired by the ubiquitous Playboy bunny suit, which includes cuffs, a collar and bowtie, a corset, and a set of bunny ears.

The dissent in *Chippendales I* disagreed, concluding that the mark was inherently distinctive.

Chippendales appealed this decision to Federal Circuit, this being the subject of *Chippendales II*.

Analysis

The Federal Circuit affirmed the Board's determination that the mark was not inherently distinctive as being supported by substantial evidence, rejecting Chippendales' other arguments as being without merit.

Chippendales II begins its analysis by reviewing some US trade mark law fundamentals.

US trade marks are assessed according to a scale which evaluates whether a mark is 'arbitrary' or 'fanciful', 'suggestive', 'descriptive', or 'generic'. These categories are described as follows:

- 'Arbitrary' or 'fanciful' marks contain 'coined, arbitrary or fanciful words or phrases that have been added to rather than withdrawn from the human vocabulary by their owners, and have, from the very beginning, been associated in the public mind with a particular product ... and have created in the public consciousness an impression or symbol of the excellence of the particular product in question'. (*Chippendales II* at *7n.2 (quoting *Mosely v. V Secret Catalogue, Inc.*, 537 U.S. 418, 429n.10 (2003).)

- ‘Suggestive’ marks suggest ‘characteristics of the product or service and require[s] an effort of the imagination by the consumer in order to be understood as descriptive’. (*Id.* at *8n.3 (quoting *Gift of Learning Found., Inc. v. TGC, Inc.*, 329 F.3d 792, 797–99 11th Cir. 2003)).
- ‘Descriptive’ marks merely describe the qualities or characteristics of a good or service.
- ‘Generic’ marks refer to the genus of which the product is a species.

Arbitrary, fanciful or suggestive marks may be registered as trade marks that are inherently distinctive. Descriptive marks which acquire secondary meaning may also be registered as trade marks. Generic marks generally do not qualify for trade mark protection.

US trade mark protection may also be secured for ‘trade dress’, which ‘encompasses the design and appearance of the product and its packaging’. (*Id.* at *9.) The Cuffs & Collar mark at issue is an example of a ‘trade dress’.

Under *Seabrook*, the Federal Circuit applies the following four part test to determine inherent distinctiveness of a mark:

1. whether it was a ‘common’ basic shape or design,
2. whether it was not unique or unusual in the particular field,
3. whether it was a mere refinement of a commonly-adopted and well-known form of ornamentation for a particular class of goods viewed by the public as a dress or ornamentation for the goods, or
4. whether it was capable of creating a commercial impression distinct from the accompanying words.

If a mark satisfies any of these tests, it is not inherently distinctive. The fourth factor applies to word marks and does not apply here.

Unlike ‘acquired distinctiveness’ or ‘secondary meaning’, ‘[i]nherent distinctiveness does not depend on a showing that consumers actually identify the particular mark with the particular business’. (*Id.* at *10–11.) As the US Supreme Court explains “‘secondary meaning’ is acquired when “in the minds of the public, the primary significance of a product feature ... is to identify the source of the product rather than the *product* itself”. (*Id.* at *11n.6 (quoting *Qualitex Co. v. Jacobson Prods. Co.*, 514 US 159, 163 (1995).) From a policy perspective, *Chippendales II* explains (at *11):

“Thus, if the mark is inherently distinctive, it is presumed that consumers will view it as a source identifier. If the mark is not inherently distinctive, it is unfair to others in the industry to allow what is in essence in the public domain to be registered and appropriated, absent a showing of secondary meaning. The policy here is basically the same as the prohibition against registering generic word marks, or descriptive marks that have not acquired secondary meaning.”

Chippendales II next considered whether the prior registration of the mark based on its acquired distinctiveness mooted the need for the court to decide if it also was entitled to registration for inherent distinctiveness. In this regard the Court recognized that from a registration perspective it did not matter, since there could be differences in the context of enforcement. The dispute was not however mooted. In particular, *Chippendales II* recognized that the strength of a mark impacts numerous factors considered in enforcing a trade mark. Thus, *Chippendales II* found ‘[t]he potential for benefit in an infringement suit of a registration based on inherent distinctiveness creates a viable controversy’. (*Id.* at *16.)

Thirdly, *Chippendales II* considered the question of the timing for measuring inherent distinctiveness of a mark. On this issue, the Court found the correct time for measuring inherent distinctiveness is at the time of registration. Nevertheless, it recognized that it is appropriate to consider in addition to evidence of the current situation, evidence of earlier uses to shed light on the current situation.

Finally, while *Chippendales II* found that the Board erred in its suggestion that a costume in the adult industry would lack inherent distinctiveness, it had not erred in its ultimate conclusion that the mark at issue lacked inherent distinctiveness.

With respect to the Board’s error, *Chippendales II* explains (at *22–23):

“It is incorrect to suggest that no costume in the context of the live adult entertainment industry could be considered inherently distinctive. Simply because the live adult entertainment industry generally involves “revealing and provocative” costumes does not mean that there cannot be any such costume that is inherently distinctive. Each such trademark must be evaluated individually under the *Seabrook* factors. The “mere refinement or variation” test is not satisfied by showing that costumes generally are common in the industry.”

With respect to the application of the *Seabrook* factors to the mark at issue, *Chippendales II* agreed that under the third factor, whether the mark constitutes ‘a mere refinement of a commonly-adopted and well-known form of ornamentation for a particular class of goods’ under *Seabrook*, the Board did not err in finding it is a mere variant or refinement of a particular costume. (*Id.* at *20 (quoting *Chippendales I* at 1539).) In particular, *Chippendales II* agreed that the mark was not inherently distinctive because of the existence of the pervasive *Playboy* mark, which includes the cuffs and collar together with bunny ears.

Significantly, as part of its analysis, *Chippendales II* rejected *Chippendales*’ argument that the *Seabrook* test was overturned by the subsequent decision of the US Supreme Court in *Wal-Mart Stores, Inc. v Samara Brothers, Inc.*, 529 US 205 (2000). In doing so, the Federal Circuit explained in *Wal-Mart*, the Court merely held that product design trade dress can never be inherently distinctive, and can only qualify for protection through acquired distinctiveness’:

“Nothing in the *Wal-Mart* decision questioned or undermined the reasoning in *Seabrook*. Indeed, the Court cited *Seabrook* but did not express any disagreement with its use to determine the inherent distinctiveness of trade dress, although rejecting it as a test for inherent distinctiveness in the context of product design. *Id.* at 213–14. Under these circumstances, the panel is bound by *Seabrook*, and only the court en banc may overturn it. In any event, we fail to see how appellant’s proposed test represents an improvement over *Seabrook*. (*Chippendales II* at *27–28.)”

Practical Significance

Despite its unique procedural posture, *Chippendales II* provides a nice summary of trade mark fundamentals and the state of law on inherent distinctiveness with respect to trade marks in general, trade dress in particular, and costume marks even more significantly.

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