A QUICK GUIDE TO TRADEMARK LAW AND RECENT DEVELOPMENTS IN THE FEDERAL CIRCUIT

SREYA GANGOPADHYAY & ANIKA KRISHNAN

Executive Summary: Trademark law enables businesses to build brand reputation and consumer recognition by protecting marks that are distinctive, non-functional, and used in commerce. The purpose of trademark protection is to reduce consumer confusion and preserve a company's goodwill in the marketplace. Federal trademark protection is codified in the Lanham Act, which also extends to trade dress—features of a product's visual appearance or packaging, provided those features are nonfunctional. Trademarks may be registered with the U.S. Patent and Trademark Office. As part of the registration process, the Lanham Act entitles "any person" to oppose the registration of a mark or cancel a mark's registration. Recently, the Federal Circuit affirmed the Trademark Trial and Appeal Board's dismissal of a trademark opposition in Fuente Marketing Ltd. v. Vaporous Technologies, LLC*, holding that the dissimilarity of the marks' commercial impressions outweighed other factors favoring a likelihood of consumer confusion, as summarized below.*

I. INTRODUCTION

Trademark law protects a business's commercial identity or brand by discouraging other businesses from adopting a name, logo, or other mark used to sell goods and services that are "confusingly similar" to an existing trademark.[1] Companies, such as Apple, Nike, and Disney, have developed brand names that carry value independent of their products and services.[2] This reputation, or goodwill, is a critical asset in competing in the global marketplace.[3] Trademark law safeguards that goodwill by preventing outside entities from exploiting it and by reducing consumer confusion—ensuring that individuals do not mistakenly purchase one company's goods when intending to purchase another's.[4]

Although trademark law traces its origins back to early common law, today, it is based on statutory rights conferred by the Trademark Act of 1946[5] (Lanham Act), which is the federal codification of trademark law.[6] The U.S. Patent and Trademark Office (USPTO) grants federal registrations to parties for their trademarks that meet the protectability

[1] Marks used in connection with services are often called "service marks." This memo will use the term "trademark" to refer to both trademarks and service marks.

[2] 15 U.S.C. § 1127 (defining "trademark" to include marks used to identify and distinguish goods and to indicate source).

[3] *See* Qualitex Co. v. Jacobson Prods. Co., 514 U.S. 159, 163–64 (1995) (noting that trademarks foster competition by securing to producers the benefits of their goodwill).

[4] *See, e.g.* Museum of Mod. Art v. MOMACHA IP LLC, 339 F. Supp. 3d 361, 376 (S.D.N.Y. 2018) (discussing how using the name MoMaCha in the same font style as MoMa is likely to confuse consumers into thinking MoMaCha is affiliated with the Museum of Modern Art).

[5] Pub. L. No. 79-489, ch. 540, 60 Stat. 427.

[6] For a discussion on the common law origins of trademark law, see Lanham Act § 1, 15 U.S.C. § 1051 (providing for application and registration of trademarks with the USPTO).

requirements.[7] Registration confers several important rights under the Lanham Act.[8] Trademark owners may enforce their rights under the Lanham Act, state common law, and trademark statutes (often called unfair competition statutes) to sue other mark owners for infringement, dilution, false advertising, right of publicity, and other forms of unfair competition.[9] Parties may sue in district court, alleging trademark infringement, dilution, or any other cause of action enabled by the Lanham Act or common law, and appeals are heard by the appropriate circuit court.[10]

Trademark rights can last indefinitely as long as the owner continuously uses the mark in commerce, unlike copyright law and patent law, which protect intellectual property for a limited duration before requiring it to enter the public domain.[11] This distinction exists because Congress derives its power to legislate trademark law from the Commerce Clause,[12] which enables Congress to confer rights based on the use of a mark in commerce. For copyright and patent law, Congress derives its legislative power from a different constitutional basis, which enables Congress to incentivize creativity and invention by granting exclusive rights for "limited [t]imes."[13]

II. OVERVIEW OF TRADEMARKS

In the United States, a trademark is protectable and enforceable as a property right only if it is (1) distinctive of source, (2) non-functional, and (3) used in commerce.[14]

To be "distinctive of source," a mark must immediately communicate to consumers the source of a good or service.[15] In a landmark case, the Second Circuit developed a spectrum of distinctiveness ranging from least distinctive (generic) to most distinctive (fanciful).[16] At the

---

[7] *Id.*

[8] *See id.* §§ 1051–1141.

[9] Trademark common law dates to medieval brandings used by merchants to distinguish their goods from one another. *See* Mark P. McKenna, *The Normative Foundations of Trademark Law*, 82 NOTRE DAME L. REV. 1839, 1849–50 (2007).

[10] Lanham Act § 39, 15 U.S.C. § 1121 (granting federal district courts original jurisdiction over all actions arising under the Lanham Act). Note that the Lanham Act confers upon both federally registered and unregistered trademarks the right to sue for infringement. 15 U.S.C. §§ 1114, 1125.

[11] "Use in commerce" refers to a "sale or transportation of the trademarked goods in United States interstate commerce or in United States commerce with foreign nations." J. THOMAS MCCARTHY, 1 MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 19:117 (5th ed. 2023).

[12] The Supreme Court held that Congress's power to regulate trademarks requires the use of the mark in interstate and foreign commerce, as this power comes only from the Commerce Clause. *See id.* at § 6:2.

[13] U.S. CONST. art. I, § 8, cl. 8. ("To promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries."); MCCARTHY, *supra* note 11, at § 6.8.

[14] BARTON BEEBE, TRADEMARK LAW: AN OPEN-SOURCE CASEBOOK 214 (10th ed. 2023).

[15] Note that "source" does not mean the literal factory where goods were manufactured, but rather the entity that provides the goods to consumers. A trademark cannot describe the goods or services—it must designate who a product comes from, and not what the product is. Additionally, a mark may be either inherently distinctive or may have acquired distinctiveness if consumers have come to recognize the mark as referring to a particular source of goods even though the mark itself merely describes the goods. MCCARTHY, *supra* note 11, at § 4.14 (secondary meaning).

[16] Abercrombie & Fitch Co. v. Hunting World, Inc., 537 F.2d 4, 9 (2d Cir. 1976). The Supreme Court endorsed Judge Friendly's spectrum as the appropriate test for determining whether a mark is sufficiently distinctive in

lowest end of the spectrum are generic marks, which are never enforceable.[17] Generic marks name the actual type of good or service and do not serve any source-identifying function.[18] A federal court held the mark "Pretzel Crisps" to be generic and unprotectable for "pretzel crackers" after twelve years of litigation.[19] Next on the distinctiveness spectrum are descriptive marks, which merely describe qualities or characteristics of the good or service without serving as an immediate source identifier.[20] Descriptive marks are not enforceable unless they have acquired secondary meaning.[21]

The next category of marks is suggestive marks, which are distinctive enough to be enforceable without a showing of secondary meaning.[22] A suggestive mark "requires imagination, thought and perception to reach a conclusion as to the nature of goods," therefore acting as an indicator of source rather than as a description of the goods themselves.[23] Finally, the most distinctive marks—arbitrary and fanciful—are unrelated to the actual goods or services (e.g., Apple for computers), or are completely made-up words (e.g., Pepsi for soda).[24] Arbitrary and fanciful marks instantly refer to the source of the goods or services without describing the characteristics of the goods or services, and the strongest marks confer the greatest scope of protection.[25]

Two Pesos, Inc. v. Taco Cabana, Inc., 505 U.S. 763, 768 (1992). However, this spectrum is difficult to apply to non-word marks. *See generally* Wal-Mart Stores, Inc. v. Samara Bros., 529 U.S. 205 (2000) (discussing the *Abercrombie* spectrum applicability to trade dress). For a helpful chart depicting the spectrum, see Perpinder Petrola, *Is Your Brand "Distinctive" Enough to Be Trademarked?* PATROLA LAW (June 29, 2022), http://patrolalaw.com/is-your-brand-distinctive-enough-to-be-trademarked.

[17] *See* MCCARTHY, *supra* note 11, at § 12.1 ("[A] generic name of a product can never function as a trademark to indicate origin.").

[18] Examples include "Hotels.com" for making hotel reservations and "Serial" for an ongoing investigative reporting podcast. *See In re* Hotels.com, L.P., 573 F.3d 1300, 1304 (Fed. Cir. 2009); *In re* Serial Podcast, LLC, 126 U.S.P.Q.2d 1061, 1072 (T.T.A.B. 2018) (holding that Serial's logos had acquired distinctiveness and were allowed to be registered).

[19] Snyder's Lance, Inc. v. Frito-Lay N. Am., Inc., No. 3:17-CV-00652, 2021 WL 2322931 (W.D.N.C. June 7, 2021).

[20] Examples include "Fish-Fry" for batter mixes to fry fish and "Supreme" for vodka. Zatarains, Inc. v. OakGrove Smokehouse, Inc., 698 F.2d 786, 793 (5th Cir. 1983); Supreme Wine Co. v. Am. Distilling Co., 310 F.2d 888, 889 (2d Cir. 1962); *see also*, *In re* N.C. Lottery, 866 F.3d 1363, 1366, 1369 (Fed. Cir. 2017) (holding that the mark "First Tuesday" is merely descriptive because it is less a source-identifier than it is a description of a feature of the goods or service).

[21] *See infra* note 22.

[22] *See* Pinterest, Inc. v. Pintrips, Inc., 140 F. Supp. 3d 997, 1010 (N.D. Cal. 2015) (explaining that "Pinterest" is a classic suggestive mark because it is a combination of the words "pin" and "interest," which hints to users that they will be pinning their interests on the website).

[23] Stix Prods., Inc. v. United Merchs. & Mfrs., Inc., 295 F. Supp. 479, 488 (S.D.N.Y. 1968). Examples include "Tide" for laundry detergent and "Streetwise" for street marks. *See* Wal-Mart Stores, Inc. v. Samara Bros., 529 U.S. 205, 210–11 (2000); Streetwise Maps, Inc. v. VanDam, Inc., 159 F.3d 739, 744 (2d Cir. 1998). A suggestive mark may receive less protection under trademark law than a descriptive mark when it is too closely associated with the products' attributes. *See, e.g.* RiseandShine Corp. v. PepsiCo, Inc., 41 F.4th 112, 122 (2d Cir. 2022) (discussing that the use of the word "rise" to describe coffee is weak under trademark law because it clearly associates with the purposes of drinking coffee).

[24] Examples of arbitrary marks include "Gap" for apparel and "Omega" for watches (these terms have nothing to do with the actual goods and services). *See* Gap, Inc. v. G.A.P. Adventures Inc., No. 07-cv-9614, 2011 WL 2946384, at *13 (S.D.N.Y. June 24, 2011); Omega S.A. v. Omega Eng'g, Inc., 228 F. Supp. 2d 112, 123 (D. Conn. 2002). Examples of fanciful marks include "Hobbit" for a character in books and movies and "Viagra" for an erectile dysfunction drug (these terms were coined for the sole purpose of identifying the source of the goods and services). *See* Warner Bros. Ent. v. Glob. Asylum, Inc., No. CV 12–9547 (CWx), 2012 WL 6951315, at *5 (C.D. Cal. Dec. 10, 2012), *aff'd*, 544 Fed. App'x 683 (9th Cir. 2013); Pfizer Inc. v. Sachs, 652 F. Supp. 2d 512, 520 (S.D.N.Y. 2009).

[25] Two Pesos, Inc. v. Taco Cabana, Inc. 505 U.S. 763, 786 (Thomas, J., concurring).

In addition to being distinctive, trademarks cannot be functional.[26] The functionality doctrine prevents trademark law from being used to secure perpetual protection for useful product features, which properly belong in patent law.[27] Functional features that are essential to the use or purpose of the product, or that affect its cost or quality, cannot be protected as trademarks because doing so would grant a monopoly over features competitors must be free to use.[28]

Finally, trademarks must be used in commerce to be protectable under the Lanham Act.[29] This means that the mark must be used in connection with the advertising, sale, or transport of goods or services in interstate or foreign commerce.[30] Mere intent to use a mark is insufficient, although federal law allows for "intent-to-use" applications that secure priority contingent on eventual commercial use.[31] Actual use must demonstrate that the mark is placed on the product, its packaging, or in the sale or advertising of services in a way that consumers recognize as a source identifier.[32]

A. Functionality doctrine

Non-functionality is one of three requirements a trademark must satisfy to qualify for protection. The Lanham Act explicitly states that a mark must be refused registration when it "comprises any matter that, as a whole, is functional."[33] The functionality doctrine maintains separation between patent and trademark protections.[34] Patents are specifically designed to protect useful inventions, whereas trademark law protects non-functional branding features.[35]

"Functionality" within trademark law can refer to either utilitarian functionality or aesthetic functionality.[36] Under the utilitarian approach to functionality, "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."[37] The existence of a utility patent for a feature creates a strong

---

[26] TrafFix Devices, Inc. v. Mktg. Displays, Inc., 532 U.S. 23, 29 (2001) (explaining that trademarks must not be functional).
[27] Qualitex Co. v. Jacobson Prods. Co., 514 U.S. 159, 164–65 (1995) (holding that the functionality doctrine prevents perpetual trademark rights in useful product features).
[28] *Id.*
[29] This contrasts with many other countries that grant trademark registrations without evidence that the mark is used in commerce. *See* MCCARTHY, *supra* note 11, at § 16:1:50; *see also* Tara M. Aaron & Axel Nordemann, *The Concepts of Use of a Trademark under European Union and United States Trademark Law*, 104 T.M.R. 1186, 1189 (2014) (noting parties seeking trademark registration in the European Union do not have to prove use or intent to use).
[30] *See* Couture v. Playdom, Inc., 778 F.3d 1379, 1382 (Fed. Cir. 2015) (establishing that a company must actually render service using the mark to constitute use in commerce). For an insightful discussion of the consequences and questions after the Court's recent decision restricting extraterritoriality in the Lanham Act, see Margaret Chon & Christine Haight Farley, *Trademark Extraterritoriality:* Abitron v. Hetronic *Doesn't Go the Distance*, TECH. & MKTG. L. BLOG (July 17, 2023), https://blog.ericgoldman.org/archives/2023/07/trademark-extraterritoriality-abitron-v-hetronic-doesnt-go-the-distance-guest-blog-post.htm.
[31] Aycock Eng'g, Inc. v. Airflite, Inc., 560 F.3d 1350, 1357–59 (Fed. Cir. 2009) (explaining that mere intent to use does not create rights, although intent-to-use applications may secure priority).
[32] Allard Enters., Inc. v. Adv. Programming Res., Inc., 249 F.3d 564, 572 (6th Cir. 2001).
[33] 15 U.S.C. § 1052(e)(5).
[34] Ezaki Glico Kabushki Kaisha v. Lotte Int'l Am. Corp., 986 F.3d 250, 256 (3d Cir. 2021).
[35] *Id.* at 255.
[36] *In re* Morton-Norwich Prods., Inc., 671 F.2d 1332, 1338 n.1 (C.C.P.A. 1982).
[37] Inwood Lab'ys, Inc. v. Ives Lab'ys, Inc., 456 U.S. 844, 850 n.10 (1981).

presumption of the feature's utility.[38] The doctrine of aesthetic functionality "looks at whether the [trade] dress makes [a product] more appealing to the public by aesthetic means."[39] Aesthetic features are functional when they are necessary for a product to compete in its market.[40] Even when a plaintiff successfully presents a prima facie case for trademark infringement, the defendant is not liable if it can prove either utilitarian or aesthetic functionality.[41]

B. The Trademark Modernization Act Of 2020

Enacted in December 2020, the Trademark Modernization Act of 2020[42] (TMA) amended the Lanham Act in three important respects.[43] First, the TMA created two new *ex parte* procedures: Expungement and reexamination.[44] There have been 818 petitions filed under these *ex parte* procedures since April 2023.[45] This includes 401 expungements[46] and 417 reexaminations,[47] 80 of which were brought by the USPTO.[48] Second, the TMA changed the application process by allowing trademark examiners to shorten the response deadlines for applicants.[49] Finally, the TMA clarified the appropriate standard of proof for trademark litigation.[50] For a court to grant injunctive relief in a trademark case, courts must find that a plaintiff would suffer "irreparable injury" if an injunction is not ordered.[51] Historically, federal courts held that the "irreparable injury" element is satisfied when the alleged trademark infringement is likely to cause customer confusion, but federal courts have recently weakened this requirement by holding that customer confusion does not automatically create an assumption of irreparable injury.[52] The TMA addressed this issue by reestablishing the traditional principle that a showing of customer confusion is dispositive of the plaintiff's irreparable injury.[53]

---

[38] Traffix Devices, Inc. v. Mktg. Displays, Inc., 532 U.S. 23, 29 (2001).
[39] Spencer Davczyk, *Aesthetic Functionality in Trade Dress: Post-Secondary Aesthetic Functionality Proposed*, 105 COM. L.J. 309, 315 (2000).
[40] *Id.*
[41] Wallace Int'l Silversmiths, Inc. v. Godinger Silver Art Co., 916 F.2d 76, 79 (2d Cir. 1990).
[42] Pub. L. No. 116-260, §§ 221–228, 134 Stat. 1182, 2200; Changes to Implement Provisions of the Trademark Modernization Act of 2020, 86 Fed. Reg. 26,862, 26,863 (May 18, 2021).
[43] Changes to Implement Provisions of the Trademark Modernization Act of 2020, 86 Fed. Reg. 26,862, 26,863 (May 18, 2021); David T. Azrin, *The Trademark Modernization Act: New Procedures and Rules That Will Benefit Trademark Owners*, 31 INTELL. PROP. LITIG. 17, 17 (2021).
[44] Azrin, *supra* note 43, at 17–18.
[45] Mark Lerner, Jennifer M. Lantz & Lauren Matturri, *The Trademark Modernization Act One Year On: New Tools and Takeaways*, WORLD TRADEMARK REV. (June 30, 2023), https://www.lexology.com/library/detail.aspx?g=673bc0b0-4c78-417e-8903-ea10a80e3dac.
[46] In an expungement proceeding, third parties may challenge a trademark registration by submitting evidence amounting to a prima facie showing that the mark has never been used in commerce on or in connection with. Azrin, *supra* note 43, at 18.
[47] In a reexamination proceeding, third parties may challenge a trademark registration by submitting evidence amounting to a prima facie showing that the mark was not in use in commerce on or in connection with some or all the goods or services as of the alleged use date. *Id.*
[48] Lerner et al., *supra* note 45.
[49] *See id.* (explaining that this change would help weed out fraudulent and improper applications more quickly).
[50] Azrin, *supra* note 43, at 18–19.
[51] 15 U.S.C. § 1116(d)(4)(B)(iv).
[52] Azrin, *supra* note 43, at 18–19.
[53] *Id.* at 19.

C. Federal Registration

One of the most important steps in securing broad trademark rights is to secure a federal trademark registration. There are numerous benefits to obtaining a federal registration, including nationwide priority beginning on the application date, constructive use, notice to potential competitors, presumption of validity, basis for obtaining registration in foreign countries, right to request the U.S. Customs and Border Patrol to prevent infringing imports, statutory remedies, and the right to use.[54]

The USPTO, an executive office within the Department of Commerce, is responsible for granting or refusing federal registration.[55] Individuals and businesses seeking to register a new trademark may apply through the USPTO's online portal independently or through a licensed attorney.[56] Once a party submits an application, the USPTO assigns an Examining Attorney to review the application for compliance with USPTO regulations and the Lanham Act.[57]

If a mark is approved by the USPTO, it is published in The Trademark Official Gazette and open to challenge for thirty days by "[a]ny person who believes that he would be damaged by the registration of a mark."[58] The grounds for opposing a mark vary, but usually the petitioner asserts that there is a likelihood of confusion between its mark and the opposed mark.[59] If no opposition (or extension) is filed, the mark proceeds to allowance and ultimately to registration once use has been demonstrated.[60] The term of registration is ten years, with the ability to renew indefinitely, provided compliance with the USPTO post-registration and maintenance requirements.[61] If the USPTO refuses to register an applicant's mark, the applicant can appeal the refusal as an *ex parte* action[62] to the Trademark Trial and Appeal Board (TTAB).[63]

D. Trademark Trial and Appeal Board (TTAB) Proceedings and Appeals

The TTAB is a neutral body of administrative trademark judges responsible for adjudicating trademark disputes in the first instance.[64] The TTAB is not authorized to

---

[54] BEEBE, *supra* note 14, at 232–38.
[55] The USPTO may refuse registration on several grounds, including a likelihood of confusion with any third-party mark, being deceptively misdescriptive, and being primarily geographically descriptive. 15 U.S.C. § 1052(d).
[56] U.S. PAT. & TRADEMARK OFF., TRADEMARK PROCESS, https://www.uspto.gov/trademarks/basics/trademark-process (last visited Oct. 20, 2026).
[57] *Id.*
[58] 15 U.S.C. § 1063(a).
[59] The likelihood of confusion is also the test for whether a party has engaged in trademark infringement against another's mark and is decided by a multi-factor test. The TTAB and Federal Circuit use the factors set forth in *In re E. I. DuPont de Nemours & Co.*, but each circuit has its own multi-factor test. 476 F.2d 1357 (C.C.P.A. 1973).
[60] BEEBE, *supra* note 14, at 247.
[61] Lanham Act §§ 8–9, 15 U.S.C. §§ 1058–1059.
[62] This is an *ex parte* action because there is no claim of action between opposing parties—just a disagreement between an applicant and the PTO about whether a mark is registrable.
[63] All *ex parte* TTAB and appellate hearings decide only whether a mark is registrable, not whether a party's use of a mark infringes upon another party's mark.
[64] U.S. PAT. & TRADEMARK OFF., *About The Trademark Trial and Appeal Board*, https://www.uspto.gov/trademarks/laws/trademark-trial-and-appeal-board (last visited Oct. 20, 2026).

determine whether applicants may legally use a trademark, but it is allowed to determine whether applicants have the right to register trademarks with the federal government.[65] The TTAB is authorized to handle five types of cases, but the three that it most commonly deals with are (1) *ex parte* appeals, (2) oppositions, and (3) cancellations.[66] First, in an *ex parte* appeal, the applicant may challenge the USPTO Examining Attorney's decision to refuse trademark registration.[67] Second, a party may initiate an opposition proceeding to challenge the registration of a trademark as published in The Trademark Official Gazette.[68] Finally, a party may initiate a cancellation proceeding with the TTAB in an attempt to invalidate and remove the existing trademark registration of another party from the register.[69]

If a party is unsatisfied with the TTAB's decision in an appeal, opposition, or cancellation proceeding, the party can either (1) appeal to the Federal Circuit—the Article III court with appellate jurisdiction over TTAB decisions—or (2) appeal to any federal district court.[70] Going to district court offers two advantages. First, additional evidence may supplement the record.[71] Second, a party can forum shop and avoid the Federal Circuit by appealing the district court's rulings to its reviewing appellate court.[72]

E. Trade Dress

In addition to protecting traditional trademarks, the Lanham Act also protects trade dress, defined as "the appearance of a product when that appearance is used to identify the producer."[73] The purpose of trade dress law is to prevent consumer confusion about the source of a product.[74] Trade dress refers to the overall visual features of a product, such as its size, shape, color, graphics, or configuration.[75] Courts generally divide trade dress into two categories: Product design and product packaging.[76] Product packaging, such as the layout of a restaurant, may be inherently distinctive and therefore protectable without proof of secondary meaning.[77] Product design, by contrast, can never be inherently distinctive; to qualify for protection, the applicant or trademark holder must demonstrate that the design has acquired secondary meaning, requiring that consumers associate the design with a

---

[65] *Id.*
[66] *Id.*
[67] *Id.*
[68] 15 U.S.C. § 1603; *see* MCCARTHY, *supra* note 11 at § 20.
[69] 15 U.S.C. § 1604.
[70] *Id.* § 1071.
[71] BEEBE, *supra* note 14, at 247
[72] *Id.* at 247–48.
[73] Wal-Mart Stores, Inc. v. Samara Bros., 529 U.S. 205, 209 (2000); Publ'ns Int'l, Ltd. v. Landoll, Inc., 164 F.3d 337, 338 (7th Cir. 1998).
[74] Jeff Resnick, *Trade Dress Law: The Conflicts Between Product Design and Product Packaging*, 24 WHITTIER L. REV. 253, 256 (2002); *see, e.g.*, PIM Brands Inc. v. Haribo of Am. Inc., 81 F.4th 317, 323 (3d Cir. 2023) (holding that the shape and color of PIM's watermelon-flavored candy made it functional because its trade dress resembled a watermelon appearance).
[75] Paula Mays, *Trade Dress*, 88 J. PAT. & TRADEMARK OFF. SOC'Y 392, 392 (2006).
[76] *Id.*
[77] *See* Two Pesos, Inc. v. Taco Cabana, Inc. 505 U.S. 763, 767 (1992) (holding that trade dress can be inherently distinctive); *see also Samara Bros.*, 529 U.S. at 215 (explaining that the trade dress examined in *Two Pesos* qualifies as product packaging).

particular source.[78] To be protectable, trade dress features must function as source identifiers rather than as functional or purely aesthetic elements.[79] For example, Coca-Cola's contoured glass bottle is protectable because its distinctive shape signals origin, whereas the flat bottom of the bottle is not, since it serves a utilitarian purpose.[80]

F. Likelihood of Confusion

When the USPTO refuses to register a mark under Section 2(d) of the Lanham Act, or when a party challenges a registered trademark through an opposition proceeding, the TTAB and Federal Circuit apply the factors outlined in *In re E. I. DuPont de Nemours & Co.*,[81] commonly known as the "*DuPont* factors," to determine whether the registration or continued use of the mark is likely to cause consumer confusion.[82] The test comprises thirteen different factors, including considerations such as similarities between marks in their appearance, sound, or connotation and commercial impression, the similarity or dissimilarity and nature of the goods or services as described in an application or registration or in connection with which a prior mark is in use, the similarity or dissimilarity of established trade channels, the nature of similar marks in use on similar goods, and the nature and extent of any actual confusion.[83] Although the inquiry is a balancing test, a single *DuPont* factor may, in special circumstances, be dispositive.[84]

III. RECENT DEVELOPMENTS IN THE FEDERAL CIRCUIT

A. Fuente Marketing Ltd. v. Vaporous Technologies, LLC

Earlier this year, in *Fuente Marketing Ltd. v. Vaporous Technologies, LLC.*,[85] the Federal Circuit affirmed the TTAB decision dismissing the opposition to a trademark application, in which the petitioner alleged the similarities between their mark and the opposed mark were likely to cause confusion among consumers.[86] In this case, Fuente, a cigar manufacturer, filed an opposition against Vaporous's registration for its "vaporous x dot mark," characterized by an "abstract stick figure consisting of two diagonal intersecting lines in the shape of a wide stylized letter 'X' and a shaded circle above the letter 'X.'"[87] Fuente had two registered marks for the letter "X," used in connection with cigars, ashtrays made of materials other than precious metal, and other cigar paraphernalia, and was entitled to depictions of its "X" marks, without limitations to font styles, sizes, or colors.[88] Fuente argued that the Board erred in

---

[78] *Samara Bros.*, 529 U.S. at 216.
[79] For example, NBC's stylized peacock logo and three-note chime are registered marks, Registration No. 1,931,255, and Registration No. 0,916,522, respectively.
[80] *See generally In re* Morton-Norwich Prods., Inc., 671 F.2d 1332 (C.C.P.A. 1982) (creating a four-factor test to determine whether trade dress is functional). The U.S. Court of Customs and Patent Appeals (C.C.P.A.) has since become the Court of Appeals for the Federal Circuit.
[81] 476 F.2d 1357 (C.C.P.A. 1973).
[82] *Id.* at 1361.
[83] *Id.*
[84] *See* Fuente Mktg. Ltd. V. Vaporous Techs., LLC, 172 F.4th 1337, 1341 (Fed. Cir. 2026) (concluding that although many factors weighed towards a likelihood of confusion, the mark in question creates distinct commercial impressions that are sufficiently dissimilar to negate any likelihood of confusion).
[85] *Id.*
[86] *Id.* at 1340.
[87] *Id.* at 1341.
[88] *Id.* at 1340.

its assertion that Vaporous's mark would be perceived by consumers as a stick figure, even though the description of the mark was characterized as both a stick figure and also a stylized "X."[89] Fuente opposed the application under section 2(d) of the Lanham Act, alleging a likelihood of confusion with its registered X marks.[90]

The TTAB applied the *DuPont* factors and determined that the parties' goods, channels of trade, and classes of purchasers overlapped, weighing in favor of a likelihood of confusion.[91] The Board nonetheless concluded that the marks created sufficiently distinct commercial impressions because Vaporous's mark would be perceived by consumers as a stick figure rather than as the letter "X."[92] Contrary to Fuente's argument that the Vaporous mark contained a distinct, separable letter "X," the Board highlighted instances where a letter could be so stylized that it would be viewed as an arbitrary design rather than a mark where the underlying letter remained an "essential feature" of the mark.[93] The Board therefore dismissed Fuente's opposition, and Fuente appealed to the Federal Circuit.[94] The Federal Circuit affirmed, holding that substantial evidence supported the Board's factual findings and that the dissimilarity of the marks outweighed the other relevant *DuPont* factors.[95]

The Federal Circuit first addressed the similarity of the marks under the first *DuPont* factor. Likelihood of confusion is a question of law based on underlying factual findings made under the *DuPont* factors, and the Federal Circuit reviews the Board's factual findings for substantial evidence while reviewing the ultimate likelihood-of-confusion determination *de novo*.[96] The first *DuPont* factor considers the similarity or dissimilarity of the marks in their entireties as to appearance, sound, connotation, and commercial impression.[97] The proper inquiry is not a side-by-side comparison, but whether the marks create sufficiently similar commercial impressions that consumers would be likely to assume a connection between the parties.[98]

The Board found that consumers would perceive Vaporous's mark as a stick figure rather than as the letter "X."[99] Fuente argued that the Board improperly relied on the parties' stipulation describing the mark as a stylized "X."[100] The Federal Circuit explained that a party's description cannot conclusively establish consumer perception, which must be determined from the commercial impression the mark actually creates.[101] Any error in reliance was harmless because the Board independently evaluated the mark, and substantial evidence supported its finding that the circle above the intersecting lines was sufficiently prominent to create a stick-figure impression.[102] The court also rejected Fuente's attempt to rely on Vaporous's broader DABX branding, explaining that registrability is determined based on the mark as identified in the application, rather than on the applicant's use of the mark with additional branding.[103]

---

[89] *Id.* at 1342.
[90] *Fuente*, 172 F.4th at 1342.
[91] *Id.* at 1341.
[92] *Id.* at 1341–42.
[93] *Id.* at 1344.
[94] *Id.* at 1341.
[95] *Id.* at 1347–48.
[96] *Fuente*, 172 F.4th at 1341.
[97] *Id.* at 1341–42.
[98] *Id.* at 1342.
[99] *Id.* at 1342.
[100] *Id.*
[101] *Id.* at 1342–43.
[102] *Fuente*, 172 F.4th at 1342–43 (indicating "DABX" to mean 'dab x,' a distinct term used among THC and CBD products).
[103] *Id.* at 1343–44.

The court next addressed the third and fourth *DuPont* factors concerning trade channels and purchasers. Because neither Vaporous's application nor Fuente's registrations contained restrictions on channels of trade or classes of consumers, the Board presumed that the goods traveled through their ordinary channels and were available to ordinary consumers.[104] The Board therefore found that cigars and oral vaporizers could reach overlapping consumers and that these factors favored confusion.[105] The Federal Circuit rejected Vaporous's reliance on the parties' actual marketplace practices, emphasizing that registrability is determined from the identifications of goods in the application and registrations, not from narrower real-world uses.[106]

The fifth *DuPont* factor was neutral: Fame. Although the Board found Fuente's "X" marks conceptually strong because "X" was an arbitrary design in its application to cigars, it found insufficient evidence of commercial strength in marketplace recognition.[107] Much of Fuente's evidence showed the "X" used as a part of other marks or alongside additional branding, rather than evidence that consumers independently recognized a standalone "X" as Fuente's identifier.[108] The Federal Circuit agreed that this evidence did not establish the level of marketplace recognition necessary for the fame factor to favor Fuente.[109]

The sixth *DuPont* factor, considering the "number and nature of similar marks in use on similar goods," also did not materially support Fuente.[110] Vaporous introduced nine agreements involving similar marks, but the Board gave the evidence little weight because only one third-party mark was shown to be in actual use.[111] The Federal Circuit agreed that this evidence was insufficient to establish a crowded field in which consumers were accustomed to distinguishing among similar marks.[112]

Finally, the Federal Circuit affirmed the Board's overall balancing of the *DuPont* factors. Although the parties' goods and trade channels overlapped and some factors favored Fuente, likelihood of confusion is a balancing test, and a single factor can be dispositive, particularly the dissimilarity of the marks.[113] The differences in appearance, sound, connotation, and commercial impression were significant enough to outweigh the other relevant factors.[114] The court therefore affirmed the TTAB's dismissal of Fuente's opposition.[115]

Fuente reinforces three practical principles for trademark opposition proceedings: (1) consumer perception, rather than a party's characterization of a mark, controls the similarity analysis; (2) the identification of goods in the application and registrations controls the analysis of trade channels and purchasers where no restrictions apply; and (3) substantial dissimilarity between marks can be dispositive even where other *DuPont* factors favor the opposer.[116]

---

[104] *Id.* at 1344–45.
[105] *Id.* at 1345.
[106] *Id.*
[107] *Id.* at 1345–46.
[108] *Fuente*, 172 F.4th at 1346.
[109] *Id.*
[110] *Id.* at 1347.
[111] *Id.*
[112] *Id.*
[113] *Id.* at 1347.
[114] *Fuente*, 172 F.4th at 1347–48.
[115] *Id.* at 1348.
[116] *Id.* at 1342–48.