

The Death of Genericide? A Call for a Return to the Text of the Lanham Act

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I. INTRODUCTION

Anyone who has eaten at a restaurant is familiar with the act of ordering a soft drink. The rather unremarkable process usually involves the patron asking for a certain brand of soda: Coke, Pepsi, Sprite, and so on. In New Orleans, and throughout the South, however, the exchange proceeds a little differently. Should the customer ask for a “coke,” the server will often follow up by asking, “What kind of coke do you want?” The customer will then specify his preferred brand.¹ While this scenario may seem innocuous enough to the average observer, to trademark

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1. See Matthew T. Campbell, *Generic Names for Soft Drinks by County*, http://www.washingtonmonthly.com/blogphotos/Blog_Cola_Large.gif (last visited Mar. 5, 2006) (displaying county-by-county map of generic names for soft drinks nationwide, highlighting the popularity of the term “coke” in the South).

practitioners and scholars it is of much interest. To the Coca-Cola Company, it is downright frightening; in fact, it is a conversation the company has spent tens of millions of dollars trying to silence.²

Coca-Cola's concerns are echoed by companies throughout the business world. Every time an office worker asks his secretary to "xerox" a document or to "google" a word, the Xerox and Google corporations sweat a little, for the specter of what such nonchalant usage of their brand name might lead to shakes such Goliaths of industry to their very core.³ Put simply, they are afraid of the phenomenon known as "genericide," the death of a trademark.

More specifically, they fear that if enough members of the public begin to use their trademark as the generic term for a *genus* of product or process, such term will cease to indicate the *source* of that particular good. As a result, the term will no longer be protected as a trademark.⁴ Especially in light of the millions (if not billions) of dollars that Coca-Cola, Xerox, and Google, among dozens of others, have poured into developing and popularizing their brand marks, the loss of their exclusive rights to that mark due to its becoming a generic descriptor of a class of goods (perhaps even due, ironically, to their efforts to popularize it) is a most unpleasant possibility.

Fears of the loss of such rights are well founded, and litigation to protect such marks against unwelcome generic usage has been a frequent occurrence over the past century.⁵ What is troubling, however, is the modern trend in genericide jurisprudence. Straying both from earlier case law and the language of the Lanham Act, courts have been increasingly malleable in their analysis of potentially generic trademarks and have ruled almost entirely in favor of the mark owners (most often

2. See John Dwight Ingram, *The Genericide of Trademarks*, 2 BUFF. INTELL. PROP. L.J. 154, 161 (2004) ("The Coca-Cola Company has been notably aggressive in defending its trademark."); David H. Melilli, *A Good Mark Is Hard To Find, Even Harder To Protect Against Genericide*, 12 J. CONTEMP. LEGAL ISSUES 185, 187 (2000) (noting the "considerable resources" Coca-Cola devotes to protecting its trademark, including employing a "full-time staff" of lawyers and investigators to deal with misuse of its mark by retailers).

3. See Melilli, *supra* note 2, at 188 (noting that Xerox has spent millions in mass advertising to inform the public that its mark is not a verb or noun, but an indicator of source).

4. See Lanham Trade-Mark Act of 1946, § 14(3), 15 U.S.C. § 1064(3) (2000) (stating that a registered mark may be canceled "[a]t any time if the registered mark becomes the generic name for the goods or services" (emphasis added)).

5. See Wikipedia, *The List of Generic and Genericized Trademarks*, http://en.wikipedia.org/wiki/List_of_generic_and_genericized_trademarks (Nov. 18, 2006, 11:09 GMT) (listing forty-two former trademarked terms that have been held to be generic, including "yo-yo," "zipper," and "aspirin"); see also Ingram, *supra* note 2, at 162-63 (listing several current trademarks that are susceptible to genericide, including "Corn Flakes," "Laundromat," and "Vaseline").

large, wealthy, and famous corporations). Courts have applied standards not envisaged by the Lanham Act and similarly not employed by earlier courts. Moreover, they have focused on the efforts of mark owners in defending their rights, as opposed to how a term is understood by the consuming public. Modern courts are creating in-gross property rights in trademarks, thus undermining the very system they purport to uphold.

This Comment will first discuss the requirement of trademark genericism under the provisions of the Lanham Act, as well as under the common law that preceded its passing and upon which it was based. It will next review post-Act jurisprudence and the birth of the “genericide” doctrine, focusing on common economic arguments against the doctrine and demonstrating just how far jurisprudence has strayed from the meaning and purpose of the original doctrine, to the detriment of the law of trademarks itself. Finally, this Comment will rebut antigenericide arguments and argue for a return to an original understanding of why generic trademarks—even famous ones—must die.

II. THE LANHAM TRADE-MARK ACT OF 1946 AND EARLY GENERICNESS JURISPRUDENCE

A. *The Lanham Act and Its Historical Antecedents*

American trademark law grew out of Anglo-American common law traditions, specifically the tort of deceit and, later, “unfair competition” or “passing off.”⁶ The first codification of trademark’s common law roots was the Act of July 8, 1870, enacted under the Copyright Clause of the Constitution, which was rather summarily struck down by the Supreme Court.⁷ Two years later under the Commerce Clause, Congress passed the Act of March 3, 1881, which was the law of the land for twenty-four years.⁸ In 1905, the first modern federal trademark statute was passed, which served as the basis of federal trademark law until the Lanham Act passed in 1946.⁹

As with the previous acts, the 1905 Act did not allow for the registration of generic or descriptive marks; only arbitrary or fanciful

6. J. THOMAS MCCARTHY, 1 MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 5:2 (1984).

7. Act of July 8, 1870, ch. 230, §§ 77-84, 16 Stat. 198, 210-12, *declared unconstitutional by Trade-Mark Cases*, 100 U.S. 82 (1879).

8. Act of March 3, 1881, ch. 138, 21 Stat. 502.

9. Act of Feb. 20, 1905, ch. 592, 33 Stat. 724, *repealed by Act of July 5, 1946*, ch. 540, tit. XI, § 46, 60 Stat. 427, 444-45.

terms garnered protection.¹⁰ The inherent inconsistencies of the 1905 Act led to a series of amendments, resulting in a rather hodgepodged statutory scheme that bred an equally varied range of judicial interpretations.¹¹ As early as 1920, the American Bar Association began holding meetings with an eye toward revising federal trademark registration legislation.¹²

During the hearings leading up to the passage of the Lanham Act on July 5, 1946, opponents to such a federal registration scheme raised serious concerns over what they viewed as a monopolistic practice.¹³ The resulting stalemate led to a compromise that became section 14 of the new law; namely that registered trademarks (which had a perpetual nature under the 1905 Act) could be canceled for a number of reasons, including becoming generic.¹⁴ Thus, the Act's proponents ensured skeptics that it would in fact be the "antithesis of monopoly."¹⁵

The Lanham Act contains increasing levels of protection for trademarks, including registration and its attendant presumptions of validity, ownership, and exclusive use; increased protections after five years of continuous use; and incontestable status.¹⁶ However, no amount of statutory protection granted by the Act extends to marks which are either initially, or which subsequently become, generic.¹⁷ The statutory text is quite unambiguous on this point, as is the legislative history.¹⁸ Furthermore, the Act explicitly denotes "[t]he primary significance of the registered mark to the relevant public" as the test for whether a mark has become generic.¹⁹

B. *Pre-Lanham Act Genericness Jurisprudence*

Even before the Lanham Act recognized a specific statutory prohibition against the registration or maintenance of generic marks,

10. See *Standard Paint Co. v. Trinidad Asphalt Mfg. Co.*, 220 U.S. 446 (1911); see also MCCARTHY, *supra* note 6, § 5:3.

11. See S. REP. NO. 79-1333, at 3 (1946), *reprinted in* 1946 U.S.C.C.A.N. 1274 (noting amendments to 1905 Act were "well scattered throughout the United States statutes," as well as the "confusing and conflicting interpretations" of the statutes by courts).

12. MCCARTHY, *supra* note 6, § 5:4.

13. *Id.*

14. See *id.*; see also 15 U.S.C. § 1064(3) (2000).

15. MCCARTHY, *supra* note 6, § 5:4.

16. 15 U.S.C. §§ 1052, 1064(1), 1064(3), 1065(4), 1115.

17. *Id.* § 1065(4) ("[N]o incontestable right shall be acquired in a mark which is the generic name for the goods or services or a portion thereof, for which it is registered.").

18. See *id.* § 1064(3); S. REP. NO. 79-1333, at 3 (1946), *reprinted in* 1946 U.S.C.C.A.N. 1274, 1275 ("[A trade-mark] does not confer a right to prohibit the use of the word or words. It is not a copyright." (quoting *Prestonettes v. Coty*, 264 U.S. 359, 368 (1924) (Holmes, J.))).

19. 15 U.S.C. § 1064(3).

federal courts dealt with the issue of canceling a trademark's registration due to the mark having fallen into the public domain.

In *Bayer Co. v. United Drug Co.*, the United States District Court for the Southern District of New York canceled Bayer's twenty-two-year-old registration of the name "Aspirin," under which it had marketed acetyl salicylic acid in the United States.²⁰ Although the court acknowledged that Bayer "had expended large sums of money in popularizing the trade-mark so adopted" and that it claimed the word "Aspirin" as its trademark in advertisements, it still ordered the cancellation of the mark.²¹

The "single question," in the court's opinion, was a simple one: "What do the buyers understand by the word for whose use the parties are contending?"²² If buyers understood the term "Aspirin" to refer to acetyl salicylic acid as a genus as opposed to the acetyl salicylic acid produced by Bayer, "it [made] *no difference whatever* what efforts the plaintiff . . . made to get them to understand more."²³ In holding that the mark "Aspirin" had become the generic term for acetyl salicylic acid, and ordering the registration to be canceled, the court evoked an economic justification for the necessary cancellation of generic marks, no matter how famous they may be: "[I]f the plaintiff is allowed a monopoly of the word as against consumers, it will deprive the defendant, and the trade in general, of the right effectually to dispose of the drug by the only description which will be understood."²⁴

Fifteen years later, the United States Court of Appeals for the Second Circuit reversed the lower court in *Dupont Cellophane Co. v. Waxed Products Co.*, ruling that the term "cellophane" (once the legitimate trademark of the E.I. DuPont de Nemours Company) should be canceled for having become the generic term for transparent cellulose film.²⁵ The court below had upheld the trademark, noting specifically that DuPont had not voluntarily abandoned the "cellophane" mark, which it viewed as a prerequisite.²⁶

The Second Circuit disagreed, reasoning that the case did not turn on the question of voluntary abandonment.²⁷ Rather, "[t]he real problem

20. 272 F. 505, 507 (S.D.N.Y. 1921).

21. *Id.*

22. *Id.* at 509.

23. *Id.* (emphasis added).

24. *Id.* at 513-14.

25. 85 F.2d 75 (2d Cir. 1936).

26. *Id.* at 76.

27. *Id.* at 77.

[was] what [“cellophane”] meant to the buying public.”²⁸ The court of appeals noted the efforts of DuPont to establish in the minds of consumers the word “cellophane” as referring to cellulose produced *by DuPont*.²⁹ DuPont specifically labeled its product as “cellulose” and purposefully avoided the term “cellophane” as the name of the product.³⁰ DuPont clearly displayed its famous ovular trademark next to its advertisements for cellophane, almost always capitalized the word “cellophane,” and included in such advertisements the disclaimer that “cellophane” was a registered trademark of the company.³¹

However, the court observed that third-party advertisements, and some of Dupont’s own, for products wrapped in cellophane paper included a lowercase “cellophane” and no reference to DuPont.³² The linchpin of the court’s analysis echoed that in *Bayer*. What did the term “cellophane” mean to the consuming public?³³ While displaying some deference to the fame of the DuPont mark as associated with cellulose film (insofar as the defendant should designate its cellulose film so as to distinguish it from that of DuPont) the court overturned the injunction permitting DuPont to prevent competitors from calling their product “cellophane,” as the word had become the generic term for cellulose film.³⁴

In two cases involving Coca-Cola, the United States Courts of Appeals for the First and Fourth Circuits held that Coke could not maintain its trademark over the term “cola,” as it had become known to the consuming public as the generic name for drinks derived from the nut of the cola tree.³⁵ Despite Coca-Cola’s efforts to assert exclusive use over the term through advertising and other means, the *Dixi-Cola* court found its contentions “not controlling in the face of the fact that the word ‘cola’ does not *today* indicate the plaintiff’s product but a class of drinks.”³⁶ In *Snow Crest* (decided one month before the Lanham Act took effect), the First Circuit echoed the Fourth Circuit’s sentiments in *Dixi-Cola*.³⁷

28. *Id.*

29. *Id.* at 79.

30. *Id.* at 76.

31. *Id.* at 79.

32. *Id.* at 80.

33. *Id.* at 81.

34. *Id.* at 82 (noting that “[i]n the present case the word ‘cellophane’ ordinarily signifies the cellulose product we have been discussing and nothing more”).

35. *See Dixi-Cola Labs. v. Coca-Cola Co.*, 117 F.2d 352 (4th Cir. 1941); *Coca-Cola Co. v. Snow Crest Beverages*, 162 F.2d 280 (1st Cir. 1947).

36. 117 F.2d at 359 (emphasis added).

37. 162 F.2d at 283.

The pre-Lanham Act litigation on the issue of genericness sets forth a clear analytical framework. While the efforts of a mark owner to distinguish its brand may factor into a court's considerations as to the *scope* of any remedy granted, the "primary significance" test first announced in *Bayer* is unambiguous and unwavering in its application and aim: To determine what the contested term means to the consuming public, despite the best efforts of a mark owner.³⁸ Acknowledging this fact, the Lanham Act prescribes consumer perception as the sole test of whether a registered mark has become generic. It also calls for an equally patent remedy if a sufficient number of consumers understand the term to indicate the class of goods rather than those of a particular producer: That producer's mark must be canceled, either in whole or in part, immediately.³⁹

III. THE BIRTH OF "GENERICIDE" AND THE DISREGARD OF THE LANHAM ACT

A. Haughton Elevator *and* King-Seeley

In two notable cases decided in the twenty years following the enactment of the Lanham Act, courts continued to demonstrate respect for the law's requirements regarding trademarks alleged to have become generic.⁴⁰ The Commissioner of Patents and Trademarks in *Haughton Elevator Co. v. Seeburger*, canceled the fifty-year-old registration of the term "escalator," which had been a duly registered trademark of Charles Seeburger, later assigned to the Otis Elevator Company.⁴¹ In so doing, the Commissioner noted that the term "escalator" had become the generic name for a moving staircase "to both the general public and to engineers and architects," applying the "primary significance" test to several public universes.⁴²

The same fate awaited King-Seeley's famous "Thermos" mark in 1963, when the Second Circuit Court of Appeals affirmed that the mark had become the generic term for vacuum bottles.⁴³ In a well-thought-out

38. See, e.g., *Kellogg Co. v. Nat'l Biscuit Co.*, 305 U.S. 111, 118 (1938) (stating that a trademark owner seeking to establish or maintain his trademark over a word must "show that the primary significance of the term in the minds of the consuming public is not the product but the producer").

39. See 15 U.S.C. § 1064 (2000); *Magic Wand, Inc. v. RDB, Inc.*, 940 F.2d 638 (Fed. Cir. 1991).

40. *Haughton Elevator Co. v. Seeburger*, 85 U.S.P.Q. 80 (1950); *King-Seeley Thermos Co. v. Aladdin Indus., Inc.*, 321 F.2d 577 (2d Cir. 1963).

41. 85 U.S.P.Q. at 81.

42. *Id.*

43. 321 F.2d at 581.

decision, Judge Leonard Moore took into account King-Seeley's "[s]ubstantial efforts to preserve the trademark significance of the word . . . especially with respect to members of the trade."⁴⁴ He also noted the availability of rather uncomplicated synonyms for the "Thermos" mark, including "vacuum bottle," but still found that fact to be "of no significance" in the final determination in light of the fact that seventy-five percent of adults considered the word "thermos" to be the generic term for such an item.⁴⁵

Specifically, and importantly, Judge Moore took into account the historic fame of King-Seeley's mark, observing that a distinct minority of consumers and tradesmen still associated the "Thermos" mark with that company as an indicator of source.⁴⁶ While finding an insufficient quantum of dual use to render the mark still protectable, the court ordered that competitors "must invariably precede the use of the word 'thermos' by the possessive of [their] name."⁴⁷ Furthermore, competitors were required to "confine [their] use of 'thermos' to the lower-case 't'; and that [they] may never use the words 'original' or 'genuine' in describing [their] product."⁴⁸ However much the fame of the King-Seeley mark was taken into account in framing the scope of the remedy, the essential holding remained clear: "Thermos" was no longer a protectable mark; it had become generic and was canceled, as the Lanham Act required.

B. "Genericide" and the New Economic Thinking

In 1952, Beverly Pattishall authored a landmark article on the "monopoly phobia" that caused a "fundamental shift" in thinking and talking about trademarks to sweep across the American business and judicial landscape.⁴⁹ Likening trademarks to antitrust law (in that the aim of each is to "encourage competitive trade"), Pattishall argued that "inhibit[ing] the protection of trade-marks and other means for commercial identification[] is patently contradictory" to the purposes of the Lanham Act to such an extent that it worked a "restraint of trade."⁵⁰ Pattishall recognized, to the contrary, an inherent right to protect

44. *Id.* at 579.

45. *Id.* at 579-80.

46. *Id.* at 581.

47. *Id.*

48. *Id.*

49. See Beverley Pattishall, *Trade-Marks and the Monopoly Phobia*, 50 MICH. L. REV. 967 (1952); Mark A. Lemley, *The Modern Lanham Act and the Death of Common Sense*, 108 YALE L.J. 1687, 1687 (1999).

50. Pattishall, *supra* note 49, at 968.

trademarks, and that such protection did not work a monopoly.⁵¹ In essence, this influential declaration heralded the beginning of a troubling and far-reaching school of thought in trademark law—that of trademark as property.

As Professor Mark Lemley points out, this “fundamental shift” is still with us: “Commentators and even courts increasingly talk about trademarks as *property rights*, as things valuable in and of themselves, rather than for the product goodwill they embody.”⁵² Lemley notes two tangible consequences that such thinking has had on trademark litigation: courts protecting mark holders against “infringements” not contemplated by the Lanham Act (or even by courts in the recent past) and courts protecting marks that would not have received such protection in the past.⁵³ His conclusion is dire: “[Courts] are well on their way to divorcing trademarks entirely from the goods they are supposed to represent.”⁵⁴

Pattishall’s thinking has been taken up and expanded upon by numerous latter-day scholars, as well as courts hearing infringement and cancellation actions. Their treatises combat traditional economic arguments in favor of the necessary (i.e., statutorily required) death of generic trademarks with economic justifications of their own against what has become known as “genericide.” (In fact, the very adoption of the term “genericide,” as negatively connotative as “regicide” or “infanticide,” is instructive as to their views on the subject.)

Richard Posner and William Landes, the preeminent purveyors of law and economics, put forth such an argument in their landmark economic analysis of trademark law: “If a producer is clever enough to name his brand with a word that will some day be used as the name of the entire product, should he not be rewarded for this valuable addition to the lexicon?”⁵⁵ In essence, Landes and Posner advance something akin to a “sweat of the brow” argument that has been soundly rejected in copyright law as a source of copyright protection.⁵⁶

51. *Id.* at 983-84.

52. Lemley, *supra* note 49, at 1687-88 (emphasis added).

53. *Id.* at 1688.

54. *Id.*

55. William M. Landes & Richard A. Posner, *Trademark Law: An Economic Perspective*, 30 J.L. & ECON. 265, 293 (1987).

56. *See* Feist Publ’ns, Inc. v. Rural Tel. Serv. Co., 499 U.S. 340 (1991) (rejecting the “sweat of the brow” argument as a basis for granting copyright protection in a work). The “sweat of the brow” doctrine is the concept that the amount of effort that an author puts into creating a work should have no effect on that work’s ultimate copyrightability, as originality and a modicum of creativity are the only statutory criteria assessed in determining copyrightability. *Id.*

Landes and Posner's concerns have been echoed by Professor Robert Merges, who decries the "remarkable aspect of genericide . . . that trademark rights are lost *despite the best efforts of the mark's originator to prevent it*."⁵⁷ Making an appeal for courts to respect the creative efforts of the mark owner where he or she "'invents' the trademark," Merges argues that, "there is a clear sense in which the genericness doctrine takes away some rights that the creator was endowed with because of her creativity."⁵⁸ Thus, along with Pattishall's endorsement of in-gross property rights in trademarks, Landes, Posner, and Merges also argue for a "sweat of the brow" justification for the abrogation of the Lanham Act's genericide requirement.

A second "sweat of the brow" theory, although with a different focus, has also reared its head in scholarly circles as well as case law. In such instances, the effort involved on the part of the mark holder is not that of inventing the trademark, but of subsequently protecting it from being used generically. In many cases this effort is, in monetary standards, enormous; Coca-Cola alone has spent \$68.9 *billion* to combat genericide.⁵⁹ Professors Ralph Folsom and Larry Teply have noted this trend in jurisprudence, specifically that, "[i]n cases in which evidence of such efforts is present, courts have exonerated the holder of the challenged mark from an allegation of genericness."⁶⁰

Case law has also supported the "sweat of the brow" theory. For example, in *Thomas Pride Mills, Inc. v. Monsanto Co.*, the United States District Court for the District of Georgia held that Monsanto's "Acrilan" mark was not generic, citing as a primary reason for their finding the fact that Monsanto had engaged in "expensive, extensive and effective" policing of its mark.⁶¹

Some years later, the United States District Court for the Eastern District of New York relied on similar efforts of a mark owner in finding that DuPont's "Teflon" mark had not become generic.⁶² In its opinion, the

57. Robert P. Merges, *Who Owns the Charles River Bridge? Intellectual Property and Competition in the Software Industry* 34 (U.C. Berkeley Pub. Law & Legal Theory Working Paper No. 15, 2000) (emphasis added), available at <http://ssrn.com/abstract=208089>.

58. *Id.* at 37.

59. Charles R. Taylor & Michael G. Walsh, *Legal Strategies for Protecting Brands from Genericide: Recent Trends in Evidence Weighted in Court Cases*, 21 J. PUB. POL'Y & MKTG. 160 (2002).

60. Ralph H. Folsom & Larry T. Teply, *Trademarked Generic Words*, 89 YALE L.J. 1323, 1329-30 (1980).

61. 155 U.S.P.Q. (BNA) 205, 206 (1967).

62. *E.I. DuPont de Nemours & Co. v. Yoshida Int'l, Inc.*, 393 F. Supp. 502 (E.D.N.Y. 1975).

court specifically noted that DuPont had “taken appropriate action to counteract or resist indiscriminate use of [its] mark by the public.”⁶³

E.I. DuPont de Nemours & Co. v. Yoshida International Inc. provides a perfect example of the effect of the new economic thinking on trademark jurisprudence. The court relied heavily on the efforts of DuPont to protect the distinctiveness of its “Teflon” mark, flagrantly disregarding the Second Circuit’s precedential dictum that a mark’s genericness is determined dispositively by the public’s understanding of the significance of a term “no difference whatever what efforts the plaintiff has made to get them to understand more.”⁶⁴ Furthermore, the court displayed an almost total disregard for the overwhelming survey evidence demonstrating that “Teflon” had become the generic term for chemically treated nonstick pots and pans.⁶⁵

Three studies were presented to the court, one of which showed that eighty-six percent of those surveyed answered “Teflon” as the *only* name they would use to describe such nonstick pans.⁶⁶ Further, almost seventy-two percent of those indicated that they would use “Teflon” to describe such pots and pans to a friend or store clerk.⁶⁷ A second survey returned similar results, with only *nine percent* of those surveyed identifying DuPont as the manufacturer of such pots and pans (i.e., identifying DuPont as the owner of the “Teflon” mark).⁶⁸ A third study, which found that sixty-eight percent of those surveyed (asked if they identified “Teflon” as a brand) classified the mark as a brand name, also concluded that those sixty-eight percent had no other word to describe the products.⁶⁹

Regardless, the court found for DuPont, totally discounting survey evidence showing that the overwhelming majority of surveyees (almost nine out of ten) recognized the primary significance of “Teflon” to be that of a product, not its producer.⁷⁰ Instead, the court reemphasized DuPont’s “enormous efforts” to distinguish its mark from the genus of goods of which they were a part, noting as well the existence of “some

63. *Id.* at 523-24 (noting DuPont’s “vigilant efforts to correct generic use of TEFLON whenever it came to DuPont’s attention”).

64. *See id.*; *Bayer Co. v. United Drug Co.*, 272 F. 505, 509 (S.D.N.Y. 1921).

65. *See Yoshida*, 393 F. Supp. at 520.

66. *Id.* at 525.

67. *Id.*

68. *Id.*

69. *Id.* at 526.

70. *Id.* at 527.

minimal understanding of TEFLON as a trademark” as proper justifications for finding the mark not to be generic.⁷¹

The Eastern District’s finding offended the letter and spirit of the Lanham Act. In the court’s opinion, “some minimal understanding” of a mark as not generic (in the face of overwhelming evidence of that mark’s primary generic significance) couples appropriately with a company’s efforts to distinguish its mark to maintain that mark’s artificial distinctiveness.⁷² Neither prong of the *Yoshida* court’s analysis is supported by the Lanham Act itself nor by those cases that most faithfully interpret and apply it. Less than thirty years after the passage of the Lanham Act, genericide jurisprudence had come almost completely untethered from its roots—all sail and no anchor.

IV. RETURNING TO AN ORIGINAL UNDERSTANDING?

A. *The Impact of Corporate America*

Another, more subtle trend has been simultaneously acting as an invisible hand of sorts during the rise of the “genericide” movement; one which has, consciously or not, informed much scholarly work and litigation. As Professor Lemley notes, “[m]ore and more of the currency of commerce is not goods, but . . . brand-loyalty itself.”⁷³

The purveyor of the brand, corporate America, has seen a precipitous rise in both power and influence since the Lanham Act was passed half a century ago, and it is hard to imagine that this increase in power has not brought with it a concomitant increase in judicial influence. Even Lemley, as critical as he is of corporate America’s attempts to circumvent the Lanham Act’s strictures, opines that “[p]erhaps we need advertising (and trademarks) more now than we did in a simpler world.”⁷⁴

The growing appreciation of the importance of trademarks and brands in modern American society may reasonably explain the attendant inclination of courts to treat trademarks as property rights in themselves. Unfortunately, this tendency to protect trademarks more fiercely than in the past operates in ways that contravene the letter of the law. Who wants to be the judge who tells Coca-Cola, Xerox, or Google that it can no longer exercise exclusive control over the very mark that brought it such

71. *Id.* at 524, 527.

72. *Id.* at 527.

73. Lemley, *supra* note 49, at 1687.

74. *Id.* at 1693.

prominence and wealth; that, as Posner would likely agree, it has been *too* successful?⁷⁵

However great an appreciation for the engines of the American economy judges may have, a square fact remains that such admiration has stretched well beyond the carefully considered limits of the Lanham Act's genericness provisions. To be sure, this veneration of corporate America has found its way into other areas of the Lanham Act—most notably dilution and cybersquatting, issues which the Act addressed in 1995 and 2002, respectively, decades after the passage of the original law.⁷⁶ Dilution protects from infringement marks that are sufficiently “famous” (using such criteria as the extent of advertising and the size of the trading area of the mark—criteria most able to be met by large corporations) even in the absence of competition.⁷⁷ Cybersquatting laws likewise provide express statutory protection for “famous” marks.⁷⁸

But while the Lanham Act has been amended in the aforementioned areas, in the area of genericness the law is as it has always been, and the courts must respect that. There is not now, nor has there ever been, a legislatively condoned grant of in-gross property rights in a mark. As Lemley rightly puts it, “[t]rademark law protects *source identification*; it does not allow people to own designs or phrases outright and to prevent their use regardless of context. Get a copyright, if you can; if not, too bad.”⁷⁹

B. *The Trademark/Copyright Dichotomy*

In addition to the rise in undue influence of corporations, there has likewise been much confusion in both the academic and judicial communities regarding the relationship between trademark and copyright, and such confusion has led to a detrimental blurring of the purposes of trademarks in general and the Lanham Act in particular.⁸⁰

75. See *e.g.*, *id.* at 1690-91 (noting that “McDonald’s would never have achieved national prominence . . . without strong trademarks”).

76. 15 U.S.C. § 1125(c) (2000) (“The owner of a *famous* mark shall be entitled, subject to the principles of equity and upon such terms as the court deems reasonable, to an injunction against another person’s commercial use in commerce of a mark or trade name, if such use begins after the mark has become *famous* and causes dilution of the distinctive quality of the mark.” (emphasis added)); *id.* § 1125(d) (trafficking in the domain name of a famous mark, among others).

77. See *id.* § 1125(c).

78. See *id.* § 1125(d).

79. Lemley, *supra* note 49, at 1697 (emphasis added).

80. See MCCARTHY, *supra* note 6, § 6:1 (noting the confusion among scholars and practitioners between trademark and copyright, and the negative consequences thereof “based on this misconception of the law”).

Professor Merges stumbles into this same trap in his condemnation of the genericide doctrine for punishing a mark holder for his creativity.⁸¹ Landes and Posner likewise see inequity in depriving a mark holder the fruits of his creative labor from creating a mark that becomes famous.⁸²

Creativity is an element of copyright protection, but reference to it is found nowhere in the Lanham Act as either a prerequisite or consideration for protection.⁸³ Copyrights and trademarks in fact serve significantly different functions in the scheme of American law and economy. Copyrights, like patents, are constitutionally ordained instruments that serve the function of “promot[ing] . . . the useful arts” by granting their creators an “exclusive” in-gross property right to their works—a temporally limited monopoly.⁸⁴

The Lanham Act is in fact antimonopolistic, and trademark does not confer such broad proprietary rights upon its beneficiaries.⁸⁵ Justice Pitney made this quite clear in the Supreme Court’s landmark case *United Drug Co. v. Rectanus*, declaring that “[i]n truth, a trade-mark confers *no monopoly whatever* in a proper sense.”⁸⁶ As Professor McCarthy points out, trademarks serve two economic functions: encouraging production of quality goods and reducing customer search costs.⁸⁷ Neither of these functions requires nor entails any monopolistic predicate, and thus the attempt of some academics and courts to read such in-gross rights into trademark protection is both antithetical to the purposes of the Lanham Act and injurious to the functioning of the economy.

Professor Lemley has voiced his own concerns over the proprietary trend in genericness jurisprudence. Speaking to the growing practice of imbuing trademarks with a proprietary quality, he notes that, “if we are to conclude that the trademark itself is valuable property, we need some rationale beyond . . . traditional justifications for trademark law.”⁸⁸ Landes, Posner, Merges, and Pattishall seek such additional justification

81. See Merges, *supra* note 57, at 37.

82. See Landes & Posner, *supra* note 55, at 267.

83. See MCCARTHY, *supra* note 6, § 6.6 (noting “originality and creativity” as criteria for copyright protection); *Magic Mktg., Inc. v. Mailing Servs. of Pittsburgh, Inc.*, 634 F. Supp. 769, 772 (W.D. Pa. 1986) (works must “exhibit a sufficient degree of creativity to be copyrightable”).

84. U.S. CONST. art. I, § 8, cl. 8.

85. See S. REP. NO. 79-1333, at 3 (1946), *reprinted in* 1946 U.S.C.A.N. 1274, 1275 (discussing the purposes of the Lanham Act to “foster . . . competition”); see also *Prestonettes v. Coty*, 264 U.S. 359, 368 (1924) (“A trade-mark only gives the right to prohibit the use of it *so far as to protect the owner’s good will* . . .” (emphasis added)).

86. 248 U.S. 90, 98 (1918) (emphasis added).

87. MCCARTHY, *supra* note 6, § 2:3.

88. Lemley, *supra* note 49, at 1694.

by analogizing to the law of copyright. Yet Lemley, just as Justices Pitney and Holmes, correctly observes that, “[t]he justifications for trademark law are different from those for other forms of intellectual property.”⁸⁹

Professor Stephen Carter has also entered the debate, reinforcing Lemley’s observations about the current direction of genericness jurisprudence: “Federal trademark law has been moving stubbornly in another direction, toward granting protection for marks that have no significance at all.”⁹⁰ In his admonition of the trend toward protecting generic marks (which have, by definition, no significance), Carter reiterates the proper purposes of trademark protection: to protect a mark from infringement “only to the extent that its use in the market *actually identifies the goods or services of a particular firm.*”⁹¹ Once a mark becomes generic (i.e., comes to identify the product and not the producer), it should be no longer entitled to protection.

Carter is right for acknowledging that artificially protecting genericized marks is “granting too much in return for too little.”⁹² By advocating for and granting in-gross proprietary rights in the vein of copyright for marks that have lost source-identifying significance, legal scholars and courts are in essence eviscerating the meaning and function of the very law they claim to uphold.

C. *Revisiting the Economic Bases of Trademark*

The economic rhetoric set forth in opposition to genericide has been equally countered in support of it. Professor John Ingram opined that the test for genericide “serves the objectives of the Lanham Act.”⁹³ In other words, some trademarks must die. As several commentators have noted, this death is necessary from an important economic standpoint: maximizing efficiency.⁹⁴

Economic efficiency is at the heart of trademark law, as marks “allow for economically efficient allocations of investment on the part of both the consumers and the manufacturers who create them.”⁹⁵ Trademarks distinguish between goods of competing producers through their representation of a producer’s goodwill, and this in turn lessens the

89. *Id.* at 1695.

90. Stephen L. Carter, *The Trouble with Trademark*, 99 YALE L.J. 759, 759-60 (1990).

91. *Id.* at 759 (emphasis added).

92. *Id.*

93. Ingram, *supra* note 2, at 157.

94. See, e.g., Sung In, *Death of a Trademark: Genericide in the Digital Age*, 21 REV. LITIG. 159 (2002).

95. *Id.* at 167.

search costs of the consumer.⁹⁶ Thus, “[t]he mark serves no other function and enjoys no legal existence independent of the good will that it symbolizes.”⁹⁷ If a mark loses its ability to represent that producer’s goodwill (i.e., by becoming a generic term in the minds of consumers), it deserves no protection, as its nominative function has ceased.⁹⁸ Another commentator rationalized the genericide doctrine succinctly: “Essentially, a trademark’s entrance in the generic world marks a crucial moment; it is the point at which protecting a mark is less efficient than not doing so.”⁹⁹

A second economic rationale for the genericide doctrine involves its function in “leveling the playing field” for all producers.¹⁰⁰ This is akin to trademark’s *functionality* doctrine, which postulates that granting trademark protection to a single firm over a generic term removes from the field of competition the most efficient way to communicate information about the type of product being offered.¹⁰¹ DuPont’s competitors would be at a severe nonreputational disadvantage if they could not market their cellulose film products as “cellophane” because they would have to invest resources into inventing a new term rather than using the one already available and widely understood by the consuming public.¹⁰²

D. *Back to an Original Understanding of the Genericness Test?*

The Lanham Act is unambiguous regarding the necessity of killing generic marks, as well as the criteria by which the need for such killing is determined.¹⁰³ The case law immediately preceding and following the Act is equally clear.¹⁰⁴ Furthermore, the importance of ancillary factors,

96. *Id.*; see also Carter, *supra* note 90, at 762.

97. Carter, *supra* note 90, at 762.

98. *Id.* (“[T]he law has traditionally treated meaningless marks as unworthy of protection.”).

99. In, *supra* note 94, at 170.

100. *Id.*

101. See *id.* at 170-71.

102. See *id.* at 171-72 (discussing the anticompetitive results of such a “language monopoly”); see also *Dixi-Cola Labs. v. Coca-Cola Co.*, 117 F.2d 352 (4th Cir. 1941) (noting the importance of not allowing protection over generic terms “if there is to be any effective competition in the sale of [the] goods”).

103. See 15 U.S.C. § 1064(3) (2000) (stating that a registered mark may be canceled “[a]t any time if the registered mark becomes the generic name for the goods or services”); see also *id.* § 1064(4) (denoting “[t]he primary significance of the registered mark to the relevant public” as the appropriate test for determining genericness).

104. See *Bayer Drug Co. v. United Drug Co.*, 272 F. 505, 509 (S.D.N.Y. 1921) (citing the “single question” for determining whether a mark has become generic: “What do the buyers understand by the word for whose use the parties are contending?”).

such as the efforts of the mark owner in defending its mark or the availability of alternate generic names, is plainly laid out.¹⁰⁵

However, the rise of “genericide” following Pattishall’s seminal article coupled with the rise of corporate America, led to a repudiation of the straightforward dictates of the Lanham Act and a more business-oriented and trademark-friendly jurisprudence that has taken into account the efforts of a mark holder, particularly in terms of dollar investment, in maintaining that mark. As a result, a mark holder often prevails over the necessitated results of the “primary significance” test.¹⁰⁶

Ralph Folsom and Larry Teply advocate for a return to the traditional understanding of the Lanham Act’s genericness provisions.¹⁰⁷ They oppose the continuing notion of trademarks as property rights, arguing that “such a ‘property’ approach does great harm . . . [because] . . . any analysis that turns on the concept of ‘property rights’ has no place in the law of trademarked generic words.”¹⁰⁸ They also reject the consideration of an owner’s efforts to preserve its mark’s distinctiveness as a factor in favor of protection.¹⁰⁹ From an economic perspective, they argue, actions taken on behalf of a mark holder to prevent its mark from succumbing to genericness should in fact weigh *against* the holder.¹¹⁰ The professors rightly understand that “the fact that a trademark holder finds it necessary to undertake policing indicates that the term *may already be* functioning . . . as a generic term.”¹¹¹ Additionally, such investment by the mark holder to police the mark “does not stimulate demand for a firm’s product,” rendering the investment inefficient.¹¹²

If the mark is indeed generic, the Lanham Act is quite clear on what must result. If the primary significance of that mark to a sufficient number of consumers is merely a descriptor, rather than a source-identifier, the mark must die. One can only hope that the reasoning of

105. See *id.* (noting that “it [made] no difference whatever what efforts the plaintiff . . . made to get [the public] to understand [that their mark is not generic]”); see also *King-Seeley Thermos Co. v. Aladdin Indus., Inc.*, 321 F.2d 577, 580 (2d Cir. 1963) (noting that availability of alternate names for “Thermos” vacuum bottles was “of no significance”).

106. See *E.I. DuPont de Nemours & Co. v. Yoshida Int’l, Inc.*, 393 F. Supp. 502, 527 (E.D.N.Y. 1975) (holding DuPont’s “Teflon” trademark not generic due in part to owner’s efforts to preserve the mark despite 86% of surveyees identifying the “primary significance” of the term as descriptive of a genus of goods).

107. See Folsom & Teply, *supra* note 60, at 1323.

108. *Id.* at 1354.

109. *Id.*

110. *Id.*

111. *Id.* (emphasis in original).

112. *Id.* (emphasis added).

Professors Folsom and Teply will gain further credence in the future among academia as well as the courts.

V. CONCLUSION

As for Coca-Cola, its time may come someday. Some in the South argue that it already has.¹¹³ Borrowing a construction from Folsom and Teply, Coca-Cola's mark may be viewed as "simultaneously hybrid" in the South; that is, it may function to consumers as both a generic term designating all colas and as an indicator of source.¹¹⁴ Likewise, "Coke" may be viewed in another context as "discontinuously hybrid"; that is, to some consumers the mark may operate only as a "source-significant commercial symbol," whereas to others it may function only as a generic descriptor.¹¹⁵ Such dual understandings can potentially mean trouble for marks in danger of becoming generic.

This Comment does not advocate that famous trademarks such as Coca-Cola (or Coke), Xerox, and Google *should* be canceled. It merely urges that, should the requirements of section 33 of the Lanham Act be met, courts must follow the letter of the law, regardless of the implications or of the influence of the mark holders. After a disconcerting trend away from the unambiguous provisions of our trademark law, American trademark jurisprudence must be brought back into line with those basic requirements, which state that "[i]t is the relevant consumers, not the courts, who determine whether the term signifies the genus of [a product]."¹¹⁶

If there is ample desire to grant more leverage to corporate mark holders, or to allow consideration of owners' efforts to preserve their marks as a factor in the genericide calculus, then the Lanham Act may, and should, be amended through the legislative process. Until that time, the judiciary must respect the law as it is written, regardless of the consequences, for we are a nation of laws and not of corporate trademarks.

113. See Archive of Message Board, http://www.washingtonmonthly.com/mt/mt-comments.cgi?entry_id=4029 (last visited Mar. 7, 2006) (message board demonstrating pervasiveness of "coke" as a generic term for "cola" across the South among a fair cross-section of consumers).

114. Folsom & Teply, *supra* note 60, at 1339.

115. *Id.*

116. *Berner Int'l Corp. v. Mars Sales Co.*, 987 F.2d 975, 982 (3d Cir. 1993).