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The Perfect Package: A Checklist to Avoid Legal Challenges

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Your product teams surely have already finalized their lineup of holiday winners, the new gizmos and must-have widgets that you hope end up on everyone's wish lists.

Unless the product gets noticed by consumers, however, those product design efforts will go to waste. On the crowded holiday shelves and search result pages, even the greatest new product needs distinctive packaging. Your product packaging is another—and an increasingly important—opportunity to attract consumer attention. Well-executed product packaging can support and strengthen your brand identity, differentiate your product on the shelf, and convey important, and often required, information to consumers.

But with fleeting consumer attention spans and stiff competition for that attention, your product packaging has only a short time to grab and maintain consumers' interest. Of course, you need your packaging to capture consumer attention while avoiding scrutiny by the state and federal regulators, plaintiffs' attorneys and your competitors.

To help you navigate this critical area, Perkins Coie has compiled a checklist of common legal issues and best practices associated with product packaging. So check the list twice, at least, and help ensure that your new gizmos and widgets fly off the shelves without unwanted regulator, competitor or consumer challenges.

Your IP on Packages: Trademarks, Trade Dress and Copyrights

- Use the established iconography (fonts, colors, relative size, etc.) for your registered and unregistered marks. If your mark is fluid, follow these suggestions.
- Use the ® symbol for all registered marks, but only for those goods covered by the registration(s).
- Use the ™ symbol for all unregistered marks. Consider seeking registrations.
- Mark copyrightable works with the copyright symbol ©, year of first publication and legal owner. Consider seeking registrations for unregistered works.
- Consider whether your package includes unique, nonfunctional features that might serve to distinguish and identify your product. For example, does your marketing include and focus on such package design features ("look for" advertising) or do customers ask for the "gizmo in the blue box"? If so, consider seeking to register your trade dress.

- Verify your right to use and possibly register new or modified marks, trade dress and creative works to reduce the likelihood of infringing third-party rights.

Third-Party IP

- Verify and document your right to use the trademarks of others and licenses granted for use of your marks.
- Verify and document your right to use the copyrightable works of others, including graphics, artwork, photos, design elements, etc.
- Consider whether another party might claim design or trade dress rights in elements of your package. Ensure that your packaging designers and vendors have not included your competitors' unique packaging elements.

Advertising Claims

- Analyze all messaging and other content to identify all express and implied claims reasonably communicated by the content, and ensure such claims are true and not misleading.
- Ensure express and implied claims are supported by well-documented, credible evidence before the claims are published. Be prepared to provide such documentation upon request.
- Ensure relevant qualifying information for express and implied claims is clearly and conspicuously disclosed to consumers. "Clear and conspicuous" varies depending on the nature of the content and claims.
- If advertising content refers to specific claim support (e.g., "studies show" or "consumers prefer"), ensure you have such evidence and it supports the claims made. Supporting tests and surveys must be credible and meet relevant scientific and industry standards. Such standards will vary depending on the nature of the claims.
- Take extra precautions for higher-risk messaging, such as health claims, food and beverage claims, eco-friendly claims, comparative claims, price claims and claims directed to children.

Comparative Claims

- Use no more of the competitor's mark or product than necessary to communicate your point.
- If content refers to a competitor's mark or product in a manner that could confuse, mislead or deceive consumers, include a clear and conspicuous no-affiliation disclosure statement.
- Consider avoiding open-ended superiority claims (e.g., product X has the best [*insert trait*] on the market) because such claims can expose you to challenges from any competitor and are harder to substantiate and defend.
- Investigate the legal aggressiveness of relevant competitors to determine if the practical risk of conflict is enhanced.

Made in USA Claims

- Confirm that “origin” claims such as “Made in USA” are true, not misleading and supported by sufficient evidence.
- Ensure that products promoted or labeled with a broad, unqualified “Made in USA” claim, express or implied, are “all or virtually all” made in the United States. According to the FTC, “all or virtually all” means that all significant materials and processing that go into the product must be of U.S. origin, and “the product should contain no - or negligible - foreign content.”
- Ensure that narrower, qualified origin claims, such as “Designed in USA” and “Assembled in USA,” are true and not misleading.

Endorsements

- Confirm that the endorsement reflects the honest opinions, findings, beliefs and experience of the endorser—both before the ad is published and at reasonable intervals over the course of time that the ad runs.
- If the endorsement indicates that the endorser uses the product, the endorser must be a bona fide user of the product when the ad is published, and this too must be reaffirmed at reasonable intervals during the ad run.
- Ensure that the endorsement avoids false or misleading express or implied claims. Both advertisers and endorsers are prohibited from making such claims.
- If the endorsement does not represent what consumers will likely achieve with the product, then the generally expected and substantiated results must be clearly and conspicuously disclosed.
- Any connection between the endorser and product seller that would affect the weight or credibility of the endorsement must be clearly and conspicuously disclosed.
- Is the endorsement by an "expert"? Expert endorsements can only be provided by a person with sufficient qualifications to be considered an expert in the relevant field and must be supported by an actual evaluation, examination or testing of the product that other experts would normally need to conduct to support the claims in the endorsement.

Packaging can trigger these and other legal issues if you are not careful. So implement a compliance review program to avoid trouble, and so that you can focus on selling your product rather than wrestling with legal challenges. In addition, to the extent possible, seek input from your legal team early in the process to avoid investing resources in infringing or high-risk content.

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