



Intellectual Property Protection of Fashion Designs

Presented by:
Daliah Saper
Saper Law Offices
203 N Wabash Suite 2010
Chicago, IL 60601
Tel: 312.641.1551
Fax: 312.641.1611
dsaper@saperlaw.com
www.saperlaw.com

©2007 **SAPER**  **LAW OFFICES**
Intellectual Property and Business Attorneys

Discussion Topics

1. Copyright Protection
2. Design Piracy Prohibition Act
3. Trademark Protection
4. Trade Secret Protection
5. Patent Protection
6. Case Studies



Copyrights 101

- Copyrights are legal protection for creative works.
- A copyright is a set of exclusive rights given to an original author to regulate the use of a particular expression of ideas.
- Copyright owners have the exclusive right to:
 - **make copies of the work,**
 - **distribute copies of the work to the public,**
 - **prepare derivative works,**
 - **perform the work publicly,**
 - **and display the work publicly.**



Copyright 101

Who usually seeks copyright protection?

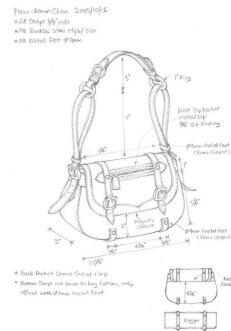
Some examples:

- Artists for their paintings, drawings, sculptures, etc.
- Photographers
- Authors for novels, textbooks, plays, movies
- Business owners for manuals, website content
- Musicians for musical compositions
- Software Developers for their computer code



Copyright 101

- What about Fashion Designers of clothes, handbags, shoes, or jewelry?
- Can these artists successfully receive a copyright registration for their creations?



Copyright 101

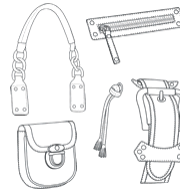
The answer is: NO

- Clothing and accessory designs have long been categorized as useful articles, which serve a functional purpose rather than artistic.
- Because of this functionality, a clothing or accessory pattern can't be copyrighted, even if it has a unique shape, cut, or design.
- Only the features that can be identified separately and can exist independently of the utilitarian aspects of the article can be copyrighted.



So What is Copyrightable?

- Copyrightable
 - Logos, artwork, or design elements that are stitched, imprinted, or embossed onto fabric.
 - Ornamental aspects of jewelry, belts and other accessories.
- Not Copyrightable
 - Style, shape, cut, pattern, or material of the clothing articles.
 - Basic utilitarian aspects of jewelry, belts, and other accessories.



Copyright Cases - Costumes

- **National Theme Productions, Inc. v. Jerry B. Beck, Inc., 696 F. Supp. 1348 (S.D. Cal. 1988)**
- The court granted copyright protection to **costumes**, reasoning that the function of costumes has little to do with their design.
- Although the court had previously found costumes uncopyrightable, it held that the design elements were conceptually separable from the utilitarian elements and that the design elements were not "designed to optimize their function as clothing."
- Note that on the copyright application it explicitly stated, "No claim is made on the designs of clothing, but in designs of artwork on clothing."



Copyright Cases - Costumes

- **Whimsicality, Inc. v. Rubie's Costume Co., 891 F.2d 452, 455 (2d Cir. 1989)**
- The Second Circuit held that plaintiff's copyright in its **costumes** was *invalid as a result of its misrepresentation* to the Copyright Office in its application for registration that the costumes were "*soft sculptures*." (Plaintiff's attorney was afraid using the word "costumers" would cause the Copyright Office to reject the application.)
- Because plaintiff did not have a valid registration, the Court did not reach the issue of validity based on originality.



Copyright Cases - Uniforms

- **Galiano v. Harrah's Operating Co., 416 F.3d 411 (5th Cir. 2005)**
- The Fifth Circuit held that **artistic design features on uniforms** could not be conceptually separated from the utilitarian functions of the uniforms.
- The court **refused** to provide copyright protection to the 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.*



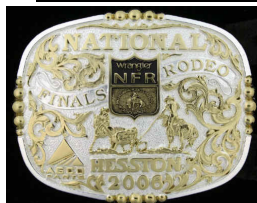
Copyright Cases – Sweaters

- **Knitwaves, Inc. v. Lollytogs Ltd., 71 F.3d 996, 1002 (2d Cir. 1995)**
- The court granted protection to **applique designs on sweaters**.
- The two sweaters at issue had fall-themed decoration:
 - Leaf and Squirrel chosen as dominant design features.
 - Similar appliques with identical arrangements on the sweaters
 - Bold, nearly identical color schemes
- Defendants admitted copying, so the issue was whether anything protectable had been copied.



Copyright Cases - Belts

- **Kieselstein-Cord v. Accessories by Pearl Inc., 632 F.2d 989 (2d Cir. 1980)**
- The court held 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.
- 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.**



Copyright Cases - Jewelry

- **Vacheron and Constantin-LeCoultre Watches, Inc. v. Benrus Watch Co., Inc.**, 155 F. Supp. 932, 934-35 (S.D.N.Y.1957), rev'd in part on other grounds, 260 F.2d 637 (2d Cir.1958).
- Vacheron's copyright registration was rejected by the copyright office.
- The court upheld the copyright office's rejection of the application and held that the design of a **watch face**, though original, unusual and jeweled was not a work of art separable from the utility of the watch.



Copyright Cases - Jewelry

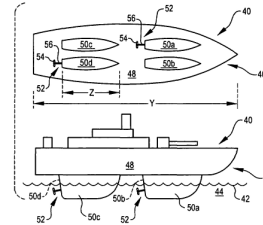
- **Mag Jewelry Co., Inc. v. Cherokee, Inc.**, Nos. 06-1556, 06-2127 (1st Cir. Aug. 8, 2007)
- At issue was a **"crystal angel" jewelry design** comprised of four crystal stones in the shape of an angel.
- Defendants denied copying the angel, claiming that their jewelry was based on an identical design independently created by someone else.
- Although the designs were essentially identical, the First Circuit affirmed the district court's grant of defendant's motion for summary judgment because the plaintiff could not provide sufficient evidence of copying.



Design Piracy Prohibition Act

Introducing the.....

- **Design Piracy Prohibition Act** (S.1957) was introduced in the Senate on August 2, 2007 by Senator Chuck Schumer. The bill was originally introduced in the House of Representatives in March 2006. The bill would amend Title 17, Chapter 13, which was created by the **Vessel Hull Design Protection Act** and currently provides a 10-year term of protection for the designs of boat hulls.



Design Piracy Prohibition Act

Lets back up....

- Under the Copyright Act, fashion designs are considered “useful articles” and cannot be copyrighted.
- Vessel hull designs are also considered useful articles under the Copyright Act, but in 1998, Congress passed the Vessel Hull Design Protection Act, which created *sui generis* protection of vessel hull designs for a ten year term.
- The Vessel Hull Design Protection Act was passed as part of the Digital Millennium Copyright Act and is codified at Title 17, Chapter 13 of the U.S. Code.
- S. 1957, the Design Piracy Prohibition Act, introduced by Senator Chuck Schumer on August 2nd, would extend similar protection to fashion designs.



Bill Summary

- Not really “copyright protection”
- Provides protection for:
 - men's, women's, or children's clothing, including undergarments, outerwear, gloves, footwear, and headgear
 - handbags, purses, and tote bags, belts, eyeglass frames
- Gives designer 3 years of protection upon registration.
- Registration must be done within 3 months of making the design available to the public.



Bill Summary - Infringement

- Owners would have exclusive right to place their designs on the marketplace, and prevent others from copying and disseminating their designs without consent.
- It would also be infringement to:
 - induce another to, or act in collusion to make an infringing article
 - refuse to disclose the source of an infringing article to the owner of the original design
- A plaintiff bears the proof of making a prima facie case of infringement, and of establishing originality of the design.



Bill Summary - Remedies

- Damages – Compensatory damages, up to a maximum of the greater of \$250,000 or \$5 per copy. In the alternative, a design owner can elect to receive the infringer's profits instead.
- Attorneys Fees – The court may award attorney's fees to the prevailing party.
- Injunction – The court can grant injunctions, including TROs and preliminary injunctions.
- Destruction – The court may order destruction of infringing articles, patterns, molds, etc.



Bill Summary – Registration

- Registration would need to be done within 3 months of making the design public.
- Administered by the Copyright Office.
- Vessel hull registration fees are \$200; fashion design fees would likely be similar.
- Notice provisions – it's not infringement if you copy a garment that doesn't have the appropriate notice ("Protected Design" or (D))



Arguments for Protection

- Stores like Forever 21 often create knock-offs of runway designs and have them on the market months before the originals and at a fraction of the price.
- Technology (digital images of garments) and globalization (production in countries like China) make the process of copying fashion designs much cheaper and quicker than in the past.



Arguments Against Protection

- The fashion industry benefits from trends created by copying or “referencing” fashion designs.
- Copying of trends leads to higher turnover in what’s “in” and ultimately make more money for fashion designers.
- Fashion designers have sufficient protection from existing trademark, copyright, and patent laws.



Trademark Protection

- What is a trademark?
 - A trademark can be anything that helps consumers identify the source of goods or services (words, jingle, tagline, packaging).
- Trademarks prevent marketplace confusion
- Trademarks protect logos, symbols, product names, product designs and packaging, domain names, images, etc.



Trade Dress Protection

What is a trade dress?

- The term “trade dress” refers to the characteristics of the visual appearance of product, including the shape, graphic design, color, and even smell.
- Trade dress status is often not registered with the USPTO; however trade dress that meets certain requirements will be afforded protection similar to that of a trademark.
- In order to be classified as a trade dress, fashion design elements must *not be functional*.
- A functional fashion design element is one that would affect the cost or quality of the item.
- This is similar to copyright law’s distinction between *useful articles* and *separable creative aspects* of belts, costumes, etc.



Trade Dress Protection

- For fashion design elements, you also must be able to prove that the trade dress has acquired distinctiveness, i.e., that consumers actually use the design elements as source-identifying features. See Wal-Mart Stores, Inc. v. Samara Brothers, Inc., 529 U.S. 205 (2000).
- Examples of trade dress that have been protected include pocket-stitching on jeans and Coach hangtags.



Utility Patent Protection

- **Utility Patents**
 - Grants rights to inventor of novel and useful process, machine, article of manufacture, etc.
 - Must be novel and non-obvious.
 - Generally takes a lot of time and money to have patent issued.
 - Could receive protection for fabric production or design (e.g. softer / more weather resistant) or for a novel garment production process.



Design Patent Protection

- Design Patents
 - Grants rights to inventor of a novel ornamental design of a functional item.
 - Design patents have been issued for novel shirt collars, and jewelry designs.
 - Provides protection against identical designs even if they aren't copied, but may not provide protection if not identical.
 - Often of little use in fashion industry because fashion moves quickly and patents are not issued quickly.



Trade Secret Protection

- A **trade secret** is a formula, practice, process, design, instrument, pattern, or compilation of information used by a business to obtain an advantage over competitors.
- Copyrights and patents expire with time, but work that can be classified as a trade secret can be protected indefinitely.
- State laws differ; in Illinois, work could qualify for trade secret protection if the information is valuable to others and the creator takes reasonable steps to keep it confidential.



Trade Secret Protection

- In the fashion world, trade secret protection may be available for customer/retailer lists and garment and jewelry production/distribution processes.
- It would be difficult to have trade secret protection for garment or jewelry design because designs and patterns can be reverse-engineered.



Client Case Studies

- Molly has a line of shirts that use geographic words, like Illinois and Texas. She received a cease and desist letter because her shirts were infringing on several colleges' trademarks.

What should Molly do?

- Molly must throw out a lot of her inventory.

- Carla creates jewelry using found objects. Another jeweler creating similar jewelry sends her a cease and desist letter.

What should Carla do?

- Carla ignores the letter because ideas for jewelry or general fashion design cannot be protected.

Client Case Studies

- Sonia invests a lot of money in creating and advertising a label only to find that her name is already taken. **What Should Sonia have done?**
 - Conduct a thorough trademark search before branding her line.
- Alex creates a label and has an artist create the logo. When he decides to manufacture the label on a large scale, the artist demands more money and threatens to reveal Alex's lists to competitors. **What should Alex have done?**
 - Protect his copyright with a work for hire agreement and his secrets with a confidentiality agreement.

Client Case Studies

- Calvin uses images and photographs in his screen prints. **Can Calvin do this?**
 - If he did not create the images or photographs, he must obtain permission from the copyright holders.
- Mark wants to screen print pictures of celebrities on shirts and sell them. **Can Mark do this?**
 - He needs to watch out for possible "Rights of Publicity" claims.

Any Questions?



SAPER  **LAW OFFICES**
Intellectual Property and Business Attorneys

For a copy of this Power Point
or to speak to Daliah please visit:

www.saperlaw.com