

THIS OPINION IS NOT A  
PRECEDENT OF THE TTAB

Hearing: May 14, 2019

Mailed: February 19, 2020

UNITED STATES PATENT AND TRADEMARK OFFICE

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Trademark Trial and Appeal Board  
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*Poly-America, L.P.*

*v.*

*API Industries, Inc.*

—  
Cancellation No. 92062517  
—

*API Industries, Inc.*

*v.*

*Poly-America, L.P.*

—  
Cancellation No. 92062601  
—

Brandon J. Lee for Poly-America, L.P.

Mark I. Koffsky, Efrem Schwalb and Gary Serbin of Koffsky Schwalb LLC  
for API Industries, Inc.

—  
Before Kuhlke, Kuczma and Dunn,  
Administrative Trademark Judges.

Opinion by Kuhlke, Administrative Trademark Judge:

Poly-America, Inc. (“Poly-Am.”) and API Industries, Inc. (“API”) each own  
Supplemental Registrations for trade dress for plastic garbage bags discussed in more

detail below. In these consolidated petitions for cancellation, each seek to cancel the other's registration on various grounds, some of which overlap.

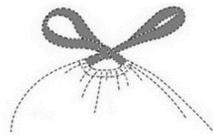
## I. The Petitions

We begin by setting out the registrations and claims for cancellation presented by each petition.

### A. Cancellation No. 92062517

In its petition Poly-Am. seeks to cancel API's following registration:

Supplemental Registration No. 4824072, issued on September 29, 2015, for the mark shown below and described as "The mark consists of the color gray as used on the drawstring portion of garbage bags and liners for trash receptacles. The matter shown by the broken lines in the drawing is not a part of the mark and serves only to show the position of the mark" with gray "claimed as a feature of the mark" for "Plastic garbage bags; plastic liners for trash receptacles," in International Class 16.



Poly-Am. asserts a claim that API's trade dress "is a generic feature of drawstring trash bags and hence incapable of functioning as a trademark." Amended Pet. ¶ 28, 4 TTABVue 10.<sup>1</sup> See Sections 23 and 24 of the Trademark Act, 15 U.S.C. §§ 1091 and 1092. API's answer admits that "it manufactures and supplies private label trash bags, including trash bags with a gray drawstring under the private label HDX brand

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<sup>1</sup> The petition also included a claim of fraud which was not pursued at trial or in the briefs and we consider it waived. *Alcatraz Media Inc. v. Chesapeake Marine Tours Inc.*, 107 USPQ2d 1750, 1753 n.6 (TTAB 2013).

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to the Home Depot” (Ans. ¶ 7, 7 TTABVUE 2) and denies the remaining salient allegations.<sup>2</sup>

B. Cancellation No. 92062601

In this petition, API seeks to cancel Poly Am.’s following registration:

Supplemental Registration No. 4027254, issued on September 13, 2011, for the mark shown below described as “The mark consists of the color orange as used on the drawstring portion of the goods. The mark consists of the color orange as applied to the entire surface of the drawstrings. The matter shown in broken lines serves to show positioning of the mark and is not part of the mark.” With orange “claimed as a feature of the mark” for Plastic trash bags, in International Class 16.



API asserts claims that Poly-Am.’s trade dress is functional or in the alternative generic and incapable under Sections 23 and 24 of the Trademark Act, 15 U.S.C. §§ 1091 and 1092. By its answer, Poly-Am. admits certain allegations and denies the remaining salient allegations. Ans., 7 TTABVUE 2-3 (Pet. Canc. No. 92062601).<sup>3</sup>

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<sup>2</sup> API’s first affirmative defense is that the Petition for Cancellation fails to state a claim upon which relief can be granted. Failure to state a claim upon which relief can be granted is an alleged defect to a Petitioner’s pleading, not an affirmative defense. *Hornblower & Weeks Inc. v. Hornblower & Weeks Inc.*, 60 USPQ2d 1733, 1738 n.7 (TTAB 2001). In any event, because standing and a claim of genericness has been pleaded, it has no merit. The remaining affirmative defenses of laches, estoppel, acquiescence, waiver and unclean hands are insufficiently pled, and API did not offer any evidence or testimony regarding these claims or argue these claims in its brief. In view thereof, we consider them waived and give them no consideration. *Alcatraz Media v. Chesapeake Marine Tours*, 107 USPQ2d at 1753 n.6.

<sup>3</sup> Poly-Am.’s affirmative defenses of laches and acquiescence are insufficiently pled, and Poly-Am. did not offer any evidence or testimony regarding these claims or argue these defenses

## II. Consolidated Record

These proceedings were consolidated by Board order on December 7, 2017 and the consolidated record includes the pleadings and, pursuant to Trademark Rule 2.122(b), 37 C.F.R. §2.122(b), the files of the registrations subject to the petitions for cancellation. In addition, the parties submitted the following:<sup>4</sup>

### 1. Poly-Am.'s Submissions

- Notice of Reliance on excerpts from file history of third-party Application Serial No. 85169943 and from third-party webpage showing trash bags with gray drawstrings;<sup>5</sup>
- Declaration Testimony and Expert Report of Karen Schloss;<sup>6</sup>
- Notice of Reliance on Discovery Deposition of Mimi Oratz, API's Vice President of sales;<sup>7</sup> and
- Testimony deposition and exhibits of Trent Malory, Poly-Am.'s Vice President of Sales.<sup>8</sup>

### 2. API's Submissions

- Testimony depositions and exhibits of David Anderson, API's Vice President of Operations and Mimi Oratz, API's Vice President of Retail Sales;<sup>9</sup>

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in its brief. In view thereof, we consider them waived and give them no consideration. *Alcatraz Media v. Chesapeake Marine Tours*, 107 USPQ2d at 1753 n.6.

<sup>4</sup> Citations to the briefs and record are to the Board's electronic docketing system TTABVUE in Cancellation No. 92062517.

<sup>5</sup> 26 TTABVUE.

<sup>6</sup> 32 TTABVUE.

<sup>7</sup> 33 TTABVUE (public); 34 TTABVUE (confidential).

<sup>8</sup> 37 TTABVUE.

<sup>9</sup> 35 TTABVUE (public); 36 (confidential).

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- Notice of reliance on discovery deposition and exhibits of Trent Malory, Poly-Am.'s Vice President of Sales; portions of the file histories of Application Serial Nos. 85169943 and 85521237;<sup>10</sup>
- Notice of reliance on discovery deposition and exhibits of Karen B. Schloss;<sup>11</sup> and
- Testimony and Expert Report of Steven Bleicher.<sup>12</sup>

The Board notes that the parties have designated some submissions of testimony and evidence as confidential and filed under seal. We discuss only in general terms the relevant evidence submitted under seal, when necessary. However, to the extent any testimony and evidence is improperly designated as confidential, the Board will disregard the confidential designation when appropriate. *See* Trademark Rule 2.116(g), 37 C.F.R. § 2.116(g). We further note that we have given the testimony and accompanying evidence their due weight, keeping in mind any objections. *Luxco, Inc. v. Consejo Regulador del Tequila, A.C.*, 121 USPQ2d 1477, 1479 (TTAB 2017).

### III. STANDING

Standing is a threshold issue that must be proved by a plaintiff in every inter partes case. *Empresa Cubana del Tabaco v. General Cigar Co.*, 753 F.3d 1270, 111 USPQ2d 1058, 1062 (Fed. Cir. 2014); *see also, Bell's Brewery, Inc. v. Innovation Brewing*, 125 USPQ2d 1340, 1344 (TTAB 2017). Any person who believes they are or will be damaged by registration of a mark on the Supplemental Register has standing to file a petition to cancel. Trademark Act Section 24, 15 U.S.C. § 1092. The Court of Appeals for the Federal Circuit has enunciated a liberal threshold for determining

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<sup>10</sup> 29 TTABVUE.

<sup>11</sup> 46 TTABVUE.

<sup>12</sup> 52-53 TTABVUE.

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standing. “A petitioner is authorized by statute to seek cancellation of a mark where it has both a real interest in the proceedings as well as a reasonable basis for its belief of damage.” *Empresa Cubana*, 111 USPQ2d at 1062 (quotations omitted). A “real interest” is a “direct and personal stake” in the outcome of the proceeding. *Ritchie v. Simpson*, 170 F.3d 1092, 50 USPQ2d 1023, 1025 (Fed. Cir. 1999); *Lipton Industries, Inc. v. Ralston Purina Co.*, 670 F.2d 1024, 213 USPQ 185, 189 (CCPA 1982).

When challenging a mark as generic, a plaintiff may establish standing by showing that it is engaged in the manufacture or sale of goods the same as or related to those covered by the challenged mark. *See Milwaukee Electric Tool Corp. v. Freud America, Inc.*, 2019 USPQ2d 460354 (TTAB 2019); *see also Eastman Kodak Co. v. Bell & Howell Document Mgmt. Prods. Co.*, 23 USPQ2d 1878, 1879 (TTAB 1992), *aff’d*, 994 F.2d 1569, 26 USPQ2d 1912 (Fed. Cir. 1993). Similarly, for a functionality claim, standing is established if plaintiff shows that it is a competitor. *Grote Industries, Inc. v. Truck-Lite Co., LLC*, 126 USPQ2d 1197, 1201 (TTAB 2018); *see also Kohler Co. v. Honda Giken Kogyo K.K.*, 125 USPQ2d 1468, 1487 (TTAB 2017) (opposer’s status as competitor establishes standing to oppose registration of product configuration); *Poly-America, L.P. v. Illinois Tool Works Inc.*, 124 USPQ2d 1508, 1512 (TTAB 2017) (standing established by plaintiff showing that it is engaged in the manufacture or sale of the same or related goods and that the product in question is one which could be produced in the normal expansion of plaintiff’s business).

The parties do not dispute standing. Indeed, Poly-Am. and API are competitors in the retail trash bag marketplace. Mallory Test. 9-10, 37 TTABVUE 10-11; Oratz Test.

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10-11, 35 TTABVUE 11-12; Anderson Test. 11, 35 TTABVUE 12. Both parties sell their respective trash bags under their own and others' private store labels. *See* Anderson Test. 10, 35 TTABVUE 11; Mallory Test. 8-9, 37 TTABVUE 9-10. For example, both sell trash bags to Home Depot for retail sale under Home Depot's private label HDX. *Id.* In view thereof, both Poly-Am. and API have established their standing in the respective proceedings.

#### **IV. Cancellation No. 92062517**

As noted above, Poly-Am. seeks to cancel API's color mark for "Plastic garbage bags; plastic liners for trash receptacles" because it is generic.

##### **A. Applicable Law on Genericness**

"[A] registered mark may be canceled at any time on the grounds that it has become generic." *Park 'N Fly, Inc. v. Dollar Park and Fly, Inc.*, 469 U.S. 189, 224 USPQ 327, 329 (1985) (citing 15 U.S.C. §§ 1052 and 1064). This is also true of matter registered on the Supplemental Register, as it must be capable of distinguishing goods or services. Trademark Act § 23, 15 U.S.C. § 1091 ("All marks capable of distinguishing applicant's goods or services ... may be registered on the supplemental register...") and § 24, 15 U.S.C. §1092 (cancellation procedure for Supplemental Register). Generic matter is incapable of identifying and distinguishing goods and services. It is a plaintiff's burden to establish that the challenged mark is generic by a preponderance of the evidence. *Princeton Vanguard, LLC v. Frito-Lay N. Am., Inc.*, 786 F.3d 960, 114 USPQ2d 1827, 180 n.2 (Fed. Cir. 2015) (petition to cancel Supplemental Registration burden on plaintiff to prove genericness); *see also Magic Wand Inc. v. RDB Inc.*, 940 F.2d 638, 19 USPQ2d 1551, 1554 (Fed. Cir. 1991).

“[A]s a form of trade dress, a single color applied to goods may be generic for those goods if it ‘fails to serve as an indicator of source.’” *Milwaukee Electric Tool v. Freud America*, 2019 USPQ2d at 16 (quoting *Sunrise Jewelry Mfg. Corp. v. Fred S.A.*, 175 F.3d 1322, 50 USPQ2d 1532, 1535 (Fed. Cir. 1999)). A color “may be deemed generic where it is ‘at a minimum, so common in the industry that it cannot be said to identify a particular source.’” *Id.* (quoting *In re Odd Sox LLC*, 2019 USPQ2d 370879 (TTAB 2019)). In a cancellation proceeding we look at both the time when the registrant registered its mark as well as at the present day to determine whether the mark must be cancelled. *Id.*

We apply a two-step inquiry to determine genericness. *Milwaukee Electric Tool v. Freud America*, 2019 USPQ2d at 16. We first consider the genus of goods at issue, and second consider whether the color sought to be registered or retained on the register is understood by the relevant public primarily as a category or type of trade dress for that genus of goods. *Id.* at 17; *Odd Sox*, 2019 USPQ2d 370879 at 6; *see also Sunrise Jewelry*, 50 USPQ2d at 1536 (assessing genericness of the “metallic nautical rope design” at issue as to the “genus of clocks, watches, and jewelry made of precious metal” and asking whether consumers would associate the design primarily with the product category “rather than with [registrant’s] specific line of products”); *H. Marvin Ginn Corp. v. Int’l Ass’n of Fire Chiefs, Inc.*, 782 F.2d 987, 228 USPQ 528, 530 (Fed. Cir. 1986) (setting forth two-step inquiry for word marks that considers the genus of goods or services and whether the term at issue is “understood by the relevant public primarily to refer to that genus of goods or services”).

## B. Analysis

We begin by identifying the appropriate genus of goods and then determine whether the color gray is so common within the relevant genus that consumers would primarily associate it with the genus rather than as indicating a unique source of goods within the genus. *See Sunrise Jewelry*, 50 USPQ2d at 1536.

### 1. Genus and Relevant Public

We find the genus of the goods is adequately defined by the identification of goods, or parts thereof, in the registration. *See Magic Wand*, 19 USPQ2d at 1554; *In re Trek 2000 Int'l Ltd.*, 97 USPQ2d 1106, 1112 (TTAB 2010) (“[T]he genus of goods at issue in this case is adequately defined by applicant’s identification of goods. . . .”). The relevant public for a genericness determination is the purchasing or consuming public for the identified products. *Loglan Inst. Inc. v. Logical Language Grp. Inc.*, 962 F.2d 1038, 22 USPQ2d 1531, 1533 (Fed. Cir. 1992) (citation omitted) (the relevant public encompasses “actual [and] potential purchasers of . . . goods or services” identified in the registration); *Magic Wand*, 19 USPQ2d at 1553 (citing *In re Montrachet S.A.*, 878 F.2d 375, 11 USPQ2d 1393, 1394 (Fed. Cir. 1989)); *In re Merrill Lynch, Pierce, Fenner, & Smith, Inc.*, 828 F.2d 1567, 4 USPQ2d 1141, 1143 (Fed. Cir. 1987); *H. Marvin Ginn*, 228 USPQ at 530; *Dan Robbins & Assocs., Inc. v. Questor Corp.*, 599 F.2d 1009, 202 USPQ 100, 105 (CCPA 1979). Here, the relevant public is consumers seeking plastic trash bags. The identifications of goods contain no limitations as to prospective consumers or channels of trade; in view thereof, the relevant public is all consumers

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of plastic garbage bags including at the wholesale (e.g., to Home Depot under private label HDX) and retail level (e.g., selling own labels through national retailers).

2. Consumer perception of the color gray in the genus

The relevant public's perception is the primary consideration in determining whether a term is generic. *Merrill Lynch*, 4 USPQ2d at 1142 (“It is basic to the inquiry to determine whether members of the relevant public primarily use or understand the term to refer to the genus of goods or services.”); *see also Loglan Inst.*, 22 USPQ2d at 1533. Evidence of the public's understanding may be obtained from any competent source, including testimony, surveys, dictionaries, trade journals, newspapers and other publications. *Id.* at 1533; *Dan Robbins & Assocs., Inc.*, 202 USPQ at 105. Competitors' use of the trade dress with the genus of the goods also is evidence of genericness. *See also Sunrise Jewelry*, 50 USPQ2d at 1535-36 (trade dress that is shown to conform to an established industry standard is generic); *Stuart Spector Designs*, 94 USPQ2d at 1555 (trade dress is generic if “the design is, at a minimum, so common in the industry that it cannot be said to identify a particular source.”); *see also* 2 J. Thomas McCarthy, MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 12:13 (5th ed. November 2019 update).

Poly-Am. points to its own and competitors' uses of gray drawstring bags to support its position that consumers would not perceive the color gray on the drawstring of a garbage bag as indicating source. Trent Mallory of Poly Am. testifies that it sold a trash bag with a gray drawstring bag to Home Depot under the HDX brand as early as June 2012. Mallory Test. 10-11, 37 TTABVUE 11-12. API simply

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disputes the timing, and not the fact, of Poly Am.'s use of the color gray for a drawstring. The parties focus on Poly Am.'s and API's first use of gray drawstrings each attempting to establish it was the first to use the color gray. However, who was first is not determinative because as noted above we look at consumer perception at the time of registration and up through the time of trial. *Milwaukee Electric Tool v. Freud America*, 2019 USPQ2d at 16. Thus, the issue as to whether API's sample shipments noted below are sufficient to support use for priority purposes is not relevant in the context of a genericness claim.

The question of consumer perception does not center on first to use. Rather the question is whether others in the industry are using the same color such that consumers would not perceive it as indicating source. We find the testimony and evidence from both parties establish the necessary foundation based on personal knowledge, and so are probative. API first shipped samples of gray drawstring bags to Home Depot in April 2012 and were on-boarded with Home Depot on May 1, 2012. Anderson Test. 12-14, 41, 35 TTABVUE 13-15, 42; Oratz Test. 10-11, 35 TTABVUE 82-83. Sometime later in 2012 API shipped the first consumer product to be resold in Home Depot under Home Depot's HDX brand. Anderson Test. 10, 46, 35 TTABVUE 11, 47. Poly Am. first sold bags with a gray drawstring to Home Depot under the HDX mark in June 2012. Mallory Test. 10-12, 37 TTABVUE 11-13. Poly Am. continued use of a bag with a gray drawstring subsequent to June 2012. Mallory Test. 11, 37 TTABVUE 12.

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Trent Mallory of Poly Am. testified that prior to API's use a third party, Reynolds, sold a black trash bag with a gray drawstring at least as early as 2011.

Mallory Test. 13, 37 TTABVUE 14. Poly Am. corroborates this testimony with a copy of Reynolds' trademark application file for the colors black for the bag and gray for the drawstrings, including the following specimens of use. 26 TTABVUE 8-67.



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API objects to Poly Am.'s reliance on the file history of the Reynolds' application because in dismissing API's Section 2(d), 15 U.S.C. § 1052(d), claim in an August 1, 2016 order, the Board explained that API could not rely on the trademark application

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<sup>13</sup> 26 TTABVUE 20.

<sup>14</sup> 26 TTABVUE 26.

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of a third party as its basis for its claim of likelihood of confusion under Section 2(d). Thus, API asserts “under the August 1, 2016 order, Poly-America cannot rely on the trademark application of a third party.” API Brief, 54 TTABVUE 36. However, Poly Am. is not relying on the Reynolds’ application to assert Section 7(b), 15 U.S.C. § 1057(b), presumptions. Rather, Poly Am. is relying on it as an example of third-party use of a gray drawstring for a plastic trash bag, which is entirely appropriate. Moreover, Mr. Mallory introduces and identifies an example of Reynolds’ Hefty trash bag package separate from the application file history. Mallory Test. 13, Exh. 11, 37 TTABVUE 14, 55.

Poly Am. also submitted testimony describing other third parties using gray drawstrings. Specifically, Mr. Mallory testified:

Q. ... Other than Hefty, can you name any other brands that are marketed with a gray drawstring for trash bags?

A. Yes. Ruffies, Iron-Hold, Fair Square. ...

A. I’ve seen them and purchased them and possessed them.  
...

Q. Does Poly-America maintain samples of Iron-Hold trash bags?

A. Yes, we do.

Q. Does it do so in the regular course of business?

A. Yes.

Q. And the samples of Iron-Hold trash bags Poly-America possesses have a [sic] gray drawstrings?

A. Yes.

Q. Is the same true for Ruffies brand bags?

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A. Yes.

Q. Is the same true for Fair Square brand bags?

A. Yes.

Mallory Test. 14-15, 37 TTABVUE 15-16.

Another example of third-party use is the Glad brand shown below:



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API argues that the timing for the examples of third-party use is not clear and “can easily refer to trash bags sold after April 2012.” API Brief 35, 54 TTABVUE 36. As explained, whether some or all of the third-party use of gray drawstrings occurred after API’s first use does not undermine its value as evidence that the trade dress is common in the industry.

Here, the record establishes use of the color gray for drawstrings on trash bags by six others (Reynolds, Iron Hold, Ruffies, Fair Square, Glad), including Poly Am. While the record does not include the volume or specific timing of these uses, we find it sufficient to establish that consumers are exposed to use of the color gray in trash bag drawstrings in the same general time period such that they would not perceive it as

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<sup>15</sup> Exh. H (amazon.com), 26 TTABVUE 104. While the content on this webpage excerpt cannot be taken for the truth of the matter asserted, we can consider it to show that this box appeared on this URL on the date stamped on the excerpt and to that extent it shows consumer exposure.

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indicating source but rather, to the extent it is perceived at all, as a category or type of trade dress for the genus plastic trash bags.

In view thereof, API's gray color drawstring is generic for trash bags.

## **V. Cancellation No. 92062601**

### **A. Analysis of Genericness Claim**

#### **1. Genus and Relevant Public**

The genus of Poly Am.'s goods is also defined by the identification of goods "plastic trash bags" and the relevant public is the same as API's, that is, all consumers of plastic garbage bags including at the wholesale (e.g., to Home Depot under private label HDX) and retail level (e.g., selling own labels through national retailers).

#### **2. Consumer perception of the color orange in the genus**

In support of its position that Poly Am.'s orange color for drawstrings is generic, API asserts that Poly Am.'s bags with orange drawstrings are sold under several different private labels and that "for nearly a decade, national retailers have been selling tens of millions of trash bags with orange drawstrings in boxes prominently displaying their own store brands." API Brief 31, 54 TTABVUE 32. In support of this statement, API points to the file record of Poly Am.'s abandoned trademark application (Serial No. 86530256) wherein Poly Am. sought to register its orange drawstring mark on the Principal Register. This application file was submitted as an exhibit under the testimony of API's expert Stephen Bleicher. Bleicher Test., Exh. 3, 53 TTABVUE 184-312. In particular, API points to attachments submitted under Mr. Mallory's declaration in the application submitted in support of its allegation of acquired distinctiveness. While declarations in the file of an application are not

testimony, Trademark Rule 2.122(b)(2), 37 C.F.R. § 2.122(b)(2), Poly Am. does not dispute that the bags it manufactures with orange drawstrings are sold under private label to several different retailers. Rather, Poly Am. argues that it is the manufacturer of all of the orange drawstring product and “maintains control over the quality of the product and distribution of the orange drawstring trash bags. Thus, the orange drawstring is, at a minimum, capable of serving a source-identifying function.” Poly Am. Reply Brief 22, 59 TTABVUE 23. The attachments in the file show use of Poly Am.’s orange drawstring bags under different brand names including Berkley Jenson, HDX, Kirkland Signature, Styleselections, Meijer, Member’s Mar, Up&Up and Great Value. Two examples are shown below:



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API argues that private labeling for multiple retailers prevents consumers from identifying the color orange as coming from a single source. Although this argument may not be relevant to the wholesale consumers, that is, those national retailers

<sup>16</sup> Bleicher Test. Exh. 3, 53 TTABVUE 277.

<sup>17</sup> Bleicher Test. Exh. 3, 53 TTWBVUE 271.

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buying their orange drawstring bags from the same manufacturer, it is relevant to the end-user market. The identification of goods is not limited by trade channels and includes the consumer or end-user market. Therefore, if orange-colored drawstrings are generic in that market the registration must be cancelled. *In re Katch, LLC*, 2019 USPQ2d 233842, 10 (TTAB 2019) (a term that is generic as to certain of the goods in a class renders the mark unregistrable as to this entire class); *In re Analog Devices Inc.*, 6 USPQ2d 1808, 1810 (TTAB 1988), *aff'd*, 871 F.2d 1097, 10 USPQ2d 1879 (Fed. Cir. 1989) (unpublished).

Generally, when a company sells to third parties for re-sale under the third parties' marks rather than under the manufacturers mark, that circumstance cripples any attempt to show that consumers uniquely associate the mark with one source, i.e., the manufacturer. *Poly-America, L.P. v. Illinois Tool Works Inc.*, 124 USPQ2d 1508, 1520 n. 48 (TTAB 2017). *See also British Seagull Ltd. v. Brunswick Corp.*, 28 USPQ2d 1197, 1203 (TTAB 1993), *aff'd* 35 F.3d 1527, 32 USPQ2d 1120 (Fed. Cir. 1999); *Mine Safety Appliances Co. v. Elec. Storage Battery Co.*, 405 F.2d 901, 160 USPQ 413, 415 (CCPA 1969); *In re Hillerich & Bradsby Co.*, 204 F.2d 287, 97 USPQ 451, 454 (CCPA 1953).

Poly Am. does not dispute that its orange color drawstring bags are widely sold and displayed under different marks. In view of such use, consumers would not perceive the color orange as an indicator of source, they would perceive it as a type of trade dress for the genus trash bag.

In view thereof, Poly Am.'s orange color drawstring is generic for trash bags.

## B. Functionality Claim

While the decisions on genericness suffice to enter judgment in both cancellations, the Board exercises its discretion to also decide the functionality claim. *Yazhong Investing Ltd. v. Multi-Media Tech. Ventures, Ltd.*, 126 USPQ2d 1526, 1540 n.52 (TTAB 2018).

### 1. Applicable Law on Functionality

The prohibition for registering functional matter on the Principal Register is found in Section 2(e)(5) of the Trademark Act, 15 U.S.C. § 1052(e)(5), which provides that registration of a product design may be denied if it “comprises any matter that, as a whole, is functional.” This case involves a Supplemental Registration and the claim is based on Section 23(c), 15 U.S.C. § 1091, permitting registration on the Supplemental Register “any matter that as a whole is not functional.” Despite the different statutory basis, we look to the same case law applying the law of functionality under either Section 2(e)(5) or Section 23. *Kistner Concrete Products, Inc. v. Contech Arch Technologies, Inc.*, 97 USPQ2d 1912, 1918 (TTAB 2011). Generally, a product design or product feature is considered to be functional in a utilitarian sense if it is (1) “essential to the use or purpose of the article,” or if it (2) “affects the cost or quality of the article.” *TrafFix Devices Inc. v. Mktg. Displays Inc.*, 532 U.S. 23, 58 USPQ2d 1001, 1006 (2001) (quoting *Inwood Labs., Inc. v. Ives Labs., Inc.*, 456 U.S. 844, 214 USPQ 1, 4 n.10 (1982)).

In making our determination of functionality under *Inwood* we are often guided by the analysis first applied in *In re Morton-Norwich Prods., Inc.*, 671 F.2d 1332, 213

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USPQ 9, 15-16 (CCPA 1982). *See also Valu Eng'g Inc. v. Rexnord Corp.*, 278 F.3d 1268, 61 USPQ2d 1422, 1427 (Fed. Cir. 2002). *Morton-Norwich* identifies several categories of evidence that, if present in a case, may be helpful in determining whether a particular design is functional: (1) the existence of a utility patent disclosing the utilitarian advantages of the design; (2) advertising materials in which the originator of the design touts the design's utilitarian advantages; (3) the availability to competitors of functionally equivalent designs; and (4) facts indicating that the design results in a comparatively simple or cheap method of manufacturing the product. *Morton-Norwich*, 213 USPQ at 15-16. The Supreme Court has made it clear that if functionality is properly established under *Inwood*, further inquiry into other categories of evidence listed in *Morton-Norwich* such as the availability of alternatives and cost information--is not necessary. *TrafFix Devices*, 58 USPQ2d at 1006 ("Where the design is functional under the *Inwood* formulation there is no need to proceed further to consider if there is a competitive necessity for the feature."). The *Morton-Norwich* factors are simply categories of evidence that may be useful. As the Court of Appeals for the Federal Circuit explained in *Valu Engineering Inc. v. Rexnord Corp.*, 278 F.3d 1268, 61 USPQ2d 1422, 1428 (Fed. Cir. 2002) (internal citations omitted) (emphasis added):

An important policy underlying the functionality doctrine is the **preservation of competition**. As this court's predecessor noted in *Morton-Norwich*, the "**effect upon competition 'is really the crux' of the functionality inquiry** and, accordingly, the functionality doctrine preserves competition by ensuring competitors "the right to compete effectively."

In this case, API argues that the color orange is essential to the use and purpose of the trash bags by serving the utilitarian purpose of making the drawstrings more visible and easier to grasp. API Brief, 54 TTABVUE 19. Poly-Am. takes issue with API's analysis in that it "failed to conduct the standard functionality analysis or even identify the factors relevant to determining functionality in the trademark context." Poly Am. Brief, 59 TTABVUE 14. Essentially, Poly Am. asserts that API has not followed the *Morton-Norwich* factors. The key is to determine if a feature, here color, is essential to the use and purpose of the article, in other words, "if the exclusive use of the feature would put competitors at a significant non-reputation-related disadvantage." *Qualitex Co. v. Jacobson Products Co.*, 514 U.S. 159, USPQ2d 1161 1164 (1995) (citing *Inwood Laboratories v. Ives Labs.*, 214 USPQ2d at 4 n. 10). It is not necessary to walk through the *Morton-Norwich* factors, as API correctly asserts, for a feature to be essential. In addition, it is not necessary to show that the color orange is absolutely required; it need only be shown that competition is hindered.

Color may not be granted trademark protection if the color performs a utilitarian function in connection with the goods it identifies or there are specific competitive advantages for use. *Brunswick Corp. v. British Seagull Ltd.*, 35 F.3d 1527, 1530-33 (Fed. Cir. 1994), *cert. denied*, 514 U.S. 1050 (1995) (color black for outboard engines was functional and could not be protected where black offered the advantage of being compatible with a wider variety of boat colors); *see also ERBE Elektromedizin GmbH v. Canady Tech. LLC*, 629 F.3d 1278, 97 USPQ2d 1048 (Fed. Cir. 2010) ("Because the record evidence demonstrates that appropriation by ERBE alone would place others

at a competitive disadvantage, we conclude that the district court properly found that there is no genuine issue of material fact that the color blue is functional.”).

API, as the plaintiff in this proceeding, bears the initial burden of presenting evidence sufficient to make out a *prima facie* case of functionality. *Kistner Concrete Products v. Contech Arch Technologies*, 97 USPQ2d at 1918 (petition to cancel trade dress on the Supplemental Register); *see also Princeton Vanguard v. Frito-Lay*, 14 USPQ2d 1827, 1830 n.2 (petition to cancel Supplemental Registration burden on plaintiff to prove genericness). If a challenger “has made a *prima facie* showing of functionality, the burden shifts to the [defendant] to prove nonfunctionality.” *Valu Eng’g*, 61 USPQ2d at 1429 (citation omitted); *In re Howard Leight Indus. LLC*, 80 USPQ2d 1507, 1509 n.7 (TTAB 2006). Functionality is a question of fact whose determination depends on the totality of the relevant evidence. *Valu Eng’g*, 61 USPQ2d at 1424.

## 2. Analysis

We begin by clarifying what constitutes Poly Am.’s potential mark. API argues that because the description of the mark is not limited to any particular shade, tone, or pantone of orange it includes all shades of orange. API Brief, 54 TTABVUE 25. In addition, Poly Am.’s Answer to the petition includes the following admission: “Poly-America admits that Poly-America’s Registered Mark does not limit the color orange, as applied to the drawstrings, to any particular shade, tone, or pantone of orange.” Ans. ¶ 12, 7 TTABVUE 3 (Canc. No. 92062601). However, the drawing page controls and the only shade of the color covered by the registration is that shown in the color

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drawing. *Cf.* TMEP 807.07(a)(1) (when there is inconsistency between the drawing and the color claimed in the written application the drawing controls.) Applications and registrations are limited to one mark. Trademark Rule 2.52, 37 C.F.R. § 2.52; TMEP § 807.01; *In re Int'l Flavors & Fragrances Inc.*, 183 F.3d 1361, 51 USPQ2d 1513 (Fed. Cir. 1999). To accord the registration every shade of orange that exists essentially would create an impermissible phantom mark.

In this case, the record shows that the use of orange for trash bag drawstrings serves a utilitarian purpose. API's VP of Retail Sales, Mimi Oratz, and VP of Operations, David Anderson, testified from the viewpoint of the industry that orange is a highly visible color that provides the "best contrast" against the most popular colors for consumer trash bags, black and white. Oratz Test. 35 TTABVUE 85; Anderson Test. 35 TTABVUE 27, 30. They also testify that the visibility and visual contrast of orange improves the use of trash bags by making it easier for consumers to find and grasp the drawstring. These witnesses also testify that API is prevented from fulfilling requests from customers such as Home Depot to provide orange drawstrings for the trash bags, because it feared becoming embroiled in litigation with Poly Am. due to this registration. Anderson Test. 35 TTABVUE 28, 31; Oratz Test. 35 TTABVUE 84-86.

API also offered the testimony and report of its expert Steven Bleicher. 52, 53 TTABVUE. Mr. Bleicher has a Master's Degree in Fine Arts and post graduate work in art and psychoanalysis. 52 TTABUVE 8. He has been working as a designer, artist, and college professor for over 35 years. *Id.* He has authored the book Contemporary

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Color Theory and Use and numerous articles on the use of color in product design. *Id.*

We find Mr. Bleicher qualified as an expert on color. Mr. Bleicher renders his opinion on the use of the color orange on the drawstring of a trash bag and testifies as follows:

The features that the orange drawstring has is that it's very visible. It therefore makes it easier to grasp and use, and therefore is functional.

Q. How many features, in your opinion, does that mark have in terms of the number?

A. Its visibility, its functional or usefulness, its ease of operation; and it could be – the orange could be considered a warning color. 52 TTABVUE 18;

[I]n product design, it [the color orange] has a utilitarian function in that it can help make things more visible. And by using orange, which may be the most highly visible color or hue of all the hues within the electromagnetic spectrum, it makes it, one, easier for the person to see and, therefore, grasp and then use. 52 TTABVUE 19;

[H]umans are more able to discern longer wavelengths such as orange first. 52 TTABVUE 20;

[H]ues with longer wavelengths, such as orange, can be seen in low light, while shorter wavelength hues, such as blue or violet, for example, can barely be seen under those same circumstances. 52 TTABVUE 20.

He provides real world examples of the use of orange as a high visibility color including “a number of governmental safety organizations, private organizations, that speak to the visibility of orange.” 52 TTABVUE 31. For example, the Uniform Traffic Device Control Manual “in a number of instances it talks about orange as being highly visible and the appropriate color to use – or the required color to use.” 52 TTABVUE 33 Exh. 5, 53 TTABVUE 78-88.

Additionally, he testifies:

The good thing about the color orange is that it works in virtually all lighting conditions. 52 TTABVUE 38;

So it [the color orange] has this functional use of being highly visible and easy for people to see. 52 TTABVUE 60.

This functional aspect, the high visibility, of the color orange demonstrated by the real world uses “can apply to any one of a number of other products where you would want to use the color orange to make it more visible and, in many cases, much easier to use because of its visibility.” 52 TTABVUE 64. He concludes that the orange drawstring “would make the product – the orange would make the product more visible and therefore easier to use and more utilitarian. So it’s functional in that respect.” 52 TTABVUE 70. Visibility is useful because “[i]t would make it easier to use, to grab the bag, grab the handles of the bag, so that they would be – they would stand out against the color of the trash bag. They would stand out against the color of the background. So it would make it much easier to grab and use and, therefore, more functional.” 52 TTABVUE 71-72.

Mr. Bleicher describes his own experience:

I personally used Poly-America’s orange-drawstring trash bags, as well as I went out and purchased trash bags with blue, yellow, red, and black drawstrings, and then took them outside, filled them with content, and wanted to look at them in different lighting conditions to see which stood out the best. ... In my opinion, the orange drawstring, as claimed in the disputed trademark, was essential to the use of the trash bag and affected its quality because it made it so much easier to find the handles that had orange all over them and grab them in any type of lighting situation. 52 TTABVUE 72.

In Bleicher’s opinion: “Poly-America’s trademarked color configuration is either the best or one of the few superior configurations available. In my opinion, the orange

drawstring, as claimed in the disputed trademark, is essential to the use of the trash bag and also affects its quality.” ... “Moreover, because applying the color orange to the entire drawstring of a plastic trash bag directly leads to an improved use of the trash bag, in my opinion the disputed trademark provides a competitive advantage to Poly-America. ... [T]he color orange is not only highly visible and recognizable, but over the years has taken on ancillary functional meanings.” 52 TTABVUE 74.

Mr. Bleicher also comments on the role of contrast for visibility and utility. He states that an orange drawstring contrasts “best” with a white trash bag; even more than black because black does not have the “same vibrance as an orange would.” 52 TTABVUE 121. Contrast is one of the main elements for visibility. Orange is better than black because it “is a more saturated, vivid color than black, which would be a dark color and would reflect less light.” 52 TTABVUE 122. As applied to the goods in issue he testifies:

Q. How did you understand the word “use of a trash bag,” in the context of visibility of [sic] color orange on the drawstring?

A. That the color orange would make it easier for somebody to grasp or hold the trash bag by going after its orange drawstrings.

Q. Is that what you meant by the word “essential” for the use?

A. Yes. Because the orange would have made it more clearly visible and it would be also the safest way to approach, grabbing the trash bag. Since you don’t know what the contents are, grabbing the actual bag itself could be dangerous. So making sure that the handles are very clear and easy to see – and again the fact that orange makes colors advance, so it would be much more readily

easy to see the handles and grab the bag that way. 52 TTABVUE 132-133;

[The color orange affects the quality of the trash bag] [b]ecause it makes the orange – the drawstring stand out, which would mean it’s easier to grab and much more visible. And when we hold or grab a trash bag, we grab it by the handle, so making a handle stand out and be easier to see would be a functional improvement. 52 TTABVUE 134.

In response to Bleicher’s testimony and expert report, Poly-Am.’s expert, Karen Schloss, provided an expert report on the question of “whether the color orange is functional when applied to the drawstring of a trash bag.” Schloss Rept. 32 TTABVUE 7. However, her testimony and conclusions do not contradict or undermine the thrust of Mr. Bleicher’s testimony and report that orange is a highly visible color.

We find that the color orange for trash bag drawstrings serves the utilitarian purpose of making the drawstrings easier to grab due to the high visibility of the orange color. Although other colors may provide visibility, based on this record orange is one of a few superior designs at least with white and black trash bags. *See Brunswick*, 32 USPQ2d at 1531 (quoting *In re Bose Corp.*, 772 F.2d 866, 227 USPQ 1, 6 (Fed. Cir. 1985), 213 USPQ2d at 16) (feature may be functional where it “is the best, or at least one, of a few superior designs” and “the policies underlying the functional limitation on trademark protection explicitly invoke an inquiry into competitive fairness”).

Finally, Poly Am. also argues that “there is no explanation in the record for why the entire industry, including the national brands, never used orange drawstrings for decades” and that “API has provided no explanation for why it waited until after The

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Home Depot asked before it realized how important and beneficial the orange drawstrings were.” Poly Am. Brief, 59 TTABVUE 15. The fact that Poly Am. may have been the first to employ the color orange does not diminish the proven utility of that color as applied to trash bag drawstrings. We note that in cases where a utility patent is present, the patent holder is the first to use the utilitarian feature, but that does not preclude a finding of functionality.

The purpose of a trash bag is to hold trash. The purpose of the drawstring on a trash bag is to close the trash bag. One purpose of a vibrant contrasting color for the drawstring is to see it more easily to grab it and close the trash bag. Orange is at least one of a few superior colors for that purpose. We find that the color orange is functional for trash bag drawstrings. In view of this finding we do not address API’s competitive need argument concerning requests from a customer, Home Depot, for orange drawstrings to match Home Depot’s branding colors.

**Decision:** The petitions to cancel are granted and the registrations will be cancelled in due course.