

HOSPITALITYLAWYER.COM PRESENTS

2013 THE **HOSPITALITY LAW**
CONFERENCE
FOCUSING ON LEGAL, SAFETY & SECURITY SOLUTIONS

FEBRUARY 11-13, 2013 • HOUSTON, TEXAS

TRADE DRESS PROTECTION FOR THE HOTEL, RESORT, AND RESTAURANT INDUSTRIES

PRESENTER



- Jennifer S. Sickler, Partner
- Thompson & Knight, LLP,
Intellectual Property Group
- Practices law in all areas of intellectual property, including patent, trademark, copyright, trade secret and licensing matters
- Also litigates intellectual property matters in state and federal court.

TRADE DRESS BASICS

- Definition of Trade Dress
 - Visual impression created by the **totality of all elements** used in packaging or presenting a good or service for sale, and which gives the product or service a distinctive and recognizable appearance, and may include features such as size, shape, color, color combinations, texture, graphics, and even particular sales techniques (i.e., overall appearance). A particular trade dress may acquire legal exclusivity.
- Trade dress historically protected types of product packaging, but has evolved over the years to include product shapes aka product designs, point of sale displays, building exteriors and building interiors.

TRADE DRESS

- Trade dress rights are protected under the federal Lanham Act, 11 USC §1125 (a) and can also be protected through trademark and copyright registrations.
- Under the Lanham Act, a person asserting trade dress infringement for trade dress not registered on the trademark Principal Register has the burden of proving that there is a likelihood of confusion, and the matter sought to be protected is distinctive (inherently distinctive or acquired distinctiveness) and not functional. 15 USC 1125 (a) (3).
- A person asserting trade dress infringement for trade dress that includes any mark registered on the Principal Register, must show that the unregistered matter, taken as a whole, is distinctive and not functional.

REMEDIES FOR TRADE DRESS INFRINGEMENT

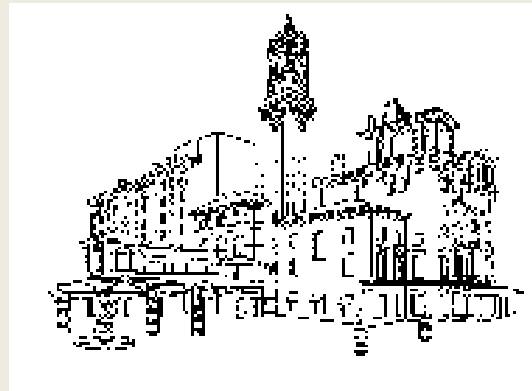
- Set forth in the Lanham Act §§ 1114 - 1117
 - Preliminary and/or permanent injunction
 - Damages – either defendant’s profits or plaintiff’s actual damages
 - Plaintiff’s actual damages may include costs of corrective advertising
- In “exceptional” cases...
 - Treble Damages
 - Statutory Damages
 - Attorneys’ Fees and Costs

PROTECTION OF TRADE DRESS THROUGH TRADEMARK REGISTRATIONS

- The term “trademark” is often referred to as a “brand” and includes any word, name, symbol, or device, or any combination thereof adopted and used by a merchant to identify his/her goods and distinguish them from those manufactured or sold by others.
- Trade dress, such as product labels, product wrappers, product containers, product designs, single colors, color combinations, point of sale materials (banners, posters, shelf displays), exterior building designs, and interior building designs may be registrable as trademarks at the U.S. Patent & Trademark Office.

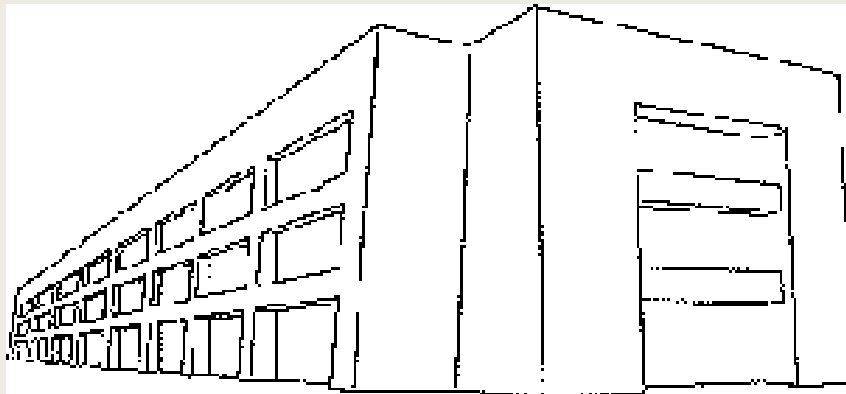
TRADEMARK PROTECTION FOR COMPONENTS OF TRADE DRESS

- Thus, a hotel owner has the option of protecting components of its overall trade dress with trademark registrations.
- Examples of trademark registrations for exterior building designs:
 - U.S. Trademark Reg. No. 2,927,318 for Configuration of the exterior of the building, owned by Historic Hotels of Richmond, LLC, for “hotel and resort hotel services; restaurant and catering services, providing meeting room and convention facilities.”



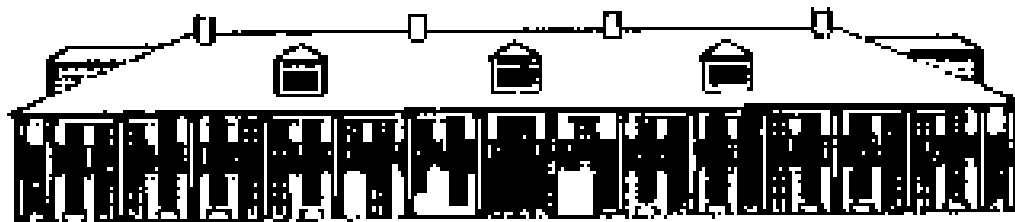
TRADEMARK REGISTRATIONS FOR BUILDING EXTERIOR TRADE DRESS

- U.S. Trademark Reg. No. 2,908,230 for Configuration of the exterior building design of a motel featuring a buttress comprised of flared corners and columns, owned by Baymont Inns, for motel services.



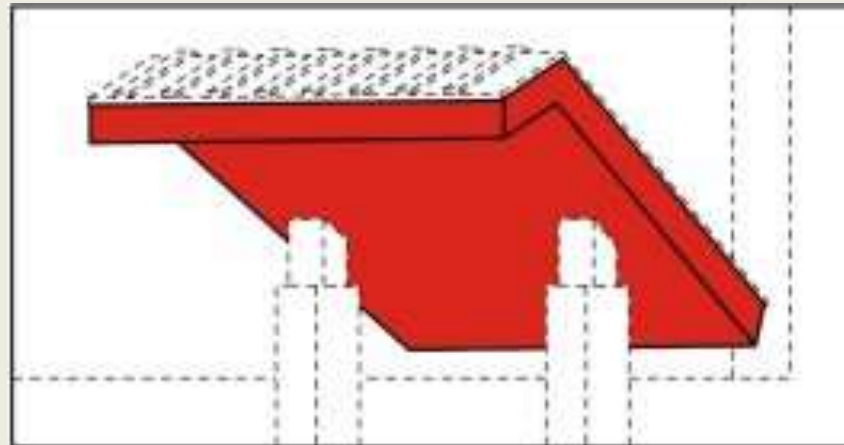
TRADEMARK REGISTRATIONS FOR BUILDING EXTERIOR TRADE DRESS

- U.S. Trademark Reg. No. 2,183,112 for configuration of the motels, namely a colonial style two story building with a white exterior, colonaded covered verandas, mullioned windows, gables, brick chimneys and dark green door, owned by Jameson Operating Company, for motels.



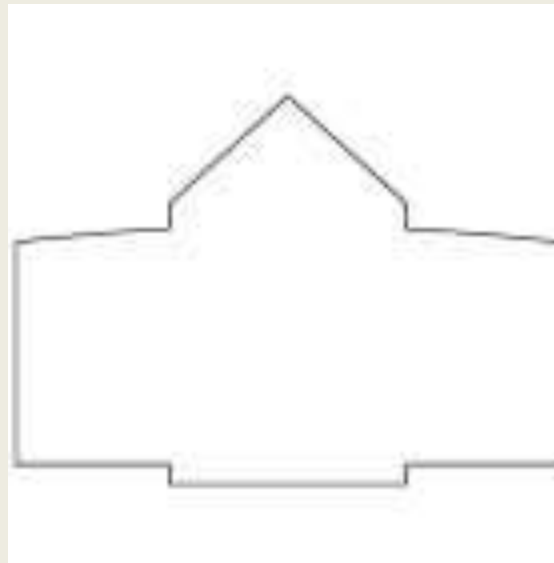
TRADEMARK REGISTRATIONS FOR BUILDING EXTERIOR TRADE DRESS

- U.S. Trademark Applic. Serial No. 85/596,931 for the color red claimed as a feature of the mark. The mark consists of trade dress of hotel exterior featuring an angular red portico resembling a peaked roof, owned by RRI Financial, Inc.



TRADEMARK REGISTRATIONS FOR BUILDING EXTERIOR TRADE DRESS

- U. S. Trademark Applic. Serial No. 85/409,742 The mark consists of a polygon resembling a stylized building, the top of which resembles a rooftop. Owned by Country Inns & Suites By Carlson, Inc.



TRADEMARK REGISTRATIONS FOR BUILDING EXTERIOR TRADE DRESS

- U.S. Trademark Application Serial No. 77/920,558, owned by Choice Hotels International, Inc. The mark consists of the three-dimensional design of a prominent tower structure featuring glass windows, a tower sunshade made of metal, and an upward-turning steel porte-cochere.



TRADEMARK REGISTRATIONS FOR BUILDING EXTERIOR TRADE DRESS

- U.S. Trademark Reg. No. 2,651,340, owned by DRISKILL HOLDINGS, INC. The mark consists of a depiction of the Driskill Hotel as it appeared in 1886.



TEST FOR REGISTRABILITY OF BUILDING DESIGN

- The representation of the building shown in the drawing must function as a mark; i.e., the purchasing public recognizes the building (without the signs appearing thereon) and associates the building with the hotel owner's services.
- One way to help ensure that the public recognizes the exterior of the building is to include it in advertising materials, letterhead, your website, and newspaper ads.

DISTINCTIVENESS

- When registering an exterior building design trade dress as a trademark, the exterior building design is legally capable of possessing inherent distinctiveness (i.e., the ability to distinguish the goods/services of one merchant from another).
- However, not all building exteriors are inherently distinctive and have not acquired distinctiveness- *In re Racetrac Petroleum, Inc. v. J.J's Fast Stop, Inc.* (N.D. Texas 2003). The court held that the trade dress of Racetrac is a configuration of common place features of a gas station/convenience store - a collection of common elements was combined in a basic, ordinary way, such that the trade dress was not distinctive.

DISTINCTIVENESS

- RaceTrac gas station exterior found not distinctive.



DISTINCTIVENESS

- In *Fotomat Corp. v Cochran*, 437 F. Supp. 1231, 1235 (D. Kan. 1977), The Court found that the exterior building trade dress was distinctive. It comprised a drive-up photograph development store.



ACQUIRED DISTINCTIVENESS

- If an exterior building design is not initially distinctive and therefore capable of protection, the owner may be able to later prove acquired distinctiveness through long-term, widespread use of the design and evidence of consumer recognition of it.
- This may not be easy to prove. *See In re Hampton Inns, Inc. v Ameritel Inns, Inc.*, (D. Idaho 1995), in which the court found that Hampton Inns failed to show acquired distinctiveness of its building trade dress. Hampton Inns claimed trade dress in its dark mansard roofs, exterior vertical columns, covered entrance canopies, and signage.

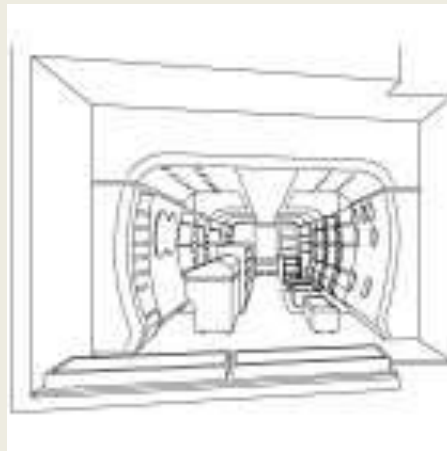
ACQUIRED DISTINCTIVENESS

- Not proved, per court, because Hampton's marketing efforts had not focused on the building trade dress.



INTERIOR BUILDING TRADE DRESS IS REGISTRABLE

- Must be distinctive, nonfunctional, and function as a mark.
- For example, U.S. Trademark Reg. No. 3,453,856 is for three dimensional trade dress depicting the interior of a retail store, owned by Flight 011 Holdings, Inc.



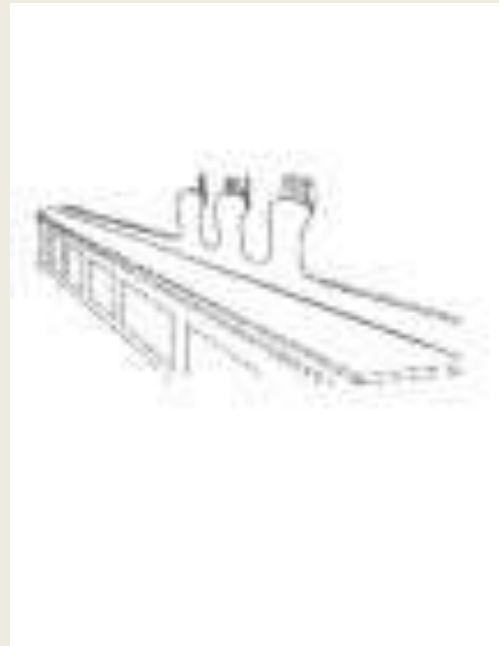
REGISTRATION OF BUILDING INTERIOR TRADE DRESS

- U.S. Trademark Reg. No. 3,150,142 for interior of a building with a checkered floor, checkered walls, counter stools, booths, and pendant lights, owned by Huddle House, Inc.



REGISTRATION OF BUILDING INTERIOR TRADE DRESS

- U.S. Registration No. 3,300,324 for design of a bar top with ice towers, used for dispensing beer and other beverages, owned by Al Copeland (known for Popeye's restaurants).



REGISTRATION OF BUILDING INTERIOR TRADE DRESS

- U.S. Trademark Reg. No. 3,581,930 for trade dress of interior of a restaurant with combination of broken down brick walls, rusted i-beam, rusted corrugated siding on walls, faux buildings with barn board, concert truss lighting, etc., owned by Keep Rockin', LLC.



ENFORCEMENT OF INTERIOR BUILDING DESIGN TRADEMARK REGISTRATIONS

- Such interior design trademark registrations are not often litigated, but one famous case, *Two Pesos, Inc. v Taco Cabana, Inc.*, addressed enforcement of an unregistered interior building design. The Supreme Court recognized that the décor and appearance of the Taco Cabana restaurant chain was an inherently distinctive trade dress, protectable without a showing of secondary meaning. It comprised a “festive eating atmosphere having interior and patio areas decorated with artifacts, bright colors, painting and murals....”

DISTINCTIVENESS

- Building exterior and interior trade dress found distinctive.



ACQUIRED DISTINCTIVENESS

- Interior building designs shown to have acquired distinctiveness – *Taco Cabana* case mentioned before
- No acquired distinctiveness found in *TGI Friday's, Inc. v. Int'l Restaurant Group, Inc.*, F. Supp. 698 (M.D. La. 1975) for TGI Friday's interior which had “turn of the century” features. The court concluded that there are hundreds of restaurants with similar décor in the U.S., and TGIF failed to show that consumers associated the décor with TGIF.

NO ACQUIRED DISTINCTIVENESS

- TGI Friday's interior



TRADEMARK APPLICATIONS

- Trademark application forms can be found at www.uspto.gov. However, the examination process is complicated, so attorney assistance is recommended.
- A trademark application must include a complete application, a filing fee of \$375 per trademark class, a trademark drawing, and specimens of actual use of the building exterior/interior in commerce as a trademark if the design is in use.
 - if not in use, can file an intent to use application.

COPYRIGHT PROTECTION OF TRADE DRESS

- Another way hotel/resort/restaurant owners can protect their unique trade dress for building **exteriors** is through copyright registrations. The Copyright Act, 17 USC §102, provides protection for architectural works.
- Architectural works are defined as “the design of a building as embodied in any tangible medium of expression, including a building, architectural plans, or drawings.” A copyright application may cover floor plan options, elevations, and styles, but not standard individual features such as windows and doors.

COPYRIGHT PROTECTION FOR BUILDING INTERIOR DESIGNS

- Building **interiors** as a whole are not protectable as architectural works, except for the shape and placement of rooms.
- Individual elements of interior building designs (statues, artwork) may be protected as pictorial, graphic and sculptural works.
- However, interior design features such as lighting, carpet and paint were precluded from protection in the legislative history of the Copyright Act

COPYRIGHT APPLICATION

- Copyright application forms are available at www.copyright.gov. Form VA should be used for building designs/ architectural works.
 - Complete the application and file it
 - With the filing fee of \$65
 - And Deposit Materials, which are copies of the drawings and plans.

BACKGROUND/COPYRIGHT PROTECTION

- Copyright protection extends to original works of authorship, such as literary works, art, software, music, movies, website content, product packaging, and architectural works. Copyright protects the expression of ideas, not the ideas themselves.
- The owner of a copyrighted work has the exclusive right to reproduce it, prepare derivative works, distribute copies, display it, and perform literary, dramatic and musical works.
- Copyright infringement occurs when the defendant has access to the original work, copied it, there is a “substantial similarity” between the copy and the original, and the defendant’s use of the infringing work violates the exclusive rights of the owner.

COPYRIGHT PROTECTION

- Importantly, copyright registration is required before an owner can bring an action for copyright infringement.
- One exception to this rule is within the jurisdiction of the Fifth Circuit—suit can be filed once a copyright application has been filed.

PROTECTION OF UNREGISTERED TRADE DRESS RIGHTS

- While different elements of a hotel/resort/restaurant owners trade dress can be protected through trademark and copyright registrations, the overall trade dress should be documented in detail in a company manual.
- Franchisors should describe their trade dress in detail in franchise manuals, including photos, drawings and artwork, descriptions of point of sale materials, and photos.

PROTECTION OF UNREGISTERED TRADE DRESS RIGHTS

- Then, if a competitor copies the overall look of a hotel or resort, the company has records of the individual components of its trade dress, and is ready to take action.
- An infringement lawsuit may include claims for trademark infringement, unfair competition and trade dress infringement under the Lanham Act, and copyright infringement under the Copyright Act.

EXAMPLES OF FAMOUS BUILDINGS

- Some building designs are not only distinctive, but they have become famous and are entitled to additional protection under the dilution laws:



FAMOUS BUILDINGS

- These are:
 - the Leaning Tower of Pisa,
 - Big Ben and the Houses of Parliament,
 - Saint Basil's Cathedral (Moscow), and
 - the U.S. Capital Building.

FAMOUS HOTELS IN THE U.S.

- Can you name them?



FAMOUS HOTELS IN THE U.S.

- The photos are of the Coronado Hotel and the Beverly Wiltshire
- But, have they tried to protect their trade dress?

QUESTIONS?

- You can reach me at:

Jennifer S. Sickler

Partner

Thompson & Knight LLP

333 Clay St. Suite 3300

Houston, TX 77002

Phone - 713.653.8611

Fax - 832.397.8290

Email – jennifer.sickler@tklaw.com

Houston · Austin · Dallas · Fort Worth · Detroit · Los Angeles
· New York · Algiers · London · Monterrey · Paris