

TTAB Decision Reminds Brand Owners To Watch Their Words

By **Tiffany Hu**

Law360 (April 14, 2022, 9:29 PM EDT) -- The Trademark Trial and Appeal Board's new precedential decision refusing to register a trade dress on a Los Angeles fashion brand's "Ark" handbag serves as a cautionary tale for attorneys that their clients' public statements could come back to haunt them.

On March 29, the TTAB decided to redesignate as precedential a January ruling that rejected an application from the company owned by Cult Gaia founder Jasmin Larian for trade dress rights on the brand's bamboo Ark bag, finding it was generic and alternatively lacked in acquired distinctiveness. Attorneys say the new precedent provides insight into what evidence the board seems to find the most compelling.

Holding that the design of the bag — previously branded the "It" bag and touted by celebrities like Beyonce and Emma Stone — is generic, the TTAB appeared "very persuaded" by Larian's own statements that the Ark was a reproduction of a common Japanese bag, according to Craig Whitney of Frankfurt Kurnit Klein & Selz PC.

Larian's remarks about finding "the right way to reproduce" the bag — along with archived pages on the Cult Gaia website also describing the Ark as a reproduction — were "quite probative on the issue of genericness," the board found.

"It's another lesson that once something appears on the internet, it's difficult for it to disappear," Whitney told Law360.

In addition to Larian's statements, the TTAB found other evidence — including that identical bags were already being sold by third parties, as well as fashion articles published in Australia and Europe — that showed the design in question was "common" in the industry and the brand was not capable of indicating its source.

According to Cynthia Walden of Fish & Richardson PC, the board seemed to broaden its analysis in coming to this conclusion.

"The board's validation of the examiner's reliance on hearsay and internet evidence in support of the refusal, and the reliance on publications in other countries in support of the argument that product design is generic in the United States, are notable and arguably expand the nature and geographic scope of the analysis," Walden said.

Even though the TTAB's decision sets a "high evidentiary bar" for obtaining trade dress protection, the ruling also details where Larian had a strong case for acquired distinctiveness and where the company fell short. The decision provides steps that brands with a popular product or design can take when trying to register for a trademark, according to Danielle N. Garno of Holland & Knight LLP.

Moving forward, those seeking to register their product design should be sure they have "clear and persuasive evidence" that consumers know where the product comes from, attorneys say. In the present case, there was no "look for" advertising — that is, ads that draw consumers' attention to features that identify the brand — which made it easier in part for the examiner to "discredit" Larian's ads submitted as evidence as being source-identifying, Walden said.

"I believe that educating and instructing brands to be mindful of these factors, and particularly the TTAB's analysis in this case ... is essential, so that they position themselves as best they can to be successful in obtaining a trademark in their design," Garno said.

The TTAB's new precedent has a direct impact on the fashion industry, but the same issues of registering a product design may affect other industries as well, attorneys say. Companies will benefit from robust brand management strategies that promote their products in a "holistic, multi-faceted way so that there remains no question in the consumer's mind as to from where the product emanates," according to Preetha Chakrabarti of Crowell & Moring LLP.

"Trademark registrations for such designs are hard-fought, and if a business thinks it will seek such protection, this decision makes clear that the steps to cement the distinctiveness and source-identifying power of those designs start at inception," Chakrabarti added.

Larian's attorney at the TTAB, Olivera Medenica of Dunnington Bartholow & Miller LLP, told Law360 the board's reliance on the public statements was "misguided in this context." If Larian's statements could make a product design generic, then anyone could also "admit" to having a distinctive design and secure a registration that way, which is an "absurd result," she said.

"Issues of genericness entail evidence of consumer perceptions, historical usage of a product design, and fundamentally involve concerns of a product unduly monopolizing a market," she said. "It is the examiner's evidentiary burden to show by clear evidence that a product design is generic, and focusing on a single statement does not satisfy that burden."

While the precedential ruling is intended to provide guidance on trade dress protection for product designs, it fails to establish a "clear demarcation" between genericness and lack of acquired distinctiveness, Medenica said.

"My concern is that by blurring the lines between a generic design and a product that is not generic but has not acquired distinctiveness, a path to registration is now foreclosed to product design," Medenica said, adding that this becomes a particularly difficult analysis when a design has become popular and attracts counterfeiters.

An attorney for the U.S. Patent and Trademark Office declined to comment on Thursday.

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