

In the world of branding, the concept of trade dress transcends mere aesthetics to embody the essence of a product's origin. Recognized by courts and businesses alike for its critical role in brand recognition—such as the iconic Coca-Cola bottle—trade dress serves as a distinguishing marketing asset and source identifier for a company. Dilution can occur when the distinctive nature of claimed trade dress is weakened by use of similar trade dress by others.

On May 28, 2024, the Court of Appeals for the Second Circuit issued an order in *Diageo North America, Inc. v. W.J. Deutsch & Sons Ltd. et al.* affirming a jury verdict from the Southern District of New York finding no infringement of the Bulleit Whiskey's canteen-style trade dress but finding dilution of the same trade dress under both federal and New York state law. Case No. 22-2106, 2024 WL 2712636 (2d Cir. May 28, 2024). At issue in this case was whether trade dress in specialized markets like the whiskey industry can attain the level of fame needed for dilution protection, particularly when market leadership may not equate to broad public recognition. In particular, the court considered whether Bulleit Whiskey's unregistered canteen-style trade dress was "famous" enough for protection from dilution under federal trademark law and whether Bulleit's packaging was "substantially similar" to Redemption Rye's for protection under New York's dilution laws.

The legal doctrine of dilution by blurring underscores the necessity for trade dress to be "famous." To qualify for such protection, trade dress must be widely recognized by the general consuming public, setting a high bar for fame that goes beyond mere distinctiveness to anchor a product's identity in the public's consciousness. When assessing the fame of a mark for protection against dilution by blurring, courts actively evaluate several key factors: they assess the duration, extent, and geographic reach of the advertising and publicity surrounding the mark; they measure the sales volume and geographic distribution of the goods or services bearing the mark; they gauge public recognition of the mark through consumer surveys and media exposure; and they consider whether the mark has been registered.



The court first determined the jury sufficiently found the Bulleit Packaging Design was "famous" enough to warrant federal dilution protection. This decision was supported by evidence of Diageo's extensive use and promotion of the design since 1999, significant media exposure, and robust sales figures exceeding \$100 million annually, demonstrating broad public recognition with the likes of Jack Daniels and Jim Beam.

Next, the court approved the jury's finding of substantial similarity between the Bulleit Packaging Design and the Redemption Packaging Design. The court focused on the evidence of direct comparisons of the two designs as they would appear on store

shelves, indicating that Deutsch sought to closely mimic the Bulleit Packaging Design. This included revisions in their design brief to replicate Bulleit's bottle shape, market research videos where participants recognized the similarities between the Redemption and Bulleit designs, and instructions to a glass company to match the dimensions of Bulleit's bottle. Additionally, a third-party witness described the two packaging designs as "pretty identical."

Finally, the court upheld the jury instructions provided by the district court, which defined fame as wide recognition by the general consuming public in the U.S. as indicating the product's source. Deutsch's concerns about the specificity of who constitutes the "general consuming public" were dismissed, with the court affirming that the instructions aligned with the language of the relevant statute.

This decision from the Second Circuit not only clarifies the application of dilution laws to trade dress but also provides helpful guideposts for evaluating fame and similarity in trademark disputes, particularly within niche markets. Those seeking to protect the goodwill associated with their product's name and appearance will benefit from a comprehensive accounting of the recognition associated with their product.



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