

## **EXPANDING HORIZONS OF PROTECTION OF NON-CONVENTIONAL TRADEMARKS: USE OF COMBINATION OF COLORS IN MARKS AND THE COLOR DEPLETION THEORY**

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### **Abstract**

Trademark serves as a source identifier for the products with which it is associated, its benefits are multifold, as it provides recognition to the brand as well as the product and at the same time, it lessens the search cost of the consumer, as they can easily associate the mark with the brand. Trademarks can be both, Conventional, as defined in the Act, or, Non-Conventional, which employ Smell, Sound, Color, Image etc with the mark. Color marks being one of them. They are legally recognized in our country, same as sound marks. The recognition was a welcome step towards the protection of non-conventional trademarks, as it paves the way for other types of non-conventional marks as well. Different companies uses different schemes of colors, as the user easily perceives it. However, the biggest challenge that exists with respect to Color is the Color Depletion Theory. The number of shades are limited, hence, use of a single color cannot be granted protection. A combination of colors should be employed, and this is where the debate lies. There needs to be a balance, keeping in mind the rights of the manufacturers/producers and the benefits of trademark registration, versus the equitable availability of single color shades, so that no brand can take monopoly over a single color. Color Depletion Theory, also serves a noble purpose, can also become an obstruction in the registration, Cadbury's Pantone shade for instance. The paper aims to explore the pros and cons of Color Depletion Theory and the viability of Color marks to serve as a Trademark.

**Keywords:** Non Conventional TMs, Color Marks, Color Depletion Theory, Infringement of TMs.

Colour or a combination of different colours can be registered as a trademark provided it is distinctive in its nature and is capable of distinguishing the goods as a badge of origin. Colours can serve as a trademark, as they can be easily distinguished and the consumer can identify a particular colour or its combination with the product. Colours are easily perceived by an observer and are easier to remember rather than a stylized logo or a heading or device. For eg, many of the consumers might not read the 'Cadbury' or 'dairy milk' logo, but would associate the chocolate with the purple colour, because the colour has been used with the chocolate brand since a long time and consumers associate the colour with the product.

The fact that colours have been used as a mark and have successfully established a distinctiveness in the market, is the reason why it is included in the Trademark Act, unlike the other marks such as smell, or, sound. 'Combination of colours' are included within the definition of trademarks in the Act.<sup>1</sup> A sign consisting of a colour as such may have an acquired distinctive character. But, it needs certain other attributes to qualify for registration under the Act. It must satisfy the test of being "*clear, precise, self-contained, easily accessible, intelligible, durable and objective, and that to reproduce the colour on paper is not enough, whereas reference to a suitable code may be.*"<sup>2</sup>

However, there are certain other obstacles to the registration of a colour mark apart from the abovementioned attributes. The ECJ emphasized that the perception by the relevant public of a sign consisting of a colour as such is not necessarily the same as that of a word or figurative mark, given that the colour sign does not coincide with the appearance of the goods it denotes. The public may be used to perceive word or figurative marks immediately as signs that denote the origin of the good,<sup>3</sup> but this does not necessarily apply to signs, which coincide with the appearance of the good in respect of which registration of the sign as a trademark is sought.

Another major obstacle to the protection of this mark is the colour depletion theory. It is contended that the numbers of general colours are limited in number and allowing the use of a single colour would lead to depleting of the reservoir. It could lead to monopolization, and could

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<sup>1</sup> The Trademarks Act, 1999, No. 47, Acts of Parliament, 1999 [ Section-2(zb)].

<sup>2</sup> ELIZABETH VERKEY, INTELLECTUAL PROPERTY, 158-9 ( Ed. 1, 2015).

<sup>3</sup> Libertel vs BMB, ECJ, Case- -104/01.

restrict future use of such colours. The concept was developed in American Circuit Court in the Campbell<sup>4</sup> case, which will be discussed later.

### 1.1 The Registration of Colour Marks in India

Due to the advent of technology and devices such as televisions, mobile phones, computers etc, a visual attribute is generally well received by the people. They respond to such colours or visuals and identify with them, and thus, due to this very reason, colour marks have become very popular in the country as well as abroad. Many consumers identify with the colour of a product, for eg, earlier, we were talking about Cadbury, the chocolate brand had its products sold worldwide, and in different countries the name of the chocolate and the brand are written in different languages and thus, culture and language can become a barrier to such business. However, if a particular colour has been attributed to the product and it has been recognized widely, a consumer can relate to the colour and packaging instead of the language written upon it.

The Act while defining the concept of a trademark had included '*shape of goods, their packaging and combination of colours*'.<sup>5</sup> Thus, the act recognized the fact that these three attributes to the product can serve as a mark itself. Evidence has to be attached in the application, regarding the association of the particular colour with the product (goods/ services of the applicant). The basic requirement for a mark to be a trademark:

- Distinctiveness- The particular colour is capable of acting as a source identifier and can distinguishes the product from any other goods/products which are similar in nature.
- The Color, or combination of Colors has an exclusive connection with the applicant, which is either the proprietor, or a permitted user.<sup>6</sup>

The Act also talks certain restrictions and limitations as to registration of a combination of colours regarding its distinctiveness and its registration without limitation of colour. The Act

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<sup>4</sup>Campbell Soup Co. vs Armour n Co., 175 F 2d 795(3<sup>rd</sup> Cir 1949)

<sup>5</sup>Supra Note 1.

<sup>6</sup>*Colour Trademark in India*, AAPKA CONSULTANT (Nov. 24, 2017)

<http://www.aapkaconsultant.com/blog/colour-trade-mark-in-india/>

states that *‘wherein any application for registration of a combination of colours, the tribunal has to decide such, having to decide its distinctiveness’*.<sup>7</sup>

However, the registration of a single colour as a mark is still difficult in the country, a single colour is not recognized as a trademark by the Indian courts. The discussion began in the *Colgate case*<sup>8</sup>, wherein, the Court recognized the colour combination of ‘white and red’ used by the company and thus, held, Anchor’s use of the same combination in its toothpaste passing off. The court held *“a colour combination is a ‘trademark’ within the definition of the act, as there is no exclusion in the definition and even a single colour is entitled to protection under the law of passing off”*. The dispute was in regard to similar use of ‘red and white’ colour in the packaging for toothpaste by both companies. However, in a subsequent case<sup>10</sup>, the court held that *“a single colour or a colour combination is not a trademark and is incapable of protection under the common law of passing off”*. The plaintiff argued that *“its blister packaging containing a distinctive orange-coloured, oval-shaped tablet”*<sup>11</sup> constituted a trademark. However, it was held in the case that the colour and shape of the packaging are not indicative of the drugs, i.e, the product, nor do they bear any association with the Trademark, hence, even if there was a deliberate copying, it would not amount to passing off. Such inconsistent views prove to be an obstacle in understanding of the protection of such non-conventional trademarks. Hence, there always remains a confusion in the case as regard to registrability, and the registration is thus, decided on the merits of each application. Apart from the cases discussed above, Wipro mark has been registered in India and it employs a combination of colours.

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<sup>7</sup> Section-10, Supra Note 1.

<sup>8</sup> *Colgate Palmolive Company v Anchor Health and Beauty Care Pvt Ltd*, 2003 VIIIAD Delhi 228

<sup>9</sup> *Ibid.*

<sup>10</sup> *Cipla v MK Pharma MIPR 2007 (3) 170*

<sup>11</sup> *Ibid.*



Figure 1 WIPRO's Colour Mark<sup>12</sup>

Thus, we can see that colour trademark has its roots in India and has gained recognition, but not entirely. There are many issues that still need to be resolved and the position of Indian law over the registration of a single colour as a mark should be made clearer.

### **1.2 The Registration of Colour Marks in the United States**

Functionality is another criteria on which a colour mark can be rejected. If any trademark serves a function, it is rejected and colour marks are no exception. The Lanham Act leaves ample scope of interpretation for nonconventional marks to be included within the ambit of the definition of a trademark as provided in the Act<sup>13</sup>. The definition broadly describes what a trademark is, but does not provide any specific definition, only certain general rules to be satisfied by a mark, such as associated use, identification of source, and to distinguish the product from others. The ever protection to colour mark was granted in 1985<sup>14</sup>, which was later over-ruled in a subsequent case.<sup>15</sup>

The Qualitex case<sup>16</sup> talked about the concept of distinctiveness of a mark and about the functionality of a mark, in the context of colour marks. Thus, making it an important decision related to the subject. Qualitex had been using “green gold” colour on its dry cleaning pads, and

<sup>12</sup>Sulekha Nair, *Wipro's New Logo: Connecting the dots is intention, but brands experts are divided whether it does*, FIRSTPOST ( May 29, 2017)

<https://www.firstpost.com/business/wipros-new-logo-connecting-the-dots-is-the-intention-but-brand-experts-are-divided-whether-it-does-3486121.html>

<sup>13</sup> The Lanham(Trademark) Act, 1946, 5 U.S.C § 1051 et seq. ( 15 U.S.C. Ch. 22)

<sup>14</sup>Re Owens-Corning Fiberglass Corp, 221 USPQ 1195 (TTAB 1984).

[The Federal Circuit granted trademark protection in the colour pink as applied to fiber glass]

<sup>15</sup>NutraSweet Company v Stadt Co. (774 F2d 1024, 16 UPSQ2d 1959 (1990)

<sup>16</sup>Qualitex Co. v. Jacobson Products Co., Inc., 514 U.S. 159 (1995)

even registered the same in 1991. But, a business rival, Jacobson, started using similar colour for its press pads in 1989. Consequently, Qualitex decided to bring a suit against Jacobson, for infringing their trademark, and the District Court decide in favour of Qualitex.<sup>17</sup> Jacobson appealed against the decision, and was successful in its appeal.<sup>18</sup> But, it was reversed by the Supreme Court, stating that “*colours were not ‘inherently distinctive’, in that colours do not as such indicate to a consumer that they refer to a particular brand. Proof of secondary meaning, that is, that consumers had associated the colour with the manufacturer, was therefore necessary to make the colour distinctive*”<sup>19</sup>, The Court seconding the opinion of the District Court in the matter. It based Secondary Meaning of the trademark on the evidence of its reach, advertisement and its connected expenditures and also the success and popularity of the mark.<sup>20</sup> Another requirement discussed by the Court was of functionality, to which it was held that the colour used served no functionality.

In another case<sup>21</sup>, the use of yellow colour for taxicab services was recognized. The Courts have primarily considered factors such as the nature of goods or services for which the trademark registration has been sought, the manner in which the colour is used, the combination and number of colours used, competitors in the business and their use of the colour and the customary market practices in determining the registrability of various colour marks. Later, the courts in the U.S developed the colour depletion theory. In *Campbell Soup Co. V Armour n Co.*<sup>22</sup>, the court denied protection to the use of red and white colours, as used in Campbell’s logo, on the ground, that if protection were to be given to such use of colours, it would lead to a monopoly in use of all shades of red and white by Campbell, and it would thus, adversely affect the customary use of such colours. The Campbell Soup Court developed the colour depletion theory. According to the theory, “*there are a limited number of colours in the palette, and that it is not wise policy to foster further limitation by permitting trademark registrants to deplete the reservoir.*”<sup>23</sup> The Court found that in a case where there is no competitive need for colours to

<sup>17</sup>Qualitex Co. v. Jacobson Products Co., Inc , 21 USPQ2d 1457 (CD Cal 1991)

<sup>18</sup> 13 F 3d 1297 (9<sup>th</sup> Cir 1994).

<sup>19</sup> Supra Note 19.

<sup>20</sup>Qualitex had advertised its gold-press colour in various media, spending approximately \$1,621,000 between 1960 and 1990, and the pads had been in continuous and exclusive use for thirty years.

<sup>21</sup> Yellow Cab Transit Co. Vs Louisville Taxicab Transfer Co , 147 F 2d 407 (6<sup>th</sup> Cir 1945)

<sup>22</sup> Campbell Soup Co. V Armour n Co., 338 U.S 847(1949).

<sup>23</sup>Ibid.



remain available to all competitors, the colour depletion argument is an unreasonable restriction on the acquisition of trade mark rights.

The approach taken is quite liberal and the Courts have recognized several colour marks

### **1.3. The Registration of Colour Marks in the European Union**

Colour marks have been recognized in the Benelux Convention.<sup>24</sup> But in the context of Europe, a restrictive approach can be observed in relation to the registration of colour marks. The major test that is applied in the context of colour mark is the test of distinctiveness of the mark. The ECJ emphasized that the perception of the people towards the mark may not be the same as that towards a word or a figurative mark<sup>25</sup>. The appearance might even coincide with the product. For this reason, the ECJ concluded that generally, a colour as such does not have the fundamental characteristic of distinguishing the goods of a certain undertaking.<sup>26</sup> However, the reasoning is flawed, as the use of the colour as a mark does not always coincide with the goods' appearance. Also, in some cases it has acquired distinctiveness.

In *Libertel Case*<sup>27</sup>, the issue was over the registration of orange colour as a trademark for telecommunications goods and services. The Court held that “*a colour not spatially defined is capable of being registered as a trademark, provided that it satisfies the three conditions:*”<sup>28</sup>

- It is a sign
- It is capable of graphical representation
- It is capable of distinguishing the goods and services of one undertaking from another”<sup>28</sup>

In the famous *Cadbury case*<sup>29</sup>, Cadbury sought registration for the colour purple.<sup>30</sup> The registration sought was for Class 30, for “*Chocolate in bar and tablet form, chocolate confectionery, chocolate assortments, cocoa-based beverages, preparations for cocoa-based beverages, chocolate-based beverages, preparations for chocolate-based beverages, chocolate*

<sup>24</sup> Benelux Convention on Intellectual Property (Trademarks and Designs), 2005.

<sup>25</sup> Supra Note-3.

<sup>26</sup> *KWS Saat vs OHIM*, ECJ, Case C-447/02.

<sup>27</sup> *Libertel Groep BV vs Benelux Merkenbureau*, 2003 ECR I-3793.

<sup>28</sup> Ibid.

<sup>29</sup> *Societe Des Produits Nestle SA vs Cadbury UK Ltd.*, 2013 EWCA Civ 1179 (CA).

<sup>30</sup> Cadbury filed for registration for its trademark of colour ‘purple’ (Pantone 2685C) on 15th October 2004 (Application No. 2376879).

<http://www.ipo.gov.uk/types/tm/t-os/t-find/t-find-number?detailsrequested=C&trademark=2376879>

*cakes.*"<sup>31</sup>The application was for a rectangle, which is a purple block, applied to the whole visible surface, or being the predominant colour applied to it. The application was not for the colour purple per se, it comprised the colour swatch as a sample, the Pantone shade and a verbal description of the same.<sup>32</sup>

Nestle filed for an opposition regarding the application, claiming that the mark is not within the ambit of requirements for registration, under the 1994 Act<sup>33</sup>. However, Cadbury was granted the registration in 2011. The registered mark was to be used for Chocolate in bar and tablet form; eating chocolate; drinking chocolate; preparations for making drinking chocolate. Nestle, thus, filed a lawsuit against the same. The mark did not satisfy the requirements of section 3(1)(a) of the Trade Marks Act 1994<sup>34</sup> that the mark is "a sign". The written description, as mentioned in the application, referred to the whole visible surface, or being predominant to it. The Court of Appeal, thus, held that it comprised "*an unknown number of signs*". Indicating that the requirements for the mark to be 'a sign' was not met. Cadbury, then amended the application, which was rejected again.

ECJ also recognizes the colour depletion theory, and states that the actual number of colours are limited, as a result of the vague image the consumer recollects, the public places no relevance on the existence of a large number of different tints and shades, thus, mere differences between the same for purpose of registering the mark was of no relevance.

#### **1.4. Issues Regarding its Protection and Proposed Solutions**

The relevance of colour marks is quite evident in today's world, and we can see a welcoming trend towards the same. The mark has been included in the Indian legislation, and is not barred for registration by the Lanham Act. This approach is attributed to the importance of the mark in today's economy and market. The United States has taken a liberal approach in the matter and has registered a number of colour marks, which we discussed above.

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<sup>31</sup>Supra Note 31.

<sup>32</sup> Ibid.

<sup>33</sup> S.3 (1) (b), (c) and (d) of Trade Marks Act, 1994, Acts of Parliament, 1994 (U.K.)

<sup>34</sup> Ibid.



India has also taken initiatives for the registration of combination of colours, unlike for any other nonconventional mark, such as smell or sound mark. The Act specifically talks about the inclusion of a combination of colours in its definition of a trademark, and also provided limitations for the same. Indian courts have also decided on the matter, however, the opinion is divided and the status of registration of single colour marks still remains confusing to the public.

Europe has an approach which can be termed restrictive, as the Courts have applied a lot of tests on the registration of the mark, and put up restrictions on the same. However, in any case, wherein the pre requisites were satisfied, the mark was granted protection.

The major challenges to the registration of a colour mark are the tests of functionality, distinctiveness, graphical representation and the colour depletion theory. The doctrine of functionality is a major impediment to the registration of many nonconventional marks, colour mark being no exception. Similar is the case about the graphical representation of a nonconventional mark. The colour mark, in some cases serves a purpose other than being a mark, and hence cannot be registered. So herein, the applicant should be very cautious regarding the same. The more competitive the colour happens to be, the more the probabilities are that it will be functional, and hence denied registration as a trademark. The colour when represented on a paper for registration, sometimes show a slightly different colour than that intended, also a large number of similar shades and tints confuse the consumer as well as the court. Many colour marks either coincide with the appearance of the product or fail to acquire a distinctiveness for itself, as the consumers could not identify the same in its use associated with the product.

The Colour depletion theory is true in its essence and is necessary to check abusive use of monopoly for certain popular colours by certain popular brands. It is the answer to this monopoly by the courts. But, subsequently, it is the most prominent impediment to the registration of single colour marks. The theory has no place for registration of combination of colours, and thus, a colour mark which comprises of a combination of different colours have no threat from the doctrine. But, it negates the registration of a single colour for a trademark, as the colours are limited and it would be unfair. The result to that is acquiring a distinctiveness for itself through its use as a mark and proper advertisement, and also to be cautious about the shade of the colour used a mark. Hence, an approach which could harmonize both the facets is the dire necessity of

the times, because a trademark has numerous benefits for the consumer and the producer as well, and for the economy as a whole.



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