

"Wait 'Til Next Year"

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Senator Charles E. Schumer (D.-N.Y.) hails from Brooklyn, and he's just old enough to remember when the Dodgers were a local team. So the familiar refrain of old Dodger fans—"Wait 'til next year"—seems an appropriate response to the failure of the U.S. Senate to vote on the proposed Innovative Design Protection and Piracy Prevention Act, S. 3728¹ ("IDPPPA") before the 111th Congress ended in December.

The bill, on which Sen. Schumer was the lead sponsor, advanced beyond any previous proposal, winning the unanimous approval of the Senate Judiciary Committee. But the bill was ultimately cleared for floor consideration during a lame duck session whose agenda was long but whose time was short. When the bill was ready for a floor vote, it was just six days before the Senate adjourned, and it was in the throes of debating the New Start nuclear weapons treaty with Russia. While there is no public record of any discussions that took place, it appears that the IDPPPA just never came up for a vote due to the press of other matters.

Background – 200 Years in a Minute

The IDPPA is the latest legislative attempt to create a design right in fashion designs in the United States. While other countries have recognized such rights to varying extents², American copyright protection relating to fashion designs has always been very limited. There has never been copyright protection for clothing as such. Even now, despite

the repeated expansion of copyrightable subject matter over the decades, no one can copyright a dress, shirt, jacket or other wearing apparel, no matter how original and artistic.

The Copyright Act of 1976, 17 U.S.C. § 101 *et seq.* ("Copyright Act"), does not extend copyright protection to useful articles. Clothing is considered a useful article under the Copyright Act because it functions to cover the human body. The only (and very limited) protection that does exist under the Copyright Act arises from an exception to the "useful article" exclusion.³ Copyright protection can exist for pictorial, graphic, or sculptural features of a fashion item that can be identified separately from and are capable of existing independently of the useful aspects of the article.⁴

Much of the case law involving copyright and fashion has involved efforts by fashion designers to shoehorn their works into this tiny corner of copyright protection. It has been an uphill battle. Courts often have set a high standard for establishing copyright protection in the context of fashion items.⁵ Fashion creators have been most successful in getting copyright protection when a fashion item includes copyrighted artwork in the form of a textile design, graphic design, or print which is applied to fabric or other material and therefore most easily identified as a separate feature from the garment itself.

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Starting in 2006, led by the Council of Fashion Designers of America, members of the fashion design community made concerted efforts to secure enactment of design rights legislation for fashion.⁶ Sponsors introduced bills in the House and Senate known as the Design Piracy Prohibition Act ("DPPA"). The bills proposed the addition of fashion design protection to an existing section of the Copyright Act protecting boat hull designs, another functional item.⁷ Two bills were introduced in the House and one in the Senate in 2006 and 2007.⁸ None made it past Committee.

These early bills provided exclusive design rights for qualifying original fashion designs for a limited duration of three years, much shorter than the long-term protection available under copyright, and required fast registration with the Copyright Office after the first public exhibition of a design. The protection would have been available only for an enumerated listing of articles. The more limited duration and speedier filing requirements were intended to address the cyclical nature of fashion. The latest version of DPPA, H.R. 2196, introduced on April 30, 2009, added a definition of trends and provided that items would not be deemed infringing merely because they reflect a trend.

The legislation proved to be controversial both inside and outside the fashion world. Proponents argued that design right protection for fashion design was morally and economically justified and would bring the United States in line with most of Europe in granting design right protection. Designers, they urged, should have no less right to claim authorship credit in their works than fine artists. Opponents expressed concern that the draft legislation would limit consumer access to affordable clothing and expose industry participants to frivolous litigation. Moreover, they argued the protection was unnecessary because fashion copying actually benefitted designers, by accelerating the fashion business cycle by exhausting fashion trends faster and fostering demand for new designs sooner.⁹

Which brings us to S. 3728.

Key Features of S. 3728

S. 3728, introduced in August, 2010, represented a considerable evolution from the prior proposals and itself underwent changes with a last-minute manager's amendment. Like its predecessors, the bill would have provided protection for a fashion design right, lasting only three years, and only for original fashion works in specified categories,¹⁰ provided there is independent creative endeavor of sufficient magnitude to constitute a non-trivial variation over prior designs for similar articles.¹¹ The overall touchstone would be the article's appearance as a whole, including its ornamentation.¹²

Unlike its predecessors, the bill seemed to have secured the assent of both the Council of Fashion Designers of America, the driving force behind the bill, and the American Apparel and Footwear Association, a major industry player and formerly an opponent. This consensus was Senator Schumer's major achievement in framing the IDPPPA. The addition of the "I" in IDPPPA (for "Innovative") reflected part of the compromise.

S. 3728 placed a unique burden on designers who sought to establish that a design had been infringed. Not only did the copied design have to be "the result of a designer's own creative endeavor," it also had to provide "a unique, distinguishable, non-trivial and non-utilitarian variation over prior designs for similar types of articles."¹³ The standard to establish liability for infringement was that the work was substantially identical to the original, a tougher standard than substantially similar.¹⁴ Even so, there would be no infringement, even for identical works, if it could be shown that the identical work had been designed independently.¹⁵

Another major change from prior drafts was the absence of any registration requirement for designs, adopting a concept from the European Union's design protection system. This change

eliminated the burden on the Copyright Office of creating and maintaining a searchable electronic database of registered fashion designs. It also saved designers the expense of registration, which could be significant for designers who create many designs.

To assuage concerns that there would be baseless litigation over alleged copying, the bill required a plaintiff asserting infringement of the design right to satisfy special pleading requirements.¹⁶ These included particularly detailed, mandatory allegations relating to the originality of the protected design, the substantial identity of the alleged copy and the asserted basis for defendant's access to or awareness of the allegedly copied design.¹⁷ Insufficient allegations would lead to dismissal; outright false allegations would be punishable by statutory damages of \$5,000 to \$10,000.¹⁸

As a further safeguard, the bill would have operated only prospectively, so that any fashion design created and put before the public before enactment of the law could not enjoy protection under it.¹⁹ All such fashion items would have been in the public domain, i.e., available to be copied. Previously proposed increases in the maximum amount courts could award over and above actual damages were dropped. A new carve-out was created for a home-sewn copy of a protected fashion design, subject to certain conditions.²⁰ Finally, changes made in a last-minute manager's amendment also stripped out provisions imposing secondary liability for infringement on retailers.

The IDPPPA continued to have at least one staunch opponent, the California Fashion Association ("CFA"). Among the concerns attributed to the CFA were the absence of a database of protected designs to which manufacturers could refer; the vagueness of the term "substantially identical" that "should not be left to a court arbiter"; and that there remained too great a risk of groundless but costly litigation.

What's Next?

S. 3728 enjoyed bipartisan support, counting among its 10 co-sponsors four Republicans and six Democrats. All 10 have returned to the Senate in the 112th Congress. On the House side, Rep. Bob Goodlatte (R.-Va.), who was a co-sponsor of earlier bills introduced in that chamber, has just been appointed chair of a newly reinstated subcommittee of the House Judiciary Committee which will focus on intellectual property, among other matters.

Alain Coblenche, a lawyer who has been closely involved with the CFDA's efforts on fashion design rights legislation from the beginning, is optimistic. In a telephone interview, Mr. Coblenche noted that he is "quite confident" that the IDPPPA will be reintroduced in this session of Congress. He holds out hope that both Houses will be able to examine it before other, pressing matters demand their attention in the spring.

Conclusion

Why are these issues of interest to non-*fashionistas*? Fashion and allied industries are a major segment of the national economy, and that alone would make this topic important. Beyond that, the questions presented raise universal practical and public policy issues in the intellectual property field, such as how to define originality and authenticity in creative work, how to draw lines between creative inspiration and illicit taking and how to balance the competing interests of the creator and consumer. They also raise important questions about the extent to which the legal system should condone or condemn conduct on the basis of ethical determinations or use economic considerations as its exclusive compass.

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property and litigation, on topics such as protection of fashion design, counterfeiting, merchandising of copyrighted works, publicity rights, digital privacy and New York practice. Their last article for Bloomberg Law Reports was "Has New York Stretched Its Long Arm Too Far? Court of Appeals Eschews Comity Analysis in Case Involving Service in Brazil," *Litigation Law Report* (Jan. 12, 2009) at 1. They contribute regularly to Schiff Hardin's newsletter InFashion, published for the Accessories Council. Further information and many of the published items can be found at www.schiffhardin.com.

and headgear; handbags; purses; tote bags; belts; wallets; eyeglass frames. See 17 U.S.C. § 1301(b)(9). Citations in this and following footnotes are to U.S. Code as it would have appeared if amended by the IDPPPA.

¹¹ 17 U.S.C. § 1301(b)(7).

¹² *Id.*

¹³ *Id.*

¹⁴ 17 U.S.C. § 1309(e)(3).

¹⁵ *Id.*

¹⁶ 17 U.S.C. § 1321(e).

¹⁷ *Id.*

¹⁸ 17 U.S.C. § 1327.

¹⁹ "Sec. 3. Effective Date. This Act and the amendments made by this Act shall take effect on the date of enactment of this Act."

²⁰ 17 U.S.C. § 1309(h).

¹ S. 32728 (introduced Aug. 5, 2010).

² For example, the European Union protects registered fashion designs by EU Directive 98/71 and unregistered designs by EU Council Regulation No. 6/2002/EC. France, Italy, the United Kingdom, India, and Japan also offer protection to fashion design.

³ 17 U.S.C. § 101.

⁴ *Id.*

⁵ See, e.g., *Whimsicality Inc. v. Rubie's Costume Co.*, 891 F.2d 452 (2d Cir. 1989); *Brandir Int'l Inc. v. Cascade Pacific Lumber Co.*, 834 F.2d 1142 (2d Cir. 1987); *Kieselstein-Cord v. Accessories by Pearl, Inc.*, 632 F.2d 989 (2d Cir. 1980); *Morris v. Buffalo Chips Bootery, Inc.*, 160 F. Supp. 2d 718 (S.D.N.Y. 2001).

⁶ There had been numerous earlier but unsuccessful attempts. See Samantha Heatherington, "Fashion Runways Are No Longer The Public Domain: Applying The Common Law Right of Publicity to Create Couture Fashion Design," 24 *Hastings Communications and Entertainment L.J.*, 43, 44 n.4 (2001) (83 separate efforts from 1910 to 1983).

⁷ 17 U.S.C. § 1301 *et seq.*

⁸ H.R. 5055 (introduced Mar. 30, 2006); H. R. 2033 (introduced Apr. 25, 2007); S. 1957 (introduced Aug. 2, 2007).

⁹ A leading article opposing the fashion design right concept is Kal Raustiala and Christopher Sprigman, "The Piracy Paradox: Innovation and Intellectual Property in Fashion Design," 92 *U. Va. L. Rev.* 1687 (2006). By way of full disclosure, the present authors have taken a more favorable view of the concept, see, e.g., David Jacoby and Judith S. Roth, "Fashion and Copying: Imitation is not the Sincerest Form of Flattery," 4 *Convergence* 4 (July, 2008).

¹⁰ Men's, women's and children's clothing, including undergarments, outerwear, gloves, footwear