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Fashion Copyright Bill Analysis by WM Partner Published in National Law Journal

Olivera Medenica recently had an article on the impact of a pending Copyright bill on the commercial fashion world published in the National Law Journal. It is an excellent primer on the interplay (or lack thereof) of copyright and fashion in the United States.

INTELLECTUAL PROPERTY
COPYRIGHT | Bill would protect fashion designs

Designers seek to prevent cheaper knockoffs.

Olivera Medenica/Special to the national law journal
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Aficionados of glossy high-fashion magazines know that for every page of trend-setting design there is an affordable counterpart at the local department store. Expensive couture designs are routinely copied so that inexpensive knockoffs with mid- to low-range price tags can be delivered to the budget-conscious fashionista. This practice has been largely tolerated by the fashion industry as clothing designs, and to some extent accessories, enjoy limited copyright protection under the Copyright Act. A bill pending before Congress could, however, fundamentally alter the legal landscape of the fashion industry by granting full copyright protection to fashion and clothing design.

In a new anti-copying campaign led by the Council of Fashion Designers of America, top designers such as Zac Posen, Narcisco Rodriguez and Diane Von Furstenberg are lobbying Congress to grant fashion designs protection under the Copyright Act. The proposed Design Piracy Prohibition Act introduced by Representative Bob Goodlatte, R-Va., last spring, proposes a limited three-year term for fashion designs that commences upon whichever is earlier: the date of publication of the registration or the date the design is first made public. See H.R. 5055. Under the act, the term "fashion design" is defined broadly to include everything from articles of clothing to footwear, headgear, handbags, belts and eyeglass frames. What is unusual about this bill is that it goes against a long line of copyright jurisprudence denying copyright protection to fashion designs because of their inherent utilitarian quality.

Under the current U.S. Copyright Act, copyright protection does not extend to the design elements of a useful article when the design cannot be physically or conceptually separated from the useful article. 17 U.S.C. 101. Physical separability simply means that the artistic design of the object can be physically separated from the functional one-a rare case for fashion designs. Conceptual separability means that the artistic part can be conceptualized separated from the functional part. In other words, an artist may not claim copyright ownership of a chair (i.e. four legs, seat and back) but may claim copyright ownership of the original design carved into its wooden backing.

Similarly, copyright protection will not extend to the cut and design of a knee-length pleated skirt but it may extend to the flower motif featured on the skirt. The Copyright Act provides that useful articles can be copyrighted if their "design incorporates pictorial, graphic, or sculptural features that can be identified separately from, and are capable of existing independently of, the utilitarian aspects of the article." 17 U.S.C. 101. This is called the utilitarian doctrine, and it has dictated much of copyright jurisprudence.

The functionality hurdle

Indeed, most judges confronted with the issue would agree that items of clothing serve the functional purpose of covering our bodies and therefore are "useful" articles. For instance, the 2d U.S. Circuit Court of Appeals has held in Whimsicality Inc. v. Rubie's Costume Co., 891 F.2d 452, 455 (2d Cir. 1989), that items of clothing are unlikely to meet the physical or conceptual separability tests because of "the very decorative elements that stand out [as] being intrinsic to the decorative function of the clothing."

Similarly, in Galiano v. Harrah's Operating Co., 416 F.3d 411 (5th Cir. 2005), the 5th Circuit held that artistic design features on uniforms designed by the plaintiffs could not be conceptually separated from the utilitarian functions of the uniforms. The court refused to provide copyright protection to the Galiano designs even though they included fanciful designs such as chef hats shaped like vegetables, chef uniforms with bib fronts and mandarin collars, and uniform shirts with asymmetric closures, piped mandarin collars and embroidered cuff logos.

In contrast to the Galiano and Whimsicality cases, the landmark case of Kieselstein-Cord v. Accessories by Pearl Inc., 632 F.2d 989 (2d Cir. 1980), illustrates a court's rare willingness to apply the conceptual-separability test to a fashion design. The 2d Circuit held in Kieselstein that the artistic design of a metal belt buckle could be granted copyright protection because it was conceptually separable from the buckle and belt itself.

At issue in Kieselstein were two metal belt buckles-the "Winchester" and "Vaquero"-that were based on sketches made by the plaintiff. The Vaquero buckle was inspired by Spanish "art nouveau," whereas the Winchester was inspired by the rifle bearing the same name. Each design featured a sculpted surface with rounded corners and undulating grooves running diagonally across the buckle. The court flatly found that the designs were artistic works of art conceptually separable from the useful function of a belt. To support this contention, the court noted that the buckle wearers used the designs as "ornamentation for parts of the body other than the waist" and therefore could be analogized to jewelry.

Although the Kieselstein holding can be viewed as authority granting copyright to fashion designs, it addresses a different issue in fashion design-the fashion accessory. It is almost impossible to find a case that simply provides copyright protection to a fabric design such as Von Furstenberg's legendary wrap dress, aside from perhaps the textile design featured on the fabric. See Knitwaves Inc. v. Lollytogs Ltd., 71 F.3d 996, 1002 (2d Cir. 1989) (holding that fabric designs are "writings" for purposes of copyright law). Nor would a U.S. court likely find copyright protection in the design of Chanel's uniquely feminine suits.

Much to the frustration and chagrin of fashion designers, our copyright jurisprudence simply does not recognize the artistic contributions of designers in the fashion industry. This is in sharp contrast to our European counterparts, who have recognized fashion designs as copyrightable objects for, in some instances, several centuries.

Both England and France have copyright statutes that protect fashion designs as works of art. In the United Kingdom, a fashion design receives protection as long as it can be related back to a copyrighted drawing. Similarly, in France, the Copyright Act of 1793 protects a fashion design as applied art and the Copyright Act of 1909 protects it as a nonfunctional design and pattern. Moreover, French law does not require the element of originality in the design; it provides copyright protection once the design becomes popular with the general public.

Perhaps the strength of French copyright law is in its cultural and jurisprudential recognition that fashion designs are artistic works of art. The term "haute couture," or high fashion, is not merely a descriptive term but rather an official designation. Indeed, to be called an haute couture business in France signifies that one is a member of the Syndical Chamber for Haute Couture in Paris, which is regulated by the French Department of Industry. France's leadership in fashion can be traced as far back as the 18th century, when the fashions worn at the Versailles court were imitated across Europe. It is only within the last 40 years that France has been rivaled by other cosmopolitan centers such as Milan and New York.

France's recognition of fashion as a proprietary good is perhaps best illustrated in the dispute between fashion powerhouses Yves Saint Laurent (YSL) and Ralph Lauren. In 1994, YSL sued Lauren under French copyright law for copying YSL's tuxedo dress. A French court found that Lauren had copied YSL's dress and fined the American designer a whopping $385,000 in France. See Soci Yves Saint Laurent Couture S.A. v. Soci Louis Dreyfus Retail Management S.A., [1994] E.C.C. 512 (Trib. Comm. (Paris)). Ironically, a few years earlier, YSL had itself been fined $11,000 for violating the design of another French couturier. If the United States is a litigious society, France follows a close second when it comes to fashion.

The European Union has also recently begun offering copyright protection to fashion designs in the form of registered and unregistered community designs. With a single application at the Office for Harmonisation in the Internal Market (OHIM) in Alicante, Spain, a registrant can gain protection in its designs for a period of 25 years in all 25 E.U. states. See http://oami.eu.int/en/design/default.htm. As with a copyright registration, a design registrant needs to show that the design is "new" and has an "individual character." A holder of registered designs can prevent a third party from using similar designs in the European Union and is protected against deliberate copying as well as independent creation of a similar design.

Furthermore, the OHIM also provides protection to unregistered designs. The difference is that protection is given for a period of only three years and the unregistered design is only protected against deliberate copying.

Legislative exceptions

The Design Piracy Prohibition Act seems to follow in the footsteps of the E.U. regulation. Although the act is a departure from U.S. judicial precedent, it certainly would not be the first time that a legislative exception was carved out of the utilitarian doctrine. Indeed, the Semiconductor Chip Protection Act of 1984 was enacted to protect computer chip designs from unauthorized copying. Computer chips are items with largely utilitarian functions, and providing protection to such computer chips was none other than an exception to the usual function versus design dichotomy.

Similarly, in 1990, Congress passed the Architectural Works Copyright Protection Act, which granted copyright protection to architectural designs as embodied in "useful articles." In other words, buildings can benefit from copyright protection regardless of their obvious utilitarian function. The proposed fashion design act could follow this line of statutory exceptions and allow fashion designers to enjoy copyright protection in the United States as well as in the European Union.

The fashion industry is in large part an industry cyclical in nature. It is inevitable that designers will always draw inspiration from one another. The question remains, however, where does one draw the line between inspiration and outright theft? Some clothing brands, such as the oft-cited ABS (Allen B. Schwartz), have built their entire business on creating inexpensive Oscar de la Renta and Vera Wang knockoffs, among many others. These designs are often featured in the same department store, albeit on

different floors. Some of these copycat designs are sometimes even sold by the same department store's private label.

This culture of piracy is largely driven by the structure of the industry. Original designs by haute couture houses, and other fashionable designers, are often shown at fashion shows at least five to six months prior to consumer sales. If a design pirate is intent on copying these designs, he will attend the show, sketch the designs and have his own version of the designs available for sale before the original design even reaches the stores. Others will obtain the original design and either copy it themselves, send it to a manufacturer for copy or even request the manufacturer of the original design to create a knockoff.

The Design Piracy Prohibition Act is meant to address this copycat culture that is rampant within the fashion industry and has grudgingly been accepted by original designers. If passed, the act could deal a tremendous blow to companies that have built a business around line-by-line copying of original designs. It remains to be seen whether the act will be a welcome patch to our copyright jurisprudence or what one might call a double-edged scissor to struggling and established designers alike.

As much as the act proposes to protect original designs, it will severely restrict a designer's ability to emulate the styles of others. Until the act is passed, however, the budget fashionista will continue to rejoice at the choices of affordable trend-setting styles available at her local department store.

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