

**IN THE UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

M3 GIRL DESIGNS, LLC

Plaintiff,

v.

BLUE BROWNIES, LLC

KRISTA DUDTE, ROBERT DUDTE,

and SHANNON DUNN

Defendants.

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CIVIL ACTION NO. 3-09CV2390-F

**DEFENDANTS' MEMORANDUM OF POINTS AND AUTHORITIES
IN SUPPORT OF ITS MOTION FOR PARTIAL SUMMARY JUDGMENT
ON PLAINTIFF'S TRADE DRESS CLAIMS (Part One)**

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I. OVERVIEW

To recover under federal and common law trade dress causes of action, plaintiffs must prove that product features allegedly comprising “trade dress” are non-functional product features, i.e, that they have no utility and do not affect the price or quality of the goods. In this case, there is no genuine dispute over the fact that the “trade dress” features alleged in Plaintiff’s Second Amended Complaint each have some functional purpose. This is apparent from simple common sense and common knowledge and the fact that the “trade dress” is dictated by the “dimensions, specifications, shapes and sizes” of bottle caps.” *See* Dkt. 42, pg. 3. Additionally the Plaintiff has admitted that the “interchangeable magnets are a functional feature.” *Id.* *See also* Dkt. 40, pg. 2. Also Plaintiff’s bottle cap jewelry “trade dress” is the subject of U.S. utility patents and patent applications which shows its functionality. Accordingly, as a matter of law, Plaintiff cannot satisfy its burden of proof, and Plaintiff is not entitled to any trade dress protection. The dilution claims depend on the existence of protectable “trade dress.” Therefore, Defendants should be granted summary judgment on Plaintiff’s “trade dress” and dilution and unfair competition claims based on the “trade dress.”

II. INTRODUCTION

A. Plaintiff’s Trade Dress Claims Are the Latest Installment in a Series of Meritless Allegations

Plaintiff’s trade dress and dilution claims were not part of the Original Complaint filed in 2009. Plaintiff initially asserted that Defendants were liable for unfair competition for copying the design, physical dimensions and specifications of the Plaintiffs jewelry products, including

the interchangeable functionality of the Plaintiff's products¹," copyright infringement, and trademark infringement.² The Court dismissed the original state law unfair competition claim because it was for functional aspects of the Plaintiff's jewelry that was preempted by federal patent law. (Dkt. 42.) This prior ruling that these aspects were functional is manifestly correct and is the law of the case. *See Martin's Herend Imports, Inc. v. Diamond & Gem Trading United States Co.*, 195 F.3d 765, 771 (5th Cir. 1999) ("The 'law of the case' doctrine counsels that when a court decides upon a rule of law, that decision should continue to govern the same issues in subsequent stages of the same case.).

Plaintiff then dropped the copyright claims (Dkt. 52) after Defendants filed an answer debunking their validity (Dkt. 44, ¶¶ 18-33, 76-89) and after Defendants conferred on a motion to compel regarding the copyright claims.³ (Dkt. 66, p. 4.). For the reasons set forth below, the new trade dress claims which merely reassert that the same functional features are "trade dress" and that there is confusion also fail as a matter of law.

B. Plaintiff's Requested Relief is Contrary to the Purpose of Trade Dress Law

The purpose of trade dress protection is to prevent confusion as to the origin or source of goods and services. It serves the identical purpose as a trademark. Trade dress protects against the copying of arbitrary and fanciful, non-functional product features that enable consumers distinguish between different brands of goods and services. Trade dress does not protect against

¹ Dkt. 1, Count II, paragraph 41. Paragraphs 11, 12, 38, 40, 42, 43 also refer to the "interchangeable functionality of the Plaintiff's products."

² The only remaining claim is that Plaintiff's SNAP CAPS trademark was infringed by the very brief use of CLICK IT CAPS by Defendants on an advertisement. Defendants quit using CLICK IT CAPS after only about a month's use and Plaintiff complaining about it. Defendant's sales under CLICK IT CAPS were de minimous and this is a worthless claim.

³ The Plaintiff and its attorney have made the "Tabberone's Trademark and Copyright Abusers' Hall of Shame." See <http://www.tabberone.com/Trademarks/HallOfShame/M3Girl/M3Girl.shtml> which details the invalidity of Plaintiff's copyrights that were plagiarized from clip art and the internet.

the copying of functional product elements, i.e., aspects of a product which are essential to its use, which affect its price or quality, or which, if monopolized, would place competitors at a disadvantage in the marketplace. *See* 15 USC § 1125(a)(3).

III. PLAINTIFF'S TRADE DRESS CLAIMS

Plaintiff asserts seven causes of action related to “trade dress”: (1) federal trade dress per 15 U.S.C. § 1125(a) (Dkt. 72, ¶¶ 137-153 (Count VI)); (2) common law trade dress (*id.*, ¶¶ 32-46 (Count I)); (3) common law blurring (*id.*, ¶¶ 47-60 (Count II)); (4) common law dilution (*id.*, ¶¶ 61-74 (Count III)); (5) common law palming off (*id.*, ¶¶ 75-88 (Count IV)); (6) common law unfair competition (*id.*, ¶¶ 89-106 (Count V)); and (7) false designation (*id.*, ¶¶ 137-53 (Count VIII)). All above claims depend on Plaintiff having a protectable “trade dress.”

Plaintiff incredibly asserts its “trade dress” includes:

“one or more of the following trade dress features: (1) a slim choker necklace, colored or white, fabric; (2) an attachment having a metallic sheen tied on a knot at the front of the choker [sic, choker] necklace; (3) a conventional soft-drink bottlecap with crowned ridges around the edge; (4) the crowned ridges of the bottlecap positioned outwardly on the choker [sic] necklace with the internal surface of the bottlecap exposed, and/or (5) a raised projection having a geometric shape on the top surface of the bottlecap.” (*id.*, ¶ 13.)

Plaintiff's bottle cap jewelry allegedly includes:

“one or more of the following trade dress features: (1) a conventional soft-drink bottlecap with crowned ridges around the edge; (2) the crowned rides of the bottlecap positioned outwardly with the internal surface of the bottlecap exposed; and/or (3) a raised projection having a geometric shape on the top surface of the bottlecap.” (*id.*, ¶ 14.)

Despite the verbosity of the trade dress claims, their simplicity is shown in the following photos of Defendants' products⁴ that show (1) decorated bottle cap with a pink glitter background and silver crown, (2) the back side of a decorated bottle cap with the magnet visible,

⁴ Defendants use their bottle cap jewelry as examples. The virtually identical bottle cap jewelry from dozens of other competitors could be used in place of Defendants' examples.

(3) a peace sign bottle cap attached to a black elastic choker necklace and (4) a pink elastic choker necklace connect to a fender washer and stuck the back of a bottle cap magnet. Except for the decorative designs inside the bottle caps, all bottle cap jewelry is the same.



Plaintiff incredibly asserts that each of the enumerated features is a separately protectable trade dress element, and that the copying of any one element constitutes a separate act of trade dress infringement. (*Id.*, at ¶¶ 13-14, ¶¶ 19-20.)

Thus Plaintiff apparently maintains that consumers identify the source of it interchangeable bottle cap jewelry simply because its includes ***any one*** of the following features: (1) a choker necklace of any color, size or fabric, (2) a shiny metallic object connected to a choker necklace, (3) a conventional bottle cap, (4) a bottle cap attached to a choker necklace with its internal surface exposed, ***or*** (5) a geometrically shaped projection on a bottle cap. The

absurdity of this argument warrants a second reading. These generic features describe interchangeable bottle cap jewelry sold by hundreds of different manufacturers and artisans.

IV. FACTS

A. Plaintiff's Bottle Cap Jewelry is Not Novel

Plaintiff's bottle cap jewelry features a magnet on the back, which "gives the jewelry an interchangeable function allowing consumers to place different bottle caps on the same item of jewelry, such as a necklace or a bracelet." (Order, Dkt. 42, p. 2.)

Plaintiff was not remotely the first inventor of bottle cap jewelry and washer necklaces.⁵ Years before Plaintiff was even formed, other companies sold identical products. For example, Scholastic, Inc.,⁶ d/b/a Klutz (see <http://www.klutz.com/About-Us>) sold a bottle cap jewelry kit called "CAPSTERS" in 2005.⁷ The CAPSTERS product is a kit that includes bottle caps, a lacquer glaze, charms, punch-out artwork, and a 24-page booklet providing instructions for making bottle cap jewelry **IDENTICAL** to Plaintiff's interchangeable bottle cap magnets. *See* Exhibit A. Like Plaintiff and Defendants, the CAPSTERS bottle cap jewelry are conventional bottle caps with decorative artwork and three-dimensional charms affixed to the inner surface with a glaze. *See* Ex. A. The instruction booklet also shows consumers how to attach the bottle cap jewelry to necklaces, bracelets, and key chains. *Id.*, and tells consumers that they "can turn your capsters into backpack dangles, fridge magnets and belt loop hangers," and lists "magnet" and "fridge magnet" as possible attachments to the bottle cap jewelry. *Id.* p.7, The "fridge magnet" is **IDENTICAL** to Plaintiff's interchangeable bottle cap jewelry bottle cap.

⁵ Kids have been trading and decorating bottle caps since they were invented in around 1891. See http://www.invent.org/hall_of_fame/292.html regarding U.S. patent No. 468,226 and William Painter (1838-1906).

⁶ Scholastic's annual sales are over \$1.8 billion. <http://investor.scholastic.com/releasedetail.cfm?ReleaseID=559698>.

⁷ Klutz never made the fallacious claim of Plaintiff that it was the first inventor of bottle cap jewelry.

Several pieces of evidence corroborate the fact that CAPSTERS were first on sale nationwide, and were on the market since 2005. The book “Capsters” was copyrighted in 2005 and registered with the U.S. Copyright Office with a date of first publication of August 1, 2005. *See* Ex. A at 3; Ex. B. Klutz has a federal trademark listing in the Principal Registry for CAPSTERS in connection with “Hobby craft kits comprising of bottle caps, charms, punch-out art, glaze and an attached instruction booklet” with a date of first use in commerce as a trademark listed as August 8, 2005. *See* Ex. C. The product is still for sale today at various retailers, e.g., Amazon.com, which identifies a publication date of August 2005 associated with the CAPSTERS ISBN 9781570542053. *See* Ex. D. Reviews for Capsters on Amazon.com date back as early as September 5, 2006. *See* Ex. E.

B. Plaintiff’s Bottle Cap Jewelry is Not Inventive

Courts have demonstrated a reluctance to award any monopoly power to persons claiming to have developed novel bottle cap applications.⁸ The bottle caps employed by Plaintiff are nearly 120 years old. The original “Crown Cork” bottle cap was patented by William Painter in 1892. *See* Ex. F, U.S. Pat. No. 468,258.⁹ The crown cap design quickly became the standard worldwide bottle cap enclosure at the beginning of the twentieth Century. *See Bond Crown & Cork Co. v. FTC*, 176 F.2d 974, 976-77 (4th Cir. 1949).

C. Bottle Caps Are Useful and Common in Arts and Crafts

⁸ Article 1, Section 8 of the U.S. Constitution bars this kind of monopoly for inventions on old ideas.

⁹ Painter’s original crown cap patent was found to be invalid, as an obvious improvement over the prior art. *Crown Cork & Seal Co. v. Standard Stopper Co.*, 136 F. 841 (2d Cir. 1905), *but see Imperial Bottle Cap & Mach. Co. v. Crown Cork & Seal Co.*, 139 F. 312 (4th Cir. 1905). Courts have similarly invalidated subsequent patents disclosing improvements to the crown caps. *See, e.g. Continental Can Co. v. Crown Cork & Seal Co.*, 415 F.2d 601 (3d Cir. 1969); *Ballardvale Springs Co. v. United Metal Seal Co.*, 253 F. 432 (1st Cir. 1918); *see also In re Cake*, 39 App. D.C. 425 (D.C. Cir. 1912).

Standard bottle caps have been popular components of arts and crafts for decades, because they are cheap, plentiful, varied in color and style, and easily adaptable for use with other materials. They are also appealing as evocative cultural icons which consumers may associate with special memories of soda pop and beverage consumption and, more generally, with an earlier era in American history in which glass bottles predated today's aluminum cans.

Bottle caps are cheap—they sell for pennies a piece.¹⁰ The utility of bottle caps extends beyond their low cost, however; they are also attractive and useful. In the Encyclopedia of American Folk Art,¹¹ the entry for “bottle cap art” states:

Bottle cap art, a by-product of the age of disposable products, is an expressive medium for craftsmen, hobbyists, and self-taught as well as trained artists. The colorful surfaces of bottle caps make them appealing objects to collect and save because of their attractiveness. The “crown” cap, made of tin with crimped edges, is both readily available and adaptable as a material for making art.

* * *

Objects made from or decorated with bottle caps, such as baskets, chairs or thrones, clothing, mirrors, toys, and vases, can be both utilitarian and decorative. Bottle caps also can be used as rhythmic, percussive vehicles for making sounds, for handmade musical instruments.

THE ENCYCLOPEDIA OF AMERICAN FOLK ART 62-63 (Gerard C. Wertkin ed., 2004) (a copy of selected pages is attached as Ex. G).

V. APPLICABLE LAW

A. Standard for Summary Judgment

Summary judgment is proper when the “pleadings, depositions, answers to interrogatories, and admissions on file, together with affidavits, if any, show that there is no

¹⁰ See www.bottlecapco.com.

¹¹ The Encyclopedia of American Folk Art was selected as a 2004 Outstanding Reference Source by the Reference and User Services Association (“RUSA”), a division of the American Library Association. See Ex. D (a copy of a RUSA web page identifying the Selections for Year 2004). Defendants submit the quotation above is admissible under FED. R. EVID. 807, or alternatively, the facts are so apparent as to be judicially noticed under FED. R. EVID. 201.

genuine issue as to any material fact and that the moving party is entitled to a judgment as a matter of law.” *Celotex Corp. v. Catrett*, 477 U.S. 317, 322 (1986); see also FED. R. CIV. P. 56. A defending party may file a motion for summary judgment at any time until 30 days after the close of discovery. FED. R. CIV. P. 56(b). A factual issue is material if its resolution could affect the outcome of the action. *GeoSouthern Energy Corp. v. Chesapeake Operating, Inc.*, 274 F.3d 1017, 1020 (5th Cir. 2001). Disputes about factual issues are genuine if the evidence would allow a reasonable jury to find for the non-moving party. *Id.* A non-moving party may not rely upon conclusory allegations to overcome a motion for summary judgment, as such allegations are not competent summary judgment evidence. *Eason v. Thaler*, 73 F.3d 1322, 1325 (5th Cir. 1996).

B. Trade Dress Generally

“‘Trade dress’ refers to the design or packaging of a product which serves to identify the product’s source.” *McNeil Nutritionals, LLC v. Heartland Sweeteners, LLC*, 511 F.3d 350, 357 (3d Cir. 2007) (quoting *Shire US Inc. v. Barr Labs. Inc.*, 329 F.3d 348, 352 (3d Cir. 2003)); see also *Eco Mfg. LLC v. Honeywell Int’l, Inc.*, 357 F.3d 649, 651 (7th Cir. 2003) (“A product’s appearance (often called its “trade dress”) can serve as a trademark to the extent that design identifies the product’s maker.”) (citations omitted). Trade dress is “the total image or overall appearance of a product, and includes, but is not limited to, such features as size, shape, color or color combinations, texture, graphics, or even a particular sales technique.” *McNeil Nutritionals, LLC*, 511 F.3d at 357 (quoting *Rose Art. Indus., Inc. v. Swanson*, 235 F.3d 165, 171 (3d Cir. 2000)). “The purpose of trade dress protection is to ‘secure the owner of the trade dress the goodwill of his business and to protect the ability of consumers to distinguish among competing producers.’” *McNeil Nutritionals, LLC*, 511 F.3d at 357 (quoting *Shire US*, 329 F.3d at 353).

“Trade dress protection, however, is not intended to create patent-like rights in innovative aspects of product design.” *Eppendorf-Netheler-Hinz GMBH v. Ritter GMBH*, 289 F.3d 351, 355 (5th Cir. 2002).

Section 1125(a) of the Lanham Act is the basis for a trade dress infringement claim:

“(1) Any person who, or in connection with any goods or services, or any container for goods, uses in commerce any word, term, name, symbol, or device, or any combination thereof, or any false designation of origin, false or misleading description of fact, or false or misleading representation of fact, which –

(A) is likely to cause confusion, or to cause mistake, or to deceive as to the affiliation, connection, or association of such person with another person, or as to the origin, sponsorship, or approval of his or her goods, services, or commercial activities by another person, or

(B) in commercial advertising or promotion, misrepresents the nature, characteristics, qualities, or geographic origin of his or her or another person’s goods, services, or commercial activities, shall be liable in a civil action by any person who believes that he or she is or is likely to be damaged by such act.

* * *

(3) in a civil action for trade dress infringement under this Act for trade dress not registered on the principal register, ***the person who asserts trade dress protection has the burden of proving that the matter sought to be protected is not functional.***” (Emphasis added).

15 U.S.C. § 1125(a)

To establish trade dress infringement under the Lanham Act, a plaintiff must prove that (1) the allegedly infringing design is non-functional; (2) the design is inherently distinctive or has acquired secondary meaning; and (3) consumers are likely to confuse the source of the plaintiff’s product with that of the defendant’s product. *McNeil Nutritionals, LLC v. Heartland Sweeteners, LLC*, 511 F.3d 350, 357 (3d. Cir. 2007) (citing *Shire US*, 329 F.3d at 353); *Disc Golf Ass’n v. Champion Discs*, 158 F.3d 1002, 1005-6 (9th Cir. 1998). If any one of these three

elements cannot be proven, the entire claim of trade dress infringement is defeated. *See Traffix Devices v. Mktg. Displays*, 532 U.S. 23 (2001) (declining to analyze secondary meaning and consumer confusion because the asserted features were functional as shown by patents on the features); *see also Art Attacks Ink, LLC v. MGA Enter. Inc.*, 581 F.3d 1138, 1146 (9th Cir. 2009).

C. Functionality

“The functionality doctrine prevents trademark law, which seeks to promote competition by protecting a firm’s reputation, from instead inhibiting legitimate competition by allowing a producer to control a useful product feature.” *Qualitex Co. v. Jacobson Prods. Co.*, 514 U.S. 159, 164 (1995). As the Supreme Court explained in *Qualitex*, the functionality requirement prevents prospective trademark owners from undermining our patent system:

It is the province of patent law, not trademark law, to encourage invention by granting inventors a monopoly over new product designs or functions for a limited time, 35 U.S.C. §§ 154, 173, after which competitors are free to use the innovation. If a product’s functional features could be used as trademarks, however, a monopoly over such features could be obtained without regard to whether they qualify as patents and could be extended forever (because trademarks may be renewed in perpetuity).

Qualitex Co. 514 U.S. at 164-65 (citing *Kellogg Co. v. Nat’l Biscuit Co.*, 305 U.S. 111, 119-20 (1938))

Generally, a product feature is functional “if it is essential to the use or purpose of the article or if it affects the cost or quality of the article.” *Inwood Labs., Inc. v. Ives Labs., Inc.*, 456 U.S. 844, 850, n.10 (1982); *Eppendorf-Netheler-Hinz GMBH v. Ritter GMBH*, 289 F.3d 351, 356 (5th Cir. 2002). Courts have adopted an alternative test for functionality as well: “a functional feature is one the ‘exclusive use of [which] would put competitors at a significant non-reputation related disadvantages.’” *Traffix Devices v. Mktg. Displays*, 532 U.S. 23, 32 (2001). The Supreme Court has stressed the importance of the functionality requirement, cautioning against the

“misuse or over-extension of trade dress” to impede market competition. *Id.* at 29 (citing *Wal-Mart Stores, Inc. v. Samara Bros., Inc.*, 529 U.S. 205, 213 (2000)).

Courts “typically consider four factors in determining whether a product feature is functional: ‘(1) whether the design yields a utilitarian advantage, (2) whether alternative designs are available, (3) whether advertising touts the utilitarian advantages of the design, (4) and whether the particular design results from a comparatively simple or inexpensive method of manufacture.’” *Atlas Equip. Co. LLC v. Weir Minerals Australia Ltd.*, 2011 U.S. App. LEXIS 342 at *2 (Fed. Cir. 2011) (quoting *Disk Golf Ass’n, Inc. v. Champion Discs, Inc.*, 158 F.3d 1002, 1006 (9th Cir. 1998)). “A product feature need only have *some* utilitarian advantage to be considered functional.” *Atlas Equip. Co. LLC*, 2011 U.S. App. LEXIS 342 at *3 (quoting *Disc Golf*, 158 F.3d at 1006). “Moreover, once a court determines that a particular trade dress is functional, it need not continue to address whether there are alternative designs.” *Atlas Equip. Co. LLC*, 2011 U.S. App. LEXIS 342 at *3 (quoting *Traffix Devices, Inc. v. Mktg. Displays, Inc.*, 532 U.S. 23, 33-34 (2001)).

In *Eppendorf-Netheler-Hinz GMBH v. Ritter GMBH*, the Fifth Circuit Court of Appeals reversed a jury verdict finding trade dress infringement, because the plaintiff failed to carry its burden of proving that the asserted trade dress features were not functional. 289 F.3d 351 (5th Cir. 2002). The court began by recognizing that “in many instances” trade dress does not protect against “copying goods and products,” because “trade dress protection only extends to incidental, arbitrary or ornamental product features which identify the source of the product.” *Id.* 289 F.3d at 355 (“Unless protected by patent or copyright, functional product features may be copied freely by competitors in the marketplace.”).

Functionality is a proper basis for summary judgment dismissal of trade dress claims. *See, e.g., Atlas Equip. Co. LLC*, 2011 U.S. App. LEXIS 342 at *2; *ERBE Elektromedizin GmbH v. Canady Tech. LLC*, 629 F.3d 1278 (Fed. Cir. 2010).

VI. ARGUMENT

A. Each of the Alleged Trade Dress Features Is Functional

1. A slim choker necklace, colored or white, fabric

This staple item, which functions as the means for adorning the neck of a person, is also used for attaching interchangeable bottle cap jewelry. It is old and also functional as noted in sub-part B., below. It is nothing more than a circular elastic fabric cord that makes a choker stretch necklace or bracelet. *See* Ex. I.

There are a number of utilitarian advantages for choosing this feature to accomplish this purpose. First, Plaintiff's choker necklaces make use of inexpensive and mass produced elastic cord fabric to sell a "one-size-fits-all" product adaptable to and sharable among consumers of various ages and body types. Elastic cord fabrics are manufactured in a variety of colors and fabrics in order to appeal to a broad base of customers. An elastic fabric choker necklace enables consumers to easily slip the necklace on and off, without the need to trouble with a clasp or other necklace attachment. Elastic fabric cord is inexpensive, and a choker necklace consisting of a single ribbon of elastic cord fabric is easily and inexpensively made. The monopolization of this feature would thereby place Defendants and other competitors at a non-reputational disadvantage in the marketplace. *See* Ex. J

2. [A]n attachment having a metallic sheen tied on a knot at the front of the choker [sic] necklace

This is nothing more than an ordinary one-half inch zinc plated fender washer attached to the elastic fabric necklace. It functions as a means for magnetically attaching any interchangeable bottle cap jewelry to the choker necklace. Plaintiff has promoted this functional aspect in advertisements, claiming its product to be “the original, interchangeable, bottle cap necklace.” *See Ex. K.* If Plaintiff was granted a monopoly on all choker necklaces with a magnetic metallic object like a fender washer tied to the front, not only hundreds or thousands of crafts persons would be out of business, but Defendants would suffer a competitive disadvantage, because the ability to magnetically attach and detach interchangeable bottle cap jewelry to the necklace is an attractive feature to consumers who desire the ability to trade and rearrange their bottle cap jewelry.

Tying the fender washer to an elastic fabric cord is a simple and effective manufacturing process relative to other alternative means of attaching a metallic object. This feature affects the cost and quality of Plaintiff’s goods. Accordingly, a monopolization of this feature would force Defendants to employ an inferior means for attaching the bottle cap jewelry to a necklace, placing them at a disadvantage.

3. *[A] conventional soft-drink bottlecap with crowned ridges around the edge*

This claimed trade dress feature is untenable. The bottle cap functions as an attractive, nostalgic and collectible object by itself. Bottle caps are sentimental keepsakes of a bygone era when all drinks were sold in glass bottles were sealed this way. Some of the intrigue of bottle caps stems from the fact that they are both novel – to children familiar only with canned beverages – and yet simultaneously historic – to adults. There are no equivalent alternatives for a

bottle cap, because a plain metal or other backing would lack the bottle cap's unique charm, sensory appeal, and kitsch.

Plaintiff's use of a standard bottle cap is also functional. The "dimensions, specifications, shapes and sizes" of bottle caps is functional. Bottle caps are cheap and readily available. In their standard form, they are an appropriate size for jewelry, and do not require custom cutting or special fabrication. This feature is therefore functional, because standard bottle caps are less expensive than the alternatives, since customized jewelry pieces would not benefit from the decades of manufacturing expertise and efficiencies of scale apparent in the manufacture of bottle caps.

4. **[T]he crowned ridges of the bottlecap positioned outwardly on the chocker [sic] necklace with the internal surface of the bottlecap exposed**

This claimed trade dress feature is untenable. This feature is functional for at least the same reasons as those identified above regarding feature (3). So configured, the bottle cap provides the same shadow-box-like framing, because the crowned ridges circumscribe the decorative design and give it dimensional contrast. Accordingly, the absence of this feature would affect the quality and utility of Plaintiff's products, and it is therefore functional.

5. ***[A] raised projection having a geometric shape on the top surface of the bottlecap***

This claimed trade dress feature is untenable. It is nothing more than a miniature object like a cosmetic jewel or object glued to the inside surface. Initially, Defendants note that it is not altogether clear what this trade dress feature supposedly involves.

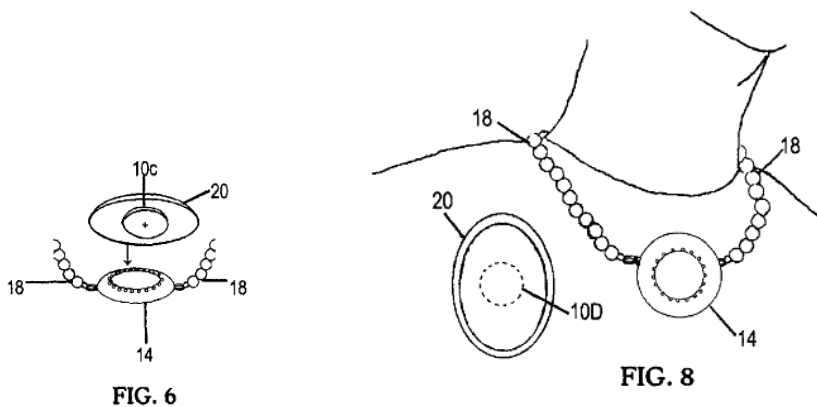
Plaintiff is apparently referring to three-dimensional objects inserted inside the bottle cap as part of the decorative design. The different three-dimensional objects affixed to the inner

surface of the bottle cap jewelry are essential to differentiating between the hundreds of different bottle cap jewelry items that Plaintiff sells. Without this feature, Plaintiff's jewelry pieces would be inferior in quality to Plaintiff's existing products, because they would not be desirable as unique collectible objects, and would not broadly appeal to so many consumers. For example, some consumers may seek to collect all bottle cap jewelry with a theme like ballet shoes or synthetic jewels. If Plaintiff were permitted to monopolize the use of such raised projections on bottle cap jewelry, competitors would suffer a significant disadvantage. The absence of this feature from Plaintiff's products would frustrate the use and purpose of its bottle cap jewelry.

B. Plaintiff's application to the Patent office is further proof of the functional nature of the elements of the trade dress claim.

Plaintiff filed a frivolous application to the United States Patent and Trademark Office for a patent on its bottle cap jewelry. *See* Ex. X and Y, filed under seal for a comparison of Plaintiff's patent application and its trade dress claims.

Interchangeable magnetic elements for jewelry are functional and the subject of numerous patents. U.S. patent No. 5,806,346, Ex. H, shows a prior pendant ornament 20 with a magnet 10c that is releaseably attached to an ornamental disk 14 on necklace 18 as follows.



The prior art Klutz decorated interchangeable bottle cap jewelry or any other prior art interchangeable bottle cap jewelry could be substituted for the ornament 20 in the above figure. Even if the use of a bottle cap jewelry magnet with a necklace was novel under 35 U.S.C. § 102 it would not even come close to being non-obvious as required by 35 U.S.C. § 103. But more importantly as demonstrated in Exhibits X and Y, this is functional as demonstrated in Ex. X by the fact that the “trade dress” is the same as Plaintiff’s patent application, Ex. Y and claims 1-8 of the ‘346 patent.

“A utility patent is strong evidence that the features therein claimed are functional. If trade dress protection is sought for those features the strong evidence of functionality based on the previous patent adds great weight to the statutory presumption that features are deemed functional until proved otherwise by the party seeking trade dress protection.” *Traffix Devices, Inc., v. Marketing Displays, Inc.*, 532 U.S. 23, 29 (2000). Trade Dress law “is not intended to create patent-like rights in innovative aspects of product design.” *Eppendorf-Netheler-Hinz GmbH v. Ritter GmbH*, 289 F.3d 351, 355 (5th Cir. 2002). “Unless protected by patent or copyright, functional product features may be copied freely by competitors in the marketplace.” *Id.*

The trade dress elements that Plaintiff is claiming as trade dress are functional elements. Plaintiff itself claimed patent rights in a utility patent application on these very functional elements. This creates strong inference that even Plaintiff thinks of them as functional. Plaintiff is seeking patent-like rights in the same functional elements through trade dress claims.

VII. CONCLUSION

For the reasons set forth above, Defendants respectfully request that the Court dismiss Plaintiff's trade dress claims with prejudice because they are functional and do not function as trade dress.

Respectfully submitted,

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ATTORNEYS FOR DEFENDANTS

CERTIFICATE OF SERVICE

Per Fed. R. Civ. P. 5(b), I certify that on the 8th day of August, 2011, I electronically filed per Local Rule 5.1(d) of the Northern District of Texas the foregoing with the Clerk of Court using the ECF system which will send notification of such filing to the following:

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