

**QUALITEX CO. V. JACOBSON PRODUCTS CO. [514 U.S. 159  
(1995)]**

**Court:** Supreme Court of United States

**Quorum:** Breyer, Stephen G. J.J.

**Decided On:** 28<sup>th</sup> March, 1995

**Relevant Section:** Sec. 45 of Lanham (Trademark) Act, 1946

**FACTS OF THE CASE:**

1. The plaintiff, Qualitex Co. sold its press pads to dry cleaning firms for its usage in presses. The Qualitex Co. used green gold color for dry cleaning these press pads. The rival of Qualitex Co., the Jacobson Products Co. started manufacturing their own pads.
2. In 1989, they started selling their pads to dry cleaning firms with a color similar to that of Qualitex Co. a lawsuit for unfair competition was filed by the Petitioner against the Jacobson Products Co. before the United States District Court for the Central District of California for the use of similar color in dry cleaning of pads.
3. Resultantly, Petitioner, Qualitex Co. registered the green gold color of their pads as their trademark with the United States Patent and Trademark Office. Thereupon, trademark infringement was also added to the lawsuit.
4. The United States District Court for the Central District of California decided in favor of Qualitex Co. But the United States Court of Appeals for the Ninth Circuit set aside the judgement of the District Court on the view that color alone can be permitted to be a trademark of any product as per the Lanham (Trademark) Act, 1946.

### **ISSUES RAISED:**

1. whether color alone can be permitted for registration of a trademark under the Lanham (Trademark) Act, 1946 which can be discerned as an infringement of a trademark by the Respondent?
2. whether color alone can be a requirement of trademark as per the Lanham (Trademark) Act, 1946?

### **RULE OF LAW WHICH APPLIES:**

Trademark includes “any word, symbol or device or any combination used by a person or which a person has bona fide intention to use it in commerce to identify and distinguish their own goods and to indicate the source of goods<sup>1</sup>”. In *Wood Laboratories, Inc. v. Ives Laboratories*<sup>2</sup> emphasized the functionality test along with the necessities of the Lanham (Trademark) Act, 1946 which should not be merely construed as dicta. The acquisition of ‘secondary meaning’ to the trademark registered mentioned as per the judgement is that the “primary significance of the product feature is to identify the source of the product rather than the product itself in the minds of the public”.

As per the trademark law principle, “preventing the rest from copying the source identifying mark reduces the cost of shopping and making purchasing decisions.” The functionality doctrine does not hamper authorized competition by permitting a single producer to have control over an advantageous idiosyncrasy of a product rather it endeavors to urge competition by protecting the reputation of a firm.

*In Re Owens-Corning Fiberglas Corporation*<sup>3</sup> allowed registration of fiberglass insulation in pink color and *Master Distributors Inc. v. Pako Corporation*<sup>4</sup> turned down to establish per se prohibition against protecting color alone as a trademark. ‘Trim’ on nail

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<sup>1</sup> [Sec. 45 of the Lanham \(Trademark\) Act, 1946](#)

<sup>2</sup> *Wood Laboratories, Inc. v. Ives Laboratories* [456 US 844 (1982)]

<sup>3</sup> *In Re Owens-Corning Fiberglas Corporation* [744 F.2d 1116 (Fed. Cir. 1985)]

<sup>4</sup> *Master Distributors Inc. v. Pako Corporation* [986 F.2d 219 (8<sup>th</sup> Cir. 1993)]

clippers or ‘Car-Freshener’ on deodorizer indicate a product's origin in *Car-Freshener Corp. V. Turtle Wax, Inc.*<sup>5</sup> developed a ‘secondary meaning’ although not inherently distinctive.

In *Deere & Co. v. Farmhand, Inc.*<sup>6</sup> and *Brunswick Corporation v. British Seagull Ltd.*<sup>7</sup> The Court has finalized that permission of competitors to copy green color of the farm machinery as customers wanted to match their farm equipment and barred the usage of black color as trademark on outboard boat motors since black color has special functional attributes of decreasing the size of motor and ensuring compatibility with different boat colors respectively. The blue color of the fertilizer held to be functional because it indicated the presence of nitrogen in the *Nor-Am Chemical V. O. M. Scott & Sons Co.*<sup>8</sup>

The Restatement (Third) of Unfair Competition, 1995<sup>9</sup> adds on that, if the aesthetic value of a design lies in its ability to “confer a significant benefit that cannot practically be duplicated by the use of alternative designs”, then the design is said to be functional. Correspondingly, the Restatement (Third) of Unfair Competition, 1995 accentuates that the “Ultimate test of aesthetic functionality is whether the recognition of trademark rights would significantly hinder competition.”

*A. Leschen & Sons Rope Co. v. Broderick & Bascom Rope Co.*<sup>10</sup> emancipates that “the product including the coloring matter is free to all who make it.” In addition to trade dress protection under Sec. 43(a) of the Lanham (Trademark) Act, 1946<sup>11</sup>, trademark protection is also provided by the trademark law in order to firstly, prevent importation of confusingly similar goods; secondly, to have constructive notice of ownership; thirdly, to mark incontestable status; and finally as a prima facie evidence of validity and ownership.

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<sup>5</sup> *Car-Freshener Corp. V. Turtle Wax, Inc.* [268 F. Supp. 162 (S.D.N.Y 1967)]

<sup>6</sup> *Deere & Co. v. Farmhand, Inc.* [560 F. Supp. 85 (S.D. Iowa 1982)]

<sup>7</sup> *Brunswick Corporation v. British Seagull Ltd.* [United States Court of Appeals for the Federal Circuit 35 F. 3d 1527 (1994)]

<sup>8</sup> *Nor-Am Chemical V. O. M. Scott & Sons Co.* [4 U.S.P.Q. 2d 1316 (E.D. Pa. 1987)]

<sup>9</sup> [The Restatement \(Third\) of Unfair Competition, 1995](#)

<sup>10</sup> *A. Leschen & Sons Rope Co. v. Broderick & Bascom Rope Co.* [201 U.S. 166 (1906)]

<sup>11</sup> [Sec. 43\(a\) of the Lanham \(Trademark\) Act, 1946](#)

## **STATING THE APPLICATION OF RULE OF LAW WHICH APPLIES:**

The use of green gold color used for press pads manufactured by Qualitex Co. acts as a symbol since it has met the requirements provided by the law and people identified the product with the color provided as trademark. The green gold color can be convincingly used as a trademark unless there is any specific reason which prejudices the use of color for the time being. There is no law absolutely barring the use of any particular color alone as a trademark. Among the universe of things that are divulged in the Lanham (Trademark) Act, 1946 includes the use of color qualifying as a trademark. The usage of the terms 'symbol' or 'device' is capable of not restricting the inculcation of anything as a trademark. Even there are examples of the Patent and Trademark Office in sanctioning distinct shape or distinct sound as trademark.

The color is also capable of satisfying the requirement of the Lanham (Trademark) Act, 1946 as it is the intention of the manufacturer to use it to differentiate it from other manufactured products in the market indicating their source. It specifies a brand automatically although a color seems to be 'fanciful', 'arbitrary' or 'suggestive'. A color representing a product is definitely a distinctive mark which suggests a secondary meaning to the product in the market in locating the product source. No theory specifically objected the use of a particular color as a trademark and herein has attained secondary meaning.

Simultaneously law has encouraged for quality products by assuring the producer to attain financial, reputation and other forms of rewards in the capitalized economy. The basic purpose serving the trademark of a product is to differentiate the product from rest of the products in the market and not the ontological status as to color, shape, fragrance, word or sign.

Generally, the feature of the product is functional and cannot be termed as a trademark if it is crucial to the backbone of the product or it strikes the standard of the product. The fact that color is not indispensable to the aforementioned reasons, functionality will not be a hinder for the use of color alone as a trademark. Resultantly color alone can be utilized as a trademark if it is not serving any other significant purpose of the product rather than identifying the goods of a firm or the source of production. Therein approval of a color alone as the trademark be made registered if it identifies the product of the Qualitex Co. from the market by the

purchasing community provided there is no specific functionality associated with the color in the market and no competitive need for the color to remain accessible in the market.

Thus the green gold color used by Qualitex Co. is can identify the press pads source and the green gold color is neither having a competitive need in the press pad industry nor is having any other function to be served in the market.

The Respondent, Jackson Products Co., defended against the allocation of green gold color as the trademark of the Petitioner, Qualitex Co. by pinpointing that the proceedings will culminate in an unresolvable and uncertain situation of which shades of color will be legally permitted to use as the trademark. A mere confusion in the shades of color used itself would result in the infringement of trademark occasionally. It is added that usage of different shades of a color is more difficult in determination of product than the similarity of words or similarity shapes used as trademark.

Secondly, the Respondent contents that if law permits the competitors to appropriate a color as a trademark, each competitors in the market will start the same and will finally cause the depletion in the supply of colors. Despite the fact that enormous variety of color pigments are manufactured on a daily basis and is also obtained by mixing, only a handful of possible colors will be left with the competitors to mark it for their product owing to the reason that some colors may not be recommended for utilization or some shades might get the risk of evolving infringement of existing registered shades. Thus it forms a significant disadvantage for the supply of colors in promotion of a trademark of the product.

However, this reason stands to be non-persuasive as this objection only remains occasionally. Alternative colors will also be available for serving the purpose of a trademark to the product in the market. If at all a problem color depletion or color scarcity occurs, then the trademark doctrine of functionality will appear to prevent the anti-competitive nature in the market system. Thus emerges the practicality force of the justification put forth by the Respondent, Jacobson Products Co. this rule reiterates the fact that the functionality doctrine of trademark law applies when there is a need for protection of manufacturers against the disadvantage of trademark might otherwise impose a considerable loss for the replicate of non-reputed products. The application of the doctrine of functionality is made with carefulness and reasonability.

The Lanham (Trademark) Act, 1946 was a successful initiative on the part of the legislature to liberalize the Common Law system in dispensing of cases with holding more technicality. The intention of the legislators reveals that anything acting as a trademark for a product in the market is applicable with a secondary meaning. Nevertheless, it is applicable to colors as well. In accordance with the statutory principles, if the green gold color used as a mark for their press pads by the Petitioner, Qualitex Co. is capable of being a distinctive product in the market, then it is competent to be a trademark of their product.

The background within the amendments in the Lanham (Trademark) Act, 1946 itself divulge that color is included within the interpretation of the literal term ‘any word, name, symbol or device’. This definition was intentionally revised so that registration of color, shape, sound or configurations should not be explicitly precluded from the term ‘symbol or device’. In addition to this, the Lanham (Trademark) Act, 1946 is not barring the registration of any mark adopted by the firm as their trademark if it is distinguished from the market by the consumers on the account of the nature of its trademark.

Having regard to the fulfilment of the requirements as set forth by the Lanham (Trademark) Act, 1946 and the non-justification of the arguments made by the Respondent, Jacobson Products Co. against using color alone as their trademark, the green gold color used as trademark by the Petitioner, Qualitex Co. is well founded and legitimate.

## **CONCLUSION:**

The judgement thus affirmed the decision made by the United States District Court for the Central District of California and set aside the decision of the United States Court of Appeals for the Ninth Circuit in favor of the Respondent, Jacobson Products Co., different Courts of Appeal in United States of America differentiated in their opinion regarding the registration of color alone as trade mark. In *Qualitex Co. v. Jacobson Products Co.*<sup>12</sup>, the United States Supreme Court followed the CAFC in *Re Owens-Corning Fiberglas Corporation* in 1985. Thus a broadest issue related to trademark symbol and its registration has set a milestone

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<sup>12</sup> *Qualitex Co. v. Jacobson Products Co.* [514 U.S. 159 (1995)]

in the trademark law. It is a breakthrough that this decision has set the mark for the adequate protection of competitors in color per se trademark and the proof requirement for the secondary meaning of the symbol used for trademark.



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