

Debating Designs: Varsity Brands and Intellectual Property Protection for Fashion Designs

By Craig B. Whitney and Rachel Kronman

I. Introduction

In today's fashion industry, designs can move from catwalk to cash register with incredible speed. Designers often see their runway looks quickly recreated by others using lower-priced fabrics and cheaper production methods. While some high-end designers cry foul, others argue that copying has always existed in the apparel industry and that designers themselves are copying and interpreting prior collections. They argue that fashion should be accessible to everyone, particularly when trends change in weeks.

So the debate over copyright protection for fashion design rages on. The legal issue often boils down to one question: Is fashion functional? Historically, the answer has largely been yes, and consequently the copyright protection afforded is thin, although courts have provided many different interpretations of how to identify a fashion design's functional elements. In particular, courts are struggling with whether functionality should be broadly defined to encompass every element of a fashion item or whether it should be focused narrowly on only the item's most basic function.

In *Varsity Brands v. Star Athletica*,¹ the Sixth Circuit recently held that design elements affixed to cheerleading uniforms were conceptually separable from the (functional) uniforms themselves and therefore were protected by copyright. This approach to protecting designs is at odds with that taken by many other circuit courts, including the Second Circuit, which define functionality more broadly. The Sixth Circuit's decision—the likely subject of a petition for review by the Supreme Court—further clouds the already murky field of copyright for fashion

and may re-energize the debate about the level of copyright protection properly afforded to fashion designs.² It also raises the question of whether copyright is a designer's best tool for protecting works of fashion.

II. Varsity Brands v. Star Athletica

Clothing and most other fashion items are considered "useful articles," which the Copyright Act defines as articles having an "intrinsic utilitarian function."³ Such items are only entitled to copyright protection to the extent they incorporate pictorial, graphic, or sculptural ("PGS") elements that are separately identifiable from their utilitarian aspects. This is known as the "separability test." Courts generally consider two types of separability: physical and conceptual. Elements that can literally be removed from a useful article are physically separable and are capable of copyright protection if they also are conceptually separable.⁴ Conceptually separable elements are those that are recognizable as PGS works even if they cannot physically be removed from an article.⁵ Examples of conceptually separable elements include an engraving on vase, a carving on the back of a chair, and artwork printed on a t-shirt.⁶ Whether an element of a fashion item is conceptually separable depends on the interpretation of the functional purpose of the item.

Varsity Brands, Inc. ("Varsity") is a manufacturer of cheerleading uniforms. Varsity registered with the U.S. Copyright Office two-dimensional representations of its designs (see below). Varsity sued Star Athletica ("Star") for copyright infringement on the ground that Star's cheerleading uniforms too closely resembled Varsity's registered designs.

The district court granted Star's motion for summary judgment, finding that Varsity's designs were not copyrightable because the designs were not separable from the utilitarian function of a cheerleading uniform. The district court found that the colors, stripes, and chevrons were functional because they made the garment recognizable as a cheerleading uniform.⁷

On appeal, the Sixth Circuit adopted a "hybrid" approach to conceptual separability to determine whether the PGS elements of the cheerleading uniform, namely, its chevrons, lines, and shapes, were identifiable separately from the uniform itself. The court looked at the most basic purpose of a cheerleading uniform to determine its functionality. It determined that the uniform's purpose was to cover the body, wick away moisture, and withstand the rigors of athletic movements.⁸ Contrary to decisions in other circuits, the court expressly rejected the argument that decorative elements of clothing are generally incapable of copyright protection.⁹ The court held instead that the chevrons, lines, and shapes on Varsity's uniforms did not enhance the uniform's capacity to function as a clothing item: A plain white cheerleading uniform, the court reasoned, would work equally well to meet the utilitarian demands of cheerleading (covering the body, wicking moisture, etc.) and would be just as easily recognizable as a cheerleading uniform.

Certain nuances in Varsity's production process played a significant role in the court's decision. Varsity's designers sketch uniform concepts, and those sketches are recreated by affixing design elements to a basic uniform. Varsity's customers can customize their design concept by choosing certain shapes and colors. The court emphasized that the variable and customizable nature of Varsity's cheerleading uniforms bolstered the court's ability to separate the uniforms' design elements: A blank cheerleading uniform could appear side-by-side with a decorated uniform, emphasizing that the graphic designs are separable.¹⁰ Also, Varsity's graphics may be incorporated onto other types of clothing.¹¹ This, the court reasoned, established that the designs were transferrable and wholly unnecessary for the garment to perform functionally. The chevrons, lines, and shapes were therefore held to be copyrightable.¹²

III. Separability in the Second Circuit

The Sixth Circuit in *Varsity Brands* identified nine different approaches used to determine conceptual separability and then created its own, tenth approach.¹³ Although each approach has nuances, the separability issue is, at its core, a question of whether all aspects of fashion designs are functional or whether certain aspects can be separated and copyrighted. In recent years, the Second Circuit has narrowed its approach to conceptual separability and now applies a more stringent test than the Sixth Circuit, generally treating the decorative aspects of clothing as functional.

The Second Circuit historically has classified articles of clothing as "useful articles" and excluded them from copyright protection, while recognizing that separable design elements can be protected. In 1980, the court determined that belt buckle designs were PGS works, separable from the belt's functional purpose, because they did not enhance the belt's ability to keep pants at waist level.¹⁴ Similarly, in 1995, the court found the selection and arrangement of leaves, squirrels, and designs in a "fall" color palette on sweaters to be copyrightable.¹⁵ And in 2005, the court held that it was "at least possible" that elements of plush, stuffed animal Halloween costumes could exist independently and reflect the designer's artistic judgment, independent of functional concerns, and therefore could be conceptually separable.¹⁶

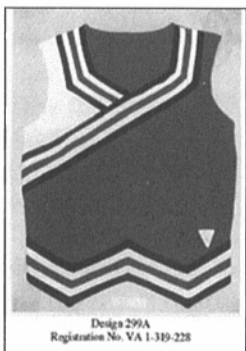
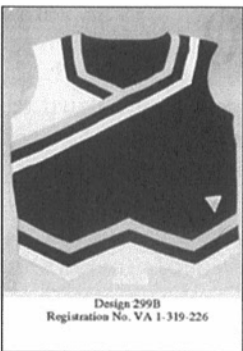
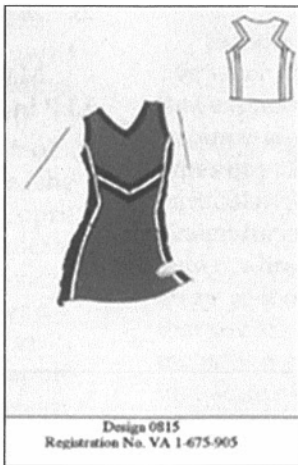
But in a 2012 decision the court took a stricter stance on separability. In *Jovani Fashion, Inc. v. Fiesta Fashions*,¹⁷ the court considered whether decorative aspects of a prom dress—the selection and arrangement of sequins and beads as well as tulle added to the lower portion—were copyrightable.¹⁸ The court found that these design elements were used to enhance the functionality of the dress as clothing for a special occasion and, therefore, that the aesthetic merged with the functional to cover the body in a particularly attractive way for that special occasion.¹⁹ The court stated that clothing, in addition to covering the body, serves a decorative function, such that decorative elements of clothing generally are "intrinsic" to the overall function rather than separable from it.²⁰

IV. The Present and Future of Copyright Protection for Fashion

In his dissenting opinion in *Varsity Brands*, Judge David William McKeague wrote that "it is apparent that either Congress or the Supreme Court (or both) must clarify copyright law with respect to garment design. The law in this area is a mess—and it has been for a long time."²¹

Congress has, in fact, made recent attempts to extend copyright protection to fashion designs. The Innovative Design Protection Act of 2012 (a more narrowly tailored successor to the Innovative Design Protection and Piracy Prevention Act of 2010) proposed granting a three-year term of protection to new fashion designs. The bill would have extended protection to the appearance of an article of apparel, including design elements that are the unique, distinguishable, non-trivial, and non-utilitarian result of the designer's creative choices. The bill received wide industry support, including from the Council of Fashion Designers of America and the American Apparel & Footwear Association,²² while critics argued it would harm smaller, independent designers who would not have the funds to defend challenges by large fashion houses. The bill failed to pass before Congress ended its session in 2013.²³

But not all aspects of fashion design copyrightability are in a state of flux. It is well settled, for example, that



utilitarian aspects of fashion designs, such as the particular manner in which a garment is tailored or its pockets, are not copyrightable.²⁴ Conversely, patterns or pictorial designs used on clothing generally are copyrightable.²⁵ The design of a rose, for example, and the placement of that rose repeated in horizontal rows on fabric have been held to be copyrightable.²⁶

After *Varsity Brands*, there arguably is a stronger case for copyright protection of customized items. As the Sixth Circuit pointed out, when an unadorned item can easily be compared to a decorated garment, the decorations are more readily identified as PGS works. The decision also could bolster the view that appliques to clothing designs should be entitled to broader copyright protection. It is uncertain, however, whether *Varsity Brands* will lead the Supreme Court (or Congress) to adopt a uniform test for conceptual separability that could be applied nationwide.

V. Other IP Protection for Fashion

Copyright is not the only available means of protecting fashion designs. Unless and until copyright is clarified in this area, other methods of intellectual property protection should be considered when it comes to protecting fashion.

A. Trademark

Trademark law protects some aspects of a fashion designer's work. A designer can possess trademark rights in its brand name, in distinctive logos, and in unique, recognizable patterns. The difficulty lies in obtaining trademark protection for a portion of a garment design or for a garment design as a whole.

Some established designers have successfully used trademark registrations to protect portions of their designs that are iconic signatures for their brands, i.e., elements that have attained secondary meaning or are inherently distinctive. For instance, Perry Ellis International obtained trademark protection for its signature shoulder pleat, which the fashion house has used since the 1980s, and Levi Strauss owns federal trademark registrations for the stitch design that appears on the back pocket of its denim jeans.²⁷

Designers also have registered and enforced recognizable patterns such as the Louis Vuitton "LV" initials, which the Second Circuit held is an inherently distinctive trademark.²⁸

Famously, a single-color feature, namely, a red sole, has been held to be capable of functioning as a trademark when it contrasts in color with the remainder of the shoe.²⁹

Designers often incorporate logos and brand names into their fabric patterns, jewelry, bags, and shoe designs.³⁰ Intentionally or not, the added benefit of interweaving traditionally trademark-protected elements into

designs is that those designs become more susceptible to being protected under trademark law.³¹

B. Trade Dress

Trade dress generally covers a fashion article's overall appearance, including its "size, shape, color or color combinations, texture, graphics, or even particular sales techniques."³² In 2000, the Supreme Court divided trade dress into two categories—product packaging and product design—recognizing that unregistered trade dress protection can extend to fashion designs.³³ The Court held that product packaging, or the "dressing" of a product, can be protectable if it is inherently distinctive or has acquired secondary meaning. On the other hand, product design—the appearance of the product itself—can never be inherently distinctive and must have secondary meaning to be protectable. As a result, for a brand owner to protect its fashion design as trade dress, the design must have been advertised and marketed to such an extent that, when consumers see it, they think of the brand. For example, Adidas's three-stripe shoe design has been held to have secondary meaning because consumers associate it with Adidas.³⁴ Likewise, Hermès has enforced its trade dress rights against a manufacturer of lookalike, but rubber, Birkin bags.³⁵ Fashion designers who may rely on trade dress protection should consider how they promote their signature designs and take every opportunity to create an association between the design and the brand.

C. Design Patent

Design patents provide fifteen years of exclusive protection for the appearance of a novel, nonfunctional, and nonobvious design or ornamentation.³⁶ But registration is relatively costly and takes about a year. One strategy for protecting fashion designs is to combine trade dress protection with a design patent. A fashion designer could, for example, seek to obtain a design patent from the U.S. Patent and Trademark Office while simultaneously increasing marketing and advertising to create secondary meaning in the design.

Design patents more easily apply to certain fashion items than others. Shoe designs, jewelry, and handbags, in particular, are more likely to meet the novel, nonfunctional, and nonobvious requirements than are clothing designs, although portions of a design may be patentable. Fashion designers should consider design patents if aspects of their designs are particularly unique and they intend to use them for a considerable length of time.

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Copyright protection for fashion design remains a viable option in certain circumstances—although precisely which ones may be a moving target. While the copyrightability of fashion design continues to sort itself out, however, designers may look to other areas of intellectual property law for guidance and protection.

Endnotes

1. *Varsity Brands, Inc. v. Star Athletica, LLC*, 799 F.3d 468 (6th Cir. 2015).
2. Indeed, in its motion to the Sixth Circuit for a stay pending preparation of a petition for a writ of certiorari from the Supreme Court, the appellee stated that "[t]his case involves the single most vexing, unresolved question in all of copyright: determining whether an element of a useful article is conceptually separable from the article and therefore protectable." Appellee Star Athletica's Motion to Stay the Mandate, *Varsity Brands, Inc. v. Star Athletica, LLC*, No. 14-5237 (6th Cir. Oct. 14, 2015), ECF No. 66 at 1.
3. 17 U.S.C. § 101.
4. *Id.* at 482-83; <http://copyright.gov/comp3/chap900/ch900-visual-art.pdf>.
5. 2 William F. Patry, PATRY ON COPYRIGHT § 3:139 (2010).
6. *Id.*; *Varsity Brands*, 799 F.3d at 483-84.
7. *Id.* at 475.
8. *Id.* at 490.
9. *Id.* at 490-91.
10. *Id.* at 491.
11. *Id.*
12. *Id.*
13. The court labeled the various approaches as follows: (1) the Copyright Office's Approach; (2) the Primary-Subsidiary Approach; (3) the Objectively Necessary Approach; (4) the Ordinary-Observer Approach; (5) the Design-Process Approach; (6) the Stand-Alone Approach; (7) the Likelihood-of-Marketability Approach; (8) Patry's Approach; and (9) the Subjective-Objective Approach. An explanation of each approach can be found in *Varsity Brands*, 799 F.3d at 484-85.
14. *Kieselstein-Cord v. Accessories by Pearl, Inc.*, 632 F.2d 989, 993 (2d Cir. 1980). Subsequently, however, the Second Circuit held that the PGS design elements of a bike rack were inextricably intertwined with and influenced by the bike rack's utilitarian purpose and therefore were not copyrightable. See *Brandir Int'l, Inc. v. Cascade Pac. Lumber Co.*, 834 F.2d 1142, 1146-47 (2d Cir. 1987).
15. *Knitwaves, Inc. v. Lollytogs Ltd. (Inc.)*, 71 F.3d 996, 1004 (2d Cir. 1995).

16. *Chosun Int'l, Inc. v. Chrisha Creations, Ltd.*, 413 F.3d 324, 329 (2d Cir. 2005).
17. 500 F. App'x 42, 44 (2d Cir. 2012).
18. *Id.* at 45.
19. *Id.*
20. *Id.*
21. *Varsity Brands*, 799 F.3d at 496-97.
22. <http://cfda.com/programs/protecting-intellectual-property>.
23. <https://www.congress.gov/bill/112th-congress/senate-bill/3523>.
24. 2 PATRY ON COPYRIGHT § 3:151; *Varsity Brands*, 799 F.3d at 482.
25. *Knitwaves, Inc. v. Lollytogs Ltd. (Inc.)*, 71 F.3d 996 (2d Cir. 1995).
26. *Folio Impressions, Inc. v. Byer California*, 937 F.2d 759, 761, 763, 765 (2d Cir. 1991).
27. *Levi Strauss & Co. v. Abercrombie & Fitch Trading Co.*, 633 F.3d 1158 (9th Cir. 2011).
28. *Louis Vuitton Malletier v. Dooney & Bourke, Inc.*, 454 F.3d 108, 112 (2d Cir. 2006); *Louis Vuitton Malletier v. Burlington Coat Factory Warehouse Corp.*, 426 F.3d 532 (2d Cir. 2005).
29. *Christian Louboutin S.A. v. Yves Saint Laurent America Holding, Inc.*, 696 F.3d 206 (2d Cir. 2012).
30. <http://nymag.com/thecut/2015/04/most-logo-riffic-moments-in-fashion/slideshow/2015/04/29/logos/29-logo-5/>.
31. *United States v. Chong Lam*, 677 F.3d 190, 199 (4th Cir. 2012).
32. *Two Pesos, Inc. v. Taco Cabana, Inc.*, 505 U.S. 763, 764 n.1 (1992).
33. *Wal-Mart Stores v. Samara Brothers*, 529 U.S. 205 (2000).
34. *Adidas-Salomon AG v. Target Corp.* 228 F. Supp. 2d. 1192 (D. Or. 2002).
35. *Hermès International v. Steven Stolman, Ltd.*, No. CV 03 3722, 2003 WL 23883672 (E.D.N.Y. July 30, 2003).
36. <http://www.uspto.gov/patent/laws-and-regulations/patent-term-calculator>.

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