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***A Court Stops a Company from Claiming Trademark Rights in Part Numbers
And Why Businesses Should Care***

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Imagine if a customer walked into a cell phone store and asked to buy a MC319LL™ smart phone. The reaction of the clerk would likely be very different than if the customer asked for the iPhone 4™ (one of the model numbers of which is MC319LL). Whether a model or part number functions as a trademark may depend on whether the company that makes and/or sells the product has educated the public to view model or part numbers as a distinguishing identifier of the product's source. In the case of the iPhone, Apple hasn't made such an effort, which is why the hypothetical of a customer asking about the MC319LL would seem so odd.

But even where the manufacturer intends such a result, can the mish-mash of letters and numbers associated with parts or model numbers truly function as a mark? A federal appeals court recently answered "No" to that question with respect to a manufacturer's attempt to claim trademark rights in certain auto parts numbers. *Tenneco Automotive Operating Co. v. Kingdom Auto Parts, Inc.*, 2010 WL 4365580 (6th Cir. Oct. 28, 2010). Companies who are trying to extend their brand protection to models or part numbers should take note of this decision.

The purpose of a trademark is "to *identify* the source of one seller's goods and *distinguish* that source from other sources." 1 J. THOMAS MCCARTHY, 1 MCCARTHY ON TRADEMARKS & UNFAIR COMPETITION § 3:1, *What a Trademark Is*. If a word, name, or symbol, or other designation (e.g. a part number) merely distinguishes a product from other products but does not identify the source of the product in the minds of consumers, then it does not function as a trademark. Thus, in the above example, iPhone, which Apple promotes heavily in its marketing, obviously acts as a strong trademark which consumers recognize as an distinctive indicator of an Apple product, whereas the model number MC319LL likely does not fulfill that purpose.

If a mark is merely descriptive of a characteristic, quality, or function of the product being sold, then one cannot claim exclusive rights in that mark unless it has "acquired distinctiveness." This occurs when the mark has taken on secondary meaning among consumers as an identifier of the product's source. Model numbers and part numbers are generally seen as "functional" or as otherwise describing the products they represent. Therefore, they must acquire distinctiveness before serving as protectable trademarks. In fact, the U.S. Patent and Trademark Office takes the

position that “model or grade designations subject matter used *solely* as a model, style, or grade designation within a product line does not function as a trademark.” TMEP § 1202.16.

These barriers have not stopped various companies from claiming exclusive trademark rights in their model and part numbers. Indeed, some companies have been successful in registering their model numbers and/or part numbers as trademarks and preventing others from using them. *See, e.g., Ford Motor Co. v. B & H Supply, Inc.*, 646 F. Supp. 975, 995 (D. Minn. 1986) (“Ford’s . . . distinctive numbering system [is] primarily related to the identification of the automotive parts with Ford, rather than to the usefulness of the parts.”); *In re Petersen Mfg. Co., Inc.*, 229 USPQ 466, 468 (TTAB 1986) (finding that letter-number combinations for locking hand tools were registrable, and stating that “there is no question that such model designations can, through use and promotion, be perceived as marks indicating origin in addition to functioning as model designations.”). Other companies’ attempts to claim trademark rights in model and part numbers have fallen flat. *See, e.g., In re Dana Corp.*, 12 USPQ2d 1748 (TTAB 1989) (holding that alphanumeric designations such as 5-469X were unregistrable for universal joint couplings because the evidence was insufficient to establish acquired distinctiveness).

One recent case involving a battle in the car-part industry demonstrates the uphill battle faced by companies that want to claim trademark rights in their part numbers or model numbers. In *Tenneco Automotive Operating Co. v. Kingdom Auto Parts, Inc.*, the automotive giant Tenneco (owner of the MONROE® brand) sued its competitor Kingdom for trademark infringement based on Kingdom’s use of various five-digit and six-digit product numbers originally adopted and used by Tenneco for its strut assembly products. Kingdom not only was using Tenneco’s part numbers to identify Kingdom’s products but also had gone so far as to stamp the product numbers into its own products. Tenneco cried foul.

Tenneco submitted evidence to the district court attempting to show that consumers recognize the product numbers as Tenneco products (i.e. that the part numbers serve as trademarks), including evidence of the length of use, advertising expenses, alleged intentional copying, and various declarations from consumers and distributors about their recognition of the product numbers. Despite this evidence, the district court ultimately concluded that Tenneco’s “product numbers have not acquired secondary meaning such that they function as a source identifier for Tenneco’s strut assemblies.” May 18, 2009 Order from Hon. George Caram Steeh, 08-cv-10467, Dkt. 151. In other words, Tenneco could not claim trademark rights in its product numbers because they did not serve as trademarks. On appeal, the U.S. Court of Appeals for the Sixth Circuit agreed, concluding that Tenneco had failed to show that the “primary significance” of the product numbers in the minds of consumers was the source of the products rather than the products themselves. 2010 WL 4365580 at *12 (6th Cir. Oct. 28, 2010).

However, the battle did not end there. Prior to and during the litigation, Tenneco filed numerous federal applications seeking to register its part numbers as trademarks. The Trademark Office initially refused registration for these applications on the basis that the part numbers did not function as trademarks. After Tenneco submitted evidence of acquired distinctiveness, the Trademark Office published many of these applications for opposition. Kingdom immediately filed oppositions with the Trademark Trial and Appeal Board (“TTAB”) against several of the applications, but Kingdom did not oppose others that were not at issue in the federal litigation.

During the pendency of the appeal to the Sixth Circuit, Tenneco was able to overcome the Trademark Office’s refusals and obtain federal trademark registrations for the product numbers

that Kingdom did not oppose and that were not at issue in the litigation. As to the applications for registration that Kingdom did oppose and that were at issue in the litigation, the TTAB recently issued an order requiring Tenneco to show cause, in light of Tenneco's unsuccessful appeal, why the TTAB should not enter judgment against Tenneco and refuse registration of the marks opposed by Kingdom. Thus, it is doubtful that Tenneco will be able to obtain registrations for the part numbers at issue in the litigation.

Tenneco waged a two-front war in the Courts and in the Trademark Office to obtain trademark rights for its part numbers. So far it is losing in its effort in the Courts to enforce its rights, while having some success on some applications in the Trademark Office which were not opposed by Kingdom or anyone else. The litigation with Kingdom forced Tenneco to try to prove its trademark rights vis-à-vis third parties, and it came up short in such an adversarial proceeding.

Assuming a company is able to establish trademark rights in a particular part number or model number, there are still ways in which a competitor may still lawfully use that part number in commerce without necessarily infringing the other company's trademark rights. For example, a company may engage in what is known as "nominative fair use" of another's trademark.

Under one test, nominative fair use of another's mark occurs when (1) the product in question is not readily identifiable without the use of the trademark; (2) the use incorporates only so much of the mark or marks as is reasonably necessary to identify the product or service; and (3) the use does not suggest sponsorship or endorsement by the trademark owner. *See New Kids on the Block v. News Am. Publ'g, Inc.*, 971 F.2d 302, 308 (9th Cir. 1991).

In many circumstances, a part manufacturer may publicly state that its products serve as "spares" or "replacement parts" for a given product number of a company. *See* 4 CALLMANN ON UNFAIR COMPETITION, TRADEMARKS & MONOPOLIES § 22:44 (4th ed.). A competitor also may engage in truthful comparative advertising that references product numbers in a manner that is not likely to cause confusion. *Id.* However, conspicuous use of a competitor's trademark to draw attention to the product or to convey the impression that the part is manufactured by the trademark owner may be a violation of the trademark owner's rights. *Id.*

In sum, whether a part number or model number will be protected or enforced as a trademark will depend heavily on whether consumers recognize it as a distinguishing identifier of a product's source, and how much proof of such recognition that the manufacturer/seller can present in making any infringement claim or in pursuing registration. Companies seeking to establish trademark rights in part numbers or model numbers, which initially are almost entirely functional, face the difficult burden of proving secondary meaning among consumers (whereby they recognize the model or part as a source indicator). Even if a product number or model number constitutes a trademark, the trademark owner still must demonstrate a likelihood of confusion through the third party's unauthorized use of the company's mark or of a confusingly similar mark, in order to establish a successful infringement claim. Further, a competitor may lawfully use another company's trademarked part numbers for certain non-trademark purposes.

While there may be general principles, sophisticated companies that wish to protect their own part or model numbers as trademarks or that intend to use or reference the trademarked part or model numbers of a third party should seek advice from a competent trademark attorney.

So, the next time you walk into a retail store or showroom, and you see a model or part number followed by a TM or even a ®, you should judge for yourself whether the combination of

numbers and/or letters really acts as a trademark. When buying a car, it's easy to see that some model numbers are trumpeted as trademarks (i.e. Z4, A6, F250, IS350). However, for other products, especially those that have longer model or part numbers that are less memorable, such as cell phones or auto parts, consumers may or may not identify a model or part number as a trademark. Do an appreciable number of consumers actually recognize the product or model number as a distinguishing identifier of the product's source? If not, *it's probably not a trademark.*

The lawyers at Bacal Andersen & Garrison Law Group have experience in representing one of the largest retail auto part manufacturers as well as wholesale auto part sellers in intellectual property matters. This article was written primarily by David Andersen, with assistance from Glenn Bacal. For more information about Bacal Andersen & Garrison Law Group, visit our website at www.ipdepartment.com.