

FAILURE TO FUNCTION AND TRADEMARK LAW'S OUTERMOST BOUND

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Federal trademark registration helps protect the hundreds of billions of dollars of brand value that trademarks can represent. Recently, interest in the failure-to-function doctrine, which prevents registration of proposed trademarks that consumers do not perceive as marks, has surged at the appellate body of the United States Patent and Trademark Office (USPTO), the Trademark Trial and Appeal Board (TTAB). This Note is the first in-depth, focused critique of the TTAB's recent failure-to-function jurisprudence. It argues that, as the TTAB currently uses it, the failure-to-function doctrine is incoherent and lacks clarity. On a more granular level, the doctrine rests on inconsistent multifactor tests whose factors the TTAB adds, subtracts, modifies, reconceptualizes, and weighs differently across cases, giving the USPTO little meaningful criteria by which to decide what marks merit registration. This inconsistency risks increasing costs for the USPTO, brands, and consumers by creating uncertainty as to what proposed trademarks the USPTO will approve. In response, this Note proposes combining failure to function with a different trademark doctrine: the doctrine of aesthetic functionality. Replacing failure to function's unwieldy multifactor inquiries with aesthetic functionality's narrow focus on competition promises to increase clarity and, in so doing, mitigate or avoid costs to the USPTO, brands, and consumers.

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* Copyright © 2021 by Lucas Daniel Cuatrecasas. J.D., 2021, New York University School of Law; A.B., 2018, Harvard College. This Note is for my mother and Oliver. For their guidance, encouragement, and invaluable feedback on earlier drafts, Barton Beebe and Christopher Jon Sprigman have my infinite gratitude. Special thanks as well to Barry Friedman, David Kamin, the members of the Furman Academic Program, and the *New York University Law Review's* editors, particularly Nathan Greess and Jessica Li, for their support and helpful suggestions.

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INTRODUCTION

In the early 2010s, things were going well for Lululemon. The Vancouver-based athletic clothing manufacturer's brand was growing rapidly.¹ Its logo, which resembles a wave, had become “instantly recognizable.”² Recognizing that federal trademark registration could help protect its rising value,³ Lululemon sought to cement its brand further by filing for trademark rights in a variation on its wave logo—one that ran across the front of a hooded sweatshirt.⁴ In its filings at the United States Patent and Trademark Office (USPTO), Lululemon emphasized the uniqueness of the hooded sweatshirt's wave design and argued consumers would unmistakably associate it with Lululemon's well-known standalone logo.⁵ One might have drawn a

¹ See Michael L. Cacace, Douglas G. Elam, Erika Fry, Kathleen Smyth & Niamh Sweeney, *Fortune's Fastest Growing Companies: Lululemon Athletica*, CNN MONEY (Sept. 24, 2012), <https://money.cnn.com/magazines/fortune/fastest-growing/2012/snapshots/6.html> (indicating positive average company revenue and profit growth over three years and listing 2012 financials).

² Lesley Ciarula Taylor, *Behind the Lululemon Phenomenon*, TORONTO STAR (Sept. 10, 2010), https://www.thestar.com/business/2010/09/10/behind_the_lululemon_phenomenon.html.

³ See *infra* Section I.A. Trademarks can represent hundreds of billions of dollars of brand value. See BRAND FIN., GLOBAL 500 2021: THE ANNUAL REPORT ON THE MOST VALUABLE AND STRONGEST GLOBAL BRANDS 12–13 (2021), <https://brandirectory.com/download-report/brand-finance-global-500-2021-preview.pdf> (listing Apple as the world's most valuable brand, valued at around \$263.4 billion).

⁴ See *In re Lululemon Athletica Can. Inc.*, 105 U.S.P.Q.2d (BNA) 1684, 1685 (T.T.A.B. 2013) (precedential).

⁵ The mark consists of a wave design that is applied to a garment, U.S. Trademark Application Serial No. 77455710 (filed Apr. 23, 2008), Request for Reconsideration after Final Action, Dec. 30, 2010, <https://tsdr.uspto.gov/documentviewer?caseId=SN77455710&docId=RFR20101230170446> (“[T]he relevant consumers are not likely to consider the Wave Design to be merely ornamental when viewed in the context of apparel

similar conclusion from contemporary write-ups of Lululemon's success, which emphasized its "strong brand premise" built on its "signature squiggle."⁶

Yet the USPTO's appellate body—the Trademark Trial and Appeal Board (TTAB)—decided that consumers would be unlikely to perceive this version of Lululemon's logo as a mark.⁷ The TTAB noted other clothing designs it considered more trademark-like than Lululemon's: for example, Tommy Hilfiger's large "HILFIGER" written across the chest of a hooded sweatshirt.⁸ It further found that the more subtle version of Lululemon's logo on its hooded sweatshirt was not similar enough to its standalone logo that consumers would recognize the former given the latter.⁹ Lululemon's loss did not go unnoticed.¹⁰ And—coincidentally or not—the adverse ruling marked the start of a very bad year for the brand.¹¹

because of [Lululemon's] widespread, highly-promoted, and longstanding use of the Wave Design . . ."); see also Applicant's Appeal Brief at 8, *In re Lululemon*, 105 U.S.P.Q.2d (BNA) 1684 ("The purchasing public recognizes the source identifying function of goods branded with the Wave Design."). Logos can receive protection as non-word trademarks, like many of the product features this Note discusses. See *infra* notes 76–82. Indeed, Lululemon's standalone logo is a registered trademark. The mark consists of a silhouetted wave design on a solidly shaded circle, Registration No. 2,460,180. But that registration did not automatically entail rights in the visually different version of its logo on the sweatshirt. See text accompanying *infra* note 9.

⁶ Cacace et al., *supra* note 1; Jane Singer, *Lululemon: A Cult, a Phenomenon or Just a Great Brand*, ROBIN REP. (Oct. 23, 2012), <https://www.therobinreport.com/lululemon-a-cult-a-phenomenon-or-just-a-great-brand>.

⁷ See *In re Lululemon*, 105 U.S.P.Q.2d (BNA) at 1692 ("[W]ithout a showing of acquired distinctiveness, we find that the design in the application would be perceived by consumers as merely ornamental.").

⁸ *Id.* at 1686 ("[W]e find that applicant's wave design is rather simple and looks like piping, which, unlike the highly stylized marks depicted above [including the Tommy Hilfiger mark], is likely to be perceived by the public merely as ornamental.").

⁹ See *id.* at 1690 (comparing the sweatshirt wave design to Lululemon's registered trademark). Trademark doctrine probably offered a more straightforward way to reach the same conclusion. The TTAB could have invoked trademark law's narrower protection of "product design" as opposed to "product packaging." See *In re Slokevage*, 441 F.3d 957, 958, 961 (Fed. Cir. 2006); see also BARTON BEEBE, TRADEMARK LAW: AN OPEN-SOURCE CASEBOOK 142 (version 8, digital ed. 2021), http://tmcasebook.org/wp-content/uploads/2021/07/BeebeTMLaw-v8-digital_edition.pdf (noting that the TTAB did not take this route).

¹⁰ See Wendy S. Goffe, *Lululemon Stretches to Protect Its Brand*, FORBES (Apr. 16, 2013, 11:05 AM), <https://www.forbes.com/sites/deborahljacobs/2013/04/16/lululemon-stretches-to-protect-its-brand> ("Lululemon has also taken legal action, so far unsuccessful, to protect the use of their swoosh . . .").

¹¹ See *id.* (connecting Lululemon's legal and financial issues); see also Kim Bhasin, *Lululemon Admits Its PR Disasters Are Hurting Sales*, HUFFINGTON POST: BUS. (Dec. 12, 2013, 4:05 PM), https://www.huffpost.com/entry/lululemon-pr_n_4434580 (noting that in 2013, Lululemon experienced myriad difficulties, including unexpected changes in management and reduced goodwill among consumers due to "many public relations fiascos").

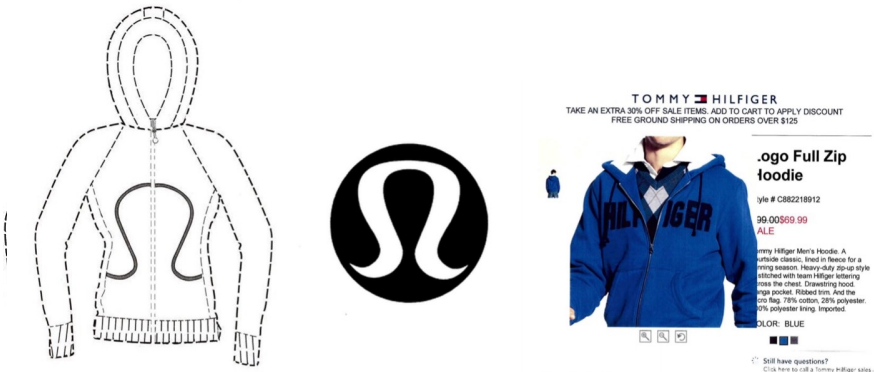


FIGURE 1. LULULEMON'S PROPOSED MARK (LEFT), LULULEMON'S REGISTERED LOGO (MIDDLE), AND CITED TOMMY HILFIGER SWEATSHIRT (RIGHT)¹²

The *In re Lululemon* decision seems to fly in the face of contemporary accounts of the strength and recognizability of Lululemon's branding, not to mention brands' increasing reliance on subtle design elements.¹³ Yet, far from a fluke, the decision epitomizes a broader trend in trademark registration jurisprudence. *In re Lululemon* was an application of a doctrine that has become increasingly prominent both in the USPTO's jurisprudence and in academic commentary as of late: the "failure-to-function" doctrine.¹⁴ Failure to function holds that the USPTO will not register a proposed mark if consumers would not perceive it as a mark.¹⁵ In its current form, failure to function is mostly a product of ad hoc TTAB innovation in the shadow of open-ended Federal Circuit precedent.¹⁶ Yet its popularity has recently surged.¹⁷

¹² *In re Lululemon*, 105 U.S.P.Q.2d (BNA) at 1686, 1690.

¹³ Compare *id.* at 1686 & n.3 (noting that Lululemon's design was "rather simple" and "look[ed] like piping," which is "a decorative line across a garment"), with Julie Zerbo, *Forget a Logo, Glossier Says that Consumers Know Pink Pouches Are Indicators of Its Brand*, FASHION L. (Jan. 28, 2020) [hereinafter *Forget a Logo*], <https://www.thefashionlaw.com/forget-a-logo-glossier-says-that-consumers-know-pink-pouches-are-indicators-of-its-brand> (describing Glossier's filing of a trademark application for pink bubble wrap-lined ziplock pouches), and Singer, *supra* note 6 ("[The Lululemon logo] is inconspicuous, but, for those in the know, it is the sign of membership in what is one of today's most powerful brands.").

¹⁴ See *infra* notes 18, 29, 40 and Figure 2; see also Rebecca Tushnet (@rtushnet), TWITTER (July 24, 2020, 3:04 PM), <https://twitter.com/rtushnet/status/1286739126948179968> ("[F]ailure to function is having a moment."); John L. Welch, *Precedential No. 33: Another Failure-to-Function Refusal*, TTABLOG (Dec. 2, 2019), <https://thettablog.blogspot.com/2019/12/precedential-no-33-another-failure-to.html> (mentioning "yet another in a stream of failure-to-function decisions").

¹⁵ See *infra* notes 83–84 and accompanying text.

¹⁶ See *infra* notes 83–97 and accompanying text.

¹⁷ See *infra* Figure 2.

This Note is the first in-depth, focused critique of the TTAB's recent failure-to-function jurisprudence.¹⁸ It will argue that, as the TTAB currently uses it, the failure-to-function doctrine is incoherent. Overall, it lacks clarity. On a more granular level, the doctrine rests on inconsistent multifactor tests whose factors the TTAB adds, subtracts, modifies, reconceptualizes, and weighs differently across cases, giving the USPTO little meaningful criteria by which to decide what marks merit registration.¹⁹

This inconsistency poses threats. On the one hand, the doctrine's lack of stable criteria creates incentives to flood the USPTO with meritless applications in the hopes of pushing through a weak or invalid mark.²⁰ On the other hand, an unclear doctrine may raise the costs of market entry and of building a brand by making it riskier for brands to adopt certain marks in the first place.²¹ It likewise risks making it harder for consumers to differentiate between brands, an outcome directly opposed to trademark law's goals.²² In response, this Note

¹⁸ Though it introduced failure to function as a subject of serious inquiry, trademark law scholar Alexandra J. Roberts's article, *Trademark Failure to Function*, does not focus solely on the USPTO and generally approves of this doctrine while criticizing courts and the USPTO for having ignored or insufficiently developed it. Alexandra J. Roberts, *Trademark Failure to Function*, 104 IOWA L. REV. 1977, 1987, 1998–99, 2044 (2019). By contrast, in my view, it is *precisely* the TTAB's recent emphasis on and development of this doctrine that are troubling. See *infra* Part II. Additionally, Roberts's article, published in May 2019, precedes more than two years of abundant TTAB failure-to-function decisions, cf. *infra* Figure 2, and, in any event, does not address many of the pre-2020 cases this Note analyzes. Taking a narrower focus, a recent student note in the *Harvard Law Review* contends that courts and the USPTO should extend application of the failure-to-function doctrine to so-called “nonsense marks”—arbitrary strings of characters retailers register with the USPTO in order to qualify to sell their products on the Amazon marketplace (e.g., ZGGCD). See Note, *Fanciful Failures: Keeping Nonsense Marks off the Trademark Register*, 134 HARV. L. REV. 1804, 1806 (2021). Here, I make no recommendations as to the “problems” surrounding nonsense marks, *id.* at 1809, 1813–15 (arguing that nonsense marks are problematic because they are hard to remember and distinguish from other marks, increase USPTO workload, may chill registration of non-nonsense marks, and possibly facilitate anticompetitive trademark litigation), although this Note's proposals do aim to lessen brands' potential incentives to adopt arbitrary strings of characters as their marks when this type of mark is not their best option, see *infra* notes 257–58 and accompanying text. However, my analysis suggests that current failure-to-function doctrine would be, in fact, a poor vehicle for establishing what counts as a nonsense mark. Failure to function struggles to draw clear lines between registrable and unregistrable marks, see *infra* Section II.B, and making judgments as to consumer perception of nonsense marks would seem to be a particularly open-ended endeavor, see Note, *supra*, at 1823 (acknowledging “the risk of inconsistent or arbitrary registration decisions” if the proposal for “the introduction of linguistic failure to function” to combat nonsense marks were accepted).

¹⁹ See *infra* Section II.B.

²⁰ See *infra* Section II.C.1.

²¹ See *infra* Section II.C.2.

²² See *infra* Section II.C.3.

proposes reformulating failure to function to ground its inquiry in one of trademark law's key policy objectives: facilitating competition.

Specifically, the USPTO should combine the failure-to-function doctrine with trademark law's "aesthetic functionality" doctrine and import the aesthetic functionality test into the failure-to-function analysis. In contrast to failure to function's unwieldy multifactor tests, the aesthetic functionality doctrine simply holds that a product feature should not receive protection as a trademark if protection would "significantly undermine[] competitors' ability to compete in the relevant market."²³ Replacing failure to function with the clarity of aesthetic functionality's single-factor, competition-based test would cut down on the doctrinal uncertainty that incentivizes filing meritless trademark applications and not filing meritorious ones.²⁴ Additionally, this solution can further key policy goals, like preventing the privatization of widely used language (e.g., trademark rights in the word COVID-19), more coherently than the current doctrine.²⁵ It can do so by becoming a procompetitive backstop at the outermost bound of trademark law: Once all other relevant doctrines have been applied, failure to function is the last line of defense, ensuring no mark that significantly hinders competition is registered.²⁶

This Note's critique runs counter to the prevailing attitude toward failure to function. Although trademark law scholar Alexandra J. Roberts's influential article on the doctrine advocates for a nuanced integration of failure to function with the core trademark doctrine of "distinctiveness," Roberts accepts that consumer perception should be failure to function's guiding principle.²⁷ This echoes the TTAB's current position.²⁸ Subsequent commentators, such as Lisa P. Ramsey and Mark P. McKenna, also have assumed that failure to function should, or inevitably must, purport to be grounded in consumer perception.²⁹ Indeed, despite their allusions to

²³ *Christian Louboutin S.A. v. Yves Saint Laurent Am. Holding, Inc.*, 696 F.3d 206, 222 (2d Cir. 2012).

²⁴ See *infra* Sections II.C.1–2.

²⁵ See *infra* note 237.

²⁶ See *infra* Sections II.C.1, III.B.

²⁷ Roberts, *supra* note 18, at 2039–40 & n.264, 2044 ("This Article advocates that courts and the USPTO incorporate attention to trademark use into their protectability analyses along with Abercrombie distinctiveness, because each assessment shapes the other and both doctrines attempt to predict whether consumers will perceive matter as a mark." (footnote omitted)). For an explanation of the distinctiveness doctrine, see *infra* Section I.B.

²⁸ See *infra* Sections II.A.2–II.A.4.

²⁹ See, e.g., Lisa P. Ramsey, *Using Failure to Function Doctrine to Protect Free Speech and Competition in Trademark Law*, 104 IOWA L. REV. ONLINE 70, 103 (2020) ("Of course, failure to function doctrine requires the USPTO or court to consider whether consumers

failure to function's nebulous or unpredictable character,³⁰ few—if any—previous commentators appear to regard the doctrine's consumer-perception focus as misguided.³¹ Instead, many welcome the doctrine, in its current form (or, in Roberts's case, when it is fused with distinctiveness), as a useful tool in remedying various trademark ills.³² Indeed, commentators have called for *more* use of the doctrine, in part due to a perception that the USPTO registers a nontrivial amount of weak or invalid marks.³³ If the USPTO applies failure to function more often, they contend, it will filter out marks that should not be registered.³⁴ And yet, as this Note argues, current failure-to-function doctrine prevents neither the registration of weak or invalid marks nor applications for such marks. It may in fact invite them.³⁵

This Note further parts ways with previous commentary in the solution it prescribes. Because commentators appear not to find failure-to-function's consumer perception-centered inquiry problematic, the question of whether a differently focused inquiry could reform or improve failure to function has been absent from the conversation. Although the overlap between failure to function and aes-

perceive the phrase, design, or other matter as a trademark.”); Mark P. McKenna, *Trademark Use Rides Again*, 104 IOWA L. REV. ONLINE 105, 108–09, 108 n.22 (2020) (asserting that trademark “law lacks any vocabulary for [an] alternative orientation” that is not consumer perception); *see also* Note, *supra* note 18, at 1819 (“This inquiry is necessarily consumer focused.”).

³⁰ *See, e.g.*, McKenna, *supra* note 29, at 108–09 (arguing that the lack of “clear rules for determining use as a mark” is the natural consequence of a “functional evaluation [that] resists predictable application”); Roberts, *supra* note 18, at 1993–97 (noting that the various “articulat[ions]” of failure to function offered by “[c]ourts, the USPTO, scholars, and treatises” fail to “provide a clear roadmap to factfinders or mark owners”).

³¹ *Cf.* John P. Halski, *USPTO Should Rethink Its Resistance to Political Slogan TMs*, PERKINS COIE (Feb. 25, 2021), <https://www.perkinscoie.com/images/content/2/4/241567/USPTO-Should-Rethink-Its-Resistance-To-Political-Slogan-TMs.pdf> (arguing against the USPTO's ostensible “hard line against the registration of political slogans,” which rests on failure-to-function grounds, but not disputing that the analysis of such slogans' registrability should turn on how consumers perceive them); *supra* note 29.

³² *See* Ramsey, *supra* note 29, at 75–76, 100–01 (arguing for the more frequent use of failure to function separately from any analysis of distinctiveness to best “safeguard the public domain”); Roberts, *supra* note 18, at 1987 (asserting that, when courts “ignore” failure to function, they risk “chill[ing] speech and competition”); Note, *supra* note 18, at 1806 (advocating the use of failure to function to curtail registration of “nonsense marks”).

³³ *E.g.*, Ramsey, *supra* note 29, at 75–76, 100–01 (proposing that courts and the USPTO should apply the failure-to-function doctrine vigorously in cases in which marks could chill speech or competition but that they should not collapse failure-to-function analysis with the analysis of the distinctiveness of a mark); Roberts, *supra* note 18, at 1981–82, 2016, 2044 (proposing a coupling of the failure-to-function inquiry with the distinctiveness inquiry in order to prevent registration of marks that consumers do not perceive as marks).

³⁴ *E.g.*, Roberts, *supra* note 18, at 2016 (“Bad outcomes like these [marks that should not have been registered] abound because failure to function issues are so often overlooked.”).

³⁵ *See infra* notes 226–34 and accompanying text and Section II.C.1.

thetic functionality is widely appreciated,³⁶ commentators have called for an expansion of the former to compensate for the limitations of the latter, rather than the other way around.³⁷ Nor is it enough to recognize, without more, that aesthetic functionality is failure to function “by another name.”³⁸ As Part III of this Note explains, importing the aesthetic-functionality test into failure to function requires a fundamental shift both in the policy grounds that motivate failure to function and in the doctrine itself.

Still, this Note’s proposal is a modest one. Although the question of whether given matter is being used as a mark appears in various areas of trademark law (e.g., trademark infringement liability),³⁹ this Note solely addresses the context of trademark registration. More narrowly still, this Note only suggests that the TTAB shift the direction of its own “wholly extrastatutory” doctrine.⁴⁰ The TTAB has developed it. It can therefore mold it.

This Note proceeds in three Parts. Part I explains the advantages of federal registration of trademarks and introduces the notion of distinctiveness, a requirement for registered trademarks that interacts with the failure-to-function doctrine. Part II shows how the failure-to-function doctrine lacks clarity overall and exhibits inconsistency from case to case. Part II closes by explaining how this inconsistency raises costs for consumers, brands, and the USPTO. Part III offers a solution—combining failure to function with aesthetic functionality—and shows why potential counterarguments are unavailing.

³⁶ See, e.g., Mark P. McKenna, *(Dys)Functionality*, 48 Hous. L. Rev. 823, 851 (2011) (agreeing with the proposition that “courts sometimes use aesthetic functionality in place of an intuition that the claimed features do not, in fact, indicate source”); McKenna, *supra* note 29, at 112 (noting the overlap between aesthetic functionality and failure to function in the context of a particular case); Ramsey, *supra* note 29, at 92 (noting this overlap in more general terms); *infra* Section III.A.

³⁷ Ramsey, *supra* note 29, at 92 (arguing that aesthetic functionality, along with the prohibition on the registration of generic word marks, is “not sufficient to prevent all matter that fails to function as a mark from being registered”).

³⁸ McKenna, *supra* note 29, at 112.

³⁹ E.g., Margreth Barrett, *Internet Trademark Suits and the Demise of “Trademark Use,”* 39 U.C. DAVIS L. REV. 371, 382–83 (2006) (describing the statutory bases of infringement liability); see also McKenna, *supra* note 29, at 106 (“[T]rademark use is everywhere in trademark law—in cases dealing with acquisition of common law rights, in priority disputes, in infringement cases, and in cases involving a variety of defensive doctrines.”).

⁴⁰ Theodore H. Davis Jr. & John L. Welch, *United States Annual Review: The Seventy-Second Year of Administration of the Lanham Act of 1946*, 110 TRADEMARK REP. 1, 7 (2020).

I

WHAT A TRADEMARK IS AND IS NOT

This Part sets out the stakes at the center of this Note: why it is advantageous for markholders to have federal registrations for their marks. It then introduces the concept of distinctiveness, the central characteristic all marks must share.

A. Federal Registration and Its Benefits

The law only protects trademarks to the extent that they indicate the source of a product to consumers.⁴¹ Trademarks need not be registered to get that protection.⁴² But registration yields substantial benefits.⁴³ Counsel may therefore advise registration, and brands regularly seek it.⁴⁴

Under the Lanham Act—the foundation of federal trademark law—if a proposed mark meets certain criteria, it can be placed on the principal register.⁴⁵ Marks ineligible for the principal register may instead appear on the supplemental register,⁴⁶ which, for reasons set out below, is significantly less advantageous. Because the benefits of the principal register make it categorically different from the supplemental register, references in this Note to marks that are “registered” should be taken to refer to marks on the principal register alone.⁴⁷

⁴¹ See, e.g., *United Drug Co. v. Theodore Rectanus Co.*, 248 U.S. 90, 97 (1918) (“[A mark’s] function is simply to designate the goods as the product of a particular trader and to protect his good will against the sale of another’s product as his; and it is not the subject of property except in connection with an existing business.”).

⁴² E.g., 15 U.S.C. § 1125(a) (protecting unregistered marks).

⁴³ See *infra* text accompanying notes 52–61.

⁴⁴ E.g., Clare A. Cornell, *Don’t Ignore Trademark Basics*, FINNEGAN (Mar. 2019) <https://www.finnegan.com/en/insights/articles/dont-ignore-trademark-basics.html> (describing the benefits of trademark registration); *Off-White Doubles Down on Quotations, Files Trademark Application for “For Walking,”* FASHION L. (Jan. 11, 2021), <https://www.thefashionlaw.com/off-white-doubles-down-on-quotations-files-trademark-application-for-for-walking> (discussing a fashion brand’s recent filings).

⁴⁵ See 15 U.S.C. § 1052. The principal register is essentially an “internet database” of marks. *In re Tam*, 808 F.3d 1321, 1347 (Fed. Cir. 2015), *aff’d sub nom.* *Matal v. Tam*, 137 S. Ct. 1744 (2017).

⁴⁶ 15 U.S.C. § 1091(a) (providing that marks that are not registrable on the principal register, but that are capable of serving as source-indicators and not otherwise barred from registration, may be placed on the supplemental register).

⁴⁷ Note, however, that a mark that fails to function is not registrable on either the principal or the supplemental register. See U.S. PAT. & TRADEMARK OFF., TRADEMARK MANUAL OF EXAMINING PROCEDURE (TMPEP) § 1202 (2018) [hereinafter TMPEP] (providing the statutory bases for these refusals); see also *In re AC Webconnecting Holding B.V.*, 2020 U.S.P.Q.2D (BNA) 11048 (T.T.A.B. 2020) (precedential) (rejecting, for failure to function, a proposed mark sought to be registered on the supplemental register).

The United States Patent and Trademark Office (USPTO) is the agency entrusted with making the initial determination of whether a mark should be registered.⁴⁸ USPTO examining attorneys are the first decisionmakers.⁴⁹ Applicants that receive a rejection from an examining attorney can appeal it to the Trademark Trial and Appeal Board (TTAB).⁵⁰ The Court of Appeals for the Federal Circuit can hear appeals from the TTAB, but so can any federal district court with jurisdiction, although the USPTO remains bound by Federal Circuit precedent.⁵¹

The key benefits of federal trademark registration only apply to marks on the principal register.⁵² Among the most important is that marks on the principal register enjoy the presumption of validity. This means that when a registrant's rights are at issue in litigation, the registrant does not initially need to establish the protectability of their trademark, as would otherwise be necessary.⁵³ Perhaps equally important is nationwide priority. With some exceptions, a registration with the USPTO means that a registrant is treated as having been the first to use the mark, nationwide, *as of the date of their application*.⁵⁴ Nationwide priority stands even where a registrant had not, in fact,

⁴⁸ See 15 U.S.C. § 1051(a)(1) (providing that applicants must file with the USPTO).

⁴⁹ See 15 U.S.C. § 1062(a) (providing the statutory basis for examination); 37 C.F.R. § 2.61(a) (2019) (providing that applications shall be examined); TMEP, *supra* note 47, § 704 (discussing the responsibilities of an examining attorney during the initial examination).

⁵⁰ 15 U.S.C. § 1070 (providing for such an appeal); 37 C.F.R. § 2.141(a) (2019) (same).

⁵¹ See U.S. PAT. & TRADEMARK OFF., U.S. TRADEMARK TRIAL AND APPEAL BOARD MANUAL OF PROCEDURE (TBMP) § 101.03 (2020) [hereinafter TBMP] (“Proceedings before the Board are also governed, to a large extent, by precedential decisions in prior cases. . . . The Board relies primarily on precedent from the Court of Appeals for the Federal Circuit.”); Deborah R. Gerhardt, *Beware the Trademark Echo Chamber: Why Federal Courts Should Not Defer to USPTO Decisions*, 33 BERKLEY TECH. L.J. 643, 649 (2018) (“TTAB decisions may be appealed directly to the Federal Circuit or any federal district court with jurisdiction over the dispute.” (citing 15 U.S.C. § 1071)).

⁵² See 15 U.S.C. § 1052 (setting out requirements for registration on the principal register); *id.* § 1094 (providing that supplemental register marks “shall not be subject to or receive the advantages” in a number of listed statutory sections).

⁵³ See *id.* § 1057(b) (providing that a certificate of registration is “prima facie evidence of the validity of the registered mark”).

⁵⁴ See *id.* § 1057(c) (providing that a mark's registration on the principal register constitutes “constructive use” of that mark as of the application date, subject to the rights of senior common-law users of that mark, those with applications for the mark that are pending or granted, and certain applicants with foreign applications for the mark entitled to priority); Rebecca Tushnet, *Registering Disagreement: Registration in Modern American Trademark Law*, 130 HARV. L. REV. 867, 876 (2017) (indicating various benefits of trademark registration, including nationwide priority).

been using their mark at the time of the application or was only using it in part of the United States.⁵⁵

Additionally, after five years of consecutive use, a registered trademark is eligible to become “incontestable.”⁵⁶ Marks that have become incontestable are immune to a range of challenges to their validity, for better or for worse.⁵⁷ Commentators have often emphasized incontestability’s power to insulate weak marks from potentially legitimate arguments that would otherwise invalidate them.⁵⁸

Registration entails a flurry of other advantages. Owners of registered marks are eligible for aid in preventing imports of counterfeits of their goods,⁵⁹ and they can receive statutory damages for the counterfeiting of their marks.⁶⁰ Moreover, the presumption of validity creates certain litigation advantages for non-word product features.⁶¹

B. Distinctiveness

Think of the smell of Play-Doh, the signature shade of blue on Tiffany & Co.’s jewelry boxes, or the roar of the MGM lion. These are all federal trademarks,⁶² and they share with every other trademark

⁵⁵ See Barton Beebe, *Is the Trademark Office a Rubber Stamp?*, 48 HOUS. L. REV. 751, 754 (2011) (explaining this phenomenon).

⁵⁶ 15 U.S.C. § 1065.

⁵⁷ See, e.g., *id.* (providing that an incontestable mark is only subject to cancellation on limited grounds and setting out conditions on which a mark may become incontestable); *id.* § 1064 (providing for the cancellation of registered marks); *id.* § 1115(b) (providing that incontestability is “conclusive evidence of the validity of the registered mark” and setting out a list of specific “defenses or defects” that may be asserted against an incontestable mark).

⁵⁸ E.g., Beebe, *supra* note 55, at 754–55 (pointing to *Park ‘N Fly, Inc. v. Dollar Park & Fly, Inc.*, 469 U.S. 189 (1985) as an illustrative example).

⁵⁹ 15 U.S.C. § 1124 (preventing importation of counterfeits).

⁶⁰ See *id.* § 1116(d)(1)(B)(i) (defining “counterfeit mark”); *id.* § 1117(c) (letting plaintiffs with marks on the principal register opt in to statutory damages of between \$1,000 and \$200,000 per counterfeit mark or, on a finding of willfulness, damages not in excess of \$2,000,000 per counterfeit mark). Relatedly, a plaintiff with a registered mark may be entitled to treble damages for an infringement by a counterfeiter, where that counterfeiter exhibits the required level of culpability. *Id.* § 1117(b). Such a plaintiff also may be able to secure, by *ex parte* application, a court order providing for the seizure of goods involved in certain counterfeiting violations. *Id.* § 1116(d)(1)(A).

⁶¹ As discussed in Section III.A, product features that the USPTO deems “functional” are barred from trademark registration. 15 U.S.C. § 1052(e)(5). But those who register “trade dress” do not bear the burden of initially establishing it is *not* functional. See *id.* § 1125(a)(3). Trade dress can be “a product’s packaging or configuration as well as nearly any other aspect of the product or service.” BEEBE, *supra* note 9, at 106; see also *infra* notes 76–82 and accompanying text.

⁶² NON-VISUAL PLAY-DOH SCENT MARK, Registration No. 5,467,089 (Play-Doh’s “sweet, slightly musky . . . salted, wheat-based dough” scent); The mark consists of a shade of blue often referred to as robin’s-egg blue which is used on boxes, Registration No. 75,544,375 (Tiffany’s “robin’s-egg blue” box); The mark comprises a lion roaring, Registration No. 1,395,550 (MGM lion’s roar).

on the principal register a central characteristic: distinctiveness. Only distinctive marks can be placed on the principal register.⁶³ Being distinctive means that consumers can use a mark to distinguish one brand from another.⁶⁴

Distinctiveness comes in two flavors: inherent distinctiveness and acquired distinctiveness. A mark has inherent distinctiveness when consumers, on encountering it, will regard it as indicating a commercial source—i.e., a brand—without receiving any further information.⁶⁵ By contrast, a mark has acquired distinctiveness when consumers learn that it indicates commercial source through repeated exposure to and familiarity with it.⁶⁶ If a mark is not inherently distinctive, it can only ever aspire to acquired distinctiveness.

Consider the distinctiveness of word marks first.⁶⁷ A word that is a *generic* term for a product (e.g., BOTTLED WATER)⁶⁸ can never be registered as a mark.⁶⁹ Terms that are *merely descriptive* of the product (e.g., SALTY for anchovies)⁷⁰ can be registered only if they have acquired distinctiveness.⁷¹ By contrast, *suggestive* terms that evoke the product but require a “mental leap” to reach it (e.g., PENGUIN for food freezers)⁷² can always become trademarks, because they are considered inherently distinctive.⁷³ The same holds for *arbitrary* terms, which apply an existing word to an unrelated

⁶³ 15 U.S.C. § 1052. As to unregistered marks, distinctiveness is needed to make them valid. The validity and registrability of a mark generally have the same requirements in this context. See BEEBE, *supra* note 9, at 36 (noting this overlap).

⁶⁴ See J. THOMAS MCCARTHY, MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 3:1 (5th ed. 2021).

⁶⁵ See *id.* § 11:4 (explaining the phenomenon of immediate source-identification).

⁶⁶ See *Wal-Mart Stores, Inc. v. Samara Bros.*, 529 U.S. 205, 211 (2000) (“[A] mark has acquired distinctiveness, even if it is not inherently distinctive, if it has developed secondary meaning, which occurs when, ‘in the minds of the public, the primary significance of a [mark] is to identify the source of the product rather than the product itself.’” (quoting *Inwood Lab’y’s, Inc. v. Ives Laby’s, Inc.*, 456 U.S. 844, 851 n.11 (1982))).

⁶⁷ *Abercrombie & Fitch Co. v. Hunting World, Inc.*, 537 F.2d 4, 9–11, 11 n.12 (2d Cir. 1976) (explaining that word marks may be generic, descriptive, suggestive, arbitrary, or fanciful).

⁶⁸ Dustin Marlan, *Visual Metaphor and Trademark Distinctiveness*, 93 WASH. L. REV. 767, 796 (2018) (giving this example).

⁶⁹ See *Abercrombie*, 537 F.2d at 9–10.

⁷⁰ Marlan, *supra* note 68, at 796 (giving this example).

⁷¹ *Abercrombie*, 537 F.2d at 10 (citing 15 U.S.C. § 1052(f)).

⁷² *Brookfield Commc’ns, Inc. v. W. Coast Ent. Corp.*, 174 F.3d 1036, 1058 (1999); see MCCARTHY, *supra* note 64, § 11:67 (giving the PENGUIN example).

⁷³ See Marlan, *supra* note 68, at 797 (“Unlike their descriptive brethren, suggestive marks are immediately protectable upon first use and without a showing of secondary meaning.”).

product category (e.g., APPLE for computers),⁷⁴ and for *fanciful* terms, which are neologisms (e.g., KODAK).⁷⁵

Non-word marks fall into three categories: product design, product packaging, and a third, uncertain category.⁷⁶ Product design, “the three-dimensional design or configuration of the product,”⁷⁷ renders a product “more useful or appealing” and never can be inherently distinctive.⁷⁸ Product packaging, “the three-dimensional packaging or wrapping in which a product is sold,”⁷⁹ is a category with unclear boundaries but, unlike design, it can be inherently distinctive.⁸⁰ The Supreme Court also has indicated that some product features—specifically, a restaurant’s decor—might be neither design nor packaging but, rather, some “*tertium quid*” that, nonetheless, can possess inherent distinctiveness.⁸¹ The USPTO appears to regard a wide variety of matter (e.g., Lululemon’s wave) as falling into the product packaging or, perhaps, *tertium quid* categories, including many of the marks discussed in this Note.⁸² Because, in these cases, failure to func-

⁷⁴ See *Wal-Mart Stores, Inc. v. Samara Bros.*, 529 U.S. 205, 210–11 (2000) (noting that arbitrary terms are inherently distinctive); Jake Linford, *The False Dichotomy Between Suggestive and Descriptive Trademarks*, 76 OHIO ST. L.J. 1367, 1376 tbl.1 (giving the example of APPLE).

⁷⁵ See *Samara Bros.*, 529 U.S. at 210 (giving the example of KODAK and noting that fanciful terms are inherently distinctive).

⁷⁶ See *id.* at 212, 215.

⁷⁷ TMEP, *supra* note 47, § 1202.02(f)(i).

⁷⁸ *Samara Bros.*, 529 U.S. at 213. To be clear, Supreme Court precedent “does not expressly address the issue of what constitutes product design,” *In re Slokevage*, 441 F.3d 957, 961 (Fed. Cir. 2006), but the “more useful or appealing” formulation appears in USPTO guidance, TMEP, *supra* note 47, § 1202.02(b)(i).

⁷⁹ TMEP, *supra* note 47, § 1202.02(f)(ii).

⁸⁰ *Samara Bros.*, 529 U.S. at 212; see *In re Slokevage*, 441 F.3d at 961 (noting that the Court’s precedent on the issue “did not recite the factors that distinguish between product packaging and product design trade dress”).

⁸¹ See *Samara Bros.*, 529 U.S. at 214–15.

⁸² See *supra* note 9. If the USPTO thought otherwise, then the issue of inherent distinctiveness would never come into play. However, it often is central. *E.g.*, *In re Lululemon Athletica Can. Inc.*, 105 U.S.P.Q.2d (BNA) 1684, 1686 (T.T.A.B. 2013) (precedential) (inquiring into inherent distinctiveness); *infra* Section II.A.3. If we assume this means that the USPTO has decided that the proposed mark at issue is not product design, this would seem to be in tension with the Court’s directive that “[t]o the extent there are close cases, we believe that courts should err on the side of caution and classify ambiguous trade dress as product design.” *Samara Bros.*, 529 U.S. at 215. However, perhaps a more coherent interpretation of these cases is that the USPTO’s inquiry into whether the mark is inherently distinctive doubles as an inquiry into whether the mark is product design. After all, if it is the former, it cannot be the latter, and vice versa. *Cf.* U.S. Trademark Application Serial No. 77607761 (filed Nov. 5, 2011), Examining Attorney’s Appeal Brief, Apr. 13, 2011 n.1, <https://ttabvue.uspto.gov/ttabvue/v?pno=77607761&pty=EXA&eno=10> (featuring a suggestion, by the examining attorney, that mere ornamentation and product design are equivalent); *In re Ghailian*, No. 77607761, 2011 TTAB LEXIS 287, at *2 n.2 (T.T.A.B. Sept. 22, 2011) (non-precedential) (“[W]e agree

tion often envelops the inquiry into whether the non-word mark at issue is distinctive, that inquiry is discussed in the next Part.

II

THE INCOHERENCE OF FAILURE TO FUNCTION

Distinctiveness and failure to function are interwoven. Like distinctiveness, failure to function is an inquiry into source-indicativeness. A proposed trademark must be used in such a way that consumers perceive it as a trademark—i.e., as a source indicator.⁸³ If not, it fails to function.⁸⁴

On the strength of this deceptively simple idea, the TTAB has been churning out an increasing number of failure-to-function decisions.⁸⁵ In so doing, the TTAB has largely built on its own rulings and older Court of Customs and Patent Appeals (CCPA) precedent.⁸⁶ Perhaps surprisingly, the Federal Circuit Court of Appeals, which replaced the CCPA in 1982,⁸⁷ has provided little guidance.⁸⁸ Indeed,

with the examining attorney that whether the mark [at issue here] is viewed as part of a product design or as an ornamental feature is a semantic difference . . .”).

⁸³ See MCCARTHY, *supra* note 64, § 16:27.

⁸⁴ *In re Duvernoy & Sons, Inc.*, 21 F.2d 202, 204 (C.C.P.A. 1954) (upholding a refusal to register CONSISTENTLY SUPERIOR where the Court “fe[lt] manifestly certain . . . it was not originally adopted or intended to function as a trade mark to indicate origin of the appellant’s goods”); *In re Lee Greenwood*, No. 87168719, 2020 TTAB LEXIS 499, at *11 (T.T.A.B. Dec. 1, 2020) (precedential) (“[W]e find that Applicant’s proposed mark . . . is ‘devoid of source-identifying significance and therefore fails to function as a trademark.’” (quoting *In re Hulting*, 107 U.S.P.Q.2d (BNA) 1175, 1181 (T.T.A.B. 2013) (precedential))).

⁸⁵ *E.g.*, Davis & Welch, *supra* note 40, at 7.

⁸⁶ *E.g.*, *In re Texas With Love, LLC*, No. 87793802, 2020 TTAB LEXIS 466, at *4 (T.T.A.B. Oct. 29, 2020) (precedential) (citing *In re The Standard Oil Co.*, 275 F.2d 945, 947 (C.C.P.A. 1960)); *In re DePorter*, 129 U.S.P.Q.2d (BNA) 1298, 1299 (T.T.A.B. 2019) (precedential) (citing *In re Bose Corp.*, 546 F.2d 893 (C.C.P.A. 1976)). The USPTO grounds failure-to-function refusals in sections 1, 2, 3, and 45 of the Lanham Act. *E.g.*, *In re TracFone Wireless, Inc.*, No. 87221529, 2019 TTAB LEXIS 152, at *1–2 (T.T.A.B. June 10, 2019) (precedential) (citing 15 U.S.C. §§ 1051–53, 1127). Sections 1, 2, and 3 deal with registration of trademarks and service marks by the USPTO. 15 U.S.C. §§ 1051–53. Section 45 contains the definition of a trademark, which, among other things, requires that it be used “to identify and distinguish [the] goods . . . from those manufactured or sold by others and to indicate the source of the goods.” § 1127. *But see* Davis & Welch, *supra* note 40, at 7 (questioning this statutory grounding).

⁸⁷ See Jeffrey A. Lefstin, *The Constitution of Patent Law: The Court of Customs and Patent Appeals and the Shape of the Federal Circuit’s Jurisprudence*, 43 LOY. L.A. L. REV. 843, 848 (2010).

⁸⁸ As a global note, the TTAB designates its decisions as either *precedential* or *non-precedential*. Precedential decisions are binding on the TTAB, as well as on the USPTO’s examining attorneys. Non-precedential decisions “are not binding on the [TTAB], but may be cited for whatever persuasive weight to which they may be entitled.” TBMP, *supra* note 51, § 101.03; see Melissa F. Wasserman, *What Administrative Law Can Teach the Trademark System*, 93 WASH. U. L. REV. 1511, 1539 & n.133 (2016) (describing this dichotomy). However, non-precedential decisions are always binding on the examining

in its most recent opportunity to review this doctrine, it essentially upheld the TTAB by repeating the TTAB's own reasoning.⁸⁹

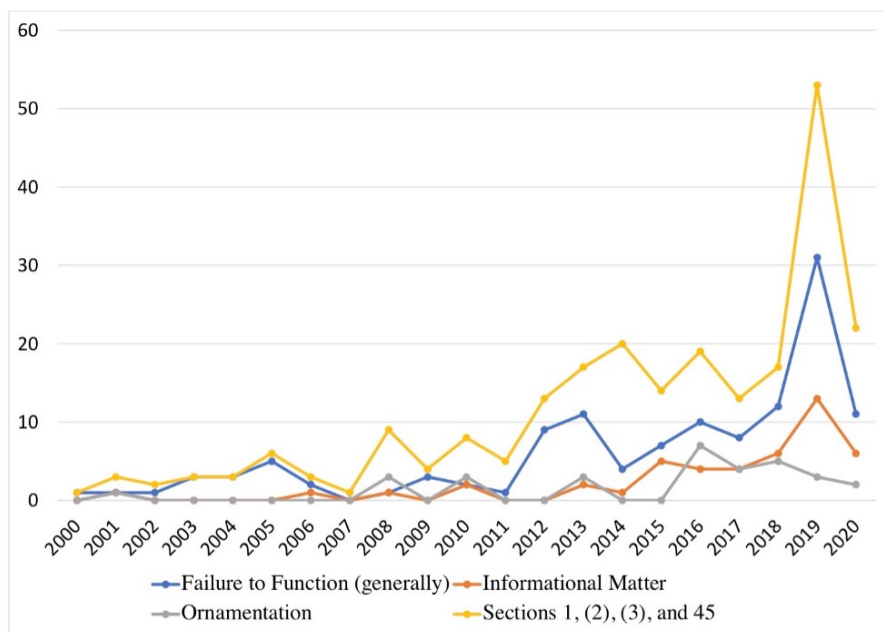


FIGURE 2. NUMBER OF FAILURE TO FUNCTION DECISIONS PER YEAR, PLOTTED AGAINST §§ 1, 2, 3, AND 45 DECISIONS AND OTHER SUBCATEGORIES (2000–2020)⁹⁰

attorney in the same case. See *id.* at 1539. Outside of these formal distinctions, trademark lawyers regularly cite non-precedential decisions, just as they do precedential ones, for general propositions. *E.g.*, Brandon Leahy, *You Know What It Is: Taco Tuesday and the Failure-to-Function Doctrine in Trademark Law*, 26 INTELL. PROP. STRATEGIST 1, 2 (2020) (citing Diesel Power Gear, LLC, No. 87261073, 8 TTABVUE (T.T.A.B. Feb. 27, 2019) (non-precedential) while discussing the registrability of t-shirt designs). Nor is the doctrinal analysis of non-precedential opinions very different from that of precedential opinions. *E.g.*, Roberts, *supra* note 18, at 227 (analyzing *In re Mentor Graphics Corp.*, No. 78325604, 2008 WL 906611, at *3 (T.T.A.B. Mar. 6, 2008) (non-precedential), but not mentioning it is non-precedential). Additionally, non-precedential decisions “may be helpful in framing effective arguments and locating precedential support for them” and certainly have the power to disrupt expectations about TTAB doctrine. John L. Welch, *Updated TTABlog Collection of Section 2(a) False Connection Cases*, TTABLOG (May 10, 2019), <https://thettablog.blogspot.com/2019/05/updated-ttablog-collection-of-section.html>; see, e.g., Amy Everhart, Comment to *Hell Freezes Over! TTAB Reverses Failure-to-Function Refusal of JUST ANOTHER DAY IN PARADISE*, TTABLOG (Nov. 16, 2020), <https://thettablog.blogspot.com/2020/11/hell-freezes-over-ttab-reverses-failure.html> (concluding, from the TTAB’s non-precedential reversal of a failure-to-function rejection, that “[g]etting that failure-to-function rejection . . . is no longer the kiss of death!”).

⁸⁹ See *In re Light*, 662 F. App’x 929, 934–37 (Fed. Cir. 2016).

⁹⁰ For the data and names of data point categories, all sourced from the USPTO itself, see *TTAB Reading Room*, USPTO, <https://ttab-reading-room.uspto.gov/efoia/efoia-ui>. Tallies for each category represent the number of search results for cases the USPTO

The TTAB's doctrinal innovation in this area is in large part an offshoot of earlier caselaw examining whether "specimens"—images applicants file with the USPTO showing how a proposed mark is presented to consumers—truly showed given matter being used as a mark.⁹¹ Echoing this history, Alexandra J. Roberts has said that failure to function has a separate role from distinctiveness, because the latter analyzes the "semantic[s]," rather than the "aesthetic[s]," of a mark.⁹² In other words, failure to function looks to the *presentation* of a mark; distinctiveness looks to its *content*.

To understand this distinction, consider the proposed mark "IN ONE DAY" for plastic surgery services.⁹³ Failure to function would look to that proposed mark's visual context in the specimen (e.g., do its placement, size, and surrounding text fail to indicate it is a mark?). Distinctiveness would consider the mark's semantic meaning (e.g., regardless of the specimen, is the proposed mark's language merely descriptive of the services being done in one day?). Indeed, the TTAB rejected the proposed mark on both grounds.⁹⁴

designates as involving that category as a "[g]round[] for refusal, opposition, or cancellation; [or] defense[]." *Id.* For why these categories are presented, see *supra* note 86 and *infra* text accompanying notes 96–101.

⁹¹ *E.g.*, *In re Bose Corp.*, 546 F.2d 893, 897 (C.C.P.A. 1976) (focusing on the applicant's specimen in rejecting SYNCOM); *In re Compagnie Nationale Air Fr.*, 265 F.2d 938, 939 (C.C.P.A. 1959) (same for SKY ROOM).

⁹² Roberts, *supra* note 18, at 1981.

⁹³ *In re Gilbert Eiseman, P.C.*, 220 U.S.P.Q. (BNA) 89, 89 (T.T.A.B. 1983).

⁹⁴ *Id.* at 90.

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FIGURE 3. IN ONE DAY'S SPECIMEN⁹⁵

As shown below, however, modern failure-to-function inquiries extensively focus on proposed marks' content, although presentation remains a relevant consideration. In particular, a mark's semantic meaning and inherent nature have become essential to today's failure-to-function cases.⁹⁶ Distinctiveness and failure to function thus

⁹⁵ *Id.*

⁹⁶ See *infra* notes 134–37, 197–99. That modern failure to function has moved away from a primary focus on a mark's presentation is most evident when the TTAB determines

overlap substantially, a point Roberts acknowledges with respect to non-word marks.⁹⁷

But this shift is more visible in some cases than others. In this Note, I separate failure-to-function cases into five categories for ease of analysis. The first category comprises cases applying the doctrines of *merely informational matter* and *mere ornamentation*. These cases are this Note's focus. They most strongly evince the TTAB's recent development of failure to function into a novel inquiry into a mark's content, in addition to its presentation. The second category comprises what I term "undefined" cases, which do not clearly apply the two doctrines above but share their content-oriented approach.⁹⁸ The third category comprises what I term "miscellaneous" failure-to-function cases, which are similar to undefined cases but also exhibit traits of a fourth category.⁹⁹ That fourth category comprises what I will call "kitchen-sink failure-to-function" cases, which apply a set of narrow rules about the registrability of specific types of marks (e.g., holograms).¹⁰⁰ Finally, a fifth category comprises cases that focus

that a mark fails to function even where the applicant has offered no specimen and thus there is no evidence of how the mark actually is presented. *E.g.*, *In re Douglas Elliman Realty, LLC*, No. 88640177, 2020 TTAB LEXIS 416, at *5 & n.3 (T.T.A.B. Sept. 4, 2020) (non-precedential) (citing *In re Right-On Co.*, 87 U.S.P.Q.2d 1152, 1156–57 (T.T.A.B. 2008) (precedential)) (noting that it is possible to issue a failure-to-function refusal without a specimen). Some might take the view that failure-to-function cases that focus on a mark's presentation, as opposed to its content, are not a necessarily a precursor to today's failure to function, but simply a different branch of it. *Cf.* Note, *supra* note 18, at 1819–20 (dividing failure-to-function cases into two "flavors" which roughly correspond to a presentation-focused flavor and a content-focused flavor). But—at least when it comes to the TTAB—it remains the case that the vast majority of modern failure-to-function cases focus on semantic meaning and inherent nature in addition to, or even to the exclusion of, visual context and related concerns. *See infra* Sections II.A.2–4. Tellingly, in one recent, non-precedential TTAB decision that uses failure to function in an almost exclusively presentation-focused manner, see Note, *supra* note 18, at 1819 (citing *In re Fallon*, No. 86915495, 2018 TTAB LEXIS 469 (T.T.A.B. Dec. 6, 2018) (non-precedential)), the TTAB labeled the examining attorney's refusal a "Specimen Refusal," not a failure-to-function refusal. *Compare Fallon*, 2018 TTAB LEXIS 469, at *5 (analyzing this "Specimen Refusal"), with *Elliman*, 2020 TTAB LEXIS 416, at *2 (labeling its analysis of the refusal below "Failure to Function as a Mark").

⁹⁷ Roberts, *supra* note 18, at 2037.

⁹⁸ *See infra* notes 175–76 and accompanying text.

⁹⁹ *See infra* notes 177–80 and accompanying text.

¹⁰⁰ *In re Upper Deck Co.*, 59 U.S.P.Q.2d 1688, 1693 (T.T.A.B. 2001) (precedential) (holding that a hologram on a product "not in connection with the design, location, content or other characteristics of any particular hologram" is unregistrable in the absence of evidence of consumer recognition); TMEP, *supra* note 47, § 1202 (listing out many of these rules, including rules regarding names of artists and authors, names and designs of characters in creative works, varietal and cultivar names, model or grade designations, and universal symbols). The narrowly tailored rules that constitute kitchen-sink failure to function often are well-established and thus tangential to the TTAB's recent doctrinal innovation. *E.g.*, *Herbko Int'l, Inc. v. Kappa Books, Inc.*, 308 F.3d 1156, 1162–64 (Fed. Cir.

almost exclusively on a mark's presentation on a specimen, and focus little on its content, in line with failure to function's historical role. Because the TTAB's recent failure-to-function innovation has not centered on these fourth and fifth categories, they fall outside the scope of my critique.¹⁰¹

A. *Failure to Function's Lack of Clarity*

This Section explains, at the scale of overall doctrinal structure, how failure to function lacks clarity. It first discusses the USPTO's frequent failure to invoke the doctrine, an issue on which previous commentary has focused. This Section then taxonomizes the TTAB's recent failure-to-function jurisprudence and describes its opaque doctrinal structure.

1. *Failure to Invoke Failure to Function*

The USPTO does not always apply the failure-to-function doctrine. To be sure, the Lanham Act requires the USPTO to always determine whether a proposed mark is being used as a mark.¹⁰² But the USPTO is "somewhat inconsistent[]" in explicitly performing this inquiry, as previous commentary has noted.¹⁰³ At least in part, the reason seems to be the USPTO's much heavier use of distinctiveness as a gatekeeping inquiry that filters out invalid marks.¹⁰⁴

In response to this sporadic application, previous failure-to-function literature has often focused on situations in which the USPTO *should* have invoked failure to function but did not—or did not give it sufficient consideration.¹⁰⁵ In this vein, Alexandra J. Roberts's work has been central in arguing that the USPTO should combine the distinctiveness and failure-to-function inquiries in a manner she predicts will result in a better assessment of consumer perception.¹⁰⁶

2002) ("This court's precedent also clearly holds that the title of a single book [fails to function].").

¹⁰¹ See *supra* notes 96, 100.

¹⁰² TMEP, *supra* note 47, § 1202 (interpreting sections 1, 2, and 45 of the Lanham Act to impose this requirement).

¹⁰³ Roberts, *supra* note 18, at 1981.

¹⁰⁴ See *id.* at 1982 (noting that, despite the requirement that a trademark be used as a mark, the vast majority of scholarship and caselaw focuses on distinctiveness analysis).

¹⁰⁵ *Id.* at 2010–16 (giving numerous examples of cases in which "use as a mark is ignored, leading the USPTO to grant registration for matter that consumers are not likely to understand as source indicators"); Ramsey, *supra* note 29, at 90–91 (arguing that more examining attorneys should "pay attention to whether matter functions as a trademark" and giving examples of registered marks that consist of common phrases or slogans, such as LIFE IS GOOD).

¹⁰⁶ See Roberts, *supra* note 18, at 2039–40.

At face value, Roberts's argument may seem compelling. There is evidence that weak, invalid, and even fraudulent marks end up on the register.¹⁰⁷ She and other commentators contend that some of these marks fail to function.¹⁰⁸ Consider New York City's successful registration of "I ♥ NY," a textbook example of merely informational matter.¹⁰⁹ The USPTO has not invoked failure to function in cases evaluating some such marks.¹¹⁰ Thus, these commentators recommend more frequent application of failure to function, under the apparent assumption that, in such cases, the USPTO's failure to invoke failure to function means it did not truly consider whether the mark was, indeed, being used as a mark.¹¹¹

How often the USPTO should apply failure to function is a question this Note picks up in Part III.¹¹² This Part focuses, instead, on the USPTO's lack of clarity and inconsistency in cases in which it *does* apply failure to function. Moreover, unlike previous analyses, this Part's analysis does not opine on whether the USPTO rightly or wrongly registered a given mark. It is unrealistic to expect USPTO decisions to be flawless, given the high number of proposed marks it reviews.¹¹³ Moreover, the USPTO is not bound by previously registered marks.¹¹⁴ The real question for purposes of this Note is whether the USPTO has coherent jurisprudential tools with which to evaluate proposed marks—whichever way it ultimately comes out.

2. *Merely Informational Matter*

When the USPTO does invoke the failure-to-function doctrine, the structure of the inquiry it undertakes is opaque.

Consider, first, the doctrine of merely informational matter. When consumers would view a proposed mark as only "convey[ing] information," it is merely informational and therefore fails to function

¹⁰⁷ *E.g., id.* at 2010–16; Barton Beebe & Jeanne C. Fromer, *Fake Trademark Specimens: An Empirical Analysis*, 120 COLUM. L. REV. F. 217, 218 (2020) (detailing the surge of fraudulent applications from China).

¹⁰⁸ *See also* Ramsey, *supra* note 29, at 90.

¹⁰⁹ *Id.*

¹¹⁰ *E.g., Roberts, supra* note 18, at 2013 (citing BIG IS THE NEW SMALL, Registration No. 87,068,471).

¹¹¹ *See Roberts, supra* note 18, at 2016 (chronicling that there remains a failure to consider use as a mark); Ramsey, *supra* note 29, at 90–91.

¹¹² *See infra* Section III.B.

¹¹³ *E.g., McKenna, supra* note 29, at 108 ("[S]ome errors are inevitable in a system that processes so many applications.").

¹¹⁴ *In re Cordua Rests., Inc.*, 823 F.3d 594, 598–99 (Fed. Cir. 2016) (upholding rejection of a mark identical to a previously registered mark).

as a mark.¹¹⁵ For example, slogans like CONSISTENTLY SUPERIOR and admonitions like DRIVE SAFELY are not registrable, because they are merely informational.¹¹⁶

Merely informational matter is almost always composed of words.¹¹⁷ Importantly, if a proposed mark is merely informational matter of any kind, it cannot be registered, even if it is distinctive based on the criteria discussed in Section I.B.¹¹⁸ For example, a proposed mark that has nothing to do with a product—say, IT IS WHAT IT IS, used for cappuccinos—could be unregistrable as a merely informational phrase, despite the fact that it may be arbitrary and therefore distinctive.¹¹⁹

The USPTO's guidance for trademark examiners has identified several categories of matter that are likely to be merely informational,¹²⁰ but in practice the TTAB follows a generally similar approach across its merely informational matter decisions.¹²¹ This approach often begins with citing CCPA precedent to recall that the Lanham Act “is not an act to register mere words, but rather to register trademarks.”¹²² To be a trademark, words must be used to indicate a commercial source.¹²³ Next, the TTAB—often citing itself—explains that to know whether matter is used as a mark, the USPTO must consult how consumers are likely to perceive it.¹²⁴ In considering consumer perception, the USPTO looks to the “nature and . . . context

¹¹⁵ *In re Wal-Mart Stores, Inc.*, 129 U.S.P.Q.2d (BNA) 1148, 1149–50 (T.T.A.B. 2019) (precedential).

¹¹⁶ TMEP, *supra* note 47, § 1202.04 (citing *In re Duvernay & Sons, Inc.*, 212 F.2d 202 (C.C.P.A. 1954) (CONSISTENTLY SUPERIOR); *In re Volvo Cars of N. Am., Inc.*, 46 U.S.P.Q.2d 1455 (T.T.A.B. 1998) (precedential) (DRIVE SAFELY)).

¹¹⁷ *But cf. In re Ocean Tech.*, No. 87405211, 2019 TTAB LEXIS 382, at *23–24 (T.T.A.B. Nov. 21, 2019) (precedential) (holding the visual elements of a proposed mark to be merely informational).

¹¹⁸ *See In re Aerospace Optics, Inc.*, 78 U.S.P.Q.2d 1861, 1864 (T.T.A.B. 2006) (precedential) (“Even an inherently distinctive designation is not a trademark if it is not used in a trademark manner.”).

¹¹⁹ *See supra* Section I.B.

¹²⁰ TMEP, *supra* note 47, § 1202.04 (listing “general information about the goods or services,” “common phrase or message,” and “direct quotation, passage, or citation from a religious text”).

¹²¹ *E.g., In re Lisa Brewer Buffalo*, No. 87880862, 2019 WL 4567472, at *4, *7 (T.T.A.B. June 12, 2020) (non-precedential) (dealing with matter from a religious text but adopting an inquiry similar to that used in cases involving other kinds of merely informational matter, including analysis of third-party use).

¹²² *In re DePorter*, 129 U.S.P.Q.2d (BNA) 1298, 1299 (T.T.A.B. 2019) (precedential) (quoting *In re The Standard Oil Co.*, 275 F.2d 945, 947 (C.C.P.A. 1960)).

¹²³ *Id.*

¹²⁴ *Id.* (citing *In re Eagle Crest, Inc.*, 96 U.S.P.Q.2d 1227, 1229 (T.T.A.B. 2010) (precedential); *In re Aerospace Optics, Inc.*, 78 U.S.P.Q.2d 1861, 1862 (T.T.A.B. 2006) (precedential)).

of . . . [a proposed mark's] use by the applicant and/or others in the marketplace."¹²⁵

Given the ad-hoc nature of the inquiry, the countless factors the USPTO has considered in its decisions would be impossible to list comprehensively. However, there are certain factors that merely informational matter cases regularly consider, such as how the mark appears on the specimen, evidence of third-party use of the proposed mark, and dictionary evidence. The TTAB's use of these factors in practice bears out the amorphous, haphazard nature of this inquiry into consumer perception.

To begin, the USPTO will often examine the proposed mark's specimen. In so doing, it may consider factors related to the proposed mark's presentation, consistent with failure to function's origins as a specimen-based inquiry.¹²⁶ For example, the USPTO may find that the proposed mark's proximity to other merely informational matter suggests it is also merely informational.¹²⁷ But it may also find that the proposed mark's *proximity to valid marks* suggests that the proposed mark is not being used as a mark.¹²⁸ Additionally, the USPTO may consider factors that are also relevant to the mere ornamentation doctrine—e.g., the size, location, and dominance of the mark, as further discussed below—in a manner that makes the degree of separation between the two doctrines uncertain.¹²⁹

However, the USPTO does not have to consider the specimen.¹³⁰ It may simply evaluate the content of the mark's text without more.¹³¹ This calls into question the role of the presentation-related considera-

¹²⁵ TMEP, *supra* note 47, § 1202.04.

¹²⁶ See *supra* text accompanying notes 91–101 and note 96.

¹²⁷ See *In re TracFone Wireless, Inc.*, No. 87221529, 2019 TTAB LEXIS 152, at *4 (T.T.A.B. June 10, 2019) (precedential) (describing that UNLIMITED CARRYOVER is “set in the midst of other clearly informational matter,” suggesting that UNLIMITED CARRYOVER is also informational matter).

¹²⁸ See *In re Riviana Foods Inc.*, No. 87414879, 2020 TTAB LEXIS 275, at *10–11 (T.T.A.B. July 20, 2020) (non-precedential) (noting that consumers would be more likely to consider a different, valid mark on the specimen as the “designation of source”).

¹²⁹ See *In re Hulting*, 107 U.S.P.Q.2d (BNA) 1175, 1177–78 (T.T.A.B. 2013) (precedential) (discussing these factors as part of the mere ornamentation inquiry and explaining that “[w]e think the same concepts apply when determining whether a phrase . . . is merely informational”).

¹³⁰ TMEP, *supra* note 47, § 1202.04.

¹³¹ See, e.g., *In re Snowflake Enters.*, No. 87496454, 2021 TTAB LEXIS 229, at *22 & nn.31–32 (T.T.A.B. June 24, 2021) (non-precedential) (considering, in a failure-to-function refusal of a standard-character mark, an “alleged” logo that the applicant had not presented as a specimen but noting that “as of the time of the appeal, Applicant had not submitted a specimen of use” and “express[ing] no opinion regarding . . . the suitability of the alleged label or logo as a specimen of use”); *In re Lori Allen Enters., LLC*, No. 88546889, 2021 TTAB LEXIS 49, at *4 (T.T.A.B. Feb. 12, 2021) (non-precedential) (quoting TMEP, *supra* note 47, § 1202.17(c)(ii)(A)) (explaining that a specimen is not

tions above, which apparently are nonessential. It also underscores the degree to which failure to function duplicates distinctiveness's inquiry into marks' content, rather than presentation, as further discussed below.

As to content, the USPTO very often considers evidence of third-party use of the proposed mark. "[W]idespread use" of the proposed mark in an informational way suggests that it is merely informational.¹³² Thus, among other things, the USPTO may look at whether a given word or phrase appears often in the media, on websites, in relation to other brands' products, or in advertisements.¹³³

Additionally, the USPTO may consider dictionary or encyclopedia entries for the terms in the proposed mark to determine whether it is merely informational.¹³⁴ Dictionary definitions do not seem to appear as frequently as third-party-use evidence does. But, when they do appear, the USPTO may use them to ascertain whether the "inherent nature" of the proposed mark is informational, based on the mark's semantic meaning (e.g., the proposed mark UNLIMITED CARRYOVER's meaning merely conveyed product information).¹³⁵ At the same time, dictionary definitions of terms are not necessary to determining what the proposed mark's semantic meaning is, and the TTAB might instead deduce that meaning from third-party use.¹³⁶ Moreover, it is unclear how the fact that a proposed mark may have multiple meanings, or be open to multiple interpretations, will affect the USPTO's conclusions as to its registrability.¹³⁷

As a seemingly marginal factor, the USPTO may also consider whether the mark is one that competitors or others may want to use. The TTAB has noted such concerns in rejecting, among other marks, Home Dynamix's proposed mark DESIGNED WITH YOU IN

required for a failure-to-function refusal and proceeding to consider no specimen in its analysis); *see supra* note 96.

¹³² *E.g.*, *In re Wal-Mart Stores, Inc.*, 129 U.S.P.Q.2d (BNA) 1148, 1158 (T.T.A.B. 2019) (precedential).

¹³³ *E.g.*, *id.* at 1158; *In re DePorter*, 129 U.S.P.Q.2d (BNA) 1298, 1304 (T.T.A.B. 2019) (precedential); *In re Home Dynamix, LLC*, No. 87116576, 2017 TTAB LEXIS 469, at *17 (T.T.A.B. Dec. 17, 2017) (non-precedential); *In re Douglas Elliman Realty, LLC*, No. 88640177, 2020 TTAB LEXIS 416, at *5 (T.T.A.B. Sept. 4, 2020) (non-precedential).

¹³⁴ *E.g.*, *Home Dynamix*, 2017 TTAB LEXIS 469, at *8, *27; TMEP, *supra* note 47, § 1202.04 (noting that the USPTO also may consider encyclopedia and dictionary definitions).

¹³⁵ *In re TracFone Wireless, Inc.*, No. 87221529, 2019 TTAB LEXIS 152, at *5 (T.T.A.B. June 10, 2019) (precedential).

¹³⁶ *See, e.g.*, *In re Mayweather Promotions, LLC*, No. 86753084, 2020 TTAB LEXIS 467, at *7–8 (T.T.A.B. Oct. 29, 2020) (precedential) (upholding the examining attorney's view that the proposed mark, PAST PRESENT FUTURE, was a phrase with a "common meaning," but not citing dictionary authority); *see infra* text accompanying note 198.

¹³⁷ *See infra* notes 188–94 and accompanying text.

MIND,¹³⁸ Flex Ltd.'s proposed mark INTELLIGENCE OF THINGS,¹³⁹ and Wal-Mart's proposed mark INVESTING IN AMERICAN JOBS.¹⁴⁰ This factor's emphasis on competition seems disconnected from failure to function's ostensibly central concern, consumer perception.¹⁴¹

Depending on the case, the USPTO may also apply considerations specific to certain kinds of proposed marks. For example, when the proposed mark also contains a hashtag, the USPTO may consider a hashtag's technological function of sorting digital content as weighing in favor of finding that the proposed mark is merely informational.¹⁴² In developing such mark-specific considerations, these cases may overlap with "miscellaneous" cases, addressed below.

None of the above factors seems necessary to a determination of failure to function, let alone dispositive of it.¹⁴³ Overall, the structure of the merely informational matter inquiry has some staple elements, but its exact content in any given instance is difficult to predict.

3. *Mere Ornamentation*

The second principal way a proposed mark can fail to function is by being mere ornamentation¹⁴⁴: matter consumers would perceive as decoration and not as a source-indicator.¹⁴⁵ For example, a pattern of intertwined vines, leaves, and morning glories on tableware is merely ornamental.¹⁴⁶ Although mere ornamentation often applies to non-word marks, the doctrine can also apply to marks involving words. For example, a chain bracelet reading I LOVE YOU is merely orna-

¹³⁸ *Home Dynamix*, 2017 TTAB LEXIS 469, at *5, *22.

¹³⁹ *In re Flex Ltd.*, No. 86453853, 2019 TTAB LEXIS 391, at *24–25 (T.T.A.B. Dec. 9, 2019) (non-precedential).

¹⁴⁰ *In re Wal-Mart Stores, Inc.*, 129 U.S.P.Q.2d (BNA) 1148, 1158 (T.T.A.B. 2019) (precedential).

¹⁴¹ See *infra* Section III.B; *supra* notes 124–25 and accompanying text.

¹⁴² See *In re DePorter*, 129 U.S.P.Q.2d (BNA) 1298, 1302–03 (T.T.A.B. 2019) (precedential) (quoting TMPEP, *supra* note 47, § 1202.18) ("Where a hashtag is used as part of an online social media search term, it generally serves no source-indicating function, because it 'merely facilitate[s] categorization and searching'").

¹⁴³ See, e.g., *infra* notes 226–32 and accompanying text (noting that the TTAB sometimes gives third-party use significant weight but at other times nearly no weight in the inquiry).

¹⁴⁴ TMPEP, *supra* note 47, § 1202.03.

¹⁴⁵ See *In re Villeroy & Boch S.A.R.L.*, 5 U.S.P.Q.2d (BNA) 1451, 1452, 1454 (T.T.A.B. 1987).

¹⁴⁶ *Id.*

mental.¹⁴⁷ Some marks can be simultaneously informational and ornamental (e.g., “I ♥ DC” used on clothing).¹⁴⁸



FIGURE 4. ORNAMENTAL PATTERN (LEFT) AS USED ON TABLEWARE (RIGHT)¹⁴⁹

¹⁴⁷ *In re Peace Love World Live, LLC*, 127 U.S.P.Q.2d (BNA) 1400, 1404 (T.T.A.B. 2018) (precedential).

¹⁴⁸ *See D.C. One Wholesaler, Inc. v. Chien*, 120 U.S.P.Q.2d (BNA) 1710, 1716 (T.T.A.B. 2016) (non-precedential).

¹⁴⁹ *Villeroy*, 5 U.S.P.Q.2d at 1452.



FIGURE 5. ORNAMENTAL USE OF I LOVE YOU ON BRACELET¹⁵⁰

As with merely informational matter, the TTAB typically begins mere ornamentation decisions by noting that “[t]he critical inquiry in

¹⁵⁰ *Peace Love World Live, LLC*, 127 U.S.P.Q.2d (BNA), at 1402.

determining whether a designation functions as a mark is how the designation would be perceived by the relevant public,” stated in those words or their equivalents.¹⁵¹ Like the merely informational matter inquiry, the mere ornamentation inquiry is a multifactor test. Here too, the ad-hoc nature of these cases makes it impossible to give a comprehensive list of all the factors the USPTO has considered. In general, though, the factors considered are “the commercial impression made by the design, the relevant practices of the trade, and evidence of distinctiveness.”¹⁵² An additional factor that may be relevant is so-called “secondary source,” i.e., whether the applicant’s non-ornamental use of the mark on other products predisposes consumers to consider it a mark.¹⁵³

As to the commercial impression factor, the USPTO considers various aspects of mark content and mark presentation to determine how consumers likely will view the proposed mark. Evidence that the proposed mark is a common expression or symbol will weigh in favor of a finding of mere ornamentation.¹⁵⁴ Likewise, the “size, location, and dominance of the designs” are relevant factors in evaluating commercial impression.¹⁵⁵ However, the USPTO has not concretely specified how to apply these factors. For example, although the USPTO previously disfavored proposed marks of a large size when displayed on clothing, today there is no “*per se* rule” against such marks.¹⁵⁶ Rather, size appears to be folded into a larger inquiry into the “thematic whole of the ornamentation,” and its relevance seems entirely context dependent.¹⁵⁷

¹⁵¹ *In re Fantasia Distrib., Inc.*, 120 U.S.P.Q.2d (BNA) 1137, 1138 (T.T.A.B. 2016) (precedential) (quoting *In re Eagle Crest Inc.*, 96 U.S.P.Q.2d (WL) 1227, 1229 (T.T.A.B. 2010) (precedential)); see also *Peace Love World Live, LLC*, 127 U.S.P.Q.2d (BNA), at 1402 (“The critical question . . . is the commercial impression [the proposed mark] makes on the relevant public . . .”).

¹⁵² *In re Lululemon Athletica Can. Inc.*, 105 U.S.P.Q.2d 1684, 1686 (T.T.A.B. 2013) (precedential).

¹⁵³ *Id.*; TMEP, *supra* note 47, § 1202.3(c).

¹⁵⁴ TMEP, *supra* note 47, § 1202.03(a).

¹⁵⁵ *In re Right-On Co.*, 87 U.S.P.Q.2d 1152, 1156 (T.T.A.B. 2008) (precedential).

¹⁵⁶ *Lululemon*, 105 U.S.P.Q.2d, at 1689.

¹⁵⁷ *In re Diesel Power Gear, LLC*, No. 87261073, 8 TTABVUE 6–7 (T.T.A.B. Feb. 27, 2019), <https://ttabvue.uspto.gov/ttabvue/ttabvue-87261073-EXA-8.pdf> (non-precedential). Compare *id.* at 6 (noting the fact that the proposed mark was “emblazoned” across a t-shirt in rejecting the proposed mark), with *In re Thomas J. Hulting*, 107 U.S.P.Q.2d 1175, 1179 (T.T.A.B. 2013) (precedential) (finding no significance in the proposed mark’s “proportionally smaller” size on t-shirts, relative to its size on other goods, in rejecting the proposed mark). The current nature of the inquiry becomes even more opaque when one considers that the words “thematic whole of the ornamentation” appear to originate in caselaw that preceded the turn away from size as a key factor. See *In re Dimitri’s Inc.*, 9 U.S.P.Q.2d 1666, 1668 (T.T.A.B. 1988) (discussing “the thematic whole of the ornamentation of applicant’s T-shirts and hats”).

As to relevant practices of the trade, this factor is similar to the merely informational matter inquiry's reliance on third parties' widespread use of certain language. Thus, evidence that third parties widely use the proposed mark, or matter similar to it, in an ornamental way suggests that consumers would view the proposed mark as merely ornamental.¹⁵⁸

As to evidence of distinctiveness, recall that there are two types of distinctiveness: inherent and acquired. The inquiry into acquired distinctiveness is relatively straightforward and similar to what it would be for any mark: the USPTO may look to various kinds of evidence, including advertising expenditures and surveys of consumers, showing that consumers already recognize the proposed mark as a source indicator.¹⁵⁹

The inquiry into inherent distinctiveness is more intricate. It is often the fulcrum of a mere ornamentation case, as many applicants whose marks are rejected on failure-to-function grounds do not claim acquired distinctiveness, even if consumers may have been previously exposed to the proposed mark.¹⁶⁰ Here, the USPTO applies the four-factor "*Seabrook* test" to determine whether the product packaging at issue is inherently distinctive: (1) whether the packaging is a "'common' basic shape or design"; (2) whether it is "unique or unusual in a particular field"; (3) whether it is a "mere refinement of a commonly-adopted and well-known form of ornamentation for a particular class of goods viewed by the public as a dress or ornamentation for the goods"; (4) and whether it can produce "a commercial impression distinct from [any] accompanying words."¹⁶¹

The USPTO modifies the *Seabrook* factors according to context.¹⁶² It is clear that it may drop the fourth factor when no text

¹⁵⁸ TMEP, *supra* note 47, § 1202.03(b).

¹⁵⁹ See *In re SnoWizard, Inc.*, 129 U.S.P.Q.2d (BNA) 1001, 1005 (T.T.A.B. 2018) (precedential) (quoting *Converse, Inc. v. Int'l Trade Comm'n*, 909 F.3d 1110, 1120 (Fed. Cir. 2018)) (listing factors often used to demonstrate acquired distinctiveness); TMEP, *supra* note 47, §§ 1212, 1212.06.

¹⁶⁰ See, e.g., *In re Peace Love World Live, LLC*, 127 U.S.P.Q.2d (BNA) 1400, 1404 (T.T.A.B. 2018) (precedential) (observing that "Applicant did not seek to register the mark pursuant to . . . acquired distinctiveness"); *In re Mayweather Promotions, LLC*, No. 86753084, 2020 TTAB LEXIS 467, at *1 n.3 (T.T.A.B. Oct. 29, 2020) (precedential) (featuring no claim of acquired distinctiveness despite the applicant's claim to have been using the mark in commerce since 2008); *In re Vox Populi Registry Ltd.*, No. 86700941, 2020 TTAB LEXIS 465, at *20, *28 (T.T.A.B. Oct. 29, 2020) (precedential) (observing that "Applicant has not claimed that its mark has acquired distinctiveness").

¹⁶¹ *Seabrook Foods, Inc. v. Bar-Well Foods, Ltd.*, 568 F.2d 1342, 1344 (C.C.P.A. 1977).

¹⁶² *In re Fantasia Distrib., Inc.*, 120 U.S.P.Q.2d (BL) 1137, 1139 (T.T.A.B. 2016) (precedential).

accompanies the mark.¹⁶³ Beyond that, when and how the factors change is opaque, as further discussed in Section II.B.

Some cases also entirely omit direct reference to the *Seabrook* test.¹⁶⁴ Conversely, *Seabrook* often dominates the inquiry into mere ornamentation, despite the fact that the USPTO's guidance says that it considers distinctiveness *as a factor* in the mere ornamentation inquiry.¹⁶⁵ Thus, in some cases, the mere ornamentation factors seem to be considerations within the *Seabrook* test, as opposed to vice versa.¹⁶⁶ To some extent, this may be logical, as one might consider that practices of the trade and commercial impression are relevant to determining, for example, whether the mark is common, unique in its field, or a mere refinement of a well-known form of ornamentation. But in other cases, *Seabrook* seems to be the entirety of the inquiry. Thus, in *In re The Procter & Gamble Co.*, the TTAB decided that a mouthwash bottle's wave-shaped cap and overall design were inherently distinctive under the *Seabrook* factors. Having reached this conclusion, it held that the mark was, accordingly, not mere ornamentation. But it never applied the mere ornamentation test.¹⁶⁷

Finally, the USPTO may look to so-called "secondary source" as a factor. This factor is only relevant if (1) a proposed mark is used ornamentally on the product at issue, but (2) consumers would recognize it as a mark, because the markholder already has used it on *other* products.¹⁶⁸ Thus, in *Disorderly Kids v. Roman Atwood*, SMILE MORE appeared on registrant Atwood's goods "in an ornamental manner," but the mark did not fail to function, because consumers would associate it with a popular YouTube channel belonging to Atwood—and with Atwood himself.¹⁶⁹

After considering these factors, the USPTO in effect balances them. In many cases, the TTAB squarely comes down on one side of

¹⁶³ See *In re Chippendales USA, Inc.*, 622 F.3d 1346, 1351–52 (Fed. Cir. 2010) (noting the inapplicability of the fourth factor to a mark featuring no words).

¹⁶⁴ E.g., *In re CLAAS KGaA mbH*, No. 87112755, 2020 TTAB LEXIS 185 (T.T.A.B. Feb. 10, 2020) (non-precedential).

¹⁶⁵ TMEP, *supra* note 47, § 1202.03(d).

¹⁶⁶ See *In re Right-On Co.*, 87 U.S.P.Q.2d 1152, 1155 (T.T.A.B. 2008) (precedential) (beginning a failure-to-function analysis with inquiry into "whether [the] design is inherently distinctive, [which requires that] we consider [*Seabrook*]"); *In re Chevron Intell. Prop. Grp. LLC*, 96 U.S.P.Q.2d 2026, 2027 (T.T.A.B. 2010) (precedential) (analyzing the examining attorney's failure-to-function refusal by considering "[w]hether the subject matter sought to be registered is inherently distinctive" and applying *Seabrook*).

¹⁶⁷ *In re The Procter & Gamble Co.*, 105 U.S.P.Q.2d (BNA) 1119, 1127 (T.T.A.B. 2012) (precedential).

¹⁶⁸ TMEP, *supra* note 47, § 1202.03(c).

¹⁶⁹ *Disorderly Kids, LLC v. Roman Atwood*, 2018 TTAB LEXIS 431, at *20–21 (T.T.A.B. Nov. 20, 2018) (non-precedential).

the inquiry. For example, it may conclude that there is simply no evidence of distinctiveness but a strong showing of the proposed mark's ornamentality.¹⁷⁰ But in cases where there is evidence of both distinctiveness and ornamentality, then the TTAB will determine whether the former outweighs the latter (permitting registration)¹⁷¹ or vice versa (prohibiting registration).¹⁷²

In sum, although the mere ornamentation inquiry revolves around a broad set of recurring themes, the doctrine lacks a clear structure.

As a final note, recall that, although distinctiveness is a factor in the mere ornamentation inquiry, it is *irrelevant* in the merely informational matter inquiry. This difference is further evidence of an incoherent doctrinal structure. It suggests a broad lack of clarity about the degree of overlap between distinctiveness and failure to function, which both examine source-indicativeness. On the one hand, failure to function's origins as a doctrine about the presentation of a mark suggest it is separate from distinctiveness. On the other, failure to function's inquiry into marks' content and mere ornamentation's integration of distinctiveness as a factor—sometimes the sole factor—suggest failure to function performs a very similar role to distinctiveness.¹⁷³ To the extent that is true, it is unclear why trademark law needs two doctrines for the same task: determining whether a proposed mark's content indicates source.¹⁷⁴

4. *Undefined and Miscellaneous*

Many of the failure-to-function decisions relevant to this Note fall into the two categories outlined above. But some do not. For ease of analysis, I split this remainder into what I term (1) “undefined” and (2) “miscellaneous” decisions.

Undefined cases look holistically at a proposed mark that the TTAB does not seem to view as “informational,” “ornamental,” or pertaining to a specific mark type dealt with in miscellaneous cases,

¹⁷⁰ See, e.g., *Chevron*, 96 U.S.P.Q.2d at 209 (finding a design to be a refinement of oft-used ornamentation and therefore not distinctive).

¹⁷¹ See, e.g., *Disorderly Kids*, 2018 TTAB LEXIS 431, at *20–21 (holding that the SMILE MORE mark conveyed secondary source to the public, despite the fact that the mark was displayed on goods in an ornamental manner, and upholding its registration against a challenge).

¹⁷² See *In re Diesel Power Gear, LLC*, No. 87261073, 8 TTABVUE 6 (T.T.A.B. Feb. 27, 2019), <https://ttabvue.uspto.gov/ttabvue/ttabvue-87261073-EXA-8.pdf> (non-precedential) (recognizing the bearded skull design as inherently distinctive but rejecting it as a trademark since it “is not likely to be perceived as anything other than part of thematic whole of the ornamentation on Applicant's t-shirts”).

¹⁷³ Cf. Roberts, *supra* note 18, at 2037 (discussing this overlap as to non-word marks).

¹⁷⁴ Cf. *id.* at 2039–40 (advocating for merging failure to function and distinctiveness).

discussed below. These cases explain why a proposed mark fails to function through case-specific reasoning and factors that resemble those discussed in the two previous Sections.¹⁷⁵ For example, in *In re IGT*, the TTAB held that certain shapes of playing cards used in a video poker game failed to function because they are common shapes used within the game's context. In so holding, the TTAB cited third-party video-game displays, among other things.¹⁷⁶ Undefined decisions' case-specific inquiries make their doctrinal structure highly variable, as with merely informational matter and mere ornamentation cases.

By contrast, miscellaneous cases involve a specific type of proposed mark for which the USPTO has developed particular rules or guidance: for example, model numbers for products or generic top-level domains (gTLDs).¹⁷⁷ Depending on one's interpretation, such miscellaneous cases may fall into the category of cases I termed "kitchen-sink failure-to-function" cases above, because they often apply narrowly focused, well-defined rules, as opposed to the unwieldy multifactor inquiries discussed in the previous two Sections. Thus, in miscellaneous cases, the TTAB typically makes reference to previous USPTO decisions and guidance on the specific type of mark, which may resolve the issue.¹⁷⁸ If the TTAB does not think this resolves the issue, the factors it then considers depend largely on case-specific context, blended with the factors discussed above (e.g., third-party use of a gTLD in a way that suggests consumers do not perceive

¹⁷⁵ See, e.g., *In re The Ride, LLC*, No. 86845550, 2020 TTAB LEXIS 2, at *34 (T.T.A.B. Feb. 3, 2020) (precedential) (explaining that the proposed mark—a person tap-dancing on a sidewalk, viewed by passengers on a bus—failed to function because, among other things, consumer surveys submitted by the applicant did not show that it was a source indicator, rather than merely a feature of the applicant's sightseeing-bus services); see also *In re Epic Games*, No. 88233723, 12 TTABVUE 17, 22 (T.T.A.B. May 26, 2021), <https://ttabvue.uspto.gov/ttabvue/ttabvue-88233723-EXA-12.pdf> (non-precedential) (rejecting a proposed mark consisting of an image of a llama for the Fortnite video game software because the llama, which appeared in the game, was "part of the product" rather than an indicator of source).

¹⁷⁶ *In re IGT*, No. 87448071, 13 TTABVUE 16 (T.T.A.B. Jan. 10, 2020), <https://ttabvue.uspto.gov/ttabvue/ttabvue-87448071-EXA-13.pdf> (non-precedential).

¹⁷⁷ See *In re Vox Populi Registry Ltd.*, No. 86700941, 2020 TTAB LEXIS 465, at *9 (T.T.A.B. Oct. 29, 2020) (precedential) (detailing USPTO guidance on gTLDs). gTLDs are the terminating portion of a website address—e.g., .com. In *In re Vox Populi*, for example, the proposed gTLD mark .SUCKS was at issue. *Id.* at *1.

¹⁷⁸ See *In re HD Med. Elec. Prods. Inc.*, No. 87207915, 2020 TTAB LEXIS 121, at *1, *6 (T.T.A.B. Feb. 7, 2020) (non-precedential) (reviewing applicable law and determining that model numbers are not marks unless they have acquired source-identifying significance); see also *In re Hydro-Gear Ltd. P'ship*, No. 87641657, 19 TTABVUE (T.T.A.B. Dec. 4, 2020), <https://ttabvue.uspto.gov/ttabvue/ttabvue-87641657-EXA-19.pdf> (non-precedential) (finding a proposed model-number mark did not function as a mark after reviewing prior decisions).

it as a mark).¹⁷⁹ Thus, it is not always clear to what degree miscellaneous cases belong in the kitchen-sink failure-to-function category, because the TTAB may still employ its broader, unstructured failure-to-function reasoning in them.¹⁸⁰

B. Failure to Function's Inconsistency

This Section zooms into the failure-to-function doctrine's application at the level of specific cases. At this more granular level, it aims to show that the TTAB regularly engages in five types of inconsistency across cases: (1) it adds factors on which it has not previously relied (*addition*); (2) it subtracts factors on which it previously relied (*subtraction*); (3) it modifies factors on which it previously relied (*modification*); (4) it conceptualizes factors differently across cases (*reconceptualization*); (5) it weighs factors differently across cases (*reweighing*). These five types of inconsistency are not mutually exclusive but, rather, interconnected and mutually reinforcing.

1. Addition

Addition occurs whenever the TTAB identifies a new factor as relevant to a failure-to-function inquiry when it had not previously relied on that factor. Typically, the USPTO will lean on this new factor as support in the case at hand. Consider the development of hashtag-specific considerations, discussed above, as a new factor in failure-to-function cases.¹⁸¹ Similarly, take the TTAB's recent reliance on the consideration that consumers will not associate gTLDs with one source if several brands use the gTLD to direct consumers to their websites.¹⁸²

Although those additions may seem benign, consider the recent case of *In re Rodeowave Entertainment*.¹⁸³ The mark at issue was JUST ANOTHER DAY IN PARADISE for household goods.¹⁸⁴ Common sense may suggest that JUST ANOTHER DAY IN PARADISE is a phrase simply conveying information, as the examining attorney had concluded. Moreover, there was considerable evidence of ornamental third-party use of this term, and the TTAB could

¹⁷⁹ See *Vox Populi*, 2020 TTAB LEXIS 465, at *9, *21–24.

¹⁸⁰ Cf. *id.* at *10 (asserting that a case-specific inquiry was needed despite on-point USPTO guidance).

¹⁸¹ See *supra* note 142 and accompanying text.

¹⁸² Compare *Vox Populi*, 2020 TTAB LEXIS 465, at *18 (mentioning this), with *In re theDot Commc'ns Network LLC*, 101 U.S.P.Q.2d 1062 (T.T.A.B. 2011) (precedential) (omitting this factor in a distinctiveness inquiry).

¹⁸³ *In re Rodeowave Ent., LLC*, No. 87801076, 2020 TTAB LEXIS 484 (T.T.A.B. Nov. 13, 2020) (non-precedential).

¹⁸⁴ *Id.* at *1.

not examine the mark's visual presentation because there was no specimen. Nonetheless, the TTAB reasoned that the term was "subject to a number of different interpretations"—e.g., "taking pleasure in small things" or "getting away for a vacation."¹⁸⁵ This made the proposed mark "potential[ly] ambigu[ous]," which weighed in favor of a finding that it was not informational.¹⁸⁶

¹⁸⁵ *Id.* at *11; see *infra* note 190.

¹⁸⁶ *Id.* at *7–10, *11, *13.

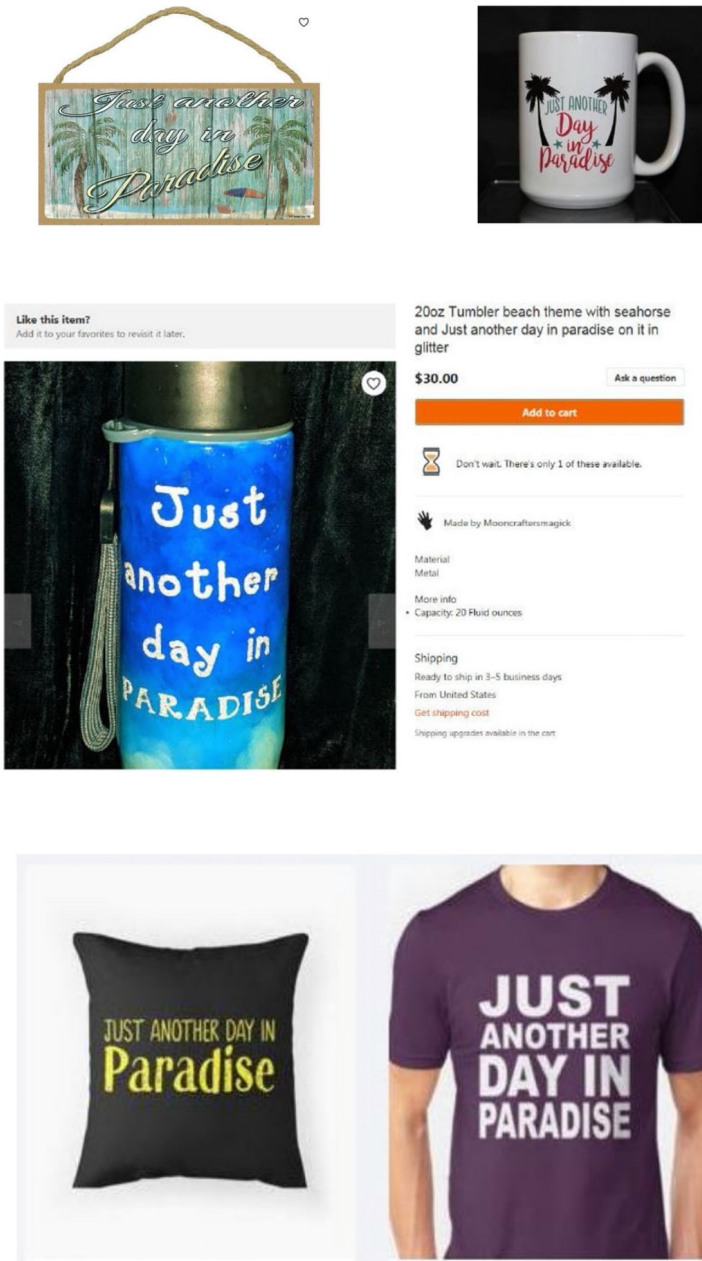


FIGURE 6. EXAMPLES OF THIRD-PARTY USE OF JUST ANOTHER DAY IN PARADISE¹⁸⁷

¹⁸⁷ *Id.* at *7.

Potential ambiguity is a novel factor in the failure-to-function calculus. First, the TTAB has previously rejected the argument that an informational proposed mark is registrable because it lacks a “single,” monolithic meaning.¹⁸⁸ Rather, what matters is the proposed mark’s meaning with respect to the products at issue, and substantial third-party use on such products (as there was in *Rodeowave*) suggests the mark is merely informational.¹⁸⁹ Second, and relatedly, all the potential meanings *Rodeowave* cited seem merely informational,¹⁹⁰ and the TTAB has found that multiple informational meanings do not weigh in favor of registrability. Indeed, a case decided after *Rodeowave* rejected the proposed mark THE NEXT MOVE IS YOURS for real estate services, despite the “double” meaning that “MOVE” could have, given the real estate pun.¹⁹¹ The TTAB found this irrelevant because “both meanings are informational.”¹⁹² Similarly, in rejecting the proposed mark DESIGNED WITH YOU IN MIND as merely informational, the TTAB acknowledged that “YOU” was subject to two different interpretations regarding to whom it referred.¹⁹³ But,

¹⁸⁸ *In re Flex Ltd.*, No. 86453853, 2019 TTAB LEXIS 391, at *25–27 (T.T.A.B. Dec. 9, 2019) (non-precedential).

¹⁸⁹ *See id.*

¹⁹⁰ *In re Rodeowave Ent., LLC*, No. 87801076, 2020 TTAB LEXIS 484, at *11 (T.T.A.B. Nov. 13, 2020). In addition to the two meanings noted above, *see supra* text accompanying note 185, the TTAB listed the following meanings: “getting away from one’s troubles,” “taking things for granted and being grateful,” “recognizing that one’s self is lucky,” “enjoying what life brings to a person,” “contentment even if things are not perfect,” and “living in just the right place for one’s self.” *In re Rodeowave Ent.*, 2020 TTAB LEXIS 484, at *11. Although the TTAB did not address the irony of its own reasoning, these meanings—adduced to show that the mark was not a sufficiently commonplace phrase—appear on their face to be “well-recognized . . . concept[s] or sentiment[s]” that, themselves, would not be registrable. *In re Texas With Love, LLC*, No. 87793802, 2020 TTAB LEXIS 466, at *6 (T.T.A.B. Oct. 29, 2020) (precedential). Granted, the applicant allegedly was affiliated with a country-music artist that had once recorded a song entitled JUST ANOTHER DAY IN PARADISE. Appeal Brief of Applicant at 1, *In re Rodeowave Ent., LLC*, 2020 TTAB LEXIS 484 (No. 87801076). Thus, suppose we charitably assume—for the sake of argument—that the phrase is a “‘double entendre’ which *may* be indicative of source,” because some consumers might know the song. *In re Volvo Cars of N. Am., Inc.*, 46 U.S.P.Q.2d 1455, 1460 & n.6 (T.T.A.B. 1998) (emphasis added). Even so, the above meanings cited by the TTAB show that, whatever meaning consumers give the phrase, its “primary significance” is almost certainly informational. *Id.* (rejecting, for this reason among others, Volvo’s argument that its reputation for safe cars rendered DRIVE SAFELY a source-indicating double entendre).

¹⁹¹ *In re Douglas Elliman Realty, LLC*, No. 88640177, 2020 TTAB LEXIS 416, at *12 (T.T.A.B. Sept. 4, 2020) (non-precedential).

¹⁹² *Id.*

¹⁹³ *In re Home Dynamix, LLC*, No. 87116576, 2017 TTAB LEXIS 469, at *20 (T.T.A.B. Dec. 21, 2017) (non-precedential) (citing Appeal Brief of Applicant at 4, *Home Dynamix*, 2017 TTAB LEXIS 469 (No. 87116576)) (“[I]n Applicant’s specimens, the term ‘YOU’ could refer to retailers who purchase Applicant’s goods at wholesale or to the ultimate end users who purchase them at retail . . .”).

disagreeing with the applicant, it suggested that both interpretations were informational.¹⁹⁴

New factors like potential ambiguity thus create unanticipated distinctions in the doctrine, rendering its factors less stable and thus less useful in distinguishing marks.

2. Subtraction

Subtraction is at work any time the TTAB fails to consider a factor it has relied on in previous cases. For example, as noted above, the question of whether competitors might need to use words in a proposed mark strikes the TTAB as relevant in some cases, but it omits this inquiry in other cases.¹⁹⁵ Likewise, the TTAB sometimes subtracts the *Seabrook* factors from the mere ornamentation inquiry.¹⁹⁶

For a more substantial example, consider how the TTAB treats the semantic meaning of a proposed mark, independent of third-party use. Sometimes this factor is included. In the TTAB's rejection of UNLIMITED CARRYOVER, for example, dictionary definitions of "unlimited" and "carryover" bolstered the conclusion that the proposed mark's inherent nature was to communicate information about the product—i.e., consumers keep unlimited data between billing cycles.¹⁹⁷

In other cases, this factor is absent. Thus, in rejecting INTELLIGENCE OF THINGS as a mark, the TTAB made no independent investigation into the mark's semantic meaning and simply observed that others used it as a combination of the technology-related terms "artificial intelligence" and "Internet of Things."¹⁹⁸ A literal, dictionary-definition analysis of each word in INTELLIGENCE OF THINGS might have suggested a less informational (albeit more inscrutable) meaning¹⁹⁹ with respect to the applicant's technology services.

¹⁹⁴ See *id.*

¹⁹⁵ See *supra* notes 138–41 and accompanying text.

¹⁹⁶ To its credit, though, the TTAB still addresses whether the mark is unique or unusual, the focus of the *Seabrook* inquiry. See, e.g., *In re* CLAAS KGaA mbH, No. 87112755, 2020 TTAB LEXIS 185, at *21 (T.T.A.B. Feb. 10, 2020) (non-precedential).

¹⁹⁷ *In re* TracFone Wireless, Inc., No. 87221529, 2019 TTAB LEXIS 152, at *6–7 (T.T.A.B. June 10, 2019) (precedential). The TTAB is free to take judicial notice of dictionary definitions. *Id.* at *6–7 n.5.

¹⁹⁸ *In re* Flex Ltd., No. 86453853, 2019 TTAB LEXIS 391, *16, *21 (T.T.A.B. Dec. 9, 2019) (non-precedential).

¹⁹⁹ Say, "object[s] or entit[ies]' ability to learn or understand." *Intelligence*, MERRIAM-WEBSTER, <https://www.merriam-webster.com/dictionary/intelligence>; *Thing*, MERRIAM-WEBSTER, <https://www.merriam-webster.com/dictionary/thing>.

Such subtraction of factors between cases makes it difficult to know what criteria are relevant to any given case.

3. *Modification*

Modification occurs when the TTAB explicitly changes the content of a factor or factors from case to case. For example, recall that the TTAB modifies the *Seabrook* inquiry based on context. Thus, in *In re Fantasia*, the TTAB generated a detailed five-factor modified *Seabrook* test to address whether a pattern of diamond shapes on an electronic hookah was inherently distinctive.²⁰⁰ Some of the modified factors bear little resemblance to the original *Seabrook* factors: for example, “the manner in which the repeating pattern appears on the product, including the size and location of the pattern on the product and how much of the product is covered by the pattern.”²⁰¹ Instead of *Seabrook*, this factor more closely resembles the mere ornamentation inquiry’s interest in the “size, location, and dominance” of the mark.²⁰²

Conversely, instead of enumerating specific, modified factors, various cases treat *Seabrook* as a holistic inquiry into the fact-specific context of a proposed mark. For example, *In re Lululemon* cited *Seabrook* without enumerating its factors, blended those factors with the mere ornamentation factors, and rested its conclusion on the proposed mark’s “overriding commercial impression.”²⁰³ Under what circumstances the USPTO will choose a holistic *Seabrook* test as opposed to a tailored factor-by-factor analysis is unclear.

Given this unpredictability, the test hardly provides workable criteria on which to evaluate a mark’s registrability. Indeed, there is concrete evidence it does not. The prominent trademark treatise writer Anne Gilson LaLonde has noted that the USPTO’s decisions on jeans’ back-pocket designs have been noticeably inconsistent, awarding registration to marks that are hard to distinguish from those that are rejected.²⁰⁴ *Seabrook* is the driving force in the TTAB’s jurisprudence on back-pocket designs,²⁰⁵ and it seems likely that the shape-shifting nature of the mere ornamentation doctrine in this area

²⁰⁰ *In re Fantasia Distrib., Inc.*, 120 U.S.P.Q.2d (BNA) 1137, 1139 (T.T.A.B. 2016) (precedential).

²⁰¹ *Id.*

²⁰² See *supra* notes 155–57 and accompanying text.

²⁰³ *In re Lululemon Athletica Can. Inc.*, 105 U.S.P.Q.2d (BNA) 1684, 1686 (T.T.A.B. 2013) (precedential).

²⁰⁴ See ANNE GILSON LALONDE, GILSON ON TRADEMARKS § 2.03[6][b] (2020).

²⁰⁵ E.g., *In re Right-On Co.*, 87 U.S.P.Q.2d (BNA) 1152, 1155 (T.T.A.B. 2008) (precedential).

has made it difficult for examining attorneys to apply the test in a way that trains on meaningful differences between marks.

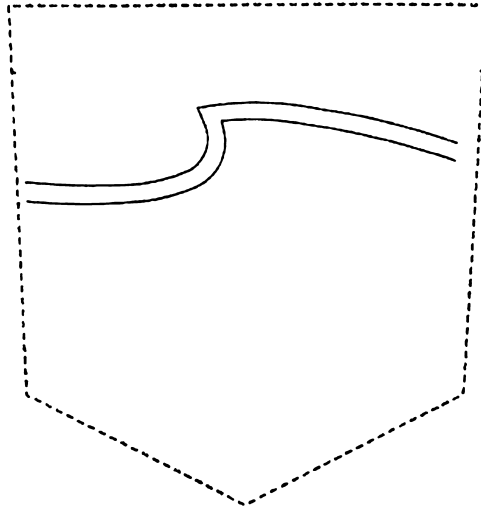


FIGURE 7. EXAMPLE OF REGISTERED BACK-POCKET DESIGN²⁰⁶

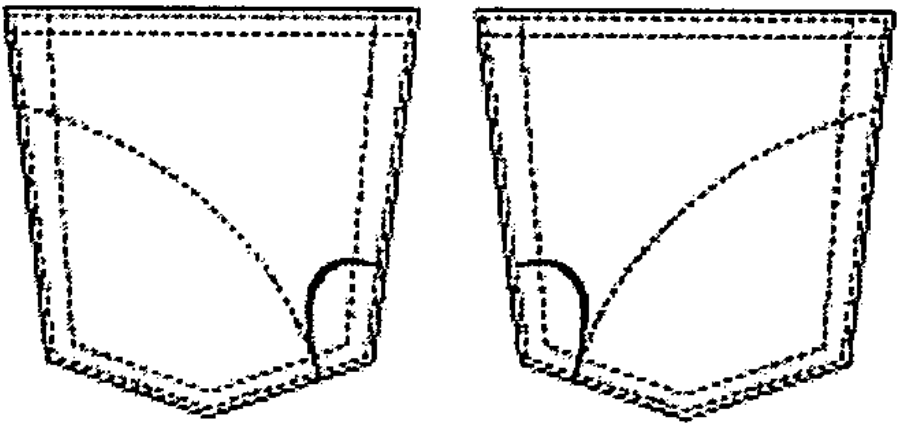


FIGURE 8. EXAMPLE OF REJECTED BACK-POCKET DESIGN²⁰⁷

4. *Reconceptualization*

Sometimes the TTAB will not overtly change the content of factors between different cases but, rather, change its approach to, or perspective toward, them.

²⁰⁶ GILSON, *supra* note 204, § 2.03[6][b] n.264 (citing Registration No. 4429305).

²⁰⁷ *Id.* at n.262 (citing *Right-On*, 87 U.S.P.Q.2d (BNA) at 1153).

Consider *In re Banana Republic*, where the TTAB held that a tortoiseshell pattern on a gift card was merely ornamental.²⁰⁸ Under *Seabrook*, the TTAB focused broadly on whether *any* background pattern on a gift card would indicate source to consumers and found that it would not.²⁰⁹ By contrast, in *In re Fantasia*, the TTAB did not solely focus on whether consumers would perceive *any* pattern on an e-hookah as a mark. Rather, it devoted significant attention to whether the *specific* diamond pattern on the e-hookah in question would be perceived as a mark.²¹⁰

Similarly, the TTAB has sometimes conceptualized the inherent distinctiveness of a non-word mark as a question of “arbitrar[iness]” in relation to the product for which it is used.²¹¹ For example, in a case holding that a pattern of black dots on a yellow shuttle van was an inherently distinctive pattern, the TTAB noted that the pattern was arbitrary with respect to shuttle van services.²¹² But in evaluating other marks, the TTAB has appeared to almost exclusively focus on whether the non-word mark is “unique” or “unusual” under the second *Seabrook* factor.²¹³ Yet a mark that is unique or unusual in a given market is not necessarily arbitrary with respect to the underlying product. For example, with no consideration of arbitrariness, the TTAB approved the wave-shaped mouthwash cap noted above because it found it unique. The use of wave imagery in relation to a liquid product hardly seems arbitrary, however.²¹⁴

On a broader scale, we can also see reconceptualization in how the failure-to-function doctrine appears to have changed over time.

²⁰⁸ *In re Banana Republic (Apparel), LLC*, No. 78485048, 2007 TTAB LEXIS 334, at *7 (T.T.A.B. May 23, 2007) (non-precedential).

²⁰⁹ *Id.*

²¹⁰ *In re Fantasia Distrib., Inc.*, 120 U.S.P.Q.2d 1137, 1141–42 (T.T.A.B. 2016) (precedential).

²¹¹ *E.g., In re Lululemon Athletica Can. Inc.*, 105 U.S.P.Q.2d (BNA) 1684, 1686 (T.T.A.B. 2013) (precedential) (citing *In re Soccer Sport Supply Co.*, 507 F.2d 1400, 1402 (C.C.P.A. 1975)) (“An ornamental design can be inherently distinctive if it is arbitrary and distinctive and if its principal function is to identify and distinguish the source of the goods to which it is applied . . .”).

²¹² *In re PRG Parking Mgmt., L.L.C.*, No. 76396894, 2003 TTAB LEXIS 575, at *8–9 (T.T.A.B. Dec. 9, 2003) (non-precedential).

²¹³ *In re The Procter & Gamble Co.*, 105 U.S.P.Q.2d (BNA) 1119, 1126 (T.T.A.B. 2012) (precedential) (finding that the design was “unique and unusual, and not mere refinements of existing trade dress, and [was] thus inherently distinctive”).

²¹⁴ *Cf. In re Creative Beauty Innovations, Inc.*, 56 U.S.P.Q.2d (BNA) 1203, 1208 (T.T.A.B. 2000) (precedential) (“[W]e consider the design fanciful or arbitrary. It . . . does not suggest or describe the nature of the goods or their use.”); *In re Compagnie Gervais Danone*, No. 75/621,184, 2001 TTAB LEXIS 759 (T.T.A.B. Oct. 22, 2001) (non-precedential) (“Applicant’s bottle design is not . . . particularly arbitrary or fanciful but, rather, may readily signal to a consumer that the contents of the bottle are a drinkable beverage.”).

For example, recent failure-to-function decisions often presume that “[c]onsumers ordinarily take widely-used, commonplace messages at their ordinary meaning, and not as source indicators, absent evidence to the contrary.”²¹⁵ A proposed mark like BORN IN THE USA stands little chance, even if its visual context suggests brand name–like use.²¹⁶ Yet earlier cases reveal a softer view that is more attuned to visual context than to language, consistent with failure-to-function’s origins as a specimen-based, presentation-focused inquiry. Consider *In re John M. Sanders*, an older case accepting as a mark the words FOR SALE on windshield covers. There, the TTAB emphasized that “[w]hether a word or phrase functions as a trademark or service mark is a highly subjective determination.”²¹⁷ It then proceeded to examine how the mark was visually presented on the windshield covers.²¹⁸ Similarly, in another older case, the TTAB found that FOR TOTS, used in connection with foreign-language classes for children, was not merely informational.²¹⁹ The TTAB gave particular attention to the size of the mark, the fact that it was “set off” from other material in the advertisement, and the “commercial impression” it made.²²⁰ This subjective approach to failure to function—highly dependent on visual presentation—stands in stark contrast to today’s more language-focused doctrine.

²¹⁵ *In re Lee Greenwood*, No. 87168719, 2020 TTAB LEXIS 499, at *6 (T.T.A.B. Dec. 1, 2020) (precedential).

²¹⁶ See *infra* note 221.

²¹⁷ See *In re John M. Sanders*, No. 74/324,888, 1996 TTAB LEXIS 279, at *1 (T.T.A.B. May 23, 1996) (non-precedential).

²¹⁸ *Id.* at *4.

²¹⁹ See *In re The Language Workshop for Children/Cercle Franco Americain, Inc.*, No. 75/516,045, 2003 TTAB LEXIS 389, at *7 (T.T.A.B. Aug. 14, 2003) (non-precedential).

²²⁰ *Id.* at *7–9. Indeed, the TTAB held that, although the proposed mark did not fail to function under the presentation-based inquiry it adopted, it was nonetheless merely descriptive under the content-based descriptiveness inquiry. See *id.* at *9; see also *supra* text accompanying notes 91–101 and note 96.



FIGURE 9. USE OF PROPOSED MARK BORN IN THE USA²²¹

²²¹ *In re* Born in the USA LLC, No. 87867549, 2020 TTAB LEXIS 406, at *1, 9 (T.T.A.B. Aug. 26, 2020) (non-precedential) (rejecting this proposed mark).



FIGURE 10. USE OF PROPOSED MARK FOR TOTS²²²

When the TTAB changes its perspective toward the application of the same factors from case to case, it undermines the doctrine's stability, limiting the doctrine's ability to provide concrete guidance on what marks should be registered.

5. *Reweighing*

The TTAB not only changes its perspective toward factors from case to case but also the weight it gives to different factors. Such reweighing is often visible in granular factors the TTAB has emphasized at one time or another, only to find, later, that these factors do not bear significantly on the present case. For example, in several cases, the TTAB has treated an applicant's use of the "TM" symbol as a factor suggesting use as a mark.²²³ (The symbol means that the applicant unofficially claims the proposed mark as a trademark—e.g., INTELLIGENCE OF THINGSTM.)²²⁴ In many other cases, though,

²²² *Language Workshop*, 2003 TTAB LEXIS 389, at *3.

²²³ E.g., *In re Michelin N. Am., Inc.*, No. 85077031, 2015 TTAB LEXIS 349, at *10–11 (T.T.A.B. Sept. 11, 2015) (non-precedential); *In re Eli Lilly & Co.*, No. 85183667, 2015 TTAB LEXIS 181, at *9–10 (T.T.A.B. June 18, 2015) (non-precedential); *In re Mentor Graphics Corp.*, No. 78325604, 2008 WL 906611, at *3 (T.T.A.B. Mar. 6, 2008) (non-precedential); see also *In re H.E. Butt Grocery Co.*, No. 75/368,461, 2002 TTAB LEXIS 72, at *19–20 (T.T.A.B. April 18, 2002) (non-precedential) (noting that failure to use a symbol like "TM" to designate the proposed mark as a mark was "some evidence" that it failed to function).

²²⁴ E.g., Adam Sapper, *Quirky Questions: Using the Registration Symbol (®), the Trademark Symbol (™) or Neither?*, TMCA (May 4, 2018), <https://thetmca.com/quirky-questions-using-the-registration-symbol-the-trademark-symbol-or-neither>.

the TTAB has noted the “TM” symbol but proceeded to give it no weight.²²⁵

The most dramatic example of inconsistent weighing, however, may be the TTAB’s treatment of third-party use of the proposed mark. In many cases, this factor seems to be the only one on which the TTAB relies—for example, in the TTAB’s rejection of INTELLIGENCE OF THINGS or WORLD’S BEST DOWN.²²⁶ But in other cases, the TTAB has given this factor significantly less weight. For example, the TTAB has accepted JUST ANOTHER DAY IN PARADISE, despite ornamental third-party use,²²⁷ accepted SAY YES TO WHAT’S NEXT, despite evidence of informational third-party use,²²⁸ and rejected UNLIMITED CARRYOVER, despite virtually no evidence that the proposed mark was widely used.²²⁹

But *In re Random Acts of Kindness* is perhaps more striking in showing how the TTAB may discount the value of third-party-use evidence. There, the proposed marks were composed of the words RANDOM ACTS OF KINDNESS. The examining attorney presented evidence that third parties used this term as a common phrase related to altruism or good deeds. Yet the TTAB permitted registration. The applicant had eleven previous registrations featuring the same words, and the TTAB was reluctant to treat the proposed marks differently from the registered ones.²³⁰ Recall, however, that the USPTO is free to reject a proposed mark even though it previ-

²²⁵ *E.g.*, *Univ. of Kentucky v. 40-0, LLC*, Opposition No. 91224310, No. 86534269, 2021 TTAB LEXIS 68, at *38–39 (T.T.A.B. Mar. 4, 2021) (precedential) (“[U]se of the ‘TM’ symbol cannot transform an otherwise unregistrable designation into a registrable mark.”); *Milk & Honey LLC v. Melissa Beeson*, Opposition No. 91221098, No. 86417226, 2017 TTAB LEXIS 488, at *19 (T.T.A.B. July 27, 2017) (non-precedential) (“[T]he use of the ‘TM’ symbol does not negate the informational nature of [the proposed mark] STILL SPOONING”); *In re Flex Ltd.*, No. 86453853, 2019 TTAB LEXIS 391, at *16–17 (T.T.A.B. Dec. 9, 2019) (giving no weight to the Applicant’s claim of service mark rights “evidenced by use of the trademark symbol”).

²²⁶ *See In re Flex Ltd.*, 2019 TTAB LEXIS 391, at *16–17 (“[T]he evidence from third-parties and the media reveals that INTELLIGENCE OF THINGS does not perform the desired service mark function”); *In re Eddie Bauer Licensing Servs. LLC*, No. 87471896, 2019 TTAB LEXIS 309, at *14 (T.T.A.B. Aug. 14, 2019) (non-precedential) (relying extensively on third-party use to reject the proposed mark WORLD’S BEST DOWN).

²²⁷ *In re Rodeowave Ent., LLC*, No. 87801076, 2020 TTAB LEXIS 484, at *13 (T.T.A.B. Nov. 13, 2020) (non-precedential).

²²⁸ *See In re Lori Allen Enters., LLC*, No. 88546889, 2021 TTAB LEXIS 49, at *6, *20 (T.T.A.B. Feb. 12, 2021) (non-precedential).

²²⁹ *In re TracFone Wireless, Inc.*, No. 87221529, 2019 TTAB LEXIS 152, at *10 (T.T.A.B. June 10, 2019) (precedential).

²³⁰ *In re The Random Acts of Kindness Found.*, No. 87245967, 2019 TTAB LEXIS 36, at *7, *11, *25–26 (T.T.A.B. Feb. 15, 2019) (non-precedential) (noting also that some of the registered marks were filed the same day as the proposed marks).

ously accepted an identical or similar mark.²³¹ In other words, the TTAB favored a factor that had *no legal weight* (prior registrations), in the face of a factor that many other decisions²³² have found persuasive (third-party use).

When the TTAB readjusts the weight given to different factors, it makes it difficult to know how to balance them and, accordingly, difficult to use them in determining when a mark should be registered.

As with the other types of inconsistency discussed above, the upshot is that, when we zoom into the caselaw itself, the unclear doctrines set out above in Section II.A provide little concrete guidance as to marks' registrability. After this tour of failure-to-function law, it is exceedingly difficult, if not impossible, to trace consistent principles in the doctrine to separate FOR SALE, JUST ANOTHER DAY IN PARADISE, RANDOM ACTS OF KINDNESS, and SAY YES TO WHAT'S NEXT (all accepted)²³³ from DESIGNED WITH YOU IN MIND, I ♥ DC, THE NEXT MOVE IS YOURS, and WORLD'S BEST DOWN (all rejected).²³⁴ Rather, the TTAB's case-specific judgment and discretion appear to be the driving forces behind the opaque, constantly shifting failure-to-function doctrine.

C. Real-World Impact: Bad for the USPTO, Bad for Brands, Bad for Consumers

This inconsistency and lack of clarity in the failure-to-function doctrine create the potential for troubling and far-reaching consequences in the form of costs to the USPTO, brands, and consumers.

1. Raised Costs for the USPTO

An inconsistent failure-to-function doctrine raises the USPTO's costs by providing an incentive to pursue weak applications. Because the doctrine makes the likelihood of success unpredictable, an applicant may take their chances in filing an application that is extremely weak. If they do not succeed, all they lose is the (relatively low) cost

²³¹ See *supra* note 114 and accompanying text.

²³² See, e.g., *supra* notes 132–33, 226 and accompanying text.

²³³ See *In re John M. Sanders*, No. 74/324,888, 1996 TTAB LEXIS 279, at *4 (T.T.A.B. May 23, 1996) (non-precedential); *In re Rodeowave Ent., LLC*, No. 87801076, 2020 TTAB LEXIS 484, at *13 (T.T.A.B. Nov. 13, 2020) (non-precedential); *Random Acts of Kindness*, 2019 TTAB LEXIS 36, at *26; *Lori Allen*, 2021 TTAB LEXIS 49, at *11.

²³⁴ See *In re Home Dynamix, LLC*, No. 87116576, 2017 TTAB LEXIS 469, at *27–28 (T.T.A.B. Dec. 21, 2017) (non-precedential); *D.C. One Wholesaler, Inc. v. Jonathan E. Chien*, 120 U.S.P.Q.2d (BNA) 1710, 1717 (T.T.A.B. 2016) (precedential); *In re Douglas Elliman Realty, LLC*, No. 88640177, 2020 TTAB LEXIS 416, at *14 (T.T.A.B. Sept. 4, 2020) (non-precedential); *In re Eddie Bauer Licensing Servs. LLC*, No. 87471896, 2019 TTAB LEXIS 309, at *14–15 (T.T.A.B. Aug. 14, 2019) (non-precedential).

of filing an application.²³⁵ However, if they succeed in registering marks that other actors want or need to use in their business, opportunistic trademark filers may exploit those registrations by demanding compensation or license acceptances from those actors, making it well worth the risk of losing the filing costs. Given these incentives, opportunists are attracted to widely used matter.²³⁶

Consider the raft of applications for trademarks in various forms of the word COVID-19 filed during the pandemic. Virtually all such marks—from the word COVID-19 itself to elaborations on it such as FXCK COVID-19—are clear-cut examples of merely informational slogans or messages. The USPTO promptly rejected them as such.²³⁷ A similar phenomenon can be observed in filings for other widely used language (e.g., OK BOOMER).²³⁸ At first, it seems incredible that the doctrine's relative straightforwardness with respect to terms in such widespread use did not stop applicants. But when one considers that the USPTO has registered RANDOM ACTS OF KINDNESS and JUST ANOTHER DAY IN PARADISE, paying the cost of a trademark application for a shot at exclusive rights in widely used language may seem less irrational.²³⁹

Such behavior may strain the USPTO's bandwidth by saturating it with bouts of meritless applications, taking time away from meritorious ones.²⁴⁰

²³⁵ Cf. Beebe, *supra* note 55, at 757 (noting that ease of filing may contribute to the filing of applications for viral words, like "Seal Team 6," soon after they emerge). The cheapest kind of trademark application—and the one used by the applicant who unsuccessfully sought to claim the designation FXCK COVID-19, for example, see U.S. Trademark Application Serial No. 88835962 (filed Mar. 16, 2020)—costs \$250 for a single class of goods or services, 37 C.F.R. § 2.6 (2020).

²³⁶ See Bob Lee & Marcos Alvarez, *How 'Trademark Trolls' Are Trying to Make the Most of the Pandemic*, LAW.COM (Nov. 1, 2020, 2:00 PM), <https://www.law.com/nationallawjournal/2020/11/01/covid-19-and-coronavirus-trademarks-opportunistic-registrants>.

²³⁷ See COVID-19, U.S. Trademark Application Serial No. 88845782 (filed Mar. 24, 2020), Office Action Outgoing, Sept. 9, 2020 (rejecting this mark on failure-to-function grounds); FXCK COVID-19, U.S. Trademark Application Serial No. 88835962 (filed Mar. 16, 2020), Office Action Outgoing, Sept. 27, 2020 (same). See generally Joshua Jarvis, *CORONASPLOITATION-19: A Brief Survey of Recent COVID-19-Related Trademark Applications*, JD SUPRA (Apr. 8, 2020), <https://www.jdsupra.com/legalnews/coronasploitation-19-a-brief-survey-of-91445> (providing an early compilation of filings comprising "COVID-19," "coronavirus," or related terms).

²³⁸ See Derrick Bryson Tyler, *Trying to Trademark a Meme? OK Boomer*, N.Y. TIMES: STYLE (Nov. 19, 2019), <https://www.nytimes.com/2019/11/19/style/ok-boomer-trademark.html>.

²³⁹ See *supra* notes 183, 230.

²⁴⁰ See Ron Coleman, *Failure to . . . Whatever*, LIKELIHOOD OF CONFUSION™ (Oct. 16, 2017), <https://www.likelihoodofconfusion.com/failure-to-whatever> (making this point rather sardonically); cf. Note, *supra* note 18, at 1814 (arguing that the filing of "nonsense

2. *Raised Costs for Brands*

Failure to function's lack of clarity and inconsistency also raise costs for established brands. Unlike its effect on opportunistic filers, failure to function's unpredictability may *dissuade* established brands from filing applications. As trademark law scholar Barton Beebe has observed, firms with existing brand value in their mark may not seek registration when they perceive a risk of a refusal.²⁴¹ After all, a refusal undermines the consumer recognition they have already amassed in their mark by concluding that it is legally unprotectable.²⁴²

This raises costs in two ways. First, suppose a brand has built value in a mark that consumers recognize but avoids registration due to the risk that the USPTO will find that the mark fails to function. Relative to their competitors with registered marks, such brands will bear the continuous costs of lacking the benefits of registration.

Second, brands may not adopt certain marks in the first place if it seems likely such marks will be rejected for failure to function.²⁴³ This would not raise brands' costs if finding an alternative mark were costless. But there is evidence that finding an effective mark is increasingly hard—hard enough to constitute a barrier to entry into markets for newcomer brands.²⁴⁴ As for word marks, an analysis by Professors Barton Beebe and Jeanne Fromer of more than thirty years of USPTO decisions suggests that desirable word marks are becoming increasingly scarce.²⁴⁵ To the extent that failure to function further narrows the range of potential candidates for word marks, it may exacerbate this effect.

marks" composed of arbitrary strings of characters can lead to "greater caseloads and slower review processes").

²⁴¹ See Beebe, *supra* note 55, at 775–76.

²⁴² *Id.*

²⁴³ See Brad Hattenbach & Laura Marmulstein, *Taco Tuesday for Everyone (but Not to Register as a Trademark)*, TMCA (Oct. 31, 2019), <https://thetmca.com/taco-tuesday-for-everyone-but-not-to-register-as-a-trademark> (“[I]f you want the USPTO to say [the affirmative response popularized by rapper Cardi B] ‘Okurr’ to your trademark, make sure the matter you seek to register is more likely to be associated with your brand than it is to be considered merely an everyday use or ornamental display”); *Is Your Cannabis “Trademark Use” Merely Ornamental?*, HARRIS BRICKEN: CANNA L. BLOG (Nov. 22, 2018), <https://harrisbricken.com/cannalawblog/is-your-cannabis-trademark-use-merely-ornamental> (“In building your cannabis brand, it is important to pursue a trademark strategy that does not open any of your marks up to refusal for merely ornamental use.”).

²⁴⁴ Barton Beebe & Jeanne C. Fromer, *Are We Running Out of Trademarks? An Empirical Study of Trademark Depletion and Congestion*, 131 HARV. L. REV. 945, 953 (2018) (“New market entrants face significant barriers to entry in the form of the cost of searching for an unclaimed mark and in the ongoing cost of using a less effective mark.”).

²⁴⁵ *Id.* at 951–52.

But it is perhaps unlikely that terms that risk failure to function—e.g., WORLD’S GREATEST MATCHA LATTES²⁴⁶—are sufficiently attractive to brands to intensify the scarcity of word marks. Rather, the more serious problem may be failure to function’s effect on non-word mark adoption. As fashion law commentator Julie Zerbo has noted through her publication *The Fashion Law*, amid the dearth of good word marks, recent trends in the fashion industry suggest that brands may be turning to minimalist nonverbal flourishes to distinguish themselves (e.g., high fashion brand Off-White’s use of zip ties, fastened to its goods).²⁴⁷ Zerbo has further observed that such flourishes, though recognized by consumers, might risk a failure-to-function rejection.²⁴⁸ To the extent this is true, brands may be less willing to experiment with such flourishes. And if their only alternative is a “suboptimal” word mark (perhaps composed of complicated or long words),²⁴⁹ then they may not enter the market at all.²⁵⁰ But regardless of whether brands opt for (1) a non-word mark that risks

²⁴⁶ Cf. *In re Eddie Bauer Licensing Servs. LLC*, No. 87471896, 2019 TTAB LEXIS 309 (T.T.A.B. Aug. 14, 2019) (non-precedential) (rejecting WORLD’S BEST DOWN).

²⁴⁷ See *Forget a Logo*, *supra* note 13.

²⁴⁸ See *Marine Serre Has a (Legal) Trick Up Her Sleeve: A Tiny Crescent Moon*, FASHION L. (Sept. 26, 2018), <https://www.thefashionlaw.com/marie-serre-has-a-legal-trick-up-her-catsuit-sleeve-a-tiny-crescent-moon> (noting that fashion designer Marine Serre’s use of a crescent moon pattern as a “signature motif” risks failing to function).

²⁴⁹ Beebe & Fromer, *supra* note 244, at 952.

²⁵⁰ See *id.* at 999 (“[M]arket entrants now face enormous challenges in developing new marks, challenges that substantially impede competition.”); Stephen L. Carter, Comment, *The Trouble with Trademark*, 99 YALE L.J. 759, 787–88 (1990) (explaining how the declining availability of “good marks” could raise the costs of market entry); cf. Stephen C. Salop & David T. Scheffman, *Raising Rivals’ Costs*, 73 AM. ECON. REV. 267, 269 (1983) (“Sufficient increases in average costs can cause some fringe firms to exit the industry and others to forego entry.”). One might argue that brands in this position could simply adopt a non-word mark that is not a subtle, minimalist flourish that risks failure to function. But there are two related reasons they may not. First, the current marketing climate is one of “debranding”: firms are increasingly stripping their branding elements of complexity and reducing them, instead, to simple, unadorned shapes whose minimalism is thought to inspire greater consumer confidence. Ben Schott, *Debranding Is the New Branding*, BLOOMBERG (Mar. 7, 2021, 8:00 AM), <https://www.bloomberg.com/opinion/articles/2021-03-07/debranding-is-the-new-branding-for-burger-king-warner-bros>; Kalle Oskari Matilla, *The Age of the Wordless Logo*, ATLANTIC (Sept. 8, 2016), <https://www.theatlantic.com/business/archive/2016/09/the-age-of-the-wordless-logo/499166>. Second, in industries like fashion, a brand whose look and feel—and, therefore, its value—is built on the minimalism that is increasingly de rigueur, see *Forget a Logo*, *supra* note 13, is unlikely to opt for the use of louder, more garish non-word marks, even if doing so might allow it to obtain greater intellectual property protection, cf. C. Scott Hemphill & Jeannie Suk, *The Law, Culture, and Economics of Fashion*, 61 STAN. L. REV. 1147, 1177 (2009) (explaining that trademark protection of garish logos incentivizes incumbent fashion brands to use them in their designs). Thus, for some brands, simple, minimalist non-word marks may be more effective. Larding them up with complexity in order to reduce the risk of failure to function may prove just as unattractive as adopting a bad word mark.

failing to function, (2) a suboptimal word mark, or (3) nonentry, the underlying dynamic is the same: higher costs of market entry and of building a brand.

3. *Raised Costs for Consumers*

The reason brands' plight matters is that it is bad for consumers. There are two reasons for this: First, a conventional justification for trademark law is that trademarks lower the costs to consumers of finding the products they like, because consumers can rely on the trademark as an indicator of quality.²⁵¹ One effect of growing word mark scarcity, coupled with continued registrations, is that marks have become more similar to one another.²⁵² Although the fact that a proposed mark would be *confusingly* similar to another is a ground for refusal of that proposed mark,²⁵³ "parallel registrations" of the same or similar marks that are not confusing are perfectly permissible.²⁵⁴ Yet this increasing homogeneity raises consumer "search costs" because marks are now harder to distinguish from one another.²⁵⁵ Because failure to function's unpredictable doctrine makes it difficult to gauge the risk of a failure-to-function refusal, it is possible that applicants will err on the side of caution, leaning toward marks that are similar to those already registered.²⁵⁶ Thus, the doctrine may exacerbate these increasing consumer search costs.

Likewise, Zerbo has suggested that increasing word-mark scarcity may lead to a different strategy: brands may be turning to long alphanumerical names in an effort to avoid confusing similarity with already-registered marks for similar products (e.g., 1017 ALYX 9SM).²⁵⁷ To the extent that failure to function's unpredictability as to

²⁵¹ See *Qualitex Co. v. Jacobson Prods. Co.*, 514 U.S. 159, 163–64 (1995) (citing William M. Landes & Richard A. Posner, *The Economics of Trademark Law*, 78 TRADEMARK REP. 267, 271–72 (1988)).

²⁵² Beebe & Fromer, *supra* note 244, at 952, 1014, 1027 (observing "substantial word-mark congestion" of this type).

²⁵³ 15 U.S.C. § 1052(d) (providing for the refusal of "a mark which so resembles a mark registered in the [USPTO] . . . as to be likely . . . to cause confusion").

²⁵⁴ Beebe & Fromer, *supra* note 244, at 952 ("Two firms can use exactly the same mark provided that their uses would not confuse consumers as to source (for example, DELTA for faucets and DELTA for airlines).").

²⁵⁵ See *id.* at 953 ("Firms appear to be increasingly settling for sharing marks with others."); Landes & Posner, *supra* note 251, at 269.

²⁵⁶ Cf. *In re Born* in the USA LLC, No. 87867549, 2020 TTAB LEXIS 406, at *10 (T.T.A.B. Aug. 26, 2020) (non-precedential) (noting the applicant's various citations to previously registered marks identical to its proposed mark, which the applicant had used to support its contention that its proposed mark did not fail to function).

²⁵⁷ See *A Slew of New Brand Names Raises the Question: Is Fashion Running Out of Trademarks?*, FASHION L. (Oct. 24, 2019), <https://www.thefashionlaw.com/are-fashion-brands-running-out-of-trademarks>.

non-word marks pushes brands to adopt such “suboptimal” marks—as suggested above—this too may raise consumer search costs. Consumers will have to reckon with long, arbitrary strings of characters that are harder to remember and distinguish.²⁵⁸

Second, raised entry costs for brands lead to less competition.²⁵⁹ Here too, fashion markets provide an example. Incumbents with well-established marks (e.g., Gucci with its interlocking “G’s”) will enjoy trademark protection against copycats, while newcomer designers that rely less on logo-heavy designs to create fresh aesthetics may lack this advantage.²⁶⁰ An unprotectable mark thus generates lopsided costs for these newcomers, making market entry harder. Central tenets of American competition law hold that competitive markets increase consumer welfare by lowering prices, increasing product quality, or sparking product innovation.²⁶¹ To the extent failure to function contributes to barriers to market entry and thus reduces competition, consumers may suffer.

III

FIXING FAILURE TO FUNCTION

Failure to function is an unclear, inconsistent, and unpredictable inquiry. At the same time, it is uniquely well-suited to pursue important policy goals. Consider the raft of applications for COVID-19-related marks filed during the pandemic, noted above. Privatizing widely used language is inefficient rent-seeking—not to mention often offensive—behavior.²⁶² Yet “COVID-19” used for, say, broccoli, is an

²⁵⁸ See Beebe & Fromer, *supra* note 244, at 1024 (noting that if “trademark length, complexity, and bulkiness” increase, consumers will face a commensurate increase in their inability to efficiently identify the sources marks indicate); *cf.* Note, *supra* note 18, at 1805, 1809–10 (finding this concern to be particularly relevant to increasing numbers of arbitrary strings of characters that sellers on the Amazon marketplace register as marks to do business there).

²⁵⁹ See, e.g., *United States v. Microsoft*, 253 F.3d 34, 52, 55–56 (D.C. Cir. 2001) (en banc) (per curiam) (explaining how network effects constituted a barrier to entry in the market for Intel-compatible PC operating systems).

²⁶⁰ See Hemphill & Suk, *supra* note 250, at 1177–78 (explaining that the lack of intellectual property protection for designs that, among other things, lack garish logos can limit innovation and competition); Salop & Scheffman, *supra* note 250, at 269.

²⁶¹ See, e.g., Herbert Hovenkamp, *Implementing Antitrust’s Welfare Goals*, 81 FORDHAM L. REV. 2471, 2471 (2013) (framing the “dominant view” of antitrust law’s goals as fostering a balance of competition, cost reduction, and innovation with “the overall goal [being] markets that maximize output, whether measured by quantity or quality”).

²⁶² See Lee & Alvarez, *supra* note 236 (noting that “opportunistic registrants” may seek to “financially exploit” COVID-19-related marks by demanding licenses or compensation for their use); Tim Lince, “Reprehensible”—GEORGE FLOYD and I CAN’T BREATHE Trademark Applications Filed, WORLD TRADEMARK REV. (June 8, 2020), <https://www.worldtrademarkreview.com/governmentpolicy/reprehensible-george-floyd-and-i>

arbitrary mark. It is therefore distinctive and *in theory* protectable as a trademark.²⁶³ Without failure to function, it is unclear how the USPTO would reject this type of mark.

This Part proposes a solution to failure to function's incoherence that, at the same time, preserves failure to function's valuable role. Specifically, the TTAB can combine failure to function with the doctrine of aesthetic functionality, replacing failure to function's unclear multifactor inquiries with a single, competition-focused inquiry.

A. *Aesthetic Functionality as Mere Ornamentation's Doppelgänger*

The doctrine of aesthetic functionality applies to decorative product features. Typically, these product features do not involve words but may include them to the extent those words serve as decorations.²⁶⁴ The doctrine holds that if granting rights in such product features would represent a significant bar to competition, then the mark is unprotectable.²⁶⁵ This hindrance on competition must also be “non-reputation-related.”²⁶⁶ Otherwise, the doctrine would effectively penalize “branding success.”²⁶⁷

Aesthetic functionality is one branch of the larger functionality doctrine. The other, more prominent branch of the functionality doctrine, utilitarian functionality, focuses on a product's engineering-related features²⁶⁸ and bars them from trademark protection if they

cant-breathe-trademark-applications-filed (“On Twitter, the trademark community has been wholly critical of these applications [for the phrase I CAN’T BREATHE], with attorneys describing them as ‘stupid’, ‘pathetic’ and ‘shameless.’”); *see also* Anna B. Folgers, *The Seventh Circuit’s Approach to Deterring the Trademark Troll: Say Goodbye to Your Registration and Pay the Costs of Litigation*, 3 SEVENTH CIR. REV. 452, 452–55 (2007) (describing the activities of a “prototypical trademark troll” who exploits his trademark registration by threatening suits against companies using the mark and extracting licenses or settlements).

²⁶³ *See supra* Section I.B.

²⁶⁴ *E.g.*, *LTTB LLC v. Redbubble, Inc.*, 385 F. Supp. 3d 916, 919–20, 919 n.1 (N.D. Cal. 2019), *aff’d*, 840 F. App’x 148 (9th Cir. 2021) (applying the doctrine to the pun LETTUCE TURNIP THE BEET when it is “merely emblazoned across a t-shirt or a tote bag or similar item”); *Wallace Int’l Silversmiths, Inc. v. Godinger Silver Art Co.*, 916 F.2d 76, 81 (2d Cir. 1990) (applying the doctrine to baroque designs on silverware); MCCARTHY, *supra* note 64, § 7:79 (“Under the theory of ‘aesthetic functionality’ many visually attractive and aesthetically pleasing designs are categorized as ‘functional’ and hence free for all to copy and imitate.”).

²⁶⁵ *See* *Christian Louboutin S.A. v. Yves Saint Laurent Am. Holding, Inc.*, 696 F.3d 206, 222 (2d Cir. 2012); *Wallace*, 916 F.2d at 81 (“[W]here an ornamental feature is claimed as a trademark and trademark protection would significantly hinder competition . . . the aesthetic functionality doctrine denies such protection.”).

²⁶⁶ *TraFFix Devices v. Mktg. Displays*, 532 U.S. 23, 33 (2001).

²⁶⁷ *Louboutin*, 696 F.3d at 222.

²⁶⁸ *See TraFFix*, 532 U.S. at 34–35 (determining that a spring mechanism that allowed a traffic sign to resist wind was functional in a utilitarian sense); Eppendorf-Netheler-Hinz

are “essential to the use or purpose” of the product or “affect[] the cost or quality” of the product.²⁶⁹

By contrast, aesthetic functionality focuses on competition. In one case setting out the doctrine, the court held that a certain design motif on silverware was aesthetically functional because, were it to be a mark, competitors would be left with no alternative designs.²⁷⁰ Likewise, the TTAB has held that black boxes for delivered flowers are aesthetically functional. Because competitors might want to use the color black on their flower boxes to indicate bereavement or to lend them an air of luxury, for example, the TTAB found a “competitive need” for the proposed mark.²⁷¹ Although this reference to “need” might suggest a very high level of competitive significance—virtually a choice between black boxes and bankruptcy—the TTAB’s surrounding language reveals a more moderate inquiry: whether the proposed mark would “hinder” competition.²⁷²

Because both the mere ornamentation doctrine and aesthetic functionality deal with decorative aspects of products, the two doctrines overlap significantly. For example, it is possible to reject a pattern of vines, leaves, and morning glories on tableware or “I ♥ DC” on clothing because consumers would likely perceive these flourishes as mere decorations.²⁷³ But it is equally possible to argue that rival firms would need access to these design elements to compete effectively in the markets for tableware or souvenirs.²⁷⁴ This well-known

GMBH v. Ritter GMBH, 289 F.3d 351, 358 (5th Cir. 2002) (determining that several features of disposable pipette tips, including fins that provided structural support to the flanges at the top of the tips, were functional in a utilitarian sense).

²⁶⁹ See *TrafFix*, 532 U.S. at 33 (quoting *Qualitex Co. v. Jacobson Prods. Co.*, 514 U.S. 159, 165 (1995)).

²⁷⁰ *Wallace*, 916 F.2d at 80–82.

²⁷¹ *In re Florists’ Transworld Delivery, Inc.*, 106 U.S.P.Q.2d (BNA) 1784, 1790–91 (T.T.A.B. 2013) (precedential).

²⁷² *Id.* at 1789; see also *In re Rain Bird Corp.*, No. 85044106, 2019 WL 356537, at *7 (T.T.A.B. Jan. 3, 2019) (non-precedential) (“Issuing the applied-for registration [part of which consisted of the color “copper” for plastic tubes used in subsurface irrigation systems] to Applicant would *unfairly hinder* competitors’ use of [that] color” (emphasis added)); *M-5 Steel Mfg., Inc. v. O’Hagin’s Inc.*, 61 U.S.P.Q.2d (BNA) 1086, 1096 (T.T.A.B. 2001) (precedential) (citing RESTATEMENT (THIRD) OF UNFAIR COMPETITION § 17 cmt. c (AM. L. INST. 1995)) (noting the Court’s approval of a formulation of aesthetic functionality that looks to whether “recognition of trademark rights would significantly hinder competition”); cf. *Brunswick Corp. v. British Seagull Ltd.*, 35 F.3d 1527, 1531, 1533 (Fed. Cir. 1994) (upholding the TTAB’s determination that the color black used on outboard motors was “de jure functional” in that it would “hinder competition,” because “the color black exhibits both color compatibility with a wide variety of boat colors and ability to make objects appear smaller”).

²⁷³ See *supra* notes 146, 148 and accompanying text.

²⁷⁴ Cf. *In re Florists’ Transworld*, 106 U.S.P.Q.2d (BNA) at 1789 (holding the test of functionality to hinge on whether the particular function hinders competition).

overlap between the doctrines²⁷⁵ is key for the feasibility of combining them.

B. Combining Failure to Function and Aesthetic Functionality

As we have seen, failure to function is currently a series of unclear tests with multiple factors of uncertain weight. The USPTO—foremost, the TTAB—may unpredictably discard or change these factors.²⁷⁶ One way to achieve a clearer doctrine would be to define the relevant factors and their analyses very clearly. This would prevent the USPTO from adding, subtracting, modifying, and reconceptualizing factors on an ad hoc basis. Moreover, having a single, determinative factor is one way to prevent the USPTO from giving multiple factors unpredictable weight.²⁷⁷

Because aesthetic functionality already performs a similar task to that of failure to function, it is an ideal source of inspiration for an alternative test. It has a single, clearly defined consideration: Will the proposed mark significantly hinder competition in the relevant market? Thus, simply substituting aesthetic functionality for failure to function in the context in which they overlap—mere ornamentation—would mitigate the lack of doctrinal clarity discussed above. But this only gets us halfway. Failure to function is a much broader inquiry than aesthetic functionality, because it applies to any mark, regardless of whether that mark serves as a decoration.²⁷⁸

The solution is to expand aesthetic functionality's competitive-significance inquiry to all marks. Under this proposal, the USPTO would ask of any matter sought to be registered, including nondecorative word marks, whether it would significantly hinder competition in the relevant market. Widely used language that straightforwardly fails to function—e.g., FXCK COVID-19,²⁷⁹ OK BOOMER,²⁸⁰ CONSISTENTLY SUPERIOR²⁸¹—would likely be useful to firms in almost any market. After all, brands in many markets may want to make reference to the COVID-19 pandemic, market to millennials, or

²⁷⁵ See *supra* note 36 and *infra* notes 311–17 and accompanying text.

²⁷⁶ See *supra* Sections II.B.1–4.

²⁷⁷ See *supra* Section II.B.5.

²⁷⁸ As for utilitarian functionality, it by definition does not apply to decorative marks, see *supra* notes 268–69 and accompanying text, and does not generally apply to word marks, cf. MCCARTHY, *supra* note 64, § 7:83 (discussing cases finding some words functional but noting that functionality does not apply to “words with a message,” which, instead, do not function as marks).

²⁷⁹ See *supra* note 237.

²⁸⁰ See *supra* note 238.

²⁸¹ See *supra* note 116 and accompanying text.

just claim that they are CONSISTENTLY SUPERIOR.²⁸² For less clearly widespread language, the question will likely depend on the market in which the brand competes. For example, UNLIMITED CARRYOVER, which the USPTO rejected as merely informational matter, is likely to be useful in a telephone-related market, but perhaps not in, say, the market for coffee drinks.²⁸³

This dynamic translates to mere ornamentation, undefined, and miscellaneous cases to different extents. Thus, extremely widespread design or marketing elements (e.g., I LOVE YOU on any product) are likely to be unregistrable in a broad array of markets.²⁸⁴ The same may hold for the basic geometric shapes rejected in *In re IGT*, discussed above,²⁸⁵ and for gTLDs, which likely will be used by various businesses, some of which could potentially compete with the markholder.²⁸⁶ The registrability of less widespread product features will depend on market reality. For example, under an aesthetic functionality test, the question as to Lululemon's wave design is whether exclusive rights in the wave would hinder competition.²⁸⁷ Thus, the USPTO would need to consider the relevant market—likely, sportswear—and the design elements used in it. For example, if the TTAB was concerned that the mark “look[ed] like piping,” it would need to look to whether other sportswear designs feature similar piping-like accents.²⁸⁸ The focus of this inquiry into third-party use is on competition, however, not consumer perception.

²⁸² See *supra* note 116 and accompanying text.

²⁸³ See *supra* note 229 and accompanying text.

²⁸⁴ See *supra* note 147 and accompanying text. *But cf.* Ramsey, *supra* note 18, at 74 (suggesting “I LOVE YOU” could function as a mark for computers).

²⁸⁵ See *supra* note 176 and accompanying text.

²⁸⁶ See *supra* notes 177, 182 and accompanying text.

²⁸⁷ See *supra* notes 1–12 and accompanying text.

²⁸⁸ *In re Lululemon Athletica Can. Inc.*, 105 U.S.P.Q.2d (BNA) 1684, 1686 (T.T.A.B. 2013) (precedential). Note that many failure-to-function cases have rejected widely used phrases or designs used on clothing items like t-shirts or hats. It seems likely that many proposed marks in such cases (e.g., I BELIEVE THAT WE WILL WIN! or a bearded skull on a t-shirt) would hinder competition under virtually any market definition, because such designs on clothing are enormously common. Compare *U.S. Soccer Fed'n, Inc. v. Aztec Shops, Ltd.*, No. 91220225, 2017 TTAB LEXIS 45, at *19–20 (T.T.A.B. Jan. 27, 2017) (non-precedential) (rejecting the proposed mark I BELIEVE THAT WE WILL WIN! on apparel), and *In re Diesel Power Gear, LLC*, No. 87261073, 8 TTABVUE 8 (T.T.A.B. Feb. 27, 2019), <https://ttabvue.uspto.gov/ttabvue/ttabvue-87261073-EXA-8.pdf> (non-precedential) (rejecting the proposed mark of a bearded skull design on t-shirts), with Google Image Search for “I believe that we will win clothing,” GOOGLE, <https://www.google.com/search?q=I+believe+that+we+will+win+clothing> (click “Images”) (last visited Sept. 21, 2021) (demonstrating widespread use of the phrase “I BELIEVE THAT WE WILL WIN” on clothing), and Google Image Search for “bearded skull clothing,” GOOGLE, <https://www.google.com/search?q=bearded+skull+clothing> (click “Images”) (last visited Sept. 21, 2021) (demonstrating widespread use of a bearded skull design on t-shirts).

A note of caution: In the perhaps rare event²⁸⁹ that an applicant can show a high degree of acquired distinctiveness in a proposed mark that, nonetheless, appears useful to competitors (e.g., a mark like AMERICAN AIRLINES for air transport), the USPTO should exercise considerable restraint in concluding that registration of such matter would hinder competition. Properly understood, such proposed marks do not *truly* hinder competition if they are otherwise valid (e.g., non-generic). After all, trademark law does not only protect competitors from the “hardships” of lacking access to certain matter.²⁹⁰ It also spurs competition by securing to competitors the “fruits” of the “good will adhering to [their] enterprise” once those competitors can demonstrate that their efforts have *created* consumer recognition of their mark.²⁹¹

Thus, the aesthetic functionality test can improve the clarity of failure to function with minimal changes to the current doctrinal structure. This proposal also aligns with commentators’ recommendations that the USPTO apply failure to function more often in order to capitalize on the doctrine’s ability to filter out weak marks.²⁹² The combined aesthetic functionality/failure-to-function inquiry this Note proposes would apply to all marks and, as further discussed below, the USPTO should *always* consider it in the event no other trademark doctrine has already rendered a proposed mark unregistrable.

The TTAB already has the tools to carry out this proposal. Some CCPA failure-to-function precedent alludes to competitive concerns, and the TTAB already engages in some competition-based reasoning in its failure-to-function cases.²⁹³ Moreover, the sections of the Lanham Act that are cited in failure-to-function cases do not mandate

²⁸⁹ For this question to arise, an applicant would need, at a minimum, (1) to seek registration of a proposed mark that appears highly useful to competitors and (2) to demonstrate that it has acquired distinctiveness—a showing failure-to-function applicants often do not even try to make. *See supra* note 160 and accompanying text.

²⁹⁰ *Abercrombie & Fitch Co. v. Hunting World, Inc.*, 537 F.2d 4, 10 (2d Cir. 1976).

²⁹¹ *Id.*; *see supra* text accompanying notes 65–66 (distinguishing between acquired and inherent distinctiveness).

²⁹² *See Ramsey, supra* note 29, at 90 (arguing that the public domain would be “better protected” if there were more attention given to “whether matter functions as a trademark”); Roberts, *supra* note 18, at 2039–40 (advocating that “the USPTO incorporate attention to trademark use into their protectability analyses”).

²⁹³ *E.g., In re Duvernay & Sons, Inc.*, 212 F.2d 202, 203 (C.C.P.A. 1954) (rejecting CONSISTENTLY SUPERIOR in part on those grounds); *see supra* notes 138–40. Additionally, the TTAB sometimes alludes to “other third parties,” besides competitors, that may have an interest in keeping informational language in the public domain. *In re Flex Ltd.*, No. 86453853, 2019 TTAB LEXIS 391, at *17 (T.T.A.B. Dec. 9, 2019) (non-precedential). In at least one case, it has explicitly identified such a group: fans of college football. *See Univ. of Ky. v. 40-0, LLC*, Opposition No. 91224310, No. 86534269, 2021 TTAB LEXIS 68, at *42 (T.T.A.B. Mar. 4, 2021) (precedential) (“Applicant cannot

the current doctrine. In fact, the failure-to-function doctrine is a “wholly extrastatutory” product of TTAB jurisprudence.²⁹⁴ Thus, the TTAB can change it as it wishes. The preexisting overlap between aesthetic functionality and failure to function allows the TTAB to easily import one into the other. Indeed, before functionality received its own statutory section, the USPTO analyzed it under the same statutory sections as failure to function, suggesting that those sections remain broad enough to capture aesthetic functionality’s concerns.²⁹⁵

A competition-based inquiry also stands on firm policy ground.²⁹⁶ Trademark law is built to foster competition, as the Supreme Court has noted,²⁹⁷ although it may do so differently from other areas of the

appropriate the [college sports–related proposed mark] exclusively to itself, denying the competing colleges, *as well as their fans*, the right to use it freely.” (emphasis added)).

²⁹⁴ Davis & Welch, *supra* note 40, at 7. To be sure, the USPTO has grounded the doctrine in particular sections of the Lanham Act, but these statutory sections simply contain the general requirements for trademarks and their registration—nothing specific to failure to function. See *supra* note 86.

²⁹⁵ See TMEP, *supra* note 47, § 1202.02(a)(i). As the Trademark Manual of Examining Procedure notes, “Before October 30, 1998, there was no specific statutory reference to functionality as a ground for refusal, and functionality refusals were thus issued as failure-to-function refusals under §§1, 2, and 45 of the Trademark Act.” *Id.* These remain the statutory sections under which the TTAB issues failure-to-function refusals. See *supra* note 86 (including, as well, § 3 of the Lanham Act, which relates to service marks); see also 15 U.S.C. § 1053 (making requirements for registration of trademarks applicable to service marks). The above-noted specific statutory reference to functionality is now found in § 2(e)(5) of the Lanham Act. 15 U.S.C. § 1052(e)(5) (precluding registration of a proposed mark that “comprises any matter that, as a whole, is functional”).

²⁹⁶ See Barrett, *supra* note 39, at 376–77 (“The ultimate purpose of trademark protection is to foster competition.”).

²⁹⁷ Park ‘N Fly, Inc. v. Dollar Park & Fly, Inc., 469 U.S. 189, 198 (1985) (“National protection of trademarks is desirable, Congress concluded, because trademarks foster competition and the maintenance of quality . . .”). At the same time, as discussed below, the Supreme Court’s recent decision in *United States Patent & Trademark Office v. Booking.com* has suggested that—at least when it comes to distinctiveness—trademark law may privilege consumer perception over competition concerns. 140 S. Ct. 2298, 2304 (2020). That view clashes with the Court’s statements in cases like *Park ‘N Fly* and prompted a strong dissent by Justice Breyer. *Id.* at 2309–10 (Breyer, J., dissenting); see also, e.g., *Traffix Devices v. Mktg. Displays*, 532 U.S. 23, 28–29 (2000) (analyzing competitive concerns in the context of non-word-mark protection); *Two Pesos, Inc. v. Taco Cabana, Inc.*, 505 U.S. 763, 774–75 (1992) (same). This tension reflects a deeper controversy over trademark law’s goals. See, e.g., Tushnet, *supra* note 54, at 916 (“There’s not even a consensus about what trademark is for—only protecting consumers or also rewarding producer investment and enhancing competition?”). Taking a stand on that controversy is beyond the scope of this Note. However, because this Note accepts competition as one legitimate—indeed, principal—trademark concern, it is worth noting that the proposition that the Lanham Act *solely* focuses on consumer perception is highly contestable. See *Booking.com*, 140 S. Ct. at 2309, 2314 (Breyer, J., dissenting) (stating that the majority decision “is inconsistent with trademark principles and sound trademark policy” and threatens “serious anticompetitive consequences”); Christine Haight Farley, *Trademark Law’s Monopoly Problem: The Supreme Court on Generic Terms as*

law, like antitrust.²⁹⁸ Competition facilitation animates doctrines like utilitarian and aesthetic functionality and the rule that generic words may not be registered.²⁹⁹ Although the Supreme Court has perhaps “downplay[ed]” competitive concerns with respect to utilitarian functionality, it has made clear that the aesthetic functionality test looks to whether a proposed mark would hinder competition.³⁰⁰ Furthermore, commentators like Ramsey and Roberts have emphasized that the use of failure to function to filter out weak or invalid marks not only protects free speech interests but also the interests of market competitors.³⁰¹

Of course, as the Supreme Court recently noted in *United States Patent & Trademark Office v. Booking.com*, the Lanham Act has a “focus on consumer perception.”³⁰² There, the Court held that BOOKING.COM, used for booking services, was not a generic term but a registrable trademark, because consumers recognized it as one.³⁰³ Although the Court was quick to note that protecting a highly descriptive term like BOOKING.COM did not pose as serious a risk to competition as the government contended,³⁰⁴ *Booking.com* underscored the Court’s view that distinctiveness deals with how consumers would view a mark, not necessarily competitive concerns.³⁰⁵

But that is just the point: *distinctiveness deals with consumer perception*. It does not follow that yet another inquiry, failure to function, is needed to *reevaluate* consumer perception once distinctiveness has already done so. To the extent failure to function merely duplicates distinctiveness’s inquiry into consumer perception, it is not clear why

Trademarks, 13 LANDSLIDE 31, 33 (2021) (criticizing *Booking*’s departure from “all of the Court’s precedent protecting competition”).

²⁹⁸ See Herbert Hovenkamp, *Markets in IP and Antitrust*, 100 GEO. L.J. 2133, 2134, 2143 (2012) (noting that antitrust has a different market definition inquiry and relationship to increased product output).

²⁹⁹ See, e.g., *Two Pesos*, 505 U.S. at 774–75 (noting that functionality doctrine helps ensure that “competition will not be stifled by the exhaustion of a limited number of trade dresses”); Mark A. Lemley & Mark P. McKenna, *Is Pepsi Really a Substitute for Coke? Market Definition in Antitrust and IP*, 100 GEO. L.J. 2055, 2060–63, 2067 (2012) (discussing the relationship between competition policy and the doctrines of aesthetic and utilitarian functionality and genericism).

³⁰⁰ Lemley & McKenna, *supra* note 299, at 2061, 2063 (citing *TraFFix Devices v. Mktg. Displays, Inc.*, 532 U.S. 23, 33 (2000) (“It is proper to inquire into a ‘significant non-reputation-related disadvantage’ [to competitors who cannot use the mark] in cases of esthetic functionality”)).

³⁰¹ See, e.g., Ramsey, *supra* note 29, at 88; Roberts, *supra* note 18, at 1987.

³⁰² 140 S. Ct. at 2304.

³⁰³ *Id.* at 2305, 2308–09.

³⁰⁴ See *id.* at 2307–08 (contending that the anticompetitive risks of protecting BOOKING.COM are overstated).

³⁰⁵ See *id.* at 2304–05 (“[W]hether ‘Booking.com’ is generic turns on whether that term, taken as a whole, signifies to consumers the class of online hotel-reservation services.”).

the former is necessary at all.³⁰⁶ By contrast, a competition-based inquiry would let distinctiveness—and distinctiveness alone—determine consumer perception. In so doing, it would serve as a doctrinal last resort: a bar that is *potentially* applicable to any proposed mark but only *actually* applied once trademark law's more frequently applied doctrines have failed to deem the proposed mark unregistrable. Thus, say a proposed nondecorative word mark has been deemed distinctive and is not barred by other, less frequently invoked Lanham Act requirements, such as the requirement that the mark not be "deceptive."³⁰⁷ It will be registrable. But the combined aesthetic functionality/failure-to-function doctrine would ask a final question of the mark, which no other doctrine currently asks of *all* marks: will this mark significantly interfere with trademark law's procompetitive goals by hindering competition in the relevant market? That question would pinpoint the outermost bound of trademark protection, separating what is a mark from what never can be.

At a more practical level, a clearer doctrine means less unpredictability as to what the USPTO will accept. This has the potential to directly ameliorate the costs outlined in Section II.C. First, the expected value of filing a weak application is lower, giving opportunists less of an incentive to flood the USPTO with dubious proposed marks. A clearer doctrine reduces the variance in the results an opportunist can expect from filing a weak application and, thus, the likelihood of being able to exploit a result that is very far from the average (i.e., a very weak but registered mark). Second, and by the same token, because a clearer doctrine yields results that are easier to predict, it reduces the probability that brands will fail to adopt an effective, valid mark due to uncertainty as to whether the USPTO will decide that it fails to function. So long as that brand's mark would not hinder competition—and it stands to reason brands know what it takes to compete in their markets³⁰⁸—the brand does not run the risk

³⁰⁶ See *supra* Section II.A.3.

³⁰⁷ 15 U.S.C. § 1052(a) (2006). Compare John L. Welch, *Updated TTABlog Collection of Section 2(a) Deceptiveness Cases*, TTABLOG (May 24, 2019), https://thettablog.blogspot.com/2019/05/updated-ttablog-collection-of-section_24.html (listing thirty-two deceptiveness cases since 2006), with John L. Welch, *TTABlog Quarterly Index: October - December 2020*, TTABLOG (Jan. 6, 2021), <https://thettablog.blogspot.com/2021/01/ttablog-quarterly-index-october.html> (listing thirteen TTAB distinctiveness decisions over the course of *three months* in 2020).

³⁰⁸ Cf. *United States v. H&R Block, Inc.*, 833 F. Supp. 2d 36, 52–53 (D.D.C. 2011) (relying on a firm's internal memoranda, which listed the firms it perceived to be its primary competitors, as evidence in determining how narrowly the relevant market should be defined for antitrust purposes); *FTC v. Staples*, 970 F. Supp. 1066, 1076 (D.D.C. 1997) (relying on a firm's internal documents, which showed it charged lower prices in areas in

of a refusal, provided all other registrability requirements are met.³⁰⁹ Third, brands will be less likely to resort to suboptimal or duplicative word marks that increase consumer search costs and less likely to fail to enter markets. This follows from the previous point: Second-best marks will be less necessary if the selection of more effective, valid marks is not chilled by uncertainty. Those results would benefit not only brands but also consumers for the reasons stated earlier: they tend to reduce consumer costs and yield gains in product quality and innovation.³¹⁰

To be sure, there are counterarguments. Trademark treatise writer Tom McCarthy has contended that aesthetic functionality is a “free-floating” doctrine that “denies” protection to proposed non-word marks that consumers do in fact perceive as trademarks.³¹¹ McCarthy avers that mere ornamentation, by contrast, properly grants protection to matter that consumers view as source-indicating.³¹² Yet at least one commentator has explicitly acknowledged that failure to function reflects only a crude approximation of consumer perception.³¹³ Regardless, it is not necessarily wrong to deny protection to matter that consumers perceive as source-indicative when that denial furthers another one of trademark’s goals, like fostering competition.³¹⁴ Nor is aesthetic functionality necessarily “free-floating”: It is more straightforward to see how black boxes are competitively significant for flower deliveries than it would be for, say, boxes with a repeating pattern of manatees.³¹⁵ Conversely, this Note’s analysis in Part II suggests that failure to function is highly unpredictable.

which it perceived it faced competition, as evidence in determining how narrowly the relevant market should be defined for antitrust purposes).

³⁰⁹ See *supra* note 307 and accompanying text.

³¹⁰ See *supra* Section II.C.3.

³¹¹ MCCARTHY, *supra* note 64, § 7:81.

³¹² *Id.*

³¹³ See McKenna, *supra* note 29, at 108–09; see also Note, *supra* note 18, at 1823–25 (observing that, because current failure to function “necessarily involves imagining how consumers will receive a mark,” it is likely to result in a fairly discretionary analysis and “will likely present close, difficult cases”).

³¹⁴ Cf. Graeme B. Dinwoodie, *The Trademark Jurisprudence of the Rehnquist Court*, 8 MARQ. INTELL. PROP. L. REV. 187, 209 (2004) (suggesting that Supreme Court precedents may evince a “willing[ness] to tolerate some degree of consumer confusion in order to vindicate other values that [the Court] identifies as underlying intellectual property law generally”).

³¹⁵ See *In re Florists’ Transworld Delivery, Inc.*, 106 U.S.P.Q.2d (BNA) 1784, 1790–91 (T.T.A.B. 2013) (precedential) (identifying the messages and sentiments that are commonly conveyed by black packaging for flowers); *supra* note 271 and accompanying text. Necessarily, the test I propose will ask trademark judges to gauge the point at which the limit that any trademark places on competition (i.e., the right to exclude others from using one’s mark) becomes a *hindrance* of competition. Despite the seemingly straightforward analysis in aesthetic functionality cases, McCarthy maintains that

Similar to McCarthy, USPTO guidance counsels “caution” with respect to aesthetic functionality.³¹⁶ The USPTO regards aesthetic functionality’s competition-protective goals as distinct from failure to function’s consumer-perception goals. It seems to assume that consumer perception and utilitarian functionality are the more frequent issues, making aesthetic functionality relevant only in rare cases in which a decorative product feature has competitive significance.³¹⁷ But as we have seen, many mere ornamentation cases can easily be reframed as cases where a competitive threat exists.³¹⁸ To be sure, one might be able to imagine an ornamental feature of a product that, nonetheless, would not hinder competition in the relevant market.³¹⁹ But because mere ornamentation cases, in fact, *often* can be reframed in terms of competitive concerns, the USPTO’s premise for cutting back on aesthetic functionality falters.

Finally, this Note has assumed that having greater numbers of valid and effective marks on the register is unproblematic. But some may view increases in the rate of mark registration as a threat to free speech, given the potential that registration creates for exploiting

trademark law is ill-suited to make such judgments. *See* MCCARTHY, *supra* note 64, § 7:81. Indeed, one may even argue that trademark judges—trained in the law, not microeconomics—might make the competition-based test I propose a roving, subjective inquiry similar to the failure-to-function inquiry I criticize. But aesthetic functionality has not, to date, devolved into a sprawling multifactor test. It is unclear why it would suddenly do so if expanded. *Cf.* cases cited *supra* notes 264–66, 271–72. Of course, evaluating competition-related issues will involve subtle judgments. But such judgments are nonetheless key in a number of trademark law contexts. *See* Lemley & McKenna, *supra* note 299, at 2060 (“[T]he question of competitive need for access to particular features arises in a variety of contexts in trademark law . . .”). Indeed, in failure-to-function cases that mention competition concerns, the TTAB occasionally quotes McCarthy himself for the proposition that “*as a matter of competitive policy*,” competitors should not be able to obtain exclusive rights in informational language. *In re* Eagle Crest, Inc., 96 U.S.P.Q.2d (BNA) 1227, 1230 (T.T.A.B. 2010) (non-precedential) (emphasis added) (quoting J. THOMAS MCCARTHY, MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 7:23 (4th ed. 2010)). To exclude competition considerations from the aesthetic functionality inquiry is to artificially suppress an undercurrent of policy concerns that runs throughout trademark law. *Cf.* McKenna, *supra* note 36, at 851 (“McCarthy is too sanguine about the capacity of other doctrines to fill the gap aesthetic functionality attempts to address.”).

³¹⁶ *See* TMEP, *supra* note 47, § 1202.02(a)(vi).

³¹⁷ *See id.* (stating that aesthetic functionality is only appropriate in limited circumstances where the “functionality determination turn[s] on evidence of particular competitive advantages” that are not utilitarian in nature).

³¹⁸ *See supra* text accompanying notes 279–88.

³¹⁹ For example, it is difficult to see how a light green y-shaped design appearing on the side of agricultural machinery would hinder competition in the market for agricultural machinery if it were a mark. *In re* CLAAS KGaA mbH, No. 87112755, 2020 TTAB LEXIS 185, at *21–24 (T.T.A.B. Feb. 10, 2020) (non-precedential) (rejecting this proposed mark as mere ornamentation).

exclusive rights in language.³²⁰ This concern is valid. Yet registration of a mark does not automatically prevent the public from using it.³²¹ Moreover, the typical trademark threat to free speech is overreaching litigation,³²² for which registration is neither necessary³²³ nor sufficient.

CONCLUSION

Failure-to-function doctrine is incoherent. Its doctrinal structure is unclear. In applying it, the TTAB regularly changes the factors on which it relies, varies the way in which it conceptualizes them, and exhibits remarkable opacity as to how much weight it gives them. This

³²⁰ Cf. Lisa P. Ramsey, *Non-Traditional Trademarks and Inherently Valuable Expression*, in *THE PROTECTION OF NON-TRADITIONAL TRADEMARKS: CRITICAL PERSPECTIVES* 337, 338 (Irene Calboli & Martin Senftleben eds., 2018) (arguing that, despite distinctiveness, some marks should not be registered because trademark protection would impinge on free expression); see *supra* Section II.C.1.

³²¹ Trademark doctrine features a number of safety valves by which defendants can show that they have not infringed plaintiffs' trademark rights, even if those defendants have used plaintiffs' trademarks in some fashion. One such safety valve is the Lanham Act's requirement that a defendant use the mark "in connection with" a product sale, distribution, or advertisement; if the defendant's use of the mark is not a "commercial" use of this type, the defendant will not be liable. See *Radiance Found., Inc. v. NAACP*, 786 F.3d 316, 323, 326 (4th Cir. 2015) (finding the use of the mark on a website without any commercial or transactional component to be nothing more than speech protected by the First Amendment). Other safety valves include the doctrines of descriptive fair use and nominative fair use. The former applies to uses of marks as product descriptions. See *Sunmark, Inc. v. Ocean Spray Cranberries, Inc.*, 64 F.3d 1055, 1061 (7th Cir. 1995) (holding that defendant in good faith used the words "sweet-tart" to describe its own product, not as a mark, and thus did not infringe SweetTARTS candy's mark). The latter applies to uses of marks to refer to a commercial entity unaffiliated with the defendant: for example, using the mark "New Kids on the Block" to refer to the boy band itself, as opposed to one's own product. *New Kids on the Block v. News Am. Publ'g, Inc.*, 971 F.2d 302, 307–09 (9th Cir. 1992). Additionally, the so-called *Rogers v. Grimaldi* test may protect defendants from liability for uses of trademarks in the context of art or other forms of expression. *Rogers v. Grimaldi*, 875 F.2d 994, 999 (2d Cir. 1989) ("We believe that in general the [Lanham] Act should be construed to apply to artistic works only where the public interest in avoiding consumer confusion outweighs the public interest in free expression."). These are only some of the ways in which trademark doctrine inherently limits the scope of marks, although, to be sure, commentators have observed that "front end" limits to the scope of trademark rights perhaps would be more protective of free speech. William McGeveran, *Rethinking Trademark Fair Use*, 94 IOWA L. REV. 49, 59 (2008).

³²² For a discussion of trademark "bullying"—by which businesses with registered trademarks threaten litigation against less powerful businesses in order to reduce competition—see Leah Chan Grinstead, *Shaming Trademark Bullies*, 2011 WIS. L. REV. 625, 628–31, 649–50. These threats from markholders may limit not only competition but free speech. *E.g.*, *id.* at 652 (discussing societal harms caused by bullying, including to free speech); McGeveran, *supra* note 321, at 61–64 (discussing this issue).

³²³ Cf. Robert M. Gallman, Note, *Apple, Inc. v. Amazon.com Inc.: Corporate "Bullying" Through Trademark Infringement*, 25 SMU SCI. & TECH. L. REV. 303, 310 (2012) (discussing a suit by Apple alleging infringement of an unregistered mark as an instance of trademark "bullying" behavior).

risks encouraging the opportunistic filing of weak marks, raising barriers to market entry by increasing the cost of finding an effective mark, and decreasing consumer welfare by increasing search costs and reducing competition. By expanding the aesthetic functionality test across the full range of marks failure to function covers, the TTAB can shape a coherent doctrine that mitigates or avoids these costs. Instead of a jurisprudence untethered to stable criteria, facilitating competition should be the TTAB's guide in charting trademark law's outermost bound.