

No. 19-

IN THE
Supreme Court of the United States

A TOP NEW CASTING, INCORPORATED,

Petitioner,

v.

BODUM USA, INCORPORATED,

Respondent.

**ON PETITION FOR A WRIT OF CERTIORARI TO THE UNITED
STATES COURT OF APPEALS FOR THE SEVENTH CIRCUIT**

PETITION FOR A WRIT OF CERTIORARI

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QUESTIONS PRESENTED

This is a trade dress case. The Seventh Circuit affirmed the decision of the District Court that Plaintiff-Appellee Bodum USA, Inc. owned a trade dress in the design of the “Chambord” French press coffee maker. The District Court found that Bodum had satisfied its burden of proof that the Chambord design was not functional as required by this Court’s decision in *Traffix Devices, Inc. v. Mktg. Displays, Inc.*, 532 U.S. 23 (2001). The Seventh Circuit agreed, deciding that the materials used to manufacture the Chambord product did not confer a cost or quality advantage. In *Apple Inc. v. Samsung Elecs. Co., Ltd.*, 786 F.3d 983 (Fed. Cir. 2015), *rev’d and remanded on other grounds*, 137 S. Ct. 429, 196 L. Ed. 2d 363 (2016) the Federal Circuit applying Ninth Circuit law rejected Apple’s argument that the cost of materials used to create a durable iPhone affected the cost of the design: “For the design elements that comprise Apple’s unregistered trade dress, Apple points to no evidence in the record to show they were not relatively simple or inexpensive to manufacture.” 786 F.3d 983, 992. The Seventh Circuit’s decision departs from this Court’s decision in *Traffix*. Furthermore, the decision has created a conflict between the decisions of the Seventh Circuit and the Federal Circuit (applying the law of the Ninth Circuit) on Plaintiff’s burden under *Traffix* to show that the design does not “affect the cost or quality of the device.” The questions presented are:

1. Did the Seventh Circuit depart from this Court’s holding in *Traffix* when it decided that a trade dress does not confer a cost advantage based solely upon proof of the relatively high overall cost of the product manufactured with expensive materials, rather than

upon proof that the design was not the simplest or least expensive to produce?

2. Does the Seventh Circuit's decision, that the cost of expensive materials used in manufacture of a trade dress are not relevant to Plaintiff's burden to prove that the trade dress is not the simplest or least expensive to manufacture, conflict with the Federal Circuit's decision applying Ninth Circuit law in *Apple*?

PARTIES TO THE PROCEEDING

Petitioner, Defendant below, is A Top New Casting, Incorporated, at the time of trial a New York corporation (hereinafter “Petitioner” or “A Top”).

Respondent, Plaintiff below, is Bodum USA, Incorporated, a Delaware corporation (hereinafter “Respondent” or “Bodum”).

CORPORATE DISCLOSURE STATEMENT

Pursuant to Rule 29.6 of the Rules of the Supreme Court of the United States, Petitioners make the flowing disclosure:

Petitioner does not have any parent companies, nor does any publicly held company own ten percent or more of its stock.

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RELATED CASES

Bodum USA v. A Top New Casting, Incorporated, No. 1:16-cv-02916, United States District Court for the Northern District of Illinois. Judgment entered August 23, 2018.

Bodum USA, Incorporated v. A Top New Casting, Incorporated, No. 18-3020, United States Court of Appeals for the Seventh Circuit. Judgment entered June 12, 2013.

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PETITION FOR A WRIT OF CERTIORARI

Petitioner respectfully petitions this Court for a writ of certiorari to review the opinion and judgment of the United States Court of Appeals for the Seventh Circuit in this case. This Court’s review is important to address the Seventh Circuit’s departure from this Court’s landmark trade dress decision in *TraffFix* and to resolve the conflict between the Seventh Circuit’s decision and the Federal Circuit’s decision under Ninth Circuit law in *Apple*.

OPINIONS BELOW

The opinion of the District Court denying Petitioner’s FRCP Rule 50 Motion for New Trial was entered on June 6, 2018. See Appendix D. The opinion of the Seventh Circuit affirming the District Court ruling was entered on July 12, 2019 and is published at 927 F.3d 486 (7th Cir. 2019). See Appendix A.¹

JURISDICTION

The United States Court of Appeals for the Seventh Circuit entered its judgment on July 12, 2019. Petitioner timely filed this petition for writ of certiorari on September 10, 2019. See 28 U.S.C. 2101(c). This Court has jurisdiction to review the judgment of the United States Court of Appeals for the Seventh Circuit pursuant to 28 U.S.C. 1254(1).

1. References to the attached appendix include the appendix and page number followed by the suffix “a”.

CONSTITUTIONAL AND STATUTORY PROVISIONS INVOLVED

The Lanham Trademark Act, § 1125(a)(3):

“In a civil action for trade dress infringement under this chapter for trade dress not registered on the principal register, the person who asserts trade dress protection has the burden of proving that the matter sought to be protected is not functional.”

STATEMENT OF THE CASE

In the landmark decision of *TraffFix Devices, Inc. v. Mktg. Displays, Inc.*, 532 U.S. 23 (2001), this Court stated that “a feature is . . . functional when it is essential to the use or purpose of the device or when it affects the cost or quality of the device.” 532 U.S. 23, 33. Following *TraffFix*, the Federal Circuit, applying Ninth Circuit law held that a plaintiff in a trade dress case must show that its design did not result from a “comparatively simple or inexpensive method of manufacture.” *Apple Inc. v. Samsung Elecs. Co., Ltd.*, 786 F.3d 983, 992 (Fed. Cir. 2015), *rev’d and remanded on other grounds*, 137 S. Ct. 429, 196 L. Ed. 2d 363 (2016). Rejecting Apple’s argument that the cost of materials used to create a durable iPhone affected the cost of the design, the Federal Circuit held: “For the design elements that comprise Apple’s unregistered trade dress, Apple points to no evidence in the record to show they were not relatively simple or inexpensive to manufacture.” 786 F.3d 983, 994.

The case at bar was tried to a jury. The jury returned a verdict of willful infringement. On Petitioner’s motion

for new trial, the District Court held, “Assuming the law requires a finding of no cost or quality advantage from the claimed trade dress as a prerequisite to a determination of non-functionality—a point the Court need not decide—Bodum offered evidence from which a reasonable jury could make such a finding.” D36a. The Seventh Circuit agreed with the District Court, without addressing the lack of any evidence in the record that Bodum’s design was not relatively simple or inexpensive to manufacture. Instead, the Seventh Circuit distinguished *Apple* from the present case:

The Federal Circuit, however, noted that the difficulties plaintiff encountered in its manufacturing process resulted from its choice to use certain materials to improve the durability (*i.e.*, the function) of its product. *Id.* Thus, this evidence did not address any cost advantages or disadvantages of plaintiff’s design. Here, however, Bodum introduced evidence that French presses can still function when made out of other materials, like plastic, and that the metal and glass used for the Chambord design do not confer any particular cost or quality advantage for the product.

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The District Court and the Seventh Circuit ignored the rule in *TrafFix* requiring that a plaintiff in a trade dress case prove that the design did not result from a “comparatively simple or inexpensive method of manufacture.” The Seventh Circuit erroneously distinguished *Apple*, ignoring that Bodum had failed—just

like Apple—to point to any evidence in the record to show that its design was not relatively simple or inexpensive to manufacture. Just like Apple, Bodum relied on costs of manufacture that had nothing to do with its claimed trade dress. The Seventh Circuit’s decision in the case at bar departs from *TraFFix* and directly conflicts with the decision of the Federal Circuit applying the law of the Ninth Circuit in *Apple*. Bodum failed to introduce evidence of the cost of its design and the Seventh Circuit’s attempt to distinguish *Apple* by stating that the cost of the materials conferred no cost advantage is an erroneous interpretation of this Court’s holding in *TraFFix* and the Federal Circuit’s holding in *Apple*.

This case is important because the Seventh Circuit’s decision would grant perpetual monopolies to functional products by ignoring the requirement of *TraFFix* and *Apple* that no product configuration can be granted trade dress protection unless the plaintiff proves that it does not confer a cost advantage.

REASONS FOR GRANTING THE WRIT

The Seventh Circuit’s decision in the case at bar erodes this Court’s landmark trade dress decision in *TraFFix* and conflicts with the Federal Circuit’s decision applying Ninth Circuit law in *Apple*. Petitioner respectfully submits that this Court should grant certiorari to address the Seventh Circuit’s departure from *TraFFix* and the conflict between the Seventh and Ninth Circuits on the issue of a trade dress plaintiff’s burden to prove that a claimed product configuration trade dress does not confer a cost advantage.

I.

**THE SEVENTH CIRCUIT'S DECISION IN
THIS CASE ERODES THE HOLDING OF
TRAFFIX THAT A PLAINTIFF IN A PRODUCT
CONFIGURATION TRADE DRESS CASE MUST
PROVE THAT THE DESIGN DOES NOT CONFER
A COST OR QUALITY ADVANTAGE**

As this Court recognized in *Traffic*, “[t]rade dress protection must subsist with the recognition that in many instances there is no prohibition against copying goods and products.” 532 U.S. 23, 33. At the core of *Traffic* is the recognition that a ““product feature is functional’ and cannot serve as a trademark ‘if it is essential to the use or purpose of the article or if it affects the cost or quality of the article.”” 532 U.S. 23, 32. In this case, the District Court held that it was unnecessary to find that the trade dress conferred no cost or quality advantage: “Assuming the law requires a finding of no cost or quality advantage from the claimed trade dress as a prerequisite to a determination of non-functionality—a point the Court need not decide. . .” D36a. The District Court then went on to find that alternative designs were sufficient proof that the Chambord design conferred no cost or quality advantage.

Proof of non-functionality requires proof that the trade dress is not essential to the use or purpose of the device *and* that it does not affect the cost or quality of the device, *i.e.*, does not confer a cost advantage. The District Court failed to recognize that the two prongs of functionality are stated in the disjunctive, and proof of non-functionality requires that the plaintiff disprove

both elements. The District Court therefor erred when it required no proof that the *design* did not confer a cost or quality advantage and was not the cheapest way to manufacture the Chambord. In fact, there was no proof in the record that the design itself—as opposed to the materials used to produce the product—was not the simplest or least expensive to produce.

This was the main point on appeal—that there was no proof that the design was not the simplest and least expensive way to produce the Chambord. The *only* evidence in the record was the total cost of the Chambord, produced with its expensive glass and chrome plated metal. The Seventh Circuit was untroubled with the lack of proof, holding that the *materials* from which the Chambord was made did not confer a cost advantage. A15a. Whether or not the *materials* conferred a cost advantage, however, is not the correct analysis. The correct analysis under *TraffFix* is whether the product configuration confers a cost advantage. There was no proof in the record that the Chambord was not the cheapest design to produce, independent of its materials.

The decision of the Seventh Circuit in the case at bar relieves plaintiffs in product configuration trade dress cases of the burden of demonstrating that the claimed trade dress does not confer a cost advantage. Proof that the product as produced is expensive proves nothing about the design and circumvents this Court’s holding in *TraffFix*. Imagine a product configuration trade dress in a pencil or pen manufactured with gold—the cost of the product would not be the cost of the design. A plaintiff claiming a product configuration trade dress under the Seventh Circuit’s standard need only show that the

product as produced is expensive, not that the design is not the cheapest way to produce the product. This is particularly true where, as here, the proof demonstrated that the product could have been produced from cheaper materials.

“This burden of proof gives force to the well-established rule that trade dress protection may not be claimed for product features that are functional.” 532 U.S. 23, 29. The perpetual monopoly of a trade dress for a functional product is anticompetitive; requiring a trade dress plaintiff to prove that a product configuration provides no cost advantage prevents anticompetitive conduct and promotes competition. The Seventh Circuit’s decision would grant perpetual monopolies to functional products, contrary to the holding in *TrafFix* and to the detriment of competition and the public’s right to significant advances in technology in the public domain. 532 U.S. 23, 29.

II.

THE SEVENTH CIRCUIT’S DECISION THAT THE COST OF MATERIALS USED TO PRODUCE A PRODUCT CONFIGURATION TRADE DRESS IS NOT RELEVANT TO PLAINTIFF’S BURDEN TO PROVE THAT THE DESIGN DID NOT CONFER A COST ADVANTAGE CONFLICTS WITH THE HOLDING OF *APPLE*

Following *TrafFix*, the Federal Circuit applying Ninth Circuit law held that the cost of expensive materials to manufacture a product are not part of a product configuration trade dress and cannot be used to

demonstrate that the product confers no cost advantage.

Apple contends that “[t]he iPhone design did not result from a ‘comparatively simple or inexpensive method of manufacture’” because Apple experienced manufacturing challenges. Appellee’s Br. 61 (quoting *Talking Rain*, 349 F.3d at 603). Apple’s manufacturing challenges, however, resulted from the durability considerations for the iPhone and not from the design of the unregistered trade dress. According to Apple’s witnesses, difficulties resulted from its choices of materials in using “hardened steel”; “very high, high grade of steel”; and, “glass that was not breakable enough, scratch resistant enough.” *Id.* (quoting J.A. 40495–96, 41097). These materials were chosen, for example, for the iPhone to survive a drop . . .

The durability advantages that resulted from the manufacturing challenges, however, are outside the scope of what Apple defines as its unregistered trade dress. For the design elements that comprise Apple’s unregistered trade dress, Apple points to no evidence in the record to show they were not relatively simple or inexpensive to manufacture.

Apple Inc. v. Samsung Elecs. Co., Ltd., 786 F.3d 983, 995

In the case at bar—just as in *Apple*—there was no evidence in the record to show that the claimed product configuration trade dress was not relatively simple or

inexpensive to manufacture. The Seventh Circuit’s attempt to distinguish *Apple* by finding that the materials used to produce the Chambord conferred no cost advantage evinces a misunderstanding of both *Traffix* and *Apple*. In a product configuration trade dress case, plaintiff must prove that the *design* confers no cost advantage, not that the materials were expensive. Because the Seventh Circuit failed to follow the important guidance of *Traffix*, and rejected the holding of *Apple*, its decision would allow perpetual monopolies to functional products, contrary to the holdings in *Traffix* and *Apple*.

CONCLUSION

For all the reasons stated above, Certiorari should be granted to resolve the conflict between the Federal Circuit’s decision in *Apple* and the Seventh Circuit’s decision in the case at bar and thereby clarify this Court’s important decision in *Traffix*.

Dated: September 10, 2019

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APPENDIX

**APPENDIX A — OPINION OF THE UNITED
STATES COURT OF APPEALS FOR THE
SEVENTH CIRCUIT, FILED JUNE 12, 2019**

IN THE UNITED STATES COURT OF APPEALS
FOR THE SEVENTH CIRCUIT

No. 18-3020

BODUM USA, INCORPORATED,

Plaintiff-Appellee,

v.

A TOP NEW CASTING INCORPORATED,

Defendant-Appellant.

Appeal from the United States District Court for the
Northern District of Illinois, Eastern Division
No. 16-cv-02916 – **Matthew F. Kennelly**, Judge.

May 30, 2019, Argued
June 12, 2019, Decided

Before FLAUM, MANION, and BARRETT, Circuit Judges.

FLAUM, *Circuit Judge.* Bodum USA, Inc. (“Bodum”) produces and sells what design magazines and art museums have recognized as an iconically designed houseware product—the Chambord French press coffeemaker. Bodum sued A Top New Casting, Inc. (“A

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Top") for selling a French press that Bodum claimed infringes on its unregistered trade dress in the Chambord. After a five-day trial, a jury returned a verdict in favor of Bodum, finding that A Top had willfully infringed on Bodum's trade dress in the Chambord and awarding Bodum \$2 million in damages. The district court denied A Top's post-trial motion for judgment as a matter of law, in which A Top argued that Bodum failed to prove the Chambord design was nonfunctional. A Top also moved for a new trial because the court excluded evidence of various utility patents covering French press coffeemakers; the district court denied this motion as well. We affirm.

I. Background

Plaintiff-appellee Bodum has been selling French press coffeemakers since the 1970s. A French press is a nonelectric coffeemaker consisting of a cylindrical carafe and a plunger attached to a filter screen. The user adds boiling water to coffee grounds in the carafe and, after the grounds have steeped, presses the filter down slowly through the carafe to separate the used grounds from the brewed coffee.

Bodum began distributing the Chambord, its flagship French press, in 1983. The Chambord's design originated in France in the 1930s and is based on the towers of the Chambord Chateau, a castle in France's Loire Valley. Its features include a metal cage with a band around the top of the carafe, metal pillars ending in four curved feet, a C-shaped handle, and a domed lid topped with a spherical knob. Bodum's Chambord French press is pictured below:

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Bodum acquired exclusive rights to distribute the Chambord in 1991 and has spent millions of dollars promoting it in print and television advertisements and at trade shows worldwide. Bodum sells the Chambord in department stores, at Starbucks coffee shops, and online, including through Amazon. The Chambord design has been recognized as classic by such institutions as Phaidon Design Classics and the Museum of Modern Art. Bodum actively polices whatever it believes to be infringement of this design; it has sent dozens of cease-and-desist letters over the past twenty-five years and has filed lawsuits against alleged infringers when they did not stop selling their products in response to Bodum's requests.

In 2014, defendant-appellant A Top began selling a competing French press coffeemaker called the SterlingPro exclusively through Amazon. The SterlingPro is similar in appearance to the Chambord, with the same

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metal cage, metal pillars ending in curved feet, C-shaped handle, and domed lid topped with a spherical knob. The two coffeemakers are pictured side-by-side below, with the Chambord on the left and the SterlingPro on the right:



Bodum filed a complaint against A Top in the Northern District of Illinois on March 7, 2016, bringing claims for trade dress infringement under the Lanham Act, 15 U.S.C. § 1125(a); common law unfair competition; and violation of the Illinois Uniform Deceptive Trade Practices Act, 815 Ill. Comp. Stat. § 510/1 *et seq.* According to Bodum's complaint, A Top intentionally adopted the overall appearance of the Chambord for its SterlingPro product, infringing on its unregistered trade dress in the design. A Top moved for summary judgment on Bodum's claims twice, but the district court denied these motions and the case proceeded to a jury trial on March 28, 2018.

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The jury returned a verdict in Bodum's favor, finding that A Top willfully infringed on Bodum's Chambord trade dress and awarding Bodum \$2 million in damages. A Top timely moved for judgment as a matter of law under Federal Rule of Civil Procedure 50 and for a new trial under Rule 59. As relevant here, A Top claimed that it was entitled to judgment as a matter of law because Bodum had failed to prove its Chambord trade dress elements were nonfunctional. And A Top said it was at least entitled to a new trial because the district court erred in excluding evidence under Rule 403 of utility patents that, it said, disclosed the Chambord's trade dress features (demonstrating the functionality of those features). The district court denied both motions on June 6, 2018.

On August 21, 2018, the district court granted Bodum's motion for enhanced damages, awarding prejudgment interest and doubling the damages award to \$4 million, and it denied Bodum's motion for attorney's fees. Further, the court granted Bodum's request for a permanent injunction to prevent A Top from continuing to sell its infringing SterlingPro products. The district court entered final judgment on August 23, and A Top timely appealed.

II. Discussion

A Top pursues two arguments on appeal. First, A Top says that it is entitled to judgment as a matter of law because Bodum did not meet its burden of demonstrating that the elements of the claimed Chambord trade dress were nonfunctional (as required for it to be enforceable

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under the Lanham Act). Second, A Top claims that it is entitled to a new trial because the district court improperly excluded several utility patents from evidence under Rule 403.

A. Functionality of the Chambord Trade Dress

We review de novo the denial of a Rule 50 motion for judgment as a matter of law. *Thorne v. Member Select Ins. Co.*, 882 F.3d 642, 644 (7th Cir. 2018). “Because a jury has rendered a verdict, we view the evidence in the light most favorable to that verdict.” *Matthews v. Wis. Energy Corp.*, 642 F.3d 565, 567 (7th Cir. 2011). In our review, we do not make credibility determinations or reweigh the evidence; we need only determine that there is more than “a mere scintilla of evidence” to support the verdict. *May v. Chrysler Grp., LLC*, 716 F.3d 963, 971 (7th Cir. 2013) (quoting *Hossack v. Floor Covering Assocs. of Joliet, Inc.*, 492 F.3d 853, 859 (7th Cir. 2007)). “In other words, our job is to decide whether a highly charitable assessment of the evidence supports the jury’s verdict or if, instead, the jury was irrational to reach its conclusion.” *Id.*

The Lanham Act permits a civil action against any person who uses “any word, term, name, symbol, or device” “in connection with any goods or services” in a manner which “is likely to cause confusion” as to the source of those goods or services. 15 U.S.C. § 1125(a)(1)(A). The Act’s protection extends to a product’s trade dress, which includes a product design that is so distinctive it identifies the product’s source. *Arlington Specialties, Inc. v. Urban Aid, Inc.*, 847 F.3d 415, 418 (7th Cir. 2017);

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see also TrafFix Devices, Inc. v. Mktg. Displays, Inc., 532 U.S. 23, 28, 121 S. Ct. 1255, 149 L. Ed. 2d 164 (2001) (“The design or packaging of a product may acquire a distinctiveness which serves to identify the product with its manufacturer or source; and a design or package which acquires this secondary meaning ... is a trade dress[.]”). As with any other trademark, infringement of a product’s trade dress is actionable under the Act. *Arlington Specialties*, 847 F.3d at 418.

At trial, Bodum was required to prove a number of elements for the jury to find trade dress infringement—that it owns a valid trade dress in the Chambord design, that the trade dress is not functional, and that A Top’s SterlingPro was likely to cause consumer confusion as to its source. *See id.* On appeal, A Top does not dispute that the SterlingPro copies the Chambord. Instead, A Top only challenges Bodum’s proof on the functionality of its claimed trade dress.¹

Trademark protection for trade dress, unlike patent and copyright protection, has no time limit; the Act therefore does not protect features that are necessary for the use of a product, so as to prevent one competitor from maintaining a “perpetual and exclusive right to a useful product feature.” *Id.* (citing *Qualitex Co. v. Jacobson Prods. Co.*, 514 U.S. 159, 165, 115 S. Ct. 1300, 131 L. Ed. 2d 248 (1995)). The Supreme Court has explained that

1. In fact, at oral argument, A Top confirmed that it was not arguing that the SterlingPro did not copy the Chambord, but it instead argued that it “had a right to copy, right down to the last bolt,” because Bodum did not have a valid trade dress in the Chambord.

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“‘a product feature is functional,’ and cannot serve as a trademark, ‘if it is essential to the use or purpose of the article or if it affects the cost or quality of the article.’” *Qualitex*, 514 U.S. at 165 (quoting *Inwood Labs., Inc. v. Ives Labs., Inc.*, 456 U.S. 844, 850 n.10, 102 S. Ct. 2182, 72 L. Ed. 2d 606 (1982)). Even if a claimed trade dress does not satisfy this first test, “it can still be functional if it is a ‘competitive necessity,’ that is, if its exclusive use ‘would put competitors at a significant non-reputation-related disadvantage.’” *Arlington Specialties*, 847 F.3d at 419 (quoting *TraffFix Devices*, 532 U.S. at 32-33)); *see also Specialized Seating, Inc. v. Greenwich Indus., LP*, 616 F.3d 722, 727 (7th Cir. 2010) (a design is functional where a product “looks the way it does in order to be a better [product], not in order to be a better way of identifying who made it”). Where, as here, the claimed trade dress is unregistered, it is the burden of the party asserting protection to prove that the trade dress is not functional. 15 U.S.C. § 1125(a)(3).

In deciding whether a trade dress element is functional, we consider several factors:

- (1) the existence of a utility patent, expired or unexpired, that involves or describes the functionality of an item’s design element; (2) the utilitarian properties of the item’s unpatented design elements; (3) advertising of the item that touts the utilitarian advantages of the item’s design elements; (4) the dearth of, or difficulty in creating, alternative designs for the item’s purpose; (5) the effect of the design feature on an item’s quality or cost.

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Ga.-Pac. Consumer Prods. LP v. Kimberly—Clark Corp., 647 F.3d 723, 727-28 (7th Cir. 2011) (citation omitted). No one factor is dispositive. *See id.* at 728-31 (considering each factor separately to determine whether it weighs in favor of or against functionality); *Valu Eng’g, Inc. v. Rexnord Corp.*, 278 F.3d 1268, 1274-75 (Fed. Cir. 2002).

Bodum claims trade dress protection in the overall appearance of the Chambord and identifies the following specific elements as contributing to that distinctive look: the metal band surrounding the carafe that forms support feet and the handle attachment, the domed lid, the rounded knob atop the plunger, and the C-shaped handle. *See Comput. Care v. Serv. Sys. Enters., Inc.*, 982 F.2d 1063, 1071 (7th Cir. 1992) (where plaintiff seeks to protect overall appearance of its trade dress, focus of analysis is on that total appearance rather than individual design elements in isolation). Bodum does not claim a trade dress in the cylindrical carafe or the plunger, as it acknowledges those elements are functional for a French press coffeemaker.

A Top argues Bodum failed to establish that the claimed Chambord features are not essential to its use and that these features do not affect the coffeemaker’s cost or quality. However, in its argument, A Top consistently elides the distinction between a product’s “function” in the everyday meaning of the term and “functional” as a term of art used in trade dress law. Bodum does not claim that any French press coffeemaker with a handle, a domed top, or metal around the carafe infringes on its trade dress. Rather, it is the overall appearance of A Top’s

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SterlingPro, which has the *same* shaped handle, the *same* domed lid, the *same* shaped feet, the *same* rounded knob, and the *same* shaped metal frame as the Chambord, that Bodum objects to. Thus, to establish it has a valid trade dress, Bodum did not have to prove that something like a handle does not serve any function. It merely needed to prove that preventing competitors from copying the Chambord's particular design would not significantly disadvantage them from producing a competitive and cost-efficient French press coffeemaker. *See Arlington Specialties*, 847 F.3d at 419.

When properly framed in this manner, Bodum presented sufficient evidence for a reasonable jury to conclude that the Chambord's overall look was nonfunctional. First, regarding the utilitarian properties of the Chambord's design elements, *see Ga.-Pac. Consumer Prods.*, 647 F.3d at 728, Bodum's functionality expert Robert Anders testified about their *nonutilitarian* nature. He testified that the only functional parts of the Chambord—the parts that are necessary to make French press coffee—are the plunger and cylindrical shape of the carafe. In contrast, Mr. Anders did not believe the particular C-shape of the Chambord's handle worked better than an alternatively shaped handle and, in fact, testified that he thought the C-shape was “not as ergonomically designed as it could be.” Mr. Anders further testified that the dome-shaped lid was an “arbitrary design” because the lid “could be of any shape” in order to work, and the metal frame is “absolutely not” necessary for the Chambord to make French press coffee.

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A Top's expert, Peter Bressler, agreed. He "didn't see particularly great advantage in the design of the handle, but [he] saw an advantage in having a handle." Whether it is more advantageous for a French press to have *a handle*, however, is not the pertinent inquiry; the question is whether there is an advantage to having *this designed handle*, to which Mr. Bressler agreed there is not. The same is true of the feet: Mr. Bressler testified he "didn't see a particular advantage in the design of the feet, but [] saw the fact that it had feet, which, to [him], was a utilitarian advantage." Again, this does not speak to any advantages of the *design* of the feet. Overall, Mr. Bressler testified that "[t]he utilitarian advantages ... are not that clear." This evidence weighs in favor of nonfunctionality because it supports that the claimed Chambord features are "merely ornamental" and are not necessary to make the Chambord work better as a French press coffeemaker. *Arlington Specialties*, 847 F.3d at 420 (citation omitted).²

Next, A Top argues that Bodum admitted the Chambord design was functional in its advertising and thus failed to meet its burden of proving nonfunctionality. *See Ga.-Pac. Consumer Prods.*, 647 F.3d at 730 (advertising

2. A Top points to two changes Bodum made to the Chambord in response to safety issues the United States Consumer Product Safety Commission raised—reducing the size of the knob and redesigning the lid to fit deeper into the carafe—as evidence the knob and lid are functional. However, Bodum could have reduced the size of the knob and made it a flat disk or redesigned the deep-fitting lid to be flat instead of domed while still remedying these safety concerns. There is no evidence that the appearance of the features as redesigned are necessary for a competitive product, from a use (or cost) perspective.

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that touts the design’s “utilitarian advantages” can weigh in favor of functionality). Indeed, Joergen Bodum, CEO of Bodum’s parent company, testified regarding Chambord advertisements describing the product as “functional” and about an interview he gave in which he described Bodum’s products as “function-driven.” However, he also explained that these references to functionality were not invoking the term’s legal definition but were merely intended to convey that Bodum’s products work. In fact, Bodum’s advertising for the Chambord never claimed any of its design features worked better than other options—for example, it never claimed the handle is an ergonomic shape nor that its four curved feet provide stability. Rather, the advertising focused on the classic look of the Chambord design. Thus, a reasonable jury could weigh this evidence against a finding of functionality in the legal trade dress sense.

Additionally, Bodum introduced a plethora of evidence regarding the availability of alternative designs, which supported the Chambord’s lack of functionality. *Id.* It introduced as trial exhibits competing manufacturers’ French presses featuring different design elements, including those made of different materials, with differently shaped handles, lids, plunger knobs, and frames, those that do not have transparent carafes or do not have feet, and those with differently shaped external structures surrounding the cylindrical carafe. *See* Appellee Br. at 4 (pictures of alternatively designed French presses introduced as trial exhibits). More importantly, Bodum introduced evidence that both it and A Top sell French presses with alternative designs

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and made of different materials. Thus, there was ample evidence before the jury in Bodum's favor on this factor.

Finally, we must consider the cost or quality advantage test of functionality. See *TrafFix Devices*, 532 U.S. at 32; *see also Ga.-Pac. Consumer Prods.*, 647 F.3d at 731. Again, Bodum presented sufficient evidence from which a jury could conclude that the Chambord's design conferred no cost or quality advantage that made it functional. Bodum's expert, Mr. Anders, testified the Chambord design was "complex" and that there are "simpler ways of doing this." He explained the more complex the structure, the more expensive the product is to manufacture, so he disagreed with A Top's expert that the Chambord was the least expensive method to manufacture a French press. Mr. Anders also explained that plastic is generally cheaper to use than metal in manufacturing, so plastic-framed French presses would be cheaper to manufacture than the metal-framed Chambord.

Joergen Bodum further supported Mr. Anders's opinion in his testimony regarding the many different French presses Bodum produces. For example, Bodum's "Bistro" French press does not have a metal frame, a domed lid, or a C-shaped handle. Mr. Bodum testified that the Bistro is less expensive to produce ("maybe less than half of what it costs to make a Chambord") and less time-consuming to produce because it requires less material than the Chambord. Although the Bistro was a successful first product for the company, Mr. Bodum testified he decided to produce the Chambord, a more complex and expensive product, in addition to the Bistro because he

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was interested in its iconic French design. Mr. Bodum also discussed the manufacturing costs to produce Bodum's various French press coffeemakers. He explained that the Chambord is neither the cheapest nor the most expensive French press Bodum sells.³ Thus, Mr. Bodum's testimony supported that the Chambord's overall design conferred no particular cost advantage that made it functional.⁴

3. A Top repeatedly states in its brief that Mr. Bodum testified the Chambord provides a cost advantage. The trial testimony A Top cites for the proposition, however, does not support this assertion. Though Mr. Bodum did answer affirmatively that the Chambord design "gives a cost advantage in manufacturing over other types of French presses," it is abundantly clear from the surrounding answers that Mr. Bodum misspoke in answering this question. Immediately before this answer, Mr. Bodum explained that the Chambord is "one of the most expensive" coffeemakers to manufacture, and immediately after, Mr. Bodum confirmed that the Chambord's design does not "result from the fact that it was so inexpensive to manufacture." A Top's efforts to take Mr. Bodum's misstatement as an admission are therefore unavailing.

4. A Top relies on *Apple Inc. v. Samsung Electronics Co.*, 786 F.3d 983 (Fed. Cir. 2015), *rev'd and remanded on other grounds*, 137 S. Ct. 429, 196 L. Ed. 2d 363 (2016), to argue that Bodum's evidence regarding the relative costs of the *materials* used to make the Chambord is irrelevant and, therefore, that Bodum introduced nothing to show the Chambord is nonfunctional under the cost advantage test. *Apple*, a Federal Circuit case applying Ninth Circuit law, is not controlling here, but in any event, it is distinguishable. In *Apple*, the plaintiff argued that its unregistered trade dress in its product did not result from a comparatively simple manufacturing process. *Id.* at 994. The Federal Circuit, however, noted that the difficulties plaintiff encountered in its manufacturing process resulted from its choice to use certain materials to improve the durability (*i.e.*, the function) of its product. *Id.* Thus, this evidence did not address any cost advantages or disadvantages of plaintiff's

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Indeed, Jian Liang, A Top's CEO, testified that A Top produces another French press with a plastic frame that is less expensive than the metal SterlingPro. This testimony further demonstrates that the Chambord's design does not provide a cost advantage. Contrary to A Top's argument, Bodum provided evidence sufficient for the jury to conclude that the Chambord's appearance is costlier to manufacture than to design around, which supports that the Chambord trade dress is not functional. *See Thomas & Betts Corp. v. Panduit Corp.*, 138 F.3d 277, 297-98 (7th Cir. 1998).

Overall, looking at the evidence in the light most favorable to the verdict, Bodum presented sufficient evidence for the jury to have found Bodum's claimed trade dress was nonfunctional. We cannot say the jury was irrational to reach this conclusion, so we affirm the denial of A Top's motion for judgment as a matter of law.

B. Exclusion of Utility Patents Evidence

A Top also appeals a related issue—the district court's decision to exclude evidence of various utility patents, which A Top contends demonstrate the functionality of the claimed Chambord trade dress features. A district court may exclude relevant evidence where its probative value is substantially outweighed by, for example, a risk of unfair prejudice or confusing the issues. Fed. R. Evid.

design. *Id.* Here, however, Bodum introduced evidence that French presses can still function when made out of other materials, like plastic, and that the metal and glass used for the Chambord design do not confer any particular cost or quality advantage for the product.

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403. We review evidentiary rulings for abuse of discretion and will reverse “only if no reasonable person would agree with the district court’s view.” *United States v. Proano*, 912 F.3d 431, 438 (7th Cir. 2019). Furthermore, we accord Rule 403 determinations “special deference,” because only ‘in an extreme case are appellate judges competent to second-guess the judgment of the person on the spot, the trial judge.’” *Id.* at 440 (quoting *United States v. Jackson*, 898 F.3d 760, 764 (7th Cir. 2018)).

As noted above, courts consider “the existence of a utility patent, expired or unexpired, that involves or describes the functionality of an item’s design element” in considering whether a claimed trade dress is functional. *Ga.-Pac. Consumer Prods.*, 647 F.3d at 727-28.⁵ As the Supreme Court has explained, a utility patent is “strong evidence that the features therein claimed are functional.” *TraffFix Devices*, 532 U.S. at 29. In other words, “if the ‘central advance’ claimed in the utility patent matches the ‘essential feature’ of the trademark, there is strong evidence that the design is functional.” *Ga.-Pac. Consumer Prods.*, 647 F.3d at 728 (quoting *TraffFix Devices*, 532 U.S. at 30).

Evidence of utility patents came up during Mr. Anders’s examination. On direct examination, Bodum asked Mr. Anders a total of seven questions about utility patents and showed him one patent that A Top’s expert had cited in his report. Mr. Anders testified that, though

5. A utility patent covers “any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof.” 35 U.S.C. § 101.

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a utility patent claiming a feature is evidence that this feature is functional in the trade dress sense, he did not find any utility patents covering the Chambord trade dress features. He believed the patent A Top's expert cited only disclosed the plunger rod engaging with the cylindrical walls of the carafe, which Mr. Anders explained is a feature in all French presses and has no bearing on the Chambord trade dress.

On cross examination, A Top asked Mr. Anders many additional questions about patents and showed him approximately ten utility patents. A Top questioned Mr. Anders about whether the patents disclosed the same elements Bodum claims as part of the Chambord trade dress—a domed lid, a handle, and a circular knob atop the plunger. However, counsel only provided Mr. Anders with the pictures from the patents, not the portion of the patents explaining the claims. Mr. Anders testified that he believed utility patents describe the claims in words, not in the illustrations, so he would not agree the patents disclosed any elements of the Chambord trade dress based solely on a review of the pictures.

Bodum's counsel objected to the admission of the patents as evidence. The court provisionally admitted the patents for Bodum's redirect examination of Mr. Anders and then heard arguments on the objection at the next break in the trial. Bodum argued the patents A Top sought to have admitted were irrelevant because they were not patents for any Bodum or A Top product and were not patents of identical designs. Bodum also argued the proposed exhibits were incomplete as they

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were only a portion of the patents. The district court requested briefing on the issue of whether utility patents for similar but not identical products are relevant to the question of functionality and requested complete copies of each patent.

After reviewing the parties' arguments and the entire patents, the district court excluded them from evidence. The court explained it did not matter that the patents were for other parties' products but it did matter whether the features Bodum claimed as part of its trade dress were disclosed in the patents. The court asked A Top to point to language in any of the patents it sought to admit that claimed as part of the patent "any of the features that [Bodum] says are part of its trade dress." A Top could not, however, find any such language. Though it continued to insist the patents described knobs and domed lids, it could not point to any language in the patents to support this contention. The patent A Top claimed "most illuminating" described: "The system of Claim 1 or the cover means comprising removable cover for the drinking vessel adapted to fit over the top of the vessel, having an opening through which the push rod extends the sliding movement relative to the cover."⁶ But A Top was unable to point to a single patent that claimed a *domed* lid, a C-shaped handle, feet on the bottom of the carafe, or a metallic castle-shaped cage—the design elements Bodum claims as its trade dress.

6. During argument on the objection, A Top described this as the Banks patent, 5,618,570, which does not appear to be in the record and is not mentioned in either party's appellate briefs.

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The district court reviewed the jury instruction on whether a patent discloses the “practical advantages” of the design and explained that *TraffFix Devices* requires that the patent somewhere (not necessarily in the claims portion of the patent) claim the trade dress features in some “significant way.” Here, none of the patents did so. Though some of the French presses in the patent pictures had a handle, feet, or something on top of the plunger, the court did not think that “bears on the question of whether it’s functional as ... trade dress law defines that term.” The court elaborated:

[T]here is a massive potential for jury confusion here if these things are used in the way, frankly, that they were used during the cross-examination of the [] expert. You put a picture up there, that’s got a handle, it’s got a knob, it’s got a plunger, it’s cylindrical like yours, that’s not what the inquiry is. The inquiry isn’t whether somebody has drawn this picture before. The inquiry is whether ... the features are claimed in a patent in a way that shows that they have some sort of a function.

The court then concluded: “I don’t think it’s relevant. If it’s relevant, it has teeny teeny probative value, massive potential for jury confusion. It’s excluded under Rule 403.” The court did not permit A Top to use the patent evidence with its expert and gave the jury a curative instruction: “During the cross-examination of witness Robert Anders, he was shown certain pages from certain patents. I have excluded those patents from the evidence in this case. You are not to consider them for any purpose.”

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The district court did not abuse its discretion in excluding this evidence. The patents A Top sought to introduce do not claim any of the features that comprise the claimed Chambord trade dress. *See TrafFix Devices*, 532 U.S. at 29 (utility patents are evidence “that the features *therein claimed* are functional” (emphasis added)). That the patents disclose a plunger and cylindrical carafe are irrelevant because Bodum does not claim those elements as part of its trade dress. And the pictures in the patents showing French presses with handles, domed lids, or knobs are irrelevant to the legal question of functionality because the patents do not claim any of those features as part of the patented invention. Permitting the jury to view and consider the patents would cause confusion as to the appropriate inquiry for functionality.

A Top also claims that whether a patent discloses a feature’s utility is a question of fact for the jury and, as such, the district court erred in excluding the patents from the jury’s consideration. In *Thomas & Betts*, we explained that a “utility patent must be examined in detail to determine whether or not the disclosed configuration is really primarily functional or just incidentally appears in the disclosure of a patent.” 138 F.3d at 300 (quoting J. Thomas McCarthy, 1 McCarthy on Trademarks and Unfair Competition § 6:10 (4th ed. 1996)). There, the district court determined at summary judgment that because the claimed feature was part of a patent and did not appear incidentally, it was primarily a functional feature. *Id.* On appeal, we determined that this conclusion “necessitated a weighing of the evidence,” so a jury should have had the opportunity to decide how much weight to give the

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patent considering all the other evidence presented on the functionality issue. *Id.* The district court's decision here is consistent with *Thomas & Betts*. The court excluded the evidence under Rule 403, an evidentiary rule that tasks the judge with balancing the exclusion of relevant evidence with the risk of harm from admission. The district court did not decide the functionality question; it determined that the patent evidence, while relevant to the question of functionality, posed too significant a risk of jury confusion (an issue not raised by the patent evidence in *Thomas & Betts*).

This is not one of those extreme cases in which we second-guess the trial judge's weighing of the probative value of the evidence with the potential for jury confusion on a Rule 403 issue. We affirm the court's denial of A Top's motion for a new trial.⁷

III. Conclusion

For the foregoing reasons, we AFFIRM the judgment of the district court.

7. In its opening brief, A Top cites to the standard of review for a motion for a new trial based on improper jury instructions. However, A Top does not develop an argument based on any problem with the court's instructions, and so we do not address this issue. See *Ienco v. Angarone*, 429 F.3d 680, 685 (7th Cir. 2005).

**APPENDIX B — ORDER OF THE UNITED
STATES DISTRICT COURT FOR THE NORTHERN
DISTRICT OF ILLINOIS, EASTERN DIVISION
FILED AUGUST 23, 2018**

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

No. l:16-cv-02916

BODUM USA, INC.,

Plaintiff,

v.

A TOP NEW CASTING INC.,

Defendant.

Honorable Matthew F. Kennelly

ORDER GRANTING PERMANENT INJUNCTION

Before the Court is a Motion for Permanent Injunction submitted by Plaintiff, Bodum USA, Inc. (“Bodum”).

WHEREAS, a jury has found that the SterlingPro French press coffee maker infringed Bodum’s CHAMBORD® Trade Dress.

WHEREAS, the jury also awarded Bodum’s damages for infringement of the CHAMBORD® Trade Dress and

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found that A Top willfully infringed the CHAMBORD® Trade Dress.

WHEREAS, the Court finds that Bodum will suffer irreparable harm if A Top continues to infringe Bodum's CHAMBORD® Trade Dress, that monetary damages cannot adequately compensate Bodum for the resulting irreparable harm, and that the balance of equities and public interest favor entry of a permanent injunction.

NOW THEREFORE, having considered the entire record in this action, the verdict of the jury, relevant orders of the Court, the motion, and good cause having been shown.

IT IS HEREBY ORDERED THAT:

1. A Top and any of its owners, officers, agents, servants, employees, importers, suppliers, and any person acting in concert or participating with any of them, who receive actual notice hereof, are hereby restrained and enjoined pursuant to 15 U.S.C. § 1116 and Federal Rule of Procedure 65(d) from:

(a) Infringing, contributing to the infringement of, or inducing the infringement of Bodum's CHAMBORD® Trade Dress (pictured in Exhibit A, hereto), by making, importing, advertising, marketing, promoting, using, offering for sale and/or selling in the United States the SterlingPro French press coffee maker in each of the designs pictured in the photographs attached hereto as Exhibit B (the four leg model) and/or Exhibit C (the three-

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leg model), or any other product that utilizes Bodum's CHAMBORD® Trade Dress.

2. Within ten (10) days of entry of this Order, A Top shall (a) destroy all SterlingPro French press coffee makers in the designs identified in Paragraph 1(a) immediately above, and any other product substantially similar to those two products in its possession, custody or control and (b) file with this Court a statement sworn under oath by an authorized officer certifying that such products have been destroyed, which statement shall include: (i) the number of 4 leg SterlingPro French press coffee makers (Exhibit A, hereto) that were destroyed; (ii) the number of 3 leg SterlingPro French press coffee makers (Exhibit B, hereto) that were destroyed; (iii) the number of any other products substantially similar to Exhibit A and/or Exhibit B hereto that were destroyed, and a description and photograph of each such product.

3. This court specifically retains jurisdiction to enforce, modify, extend, or terminate this Permanent Injunction as the equities may require upon a proper showing, and to adopt procedures for resolution of any dispute as to whether a product not specifically identified herein is substantially similar to and infringes the Bodum CHAMBORD® Trade Dress so that it is subject to this Order.

Dated: August 23, 2018

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SO ORDERED,

/s/ Matthew F. Kennelly
HONORABLE MATTHEW F.
KENNELLY
United States District Judge

**APPENDIX C — ORDER OF THE UNITED
STATES DISTRICT COURT FOR THE NORTHERN
DISTRICT OF ILLINOIS, EASTERN DIVISION,
FILED AUGUST 21, 2018**

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

Case No 16 C 2916

BODUM USA, INC.,

Plaintiff,

vs.

A TOP NEW CASTING INC.,

Defendant.

**ORDER ON PLAINTIFF'S MOTIONS FOR
AN INJUNCTION, TREBLE DAMAGES,
PREJUDGMENT INTEREST, AND
ATTORNEY'S FEES**

After a trial, a jury found in favor of plaintiff Bodum USA, Inc. and against defendant A Top New Casting Inc. on Bodum's claim of trade dress infringement under the Lanham Act. The jury also found that A Top's infringement was willful. It awarded Bodum \$2 million, which it found to be A Top's profits gained from the trade dress infringement. In early June 2018, the Court denied A Top's motion for judgment as a matter of law and its

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motion for a new trial. In the present order, the Court considers Bodum's requests to add prejudgment interest; treble the damage award; award attorney's fees; and issue an injunction.

1. Prejudgment interest

Prejudgment interest is presumptively available to victims of violations of federal law, to ensure full compensation for the plaintiff and prevent the defendant from being unjustly enriched. *See, e.g., Gorenstein Enters., Inc. v. Quality Care-USA, Inc.*, 874 F.2d 431, 436 (7th Cir. 1989). Prejudgment interest is particularly appropriate when the violation is intentional, as the jury found in this case. *Id.*

The Court overrules A Top's contention that there should be no interest award because damages were not a liquidated amount. That is not a barrier to an award of interest in a case involving a violation of a federal statute, and Bodum has proposed a reasonably certain and conservative calculation for determining interest. *See* Mem. in Support of Pl.'s Post-Trial Mot. for Prejudgment Interest, Ex. 1. The Court adopts this calculation and awards \$153,806 in prejudgment interest.

2. Enhancement of damage award

Under the Lanham Act, a plaintiff is entitled to recover the defendant's profits and any damages the plaintiff sustained. 15 U.S.C. § 1117(a). In this case, the jury's award was based on A Top's profits. The governing

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statute also says that “[i]f the court shall find that the amount of recovery based on profits is either inadequate or excessive the court may in its discretion enter judgment for such sum as the court shall find to be just, according to the circumstances of the case. Such sum . . . shall constitute compensation and not a penalty.” *Id.*

The statutory authorization to enhance an award of damages and the accompanying prohibition on imposing a penalty is arguably somewhat internally inconsistent. “It is anomalous to say that an enhancement of damages, which implies an award exceeding the amount found compensatory, must be compensatory and not punitive.” *Sands, Taylor & Wood v. Quaker Oats Co.*, 34 F.3d 1340, 1347 (7th Cir. 1994) (internal quotation marks omitted) (quoting *Taco Cabana Int’l, Inc. v. Two Pesos, Inc.*, 932 F.2d 1113, 1127 (5th Cir. 1991), *aff’d*, 505 U.S. 763 (1992)). The Seventh Circuit has, however, “identified several significant guideposts.” *Sands, Taylor & Wood*, 34 F.3d at 1347. First, the final remedy must “provide a sufficient deterrent to ensure that the guilty party will not return to its former ways and once again pollute the marketplace.” *Id.* at 1348. Second, enhancement is properly invoked “when . . . the infringement is deliberate.” *Id.* at 1349 (quoting *Gorenstein Enters., Inc.*, 874 F.3d at 436). Third, “the monetary relief granted by the district court must be great enough to further the statute’s goal of discouraging trademark infringement but must not be so large as to constitute a penalty.” *Id.* (quoting *Otis Clap & Son, Inc. v. Filmore Vitamin Co.*, 754 F.2d 738, 744 (7th Cir. 1985)). And fourth, enhancement is “a method by which a fair recovery might be approximated when damages and profits are not easily ascertainable.” *Id.* at 1349-50.

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Having taken these considerations into account, the Court finds it appropriate to double the damage award, to \$4 million. In doing so, the Court does *not* adopt Bodum's contention that the jury's award of \$2 million in profits, rather than the \$3 million Bodum requested, is a basis to increase the award. That suggests the jury found Bodum's evidence wanting, not that the award was objectively inadequate. But that aside, the jury made a specific finding of willfulness, which was amply supported by, among other things, evidence of deliberate copying by A Top. And as Bodum notes, the information that A Top produced regarding its revenues and expenses was incomplete and complicated by the company's insertion, later during the relevant period, of a related company (owned by the wife of A Top's principal) as its "supplier." The Court finds that an enhanced award is needed to fairly compensate Bodum and appropriately deter A Top, and that doubling the jury's award (rather than trebling it as Bodum requests) does not run afoul of the statute's prohibition of a penalty.

3. Attorney's fees

The Lanham Act says that "[t]he court in exceptional cases may award reasonable attorney fees to the prevailing party." 15 U.S.C. § 1117(a). An exceptional case is one that "stands out from others with respect to the substantive strength of a party's litigating position (considering both the governing laws and the facts of the case) or the unreasonable manner in which the case was litigated." *Octane Fitness, LLC v. Icon Health & Fitness, Inc.*, 134 S. Ct. 1749, 1756 (2014) (concerning an identical provision

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in the Patent Act, 35 U.S.C. § 285). There was no litigation misconduct here; Bodum does not argue otherwise. Rather, it relies on the jury’s willfulness finding. In the Court’s view, in this case that is insufficient, without more, to support a finding that the case was exceptional. On the other side of the ledger is the fact that A Top had a straight-faced, though losing, argument that Bodum’s trade dress was not protectable under the Lanham Act. Given these circumstances, A Top’s willful copying—the only factor cited by Bodum to support a fee award—is insufficient to make the case exceptional within the meaning of section 1117(a). The Court therefore denies Bodum’s request for an award of attorney’s fees.

4. Injunction

Finally, the Court grants Bodum’s request for a permanent injunction. Bodum has shown an irreparable injury for which it lacks an adequate remedy at law; the balance of hardships does not weigh against an injunction; and an injunction will serve, not disserve, the public interest. The damages awarded by the jury and the Court only compensate Bodum for past harm. Were A Top permitted to continue selling infringing products, Bodum would suffer ongoing harm to its goodwill arising from the fact that A Top can sell its knock-off products at a lower price and the ongoing confusion among consumers regarding the origin of its products. There is no basis to believe that A Top will stop selling absent an injunction. And given A Top’s intervening filing of a bankruptcy petition, there is no basis to believe that Bodum will be able to recover any future damages for infringement via a

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lawsuit. Though A Top will suffer financial harm from an injunction, it lacks any legal entitlement to make money from selling products that infringe Bodum's trade dress. And the public interest favors enforcement of intellectual property rights.

Finally, the Court rejects A Top's argument that the jury was confused or that it found that only one of A Top's models infringed. As Bodum argues, A Top sold its products only via the Internet, and from the photographs that typically accompanied the on-line offer of its products, a consumer cannot tell whether the coffee maker has three legs or four. Nothing about the jury's deliberations or verdict suggested that it found that only one of A Top's models infringed Bodum's trade dress.

For these reasons, the Court will enter an injunction in the form accompanying Bodum's motion as Exhibit 2 and will, at the same time, enter an amended final judgment reflecting the enhanced damages and prejudgment interest. Bodum's counsel is directed to promptly provide a Word version of its draft injunction order via Judge Kennelly's proposed order e-mail address. The status hearing set for August 22, 2018 is vacated.

Date: August 21, 2018

/s/
MATTHEW F. KENNELLY
United States District Judge

**APPENDIX D — ORDER OF THE
UNITED STATES DISTRICT COURT FOR
THE NORTHERN DISTRICT OF ILLINOIS,
EASTERN DIVISION, DATED JUNE 6, 2018**

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF
ILLINOIS, EASTERN DIVISION**

June 6, 2018, Decided;
June 6, 2018, Filed

Case No 16 C 2916

BODUM USA, INC.,

Plaintiff,

vs.

A TOP NEW CASTING INC.,

Defendant.

**ORDER ON DEFENDANT'S
POST-TRIAL MOTIONS**

After a trial, a jury found in favor of plaintiff Bodum USA, Inc. and against defendant A Top New Casting Inc. on Bodum's claim of trade dress infringement under the Lanham Act. The jury also found that A Top's infringement was willful. It awarded Bodum \$2 million, which it found to be A Top's profits gained from the trade dress infringement. A Top has moved for entry of

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judgment as a matter of law under Federal Rule of Civil Procedure 50(b) and for a new trial under Federal Rule of Civil Procedure 59(a). The Court denies both motions for the reasons stated below.

1. Motion for judgment as a matter of law

Entry of judgment as a matter of law under Federal Rule of Civil Procedure 50 is appropriate only if no rational jury could have found for the prevailing party. *See, e.g., Venson v. Altamirano*, 749 F.3d 641, 646 (7th Cir.2014). When reviewing a motion for judgment as a matter of law, the Court “must draw all reasonable inferences in favor of the nonmoving party, and it may not make credibility determinations or weigh the evidence.” *Reeves v. Sanderson Plumbing Prods., Inc.*, 530 U.S. 133, 150, 120 S. Ct. 2097, 147 L. Ed. 2d 105 (2000).

A Top’s first contention is that Bodum abandoned its trade dress by engaging in what is sometimes called “naked” licensing. A party making such a contention faces a heavy burden. *See Restatement (Third) of Unfair Competition* § 33 cmt. c (Am. Law. Inst. 1995) (“Because a finding of inadequate control can result in a forfeiture of trademark rights, courts impose a heavy burden on the person asserting a lack of reasonable control by a licensor.”); *TMT N. Am., Inc. v. Magic Touch GmbH*, 124 F.3d 876, 885 (7th Cir. 1997) (same). To carry this burden, A Top was required to establish that Bodum “allow[ed] others to use the mark without exercising reasonable control over the nature and quality of the goods, services, or business on which the mark is used by the licensee.”

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Eva's Bridal Ltd. v. Halanick Enters., Inc., 639 F.3d 788, 789 (7th Cir. 2011).

The evidence at trial, viewed in the light most favorable to Bodum as required, showed the following. First, Bodum's license agreement with the licensee in question contained quality control requirements, non-compliance with which entitled Bodum to terminate the license. Second, the product manufactured by the licensee was tested for quality at the time the license agreement was entered into. Third, Bodum's principal, Joergen Bodum, later visited the licensee's facility to assess its compliance. And fourth, Bodum sent its outside counsel to trade shows annually to inspect the licensed products and report back to the company. Contrary to A Top's argument, this case is nothing like *Eva's Bridal*, in which the trademark holder "did not retain *any* control—not via the license agreement, not via course of performance." *Id.* at 790-91. A reasonable jury could find that Bodum retained "reasonable control" over the nature and quality of the goods made and sold by the licensee.

A Top's second contention is that Bodum failed to prove that its trade dress was non-functional, as required in order for it to be enforceable under the Lanham Act. The jury was instructed, without objection by A Top, that Bodum had to prove (among other things) that its trade dress was not functional. The jury was instructed, again without objection by A Top, to determine this question as follows:

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A trade dress is functional if it is necessary to the operation of the product as a whole. To determine this, you are to consider the following:

- Are there other designs that could perform the function equally well? (If so, this is evidence that the design is not functional.)
- Is there a patent that discloses the practical advantages of the design? (If so, this is strong evidence that the design is functional.)
- Does the design provide a practical advantage? (If so, this is evidence that the design is functional.)
- Has Bodum advertised or promoted the practical advantages of the design? (If so, this is evidence that the design is functional.)
- Does the design result from a comparatively simple, cheap, or superior method of manufacturing the product? (If so, this is evidence that the design is functional.)

To determine whether a product's trade dress is functional, you should consider everything that makes up the trade dress.

Instructions to the Jury, dkt. no. 185 at 14.

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A Top's contention in its Rule 50 motion is twofold. First, it argues that Bodum offered no testimony that the elements of its claimed trade dress did not confer a cost or quality advantage and that this is fatal to its claim of non-functionality. Second, A Top argues that Bodum offered no testimony that alternative designs offered the same features as Bodum's and that this likewise is fatal to Bodum's claim of non-functionality.

The Court disagrees on both points. First, Bodum's expert testified that the company's design was "complicated" and "complex" and that "[t]here are a lot simpler ways of doing this." He also testified that other designs would be less complicated and thus less expensive to make. Bodum also offered testimony by Joergen Bodum regarding other cheaper ways to make a French press coffee maker and to the effect that the design claimed to be protected by trade dress was one of the most expensive models Bodum produces. Assuming the law requires a finding of no cost or quality advantage from the claimed trade dress as a prerequisite to a determination of non-functionality—a point the Court need not decide—Bodum offered evidence from which a reasonable jury could make such a finding.

Second, there was ample evidence in the record regarding alternative products that contain the same features as Bodum's French press, but with different designs. This evidence included numerous physical exhibits—other French press coffee makers—that were introduced in evidence and shown to the jury. And as Bodum points out, the functional elements of its product,

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the carafe and the plunger, are not part of its claimed trade dress.

For these reasons, the Court denies A Top's motion for judgment as a matter of law.

2. Motion for *new trial*

A Top makes three arguments in support of its motion for a new trial. The Court addresses them in reverse order.

First, A Top contends that the jury was tainted by media reports prior and during trial regarding a so-called "trade war" with China and hostile U.S. relations with China. (The owner of A Top is a Chinese national.) This point is forfeited, because A Top never raised it during trial or the jury's deliberations and, indeed, made no mention before or during the trial about any possibility that anti-Chinese bias might affect the case in any way. Even now, in its post-trial motion, A Top has made no effort to document the claimed inflammatory publicity about China and thus has forfeited the point in this way as well. In addition, the jury was instructed that it should not be influenced by any person's national origin, race, or color, and it was instructed both before and after trial that it must disregard anything it saw or heard outside the courtroom. There is no basis to believe that the jury did not follow these instructions.

Second, A Top notes that the instructions to the jury and the verdict form did not distinguish between A Top's two alleged infringing products, one of which had four

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feet and one of which had three. During deliberations, the jury asked to see one of the products, and a question was also sent out asking when the design was changed. From this, A Top infers that the jury must have been confused, and it criticizes the fact that the verdict form did not allow separate findings on the two designs. The short answer to this is that A Top waived any challenge to the instructions on this point. Specifically, A Top agreed to the instructions and verdict form as they were given to the jury (except for two or three unrelated points on which it made objections); it never sought to distinguish between the two A Top products in the instructions or the verdict form. If this were not enough by itself, there is more: A Top did not suggest, when the jury notes were sent out during the deliberations, that there was any flaw in the jury charge or the verdict form along the lines its now cites.

The Court also notes that A Top is reading into the jury's request and question far more than they reasonably support. The Court's experience with jury deliberations, derived from presiding over at least two hundred jury trials, is that jury notes are quite often sent out not because the jury as a group has a question, but because a particular juror has raised a point on which other jurors seek the Court's assistance for a response. That aside, it is wildly speculative to conclude from these two brief notes that the jury was confused over its options on finding infringement with respect to the two designs sold by A Top. If anything, the fact that the jury was willing to ask questions suggests that if it was confused in the way A Top suggests, it would have sent out a question focusing on that

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point. Finally, if one is going to try to draw an inference about what the jury—or one or more jurors—was getting at via the question and request, it is much more likely that it was considering A Top’s design change in addressing the question of willfulness. In any event, A Top’s argument provides no basis to grant a new trial.

Third, A Top challenges the Court’s striking, as improvidently admitted, evidence of certain utility patents. The Court addressed this point in detail during the trial and need not repeat it here, other than to say that it reaffirms the in-trial ruling. In a nutshell, unlike in *Thomas & Betts Corp. v. Panduit Corp.*, 138 F.3d 277 (7th Cir. 1998), cited by A Top, none of the advances claimed in the patents in question “match[e]d the essential feature[s] of the [trade dress]” claimed by Bodum. *Georgia-Pac. Consumer Prods. LP v. Kimberly-Clark Corp.*, 647 F.3d 723, 728 (7th Cir. 2011) (internal quotation marks omitted) (citing *TraffFix Devices, Inc. v. Marketing Displays Inc.*, 532 U.S. 23, 30, 121 S. Ct. 1255, 149 L. Ed. 2d 164 (2001)). Finally, the Court observes, as it believes it did during trial, that the fact that a product feature *has a function* does not make it “functional” as that term is understood in trade dress law. A Top persists in confusing these two points.

CONCLUSION

The Court denies defendant’s motion for judgment as a matter of law and its motion for a *new* trial for the reasons stated above. All other pending motions remain

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under advisement. The ruling date for those motions is reset to June 15, 2018 at 10:00 a.m.

Date: June 6, 2018

/s/ Matthew F. Kennelly
MATTHEW F. KENNELLY
United States District Judge