

No. 20-__

IN THE
Supreme Court of the United States

EZAKI GLICO KABUSHIKI KAISHA, D/B/A EZAKI GLICO
CO., LTD. & EZAKI GLICO USA CORP.,
Petitioners,

v.

LOTTE INTERNATIONAL AMERICA CORP. & LOTTE
CONFECTIONARY CO. LTD.,
Respondents.

**On Petition for a Writ of Certiorari to the
United States Court of Appeals
for the Third Circuit**

PETITION FOR A WRIT OF CERTIORARI

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QUESTIONS PRESENTED

The Lanham Act protects trade dress from unlawful copying. Trade dress includes a product's design, such as the red wax seal on a bottle of Maker's Mark, the shape of the Chanel No. 5 perfume bottle, and the configuration of the Pepperidge Farm Milano cookie. To qualify for trade dress protection, a product's design cannot be "functional," among other requirements. At issue in this case is the test for "functionality" in trade dress law and the role of alternative product designs in creating a dispute of fact that prevents summary judgment. This petition presents two questions:

1. Whether trade dress is "functional" if it is "essential to the use or purpose of the article" or "affects the cost or quality of the article," as this Court and nine circuit courts have held, or if it is merely "useful" and "nothing more," as the Third Circuit held below.

2. Whether the presence of alternative designs serving the same use or purpose creates a question of fact with respect to functionality, where the product's design does not affect cost or quality and is not claimed in a utility patent.

PARTIES TO THE PROCEEDING

Ezaki Glico Kabushiki Kaisha, d/b/a Ezaki Glico Co., Ltd. and Ezaki Glico USA Corp., petitioners on review, were the plaintiffs-appellants below.

Lotte International America Corp. and Lotte Confectionary Co. Ltd., respondents on review, were the defendants-appellees below.

RULE 29.6 DISCLOSURE STATEMENT

1. Ezaki Glico USA Corporation is a wholly owned subsidiary of Glico North America Holdings, Inc. Glico North American Holdings, Inc. is a wholly owned subsidiary of Ezaki Glico Kabushiki Kaisha, d/b/a Ezaki Glico Co., Ltd.

2. Ezaki Glico Kabushiki Kaisha, d/b/a Ezaki Glico Co., Ltd. is a publicly traded company, and no publicly traded company owns 10% or more of its stock.

RELATED PROCEEDINGS

U.S. Court of Appeals for the Third Circuit:

Ezaki Glico Kabushiki Kaisha v. Lotte International America Corp., No. 19-3010 (3d Cir. Jan. 26, 2021), *as amended* (Mar. 10, 2021) (reported at 986 F.3d 250)

U.S. District Court for the District of New Jersey:

Ezaki Glico Kabushiki Kaisha v. Lotte International America Corp., No. 2:15-cv-05477-MCA-LDW (D.N.J. July 31, 2019) (unreported, available at 2019 WL 8405592)

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PETITION FOR A WRIT OF CERTIORARI

Ezaki Glico Kabushiki Kaisha, d/b/a Ezaki Glico Co., Ltd. and Ezaki Glico USA Corp. (collectively, “Glico”) respectfully petition for a writ of certiorari to review the judgment of the Third Circuit in this case.

OPINIONS BELOW

The Third Circuit’s second amended opinion is reported at 986 F.3d 250. Pet. App. 1a-19a. The District Court’s opinion is not reported but is available at 2019 WL 8405592. Pet. App. 20a-43a. The Third Circuit’s Sur Petition for Rehearing is reported at 985 F.3d 1069. Pet. App. 44a-45a.

JURISDICTION

The Third Circuit entered judgment on October 8, 2020. It granted panel rehearing and denied en banc review on January 26, 2021. Pet. App. 44a-45a. It issued a new opinion and judgment on January 26, 2021, and amended opinions on January 27, 2021, and March 10, 2021. On March 19, 2020, this Court by general order extended the deadline to petition for a writ of certiorari to 150 days from the date of the lower court judgment or denial of rehearing. This Court's jurisdiction is invoked under 28 U.S.C. § 1254(1).

STATUTORY PROVISIONS INVOLVED

The relevant statutory provisions are reproduced in the appendix to this petition. *See* Pet. App. 46a-52a.

INTRODUCTION

Trademarks are among a company's most valuable possessions. They prevent competitors from imitating a company's name (such as the trademark on the word "Hershey's") and a company's product designs (such as the trade dress claiming the tear-drop shape of a Hershey's Kiss). Trade dress is entitled to protection if, among other things, it is not "functional." 15 U.S.C. § 1052(e)(5). Prior to the decision below, the circuit courts uniformly applied two tests to determine whether trade dress is functional. Under the test for "utilitarian" functionality, "a product feature is functional if it is essential to the use or purpose of the article or if it affects the cost or quality of the article." *Inwood Labs., Inc. v. Ives Labs., Inc.*, 456 U.S. 844, 850 n.10 (1982). Under the test for "aesthetic" functionality, a product feature is functional if "exclusive use of the feature" puts "competitors at a significant

non-reputation-related disadvantage.” *Qualitex Co. v. Jacobson Prods. Co.*, 514 U.S. 159, 165 (1995).

In the decision below, the Third Circuit departed from those two longstanding tests. Contrary to nine circuits, the Third Circuit concluded “that is not what the word [functional] means.” Pet. App. 9a. Instead of recognizing “functional” as a term of art with a long pedigree, the court applied a dictionary definition—rather than almost a century of this Court’s precedent—to hold that the term “functional” means “useful” and “nothing more.” *Id.* In adopting this new test, the Third Circuit significantly lowered the bar for functionality, calling into question established trade dress across the country.

The Third Circuit applied its new definition of functionality to Glico’s registered trade dress for Pocky, a popular snack food that combines a biscuit with a chocolate or cream coating in a fanciful design. Glico has manufactured and sold Pocky for more than half a century. In 1989, the U.S. Patent and Trademark Office (USPTO) registered Pocky’s trade dress, concluding that its design was not functional and met other requirements for trade dress protection. Yet the Third Circuit held below that because Pocky’s design allows it to be easily eaten and shared, it is “useful” and thus functional as a matter of law. *Id.* at 16a. In applying its new standard for functionality, the Third Circuit found it irrelevant that nearly *all* snacks are designed to be easily eaten and shared. Joining the minority side of a 5-to-2 circuit split, the court concluded that record evidence of alternative designs did not create a question of fact with respect to functionality. *See id.* at 17a.

This Court should grant certiorari to resolve the 9-to-1 circuit split on the test for functionality in trade dress law. By adopting a lower threshold for functionality, the decision below creates significant uncertainty for trade dress holders, whose trade dress may now be invalid in the Third Circuit, but not elsewhere. Trade dress on nearly all snacks—from the Pepperidge Farm Milano cookie to the Andes Mint—meets the Third Circuit’s “usefulness” test. And trade dress on many other products, from the red wax seal on a bottle of Maker’s Mark to the scissor doors of Lamborghini’s V12-powered sports car, is called into question. This Court’s attention is urgently needed to address whether such designs may remain protected trade dress.

The Court should also grant certiorari to address the now 5-to-3 split on the role of alternative designs in evaluating functionality. By holding that alternative designs serving the same use or purpose do not create a question of fact on functionality, the Third Circuit denied Glico a trial that other circuits would have permitted. Whether a trade dress holder is entitled to a trial should not depend on the jurisdiction in which suit is filed. This Court’s attention is urgently needed to address this circuit split, which incentivizes forum shopping and puts longstanding trade dress at risk.

STATEMENT

A. Trade Dress Functionality.

1. Trade dress “involves the total image of a product.” *Two Pesos, Inc. v. Taco Cabana, Inc.*, 505 U.S. 763, 764 n.1 (1992) (internal quotation marks omitted). It can protect the product’s packaging or its de-

sign, including features such as size, shape, color, texture, and graphics. *See id.* The oval-shaped configuration of the Pepperidge Farm Milano cookie and the fluted design of the Coca-Cola bottle are examples of trade dress.

The Lanham Act protects trade dress that meets certain requirements from copying. *See* 15 U.S.C. § 1125(a)(1)(A). The purpose of the Lanham Act is to “promote competition by protecting a firm’s reputation.” *Qualitex*, 514 U.S. at 164. Where a product design identifies the product with its source, preventing copying of that design avoids “confusion as to the origin, sponsorship, or approval” of the product. *TrafFix Devices, Inc. v. Mktg. Displays, Inc.*, 532 U.S. 23, 28 (2001).

A trade dress owner may submit its trade dress for registration on the principal register. The USPTO evaluates whether the trade dress qualifies for protection, and if so, registers the trade dress. *See* 15 U.S.C. § 1057. Registration is prima facie evidence that the trade dress is valid. *See id.* § 1057(b); *see also id.* § 1115. Unregistered trade dress may also be subject to protection, but it is not entitled to prima facie validity. *See* 15 U.S.C. § 1125(c)(4).

2. To qualify for protection, trade dress cannot be “functional,” among other requirements. *Id.* § 1052(e)(5). In *Inwood*, this Court held that “a product feature is functional if it is essential to the use or purpose of the article or if it affects the cost or quality of the article.” 456 U.S. at 850 n.10. This Court has repeatedly cited that test for functionality, which is often called “utilitarian” functionality. *See U.S. Patent & Trademark Office v. Booking.com B.V.*, 140 S. Ct. 2298, 2306 n.5 (2020); *TrafFix*, 532 U.S. at 32;

Qualitex, 514 U.S. at 165. When the USPTO determines whether trade dress qualifies for registration, it assesses functionality using the *Inwood* test. See TMEP § 1202.02(a)(iii)(A) (22nd ed. Oct. 2018).

This Court has also held that a product feature is functional if “exclusive use of the feature would put competitors at a significant non-reputation-related disadvantage.” *Qualitex*, 514 U.S. at 165. This type of functionality, called “aesthetic” functionality, evaluates whether the design is so aesthetically pleasing that preventing competitors from using it places them at a significant competitive disadvantage. See *id.* Thus, for instance, “lower courts have permitted competitors to copy the green color of farm machinery” because “customers wanted their farm equipment to match.” *Id.* at 169. Aesthetic functionality is not at issue in this case.

B. Procedural History.

1. Pocky is a well-known, and beloved, snack product. It combines a sweetened, flour-based biscuit with chocolate or cream coating in a unique configuration. Glico has manufactured and sold Pocky since 1966. It is sold in stores throughout the country such as Target, Safeway, and Walmart.

Glico has two federal trade dress registrations on the Principal Register covering Pocky’s appearance, issued in 1989 and 2002. Those registrations entitle Glico’s trade dress to a presumption of non-functionality. See *supra* p. 5. They cover Pocky’s unique combination of biscuit and chocolate or cream features, consisting of “an elongated, thin, straight, cylindrical rod-shaped biscuit with more than half, but not all, of the biscuit coated with chocolate and/or * * * cream,” such that the coating “fully covers and extends from

one end of the biscuit over halfway to the other end, but terminates short of the other end,” with “the coated portion of the biscuit having a rounded end and the uncoated portion of the biscuit having a generally flat end.” Pet. App. 22a-23a n.2 (internal quotation marks omitted).

Pocky’s popularity has not gone unnoticed. Respondent Lotte, a Korean-based snack food company, intentionally designed a competing partially-chocolate-coated snack called Pepero to look virtually identical to Pocky, as shown on the packaging:

Pocky



Pepero



Glico sued Lotte for trade dress infringement in the U.S. District Court for the District of New Jersey. *Id.* at 20a, 25a. Lotte counterclaimed, contending that Glico’s trade dress is functional and thus invalid. After discovery, Lotte moved for summary judgment on functionality (among other grounds). Lotte argued

that Glico's trade dress is functional because Glico advertised Pocky as easy to eat with a "no mess handle" and share with friends. *Id.* at 31a-33a (internal quotation marks omitted).

Glico presented extensive evidence in response, including expert testimony that Pocky's design is not essential to eating or sharing a snack food and does not affect cost or quality—and thus is not functional. *See Glico C.A. Br. 22 n.7, 32-42.* Glico also provided testimony from two experts about alternative designs for snack foods, including different chocolate-and-cookie combinations:



























See C.A. Appx316, Appx2720-2721, Appx2747-2748;
see also Pet. App. 17a.

Glico's experts also cited numerous examples of other snack products that are easy to eat, share, and

package but are designed differently than Pocky. Many of those products, including Pepperidge Farm Milano cookies, Hershey's Chocolate Bars, Hershey's Kisses, Toblerone Bars, and Utz Pretzel Wheels, are subject to trade dress protection:

| U.S. Trademark Registration Number | Product Configuration | Product Image | Product Name |
|--|---|--|--|
| No. 4726460; No. 3290648; No. 1640659 |  |  | Pepperidge Farm Goldfish |
| No. 3852499 |  |  | Pepperidge Farm Milano Cookies |
| No. 3572216; No. 3059066; No. 3028381 |  |  | Hershey's Chocolate Kiss |
| No. 4322502 |  |  | Hershey's Chocolate Bar |
| U.S. Trademark Registration Number | Product Configuration | Product Image | Product Name |
| No. 5164066 |  |  | Cerretta Candy Company, Inc. French Mint |
| No. 4997554 |  |  | Little Debbie Be My Valentine Cake |
| No. 5015715 |  |  | Tio Pepe's Churro Pastry Stix |

| U.S. Trademark Registration Number | Product Configuration | Product Image | Product Name |
|------------------------------------|---|---|-------------------------------------|
| No. 3754107 |  |  | Rold Gold Pretzel Pretzel Crisps |
| No. 3646587 |  |  | Utz Pretzel Wheel |
| No. 4036701 |  |  | The Snack Factory Pretzel Crisps |
| U.S. Trademark Registration Number | Product Configuration | Product Image | Product Name |
| No. 2078468 |  |  | Toblerone Bar |
| No. 2638806 |  |  | Tootsie Roll Andes Mint |

See Glico C.A. Br. 34-35.

The District Court concluded that none of this created a fact dispute as to functionality and granted summary judgment to Lotte. *See* Pet. App. 30a. The court held that Pocky’s design is functional as a matter of law because consumers can pick up the uncoated biscuit portion without touching chocolate, eat Pocky “one bite at a time” “without opening your mouth wide,” and because Pocky can be “packed close together” in a “compact box” that is “both suitable for oneself and good for sharing.” *Id.* at 32a-33a (internal quotation marks omitted).

2. Glico appealed to the Third Circuit, arguing that the District Court incorrectly applied the legal test for

functionality. As Glico explained, the District Court did not consider whether Pocky’s *specific design* was essential to its use or purpose as a snack, and whether the presence of alternative designs created a fact issue on functionality. *See* Glico C.A. Br. 22-42. Lotte did not dispute the governing legal test; it argued that test was met as a matter of law. The Third Circuit affirmed. Pet. App. 3a.¹

The Third Circuit criticized Glico for relying on *Inwood*’s “essential to the use or purpose” test for functionality, concluding “that test is too narrow.” *Id.* at 7a. According to the Third Circuit, the *Inwood* test is just “[o]ne way” to show that a feature is functional. *Id.* at 11a. The court consulted Webster’s Third New International Dictionary, which defines “functional” as “designed or developed chiefly from the point of view of use: UTILITARIAN.” *Id.* at 9a (internal quotation marks omitted). Applying that dictionary definition, the panel concluded that because Pocky is “easy to hold,” can be “eat[en] without getting chocolate on [one’s] hands,” “lets people eat the cookie without having to open their mouths wide,” and allows Glico to “pack many sticks in each box, enough to share with friends,” Pocky’s design is useful and thus functional as a matter of law. *Id.* at 16a (internal quotation marks omitted). The panel, like the District

¹ The Third Circuit disagreed with the District Court’s determination that a patent claiming a *method* for manufacturing the ultra-slim version of Pocky was relevant to the functionality inquiry. *See* Pet. App. 39a. Under *TrafFix*, Pocky’s design is not the central advance of its utility patent and the patent thus has no bearing on functionality. *See id.* at 17a-18a.

Court, relied on Glico’s advertising of Pocky’s “convenient design” as evidence of functionality. *Id.* at 16a-17a (internal quotation marks omitted).

The Third Circuit viewed Glico’s evidence of alternative designs as irrelevant because, it concluded, those alternatives do not change that Pocky’s design is useful. *Id.* at 17a. It conceded that Lotte “could have shaped its Pepero differently,” but it found that did not create a disputed question of fact on functionality. *Id.* The Third Circuit held that Glico is not entitled to a trial and its decades-old trade dress on a flagship product is invalid.

Glico moved for rehearing en banc, arguing that the Third Circuit erred by failing to apply this Court’s test for functionality and by failing to allow the factfinder to consider evidence of alternative designs. The Third Circuit denied en banc review. *See* Pet. App. 45a.

This petition follows.

REASONS FOR GRANTING THE PETITION

I. THE DECISION BELOW CREATES A 9-1 CIRCUIT SPLIT ON THE TEST FOR TRADE DRESS FUNCTIONALITY.

Nine circuits and the USPTO hold that there are two tests for functionality: the *Inwood* test for utilitarian functionality, which asks whether a design is “essential to the use or purpose of the article” or “affects the cost or quality,” 456 U.S. at 850 n.10, and the *Qualitex* test for aesthetic functionality, which evaluates whether “exclusive use of the feature” puts “competitors at a significant non-reputation-related disadvantage,” 514 U.S. at 165. *Sua sponte*, the Third Circuit coined its own novel test. Adopting a dictionary definition of “functional,” the Third Circuit asks

merely whether a product design is “useful,” and “nothing more.” Pet. App. 9a. The Court should step in to resolve this clear split.

A. There Is A Clear 9-1 Split.

1. Nine circuits, as well as the USPTO, hold that there are two tests for functionality: The test for utilitarian functionality set forth in *Inwood* and the test for aesthetic functionality set forth in *Qualitex*. They recognize that the word “functional” is a legal term of art, and they evaluate whether a product’s design is *essential* to the use or purpose of a product or affects its cost or quality—not merely whether it is “useful.”

In the Second Circuit, “[c]ase law recognizes two types of functionality: ‘traditional’ (or ‘utilitarian’) and ‘aesthetic.’” *Eliya, Inc. v. Steven Madden, Ltd.*, 749 F. App’x 43, 47 (2d Cir. 2018) (quoting *Christian Louboutin S.A. v. Yves Saint Laurent Am. Holding, Inc.*, 696 F.3d 206, 219 (2d Cir. 2012)). “A product feature is deemed functional in a utilitarian sense if it is essential to the use or purpose of the article, or if it affects the cost or quality of the article.” *Id.* (alterations and internal quotation marks omitted). “An ornamental product feature is ‘aesthetically functional’ if trademark protection would significantly hinder competition * * *.” *Id.* (internal quotation marks omitted). The Second Circuit places significant weight on the word “essential” in the utilitarian functionality inquiry. See *Coach, Inc. v. We Care Trading Co.*, 67 F. App’x 626, 629 (2d Cir. 2002) (emphasizing that a “product feature is functional * * * if it is *essential* to the use or purpose of the article or if it affects

the cost or quality of the article.” (emphasis in *Coach* and internal quotation marks omitted).²

The Fourth Circuit agrees that there are “two tests” for functionality—this Court’s “traditional” *Inwood* test and the aesthetic functionality test. *CTB, Inc. v. Hog Slat, Inc.*, 954 F.3d 647, 657-658 & n.5 (4th Cir. 2020). In direct contrast to the Third Circuit, the Fourth Circuit holds that “the functionality inquiry * * * looks for features that are *not merely useful*, but rather essential to the use or purpose of the article.” *Tools USA & Equip. Co. v. Champ Frame Straightening Equip. Inc.*, 87 F.3d 654, 659 (4th Cir. 1996) (emphasis added and internal quotation marks omitted); *see also CTB, Inc.*, 954 F.3d at 657, 665, 669 (citing *Tools USA*).

The Fifth Circuit explains that this Court “has recognized two tests for determining functionality.” *Bd. of Supervisors for Louisiana State Univ. Agric. & Mech. Coll. v. Smack Apparel Co.*, 550 F.3d 465, 485-486 (5th Cir. 2008). “The primary test * * * is whether the feature is essential to the use or purpose of the product or whether it affects the cost or quality of the product.” *Id.* (alterations and internal quotation marks omitted). The “secondary test” evaluates aesthetic functionality. *Id.*

The Sixth Circuit holds that “to prove *nonfunctionality*,” a “plaintiff must prove that its design does not meet either prong of the *Inwood* functionality test, *viz*,

² The trade dress holder in *Sulzer Mixpac AG v. A&N Trading Co.*, 988 F.3d 174 (2d Cir. 2021), contends that the Second Circuit departed in that case from this Court’s test for utilitarian functionality. Pet. for Panel Rehr’g & Pet. for Rehr’g *En Banc* 9-11, *Sulzer*, 988 F.3d 174 (No. 19-2951) (denied May 6, 2021). If so, it merely deepens the split.

the plaintiff must show that its design feature is not essential to the use or purpose of the article and that it does not affect the cost or quality of the article.” *Leapers, Inc. v. SMTS, LLC*, 879 F.3d 731, 736 (6th Cir. 2018) (alterations and internal quotation marks omitted). Under Sixth Circuit precedent, “[a]s long as” a design “is not essential to the use or purpose” of the product “and does not affect the cost or quality,” it does not meet the utilitarian functionality test. *Id.* at 738 (alterations and internal quotation marks omitted). The Sixth Circuit also evaluates whether a “design lacks aesthetic functionality.” *Id.* at 737.

The Seventh Circuit explains that this Court has “embraced two tests for functionality from its precedents,” the “essential to the use or purpose” or “affects the cost or quality” test, and the “competitive necessity” test. *Arlington Specialties, Inc. v. Urban Aid, Inc.*, 847 F.3d 415, 419 (7th Cir. 2017) (internal quotation marks omitted). Contrary to the Third Circuit—which looks to the dictionary definition of “functional,” Pet. App. 9a—the Seventh Circuit holds that the term “functionality” is *not* defined by “a product’s ‘function’ in the everyday meaning of the term” and is instead “a term of art used in trade dress law.” *Bodum USA, Inc. v. A Top New Casting Inc.*, 927 F.3d 486, 492 (7th Cir. 2019). Under Seventh Circuit precedent, “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.” *Id.* at 491 (internal quotation marks omitted).

In the Eighth Circuit, “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,” or if it places competitors at a “non-reputational disadvantage.” *Frosty Treats, Inc. v. Sony Comput. Ent. Am., Inc.*, 426 F.3d 1001, 1007 (8th Cir. 2005) (internal quotation marks omitted). In contrast to the Third Circuit, the Eighth Circuit warns against evaluating functionality “using the colloquial meaning of ‘functional’ rather than the specialized meaning that it has in trademark law.” *Id.* The Eighth Circuit defines functionality “in the narrow trademark sense of that word,” holding that “[t]he fact that the feature at issue serves some function is not enough * * * to be functional in the trade dress sense.” *Home Builders Ass’n of Greater St. Louis v. L&L Exhibition Mgmt., Inc.*, 226 F.3d 944, 948-949 (8th Cir. 2000) (internal quotation marks omitted).

The Ninth Circuit holds that the term “functional” is “a legal term of art, undefined by statute, around which a complicated legal doctrine has developed.” *Blumenthal Distrib., Inc. v. Herman Miller, Inc.*, 963 F.3d 859, 865 (9th Cir. 2020). In the Ninth Circuit, the “test for functionality proceeds in two steps.” *Millennium Labs., Inc. v. Ameritox, Ltd.*, 817 F.3d 1123, 1128 (9th Cir. 2016) (internal quotation marks omitted). “For the first step, courts inquire whether” the product design “satisfies the *Inwood Laboratories* definition of functionality—essential to the use or purpose of the article or affects its cost or quality.” *Id.* at 1128-29 (alterations and internal quotation marks omitted). “If not, the court must proceed to the second step and address aesthetic functionality * * * .” *Id.* at 1129. Under Ninth Circuit precedent, whether a particular design is “essential” is a fact question “for the jury.” *Moldex-Metric, Inc. v. McKeon Prods., Inc.*, 891

F.3d 878, 882 (9th Cir. 2018); *see id.* at 886 (emphasizing that “whether a feature is ‘essential to the use or purpose of a product’ is not always” apparent).

The Eleventh Circuit agrees that “two tests exist for determining functionality”: the “traditional test,” which evaluates whether a product feature is “essential to the use or purpose of the article or if it affects the cost or quality,” and the “aesthetic functionality” test. *Dippin’ Dots, Inc. v. Frosty Bites Distrib., LLC*, 369 F.3d 1197, 1203 (11th Cir. 2004) (internal quotation marks omitted); *see id.* at 1206 (concluding that “color is functional in this case because it is essential to the purpose of the product and affects its quality”).

The Federal Circuit concurs that under the “traditional rule” set forth in *Inwood*, “a product feature is functional if it is essential to the use or purpose of the article or if it affects the cost or quality.” *Valu Eng’g, Inc. v. Rexnord Corp.*, 278 F.3d 1268, 1275-76 (Fed. Cir. 2002) (internal quotation marks omitted). The Federal Circuit has long focused on the word “essential” in the functionality inquiry, *In re Morton-Norwich Prods., Inc.*, 671 F.2d 1332, 1339 (C.C.P.A. 1982), and it expressly rejects the “lay” definition of “functional” in favor of the “legal” definition of that term. *Id.* at 1343 n.4, 1337. The Federal Circuit also recognizes that a design is functional if it “would put competitors at a significant non-reputation-related disadvantage.” *Valu Eng’g*, 278 F.3d at 1277 (internal quotation marks omitted).³

³ The First Circuit has cited approvingly the *Inwood* test for functionality. *See I.P. Lund Trading ApS v. Kohler Co.*, 163 F.3d 27, 37 (1st Cir. 1998). The Tenth Circuit does not appear to have addressed this issue.

The USPTO agrees. The Trademark Manual of Examining Procedure states that a “feature is functional as a matter of law if it is ‘essential to the use or purpose of the article or if it affects the cost or quality of the article.’” TMEP § 1202.02(a)(iii)(A) (quoting *TrafFix*, 532 U.S. at 33). The USPTO underscores that functionality is a legal term of art, stating that “whether a product feature is ‘functional’ should not be confused with whether that product feature performs a ‘function.’” *Id.* § 1202.02(a)(v). As the USPTO explains, “most objects perform a function, for example, a bottle holds liquid and a lamp provides light. However, only certain configurations that allow an object to work better are functional * * * .” *Id.*

2. The decision below creates a clear circuit split. Nine courts and the USPTO define “functional” as “essential to the use or purpose of a product” or affecting its cost or quality. But not so in the Third Circuit. In that court, “that is not what the word means.” Pet. App. 9a. Instead of construing “functional” as a legal term of art, the Third Circuit looks to the “ordinary meaning” of that word. *Id.* Adopting a dictionary definition of “functional,” the Third Circuit holds that “something is functional as long as it is ‘practical, utilitarian’—in a word, useful.” *Id.* (quoting *Functional* (def. 2d), Oxford English Dictionary (2d ed. 1989)). According to the court, to be “functional” “requires nothing more.” *Id.* The Third Circuit’s new test lowers the bar for functionality, labeling as functional any product design that is “useful”—even if it is not “essential to the use or purpose” of the product.

The Third Circuit acknowledged that this Court has adopted two tests for functionality, but it held those were not the exclusive tests. *See id.* at 11a. The court

even criticized Petitioners for focusing on the “essential to the use or purpose” test, concluding that test is inconsistent with the policy behind the Lanham Act. *Id.* at 7a. According to the Third Circuit, the way to read the Lanham Act and Patent Act together is to conclude that “the Lanham Act excludes useful designs.” *Id.* at 10a. The Third Circuit did not reconcile its interpretation of trade dress policy with this Court’s longstanding test for trade dress functionality. *See id.*

This Court should grant certiorari to resolve this clear split, which affects longstanding trade dress rights throughout the country.

B. The Decision Below Is Wrong.

1. The decision below is wrong, for three reasons.

First, the Third Circuit was not at liberty to depart from this Court’s established test for functionality, which sets a uniform standard for the federal courts. *See Agostini v. Felton*, 521 U.S. 203, 237 (1997). Intellectual property law seeks to navigate “the constant tension between private right and public access.” *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*, 489 U.S. 141, 162 (1989). The “demarcation of broad zones of public and private right is the type of regulation that demands a uniform national rule.” *Id.* at 162-163 (internal quotation marks omitted). Rather than conduct its own analysis of trade dress policy, the Third Circuit should have adhered to the decision that this Court had already made, and which had been uniformly applied by the circuit courts. *See Georgia v. Public.Resource.Org, Inc.*, 140 S. Ct. 1498, 1511 (2020). Generations of businesses have developed and sold products under this traditional understanding.

Second, the Third Circuit erred by adopting a dictionary definition of “functional” rather than treating it as a legal term of art with a long pedigree. *See Qualitex*, 514 U.S. at 164 (referring to “functionality” as a “doctrine of trademark law”). The “essential to the use or purpose” test goes back to at least 1906, where the Sixth Circuit evaluated whether a manufacturer was entitled to trade dress rights in a two-color design for matches. The Sixth Circuit held that because the design “serve[s] not only a useful purpose but an *essential function*,” the manufacturer was not entitled to a trademark monopoly on that design. *Diamond Match Co. v. Saginaw Match Co.*, 142 F. 727, 729 (6th Cir. 1906) (emphasis added); *see Morton-Norwich Prods.*, 671 F.2d at 1339 (describing early 1900s cases evaluating whether a design is “essential”). This Court employed a similar test in 1924, where it held that a manufacturer could not obtain trade dress rights in the use of chocolate in quinine, because chocolate “serves a substantial and desirable use,” and “it is doubtful whether it should be called a *nonessential*.” *William R. Warner & Co. v. Eli Lilly & Co.*, 265 U.S. 526, 531 (1924) (emphasis added).

The Court adopted the modern version of the “essential to the use or purpose” test in 1982 in *Inwood*. *See* 456 U.S. at 850 n.10. This Court has repeatedly cited and applied that test, including in *Booking.com*, where it stated that the USPTO did not “contend that the particular domain name ‘Booking.com’ is essential to the use or purpose of online hotel-reservation services, affects these services’ cost or quality, or is otherwise necessary for competitors to use.” 140 S. Ct. at 2306 n.5; *see also TrafFix*, 532 U.S. at 32-33 (2001); *Qualitex*, 514 U.S. at 165 (1995).

In light of this history, the Third Circuit was not writing on a blank slate when it defined “functional.” Congress adopted the Lanham Act in 1946—after this Court’s decision in *William R. Warner* and other early cases addressing trade dress rights. And in 1998 and 1999, Congress specified that “functional” designs are not subject to trade dress protection, following this Court’s decisions in *Inwood* and *Qualitex*. See Trade-mark Law Treaty Implementation Act, Pub. L. No. 105-330, tit. II, § 201(a)(2), (9), 112 Stat. 3064, 3069-70 (1998) (amending 15 U.S.C. §§ 1052(e)(5), 1115(b)(8)); Trademark Amendments Act of 1999, Pub. L. No. 106-43, § 5, 113 Stat. 218, 220 (amending 15 U.S.C. § 1125(a)(3)).

When it used the word “functional” in the Lanham Act, Congress adopted a term of art that “brings the old soil with it,” including a “cluster of ideas” and a “body of learning” developed by the courts. *Sekhar v. United States*, 570 U.S. 729, 733 (2013) (internal quotation marks omitted). The Third Circuit should have relied on this Court’s definition of functional, which predates the Lanham Act’s use of that term, and not Webster’s Third New International Dictionary. Indeed, if the Third Circuit had looked to Black’s Law Dictionary—a good place to start when defining a legal term of art—the court would have defined “functional feature” as “a product’s attribute that is essential to its use, necessary for its proper and successful operation, and utilitarian rather than ornamental in every detail.” *Functional Feature*, Black’s Law Dictionary (11th ed. 2019). That is the very test this Court has already adopted, and which the circuits uniformly applied prior to this case.

Third, the Third Circuit’s test is wrong as a matter of policy, threatening longstanding trade dress rights. Most product designs “accommodate[] a useful function.” *Warner Bros. Inc. v. Gay Toys, Inc.*, 724 F.2d 327, 331 (2d Cir. 1983). After all, a consumer is unlikely to purchase a product that does not work. The fact that a product design is useful, however, does not make its design functional as a matter of law; the relevant question is whether the design is *essential* to the use or purpose of the product (or affects its cost or quality).

Both this Court and the lower federal courts have repeatedly addressed whether a product design that is useful—but not essential—is entitled to trade dress protection. In *Qualitex*, the Court held that *some* color on a dry cleaning press pad was useful to hide stains, but it upheld trade dress in a green-gold color because the specific color was not essential to that purpose. *See* 514 U.S. at 166. In *Bodum*, the Seventh Circuit held that having a handle on a French press coffee maker was useful, but it upheld trade dress in a specific C-shaped design for a handle because that design was not essential. *See* 927 F.3d at 493. In *Cartier, Inc. v. Sardell Jewelry, Inc.*, the Second Circuit held that roman numerals on a watch were useful for telling time, but it upheld trade dress protection for a specific roman numeral design because it was not essential to that purpose. 294 F. App’x 615, 620-621 (2d Cir. 2008). In *Moldex*, the Ninth Circuit held that using a bright color on ear plugs was useful for safety compliance, but it remanded for a jury to determine whether a bright green design was “essential” to that purpose. *See* 891 F.3d at 882. And in *Leapers*, the Sixth Circuit held that knurling on a rifle was useful because it made it easier to grip, but it remanded to a

jury to determine whether a particular knurling design was “essential” to that purpose. 879 F.3d at 738.⁴

The Third Circuit failed to conduct that analysis here. The court described the purpose of a snack product as being “easy to hold,” “shared with others,” and enjoyed by consumers “without having to open their mouths wide.” Pet. App. 16a (internal quotation marks omitted). And it concluded that Pocky’s design met those criteria—making it “useful” and thus “functional.” *See id.* But nothing about Pocky’s fanciful design is *essential* to holding, sharing, or eating a snack product. A snack product need only be small to meet those requirements. Nearly any snack fits that bill, from a Pepperidge Farm Milano cookie, to a Pepperidge Farm Goldfish, to a Hershey’s Kiss, to an Utz pretzel wheel—each protected through trade dress registrations. By holding that functionality means “useful” and “nothing more,” *id.* at 9a, the Third Circuit’s test fails to protect product designs that do not inhibit competition and instead serve as a source identifier. The decision below is wrong, and this Court should reverse.

II. THE DECISION BELOW DEEPENED A CIRCUIT SPLIT ON ALTERNATIVE DESIGNS.

The decision below also deepened another circuit split, involving the role alternative designs play in determining whether trade dress is functional as a matter of law. There are often multiple ways to design the

⁴ After Glico cited many of these cases in its en banc petition, the Third Circuit amended its decision to discuss a few of them, but it did not explain how its test for functionality is consistent with those precedents—and it is not. *See* Pet. App. 12a.

same product, involving different colors (like the ear plugs in *Moldex*) or different shapes (like the coffee press handle in *Bodum*). And these different designs may all be consistent with a product’s function—visible ear plugs or a coffee press that can be poured—without having a functional advantage over other designs.

When assessing functionality, the courts of appeals are divided over whether evidence of alternative ways to design the same kind of product creates a question of fact. That circuit split results from this Court’s decision in *TrafFix*, which held that where an expired utility patent demonstrates that a design is functional, “[t]here is no need * * * to engage” in “speculation about other design possibilities” that “might serve the same purpose.” 532 U.S. at 33-34. Following *TrafFix*, some courts hold that even in the absence of a utility patent, the presence of alternative designs does not create an issue of fact on functionality; other courts disagree. This Court should grant certiorari to address the confusion that *TrafFix* has generated.

A. There Is A Deep Split On Alternative Designs.

There is a 5-to-3 split on the role of alternative designs in determining whether trade dress is functional. The Second, Fourth, Seventh, Ninth, and Federal Circuits hold that evidence of alternative designs creates a question of fact on trade dress functionality, sufficient to withstand summary judgment or judgment as a matter of law, where the design is not claimed in a utility patent and does not affect the product’s cost or quality. The Third, Fifth, and Sixth Circuits disagree.

1. Five circuits hold that evidence of alternative designs creates an issue of fact on functionality.

In *Moldex*, the Ninth Circuit examined trade dress claiming a bright green color for ear plugs. *See* 891 F.3d at 880. The district court had granted summary judgment against the trade dress holder, concluding that the “the visibility of Moldex’s bright green color is essential to the use or purpose of the ear plugs—to increase visibility and facilitate safety compliance checks—and therefore the green color is functional under the tests set forth by the Supreme Court in *Qualitex* and *TrafFix*.” *Id.* The Ninth Circuit reversed, holding that “the district court gave insufficient recognition to the importance” of alternative designs when evaluating functionality. *Id.* at 886.

The Ninth Circuit acknowledged that “there has been some question whether consideration of alternative designs is required after *TrafFix*.” *Id.* at 883. After examining Ninth Circuit precedent, the court held that “[o]ur case law shows that we continue to consider the existence or nonexistence of alternative designs as probative evidence of functionality or non-functionality.” *Id.* at 886. The court explained that “the traditional *Inwood* formulation”—which examines whether trade dress is essential to the use or purpose of a product, or affects its cost or quality—“does not always easily apply to some features,” particularly where the feature is “not the ‘central advance’ of a utility patent” and does not affect the product’s “cost.” *Id.* (quoting *TrafFix*, 532 U.S. at 29-30). In those circumstances, “the availability of alternative designs becomes more important in assessing functionality.” *Id.* The Ninth Circuit held that “Moldex’s evidence that numerous color shades are equally or more visible

than its bright green color and would result in the same function of visibility during compliance checks weighs against a finding of functionality,” creating “a dispute of material fact” sufficient to survive summary judgment. *Id.* at 887.

The Ninth Circuit has repeatedly applied that approach. In *Millennium Laboratories*, it found an issue of fact with respect to whether trade dress claiming a graphical design for comparing lab test results was functional. 817 F.3d at 1126. According to the Ninth Circuit, the “key point is that even if a comparison of results is functional, this could be presented in many ways, and the precise format used by [a] company asserting trade dress is not necessarily functional.” *Id.* at 1130-31. In *Blumenthal Distributing*, the court similarly found a question of fact with respect to whether the design for the Eames chair was functional, citing evidence “that a variety of alternative designs could have achieved the Eames design’s functional advantages.” 963 F.3d at 868. And in *Clicks Billiards, Inc. v. Sixshooters Inc.*, 251 F.3d 1252 (9th Cir. 2001), the court held that the functionality of a billiards-hall arrangement is a question of fact, even though “many of the individual features * * * were functional,” given the “availability of alternative designs.” *Id.* at 1261.

The Fourth Circuit applies a similar analysis. In *McAirlaids, Inc. v. Kimberly-Clark Corp.*, 756 F.3d 307 (4th Cir. 2014), the district court had granted summary judgment against a trade dress holder, concluding that a pixel pattern for an “airlaid,” an absorbent material, was functional as a matter of law. *Id.* at 309-310. The Fourth Circuit reversed. The court noted that although “the company has arguably

touted the pattern’s functional attributes,” including in advertising, testimony “that the company could have used many shapes for the high pressure areas that fuse the fibrous layers together: squares, triangles, wavy or straight lines, hearts, flowers, and so on” created a question of fact on functionality. *Id.* at 313-314. The “availability of ‘functionally equivalent designs,’” the court concluded, prevented summary judgment. *Id.* (citation omitted).

The Seventh Circuit concurs. In *Bodum*, the court examined whether trade dress claiming a design for a French press coffee maker was functional as a matter of law. The court emphasized that the trade dress owner had “introduced a plethora of evidence regarding the availability of alternative designs,” including examples of “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.” 927 F.3d at 493-494. The Seventh Circuit held that this evidence—coupled with evidence that the “design conferred no cost or quality advantage that made it functional”—was sufficient to create a question of fact on functionality, despite the trade dress owner’s advertisement of its product as “functional” and “function-driven.” *Id.*

The Second Circuit agrees. In *Cartier*, the court examined trade dress claiming a watch design featuring roman numerals on a square shape. 294 F. App’x at 620. The district court had granted summary judgment in favor of the trade dress owner, concluding that the design was non-functional. *See id.* at 620-

621. The Second Circuit affirmed. The court acknowledged that “the design features perform a function,” but it held that “the trade dress is not ‘functional’ because there are many alternative designs that could perform the same function.” *Id.* at 621. Given those alternatives, the Second Circuit concluded that “[e]nforcing Cartier’s rights in this design will not inhibit its competitors from being able to compete effectively in the market for luxury watches.” *Id.*; see also *Neiman Marcus Grp., Inc. v. A’Lor Int’l, Ltd.*, 22 F. App’x 60, 62-63 (2d Cir. 2001) (vacating summary judgment ruling on functionality given evidence of “many design and material alternatives”).

The Federal Circuit has adopted a similar approach. In *Valu Engineering*, the court examined whether this Court’s decision in *TrafFix* renders “the availability of alternative designs irrelevant” to the functionality inquiry. 278 F.3d at 1276. The Federal Circuit concluded that it did not. *Id.* The court explained that “once a product feature is found functional” because it “affects the cost or quality of the device,” “there is no need to consider the availability of alternative designs.” *Id.* at 1276 & n.5 (internal quotation marks omitted). Otherwise, however, “the availability of alternative designs” is “a legitimate source of evidence to determine whether a feature is functional in the first place.” *Id.* at 1276. The Federal Circuit cited *McCarthy on Trademarks and Unfair Competition* for the proposition that the “existence of actual or potential alternative designs that work equally well strongly suggests that the particular design used by [the] plaintiff is not needed by competitors to effectively compete on the merits.” *Id.* (quoting J. Thomas McCarthy, 1 *McCarthy on Trademarks and Unfair Competition* § 7:75, 7-180-1 (4th ed. 2001)).

The Federal Circuit applied that precedent in *Converse, Inc. v. International Trade Commission*, 909 F.3d 1110 (Fed. Cir. 2018), where it reversed the International Trade Commission’s determination that Converse’s trade dress in the midsole design of its Chuck Taylor All Star shoes was invalid. *See id.* at 1113. Converse’s trade dress claimed “two stripes on the midsole of the shoe, the design of the toe cap, [and] the design of the multi-layered toe bumper featuring diamonds and line patterns.” *Id.* at 1113-14 (internal quotation marks omitted). The Federal Circuit held that the design was not functional, given that “[a]ny functional benefit is derived from the presence of toe caps and bumpers generally, not the particular design” and “there are numerous commercial alternatives.” *Id.* at 1124.

2. Three circuits, in contrast, hold that the presence of alternative designs is *not* sufficient to create an issue of fact on functionality, even when there is no evidence that a design affects the cost or quality of the product or is the central advance of a utility patent.

In the decision below, the Third Circuit found that Pocky’s design was not the central advance of a utility patent, Pet. App. 17a-18a, and it did not cite any evidence that Pocky’s design affects its cost or quality (and there is none). The Third Circuit acknowledged that “Lotte could have shaped its Pepero differently” and that the summary judgment record contained (among other examples of alternative designs) “nine examples of partly-chocolate-coated snacks that do

not look like Pocky.” *Id.* at 17a.⁵ If this case had proceeded in the Second, Fourth, Seventh, Ninth, or Federal Circuits, these alternative designs of chocolate and cookie snack foods would have precluded a holding that Pocky’s design is functional as a matter of law. Those courts hold that evidence of numerous alternatives that are “equally or more” effective creates a question of fact on functionality. *Moldex*, 891 F.3d at 886; *see, e.g., McAirmaids*, 756 F.3d at 313-314 (availability of functionally equivalent designs prevents summary judgment). But the Third Circuit held the opposite—that alternative designs did not create a dispute of fact. *Pet. App.* 17a.

The Fifth Circuit likewise holds that alternative designs do not create a question of fact on functionality. In *Eppendorf-Netheler-Hinz GmbH v. Ritter GmbH*, 289 F.3d 351 (5th Cir. 2002), a jury found that a design for pipette tips was non-functional. *Id.* at 354. At trial, the trade dress owner had presented evidence of “alternative designs for each” of the pipette’s design features, including testimony that the design could be changed “without affecting the function” of the product. *Id.* at 357. The Fifth Circuit reversed the jury verdict, holding that the “availability of alternative designs is irrelevant” to the functionality inquiry under *TrafFix*. *Id.* at 355, 357. The court ruled that the trade dress was functional as a matter of law regardless of alternative designs. *See id.*

⁵ Glico’s additional evidence included expert testimony detailing the “many different product configurations in the snack field that are comprised of elements including a cookie, cracker, wafer or biscuit dipped or partially-coated in chocolate or cream.” C.A. Appx2720-2721 (depicting products).

The Sixth Circuit agrees. In *Groeneveld Transport Efficiency, Inc. v. Lubecore International, Inc.*, 730 F.3d 494 (6th Cir. 2013), the court reversed a jury verdict finding a design for a grease pump non-functional. *Id.* at 502, 505-507. The trade dress owner had presented evidence of several competing products with different designs, in addition to testimony that the grease pump would perform the same function with a different design. *See id.* at 505, 507. The Sixth Circuit held that under *TrafFix*, the trade dress owner’s “argument about the availability of alternative grease-pump designs is misguided,” and it rejected the “invitation to drift back into the error of inquiring about possible alternative designs.” *Id.* at 506-507.

This Court should grant certiorari to resolve this clear split. Whether record evidence of alternative designs creates a question of fact on functionality—sufficient to survive summary judgment or preserve a jury verdict—should not depend on the jurisdiction that adjudicates the dispute. Given the deep split over the interpretation of this Court’s decision in *TrafFix*, the Court’s attention is warranted.

B. The Decision Below Is Wrong.

As the Ninth Circuit explained in *Moldex*, where a product’s design “is not the ‘central advance’ of a utility patent,” as in *TrafFix*, 532 U.S. at 29-30, and where it does not affect the product’s cost, “the availability of alternative designs” plays an important role “in assessing functionality.” *Moldex*, 891 F.3d at 886. The circuits holding that the presence of alternative designs does not create a question of fact on functionality give “insufficient recognition” to the “evidentiary significance” of alternative designs “in evaluating the

functionality” of trade dress. *Id.* Where there is “evidence that numerous” alternative designs “would result in the same function,” it “weighs against a finding of functionality,” such that “a reasonable jury could conclude” that a product design “is not functional.” *Id.* at 887.

The decision below is wrong for that reason. It acknowledged that “Lotte could have shaped its Pepero differently,” and that the record includes (among other things) “nine examples of partly-chocolate coated snacks that do not look like Pocky.” Pet. App. 17a. But the Third Circuit found that was “hardly dispositive.” *Id.* This is the wrong question at summary judgment. The question is whether there is a *disputed issue of fact for the jury*. And the many alternative snack-food designs, including chocolate-and-cookie-combination snack foods, are evidence that the jury can weigh in assessing functionality. The Third Circuit gave “insufficient recognition” to the “evidentiary significance” of those alternative designs. *Moldex*, 891 F.3d at 886.

Glico’s trade dress is not the “central advance” of a utility patent, Pet. App. 17a-18a, and neither of the courts below held that Glico’s trade dress makes Pocky less costly or higher quality. The Third Circuit held that Pocky’s design was functional *as a matter of law* because Pocky is easy to eat and share with friends, and its design is therefore “useful.” *Id.* at 16a. But there are many kinds of snack products that are easy to eat and share with friends, including the nine examples the court referenced that do not look like Pocky. *See supra* p. 10. Given this record evidence, which Glico developed through two expert witnesses in the food industry, a factfinder could find that

Pocky’s design was non-functional, just as the USPTO did when it registered Pocky’s trade dress.⁶ Glico is entitled to a trial on functionality—which it would have received in many other jurisdictions—to protect the trade dress it has used for five-plus decades on its beloved Pocky products.

This Court should thus reverse the decision below. As the Ninth Circuit put it in *Millennium Laboratories*, the “key point” is that where a product could be designed “in many ways,” the “precise format used by [a] company asserting trade dress is not necessarily functional.” 817 F.3d at 1130-31. In that situation, it is up to the factfinder, rather than the judge at summary judgment, to determine whether a product design is functional. That factfinding never happened in this case.

III. THE QUESTIONS PRESENTED ARE IMPORTANT.

This Court’s review is urgently needed to avoid disuniformity in trade dress law. “Lanham Act actions are a means to implement a uniform policy to prohibit unfair competition in all covered markets.” *POM Wonderful LLC v. Coca-Cola Co.*, 573 U.S. 102, 118 (2014). Contrary to that policy, the Third Circuit has adopted a new test for functionality that calls into question long-established trade dress and incentivizes forum shopping. A company’s right to protect its product design from unfair competition should not depend on the jurisdiction where suit is filed.

⁶ Registered trade dress like Pocky’s receives a presumption of non-functionality precisely because the USPTO already concluded it was non-functional. *See supra* p. 5.

As the International Trademark Association has explained, the Third Circuit’s position “eviscerates the Supreme Court’s test” for functionality “and would potentially preclude trade dress protection for virtually all product design features since almost any feature is useful in at least some way.” Br. of *Amicus Curiae* International Trademark Association (“INTA”) in Support of Neither Party Concerning the Petition For Rehearing *En Banc* 5. Under the Third Circuit’s standard, “many trade dresses protected by the U.S. Patent and Trademark Office and by courts would not qualify.” *Id.* at 6.

“For example, the Volkswagen Beetle design, which has been registered for 20 years,” “would be denied protection” because “the tires, doors, windows, headlights and bumpers are all ‘useful.’” *Id.* “Similarly, the dripping red wax seal of the iconic Maker’s Mark whiskey bottle,” which “was found non-functional” by a Kentucky federal court, “would run afoul” of the Third Circuit’s standard “because the red wax usefully seals the bottle.” *Id.* The “adidas Stan Smith sneaker, Herman Miller’s Eames office chair, the shape of the Chanel No. 5 perfume bottle, the design of the Ferrari Testarossa sports car, and the scissor doors of Lamborghini’s V12-powered sports car models” could also “be considered—under the [Third Circuit’s] misguided rule—in a word, useful.” Br. of *Amicus Curiae* Mondelez Global LLC in Support of Appellants’ Petition For Rehearing *En Banc* 10 (internal quotation marks omitted).

The decision below poses a particular risk to trade dress in snack products. The National Confectioners Association supported en banc review below because “almost all snack foods are easy to eat and share and

thus potentially ‘useful’” under the Third Circuit’s test. Br. of *Amicus Curiae* The National Confectioners Association in Support of Appellants’ Petition For Rehearing *En Banc* 2. The Third Circuit’s “outlying (and circular) analysis threatens the trade dress protection of every food product potentially said to perform *some* utilitarian function, regardless of whether its product features were ‘essential to the use or purpose of the article’ under *Inwood*.” *Id.* at 12 (quoting *Inwood*, 456 U.S. at 850 n.10). Yet many snack foods, like Pocky, have registered product configuration trade dress—from the Pepperidge Farm Milano cookie to Hershey’s chocolate bar to Toblerone bars and Andes Mints. *Supra* pp. 11-12. This Court should grant certiorari to address the Third Circuit’s test for functionality, which calls into question trade dress on well-known products, including the product at issue in this case, and creates significant uncertainty for trade dress owners.

The Court should also grant the petition to address the circuit split on alternative designs. As the Ninth Circuit has recognized, the Court’s discussion of alternative designs in *TrafFix* has caused widespread confusion among the courts of appeals. *See supra* p. 27. Some courts give such designs little or no weight when evaluating functionality, while others hold that they create an issue of fact sufficient to survive summary judgment. *See supra* pp. 27-33. Whether the presence of alternative designs entitles a trade dress holder to a jury trial on functionality should not vary among jurisdictions. This Court’s attention is warranted on that question as well.

IV. THIS CASE IS A CLEAN VEHICLE TO ADDRESS THE QUESTIONS PRESENTED.

There are no obstacles preventing the Court’s review. Both questions presented were pressed and passed on below, *see* Pet. App. 11a, 17a, and this petition is an excellent vehicle to address them. The dispute between the parties here perfectly illustrates the difference between the test nine circuits have adopted for functionality and the test the Third Circuit adopted below. Nearly all snack products are “useful” in the sense that they are easy to eat and share, and many snack product manufacturers promote their products along those lines. Yet that does not make every design for a snack product functional as a matter of law. The USPTO agrees, as it has registered the product configuration trade dress for numerous snack food products. The relevant question is whether a design is *essential* to the use or purpose of a snack product, or affects its cost or quality. There is nothing essential about Pocky’s design. Many other snack foods meet the same criteria. Whether the “essential to the use or purpose” test or the mere “usefulness” test applies thus determines the outcome here.

This case also starkly demonstrates the circuit split on alternative designs. There is no question that there are many alternative ways to design a snack that is easy to eat and share—including many examples of partially-chocolate-coated cookies and other chocolate-cookie combinations—and many circuits would have found that such evidence creates a question of fact on functionality. Yet the Third Circuit denied a trial on that issue.

No further percolation is warranted. Nearly every circuit has weighed in, and the circuits that have not

adjudicate few trade dress cases. Resolution of the questions presented is crucial to trade dress holders across the country. The Court should grant certiorari.

CONCLUSION

The petition for a writ of certiorari should be granted.

Respectfully submitted,

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