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Not Designed to Fit: Why the Innovative Design Protection and Piracy Prevention Act Should Not Be Made into Law

Alexis N. Stevens*

I. Introduction

Imagine you are in the movie theater with your closest friends for the midnight release of a highly anticipated, soon-to-be blockbuster movie. You all secure seats next to a person in a trench coat who keeps looking over his shoulder. As the lights dim in the theater, the person pulls out a tiny camcorder and focuses it on the screen. Alarmed at these actions, you look over to your friends, who shrug the behavior off and go back to the previews. A few days later, you are walking through your favorite flea market and notice a DVD copy of the very same movie for sale. You think to yourself: "It is odd that such a highly anticipated movie went to DVD so quickly." The vendor actually has the DVD playing on a small screen in his stall and you notice that the picture is not DVD quality. The picture looks a little grainy and it seems to be at an angle. You realize that this is not a regular DVD, but rather the product of the suspicious person you sat next to in the theater. A few months later, you read in the newspaper that the local police department uncovered a giant counterfeit movie ring that sold its wares out of the same flea market you attended. Besides facing criminal charges, the movie companies are suing the

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participants in the ring for infringement of their copyrights in the motion pictures.

Now imagine that you are a fashion designer who just unveiled your spring/summer 2011 collection to both rave reviews and tremendous buyer requests. Your collection contains the "it" look of the season: a hand-sewn, 100 percent pima cotton madras shirtdress with an overlay of hand-embroidered tulle and oversized, detachable pockets. This look is highly photographed and immediately goes into production after the show to fulfill the buyers' orders. Weeks after your "it" look hit the stores and instantly sold out, you walk through your local neighborhood and notice a discount clothing store has what appears to be your shirtdress prominently displayed in the window. Wondering how this is the only store that has not sold out of the design, you go in and inspect the dress. Upon closer inspection, you realize that it is not being sold under your label but one that you never heard of. The cut of the shirtdress is almost identical, as is the madras pattern; you notice, however, that the quality of the construction and the materials is poor. If you, the designer, were fooled by this substantially identical dress, how many other people were also tricked into believing that this was your design? Would those people associate the poor construction and materials with your label? Worried, you phone your attorney, describe the situation, and demand that recourse be taken just as the movie companies were able to bring a civil suit for copyright infringement of the motion pictures. Despite the facial similarity of the situation, you are promptly informed that your fashion design does not enjoy the protection of United States Copyright law.

Fashion designs have never been protected under the Copyright Act[1] because these garments are considered to be

1. Federal copyright protection dates back to the Copyright Act of 1790. ROBERT P. MERGES, PETER S. MENELL & MARK A. LEMLEY, INTELLECTUAL PROPERTY IN THE NEW TECHNOLOGICAL AGE 414 (5th ed. 2010). While protection initially only reached to books, maps, and charts, by the end of the nineteenth century it had been expanded to "prints, musical compositions, dramatic works, photographs, graphic works, and sculpture." *Id.* Copyright protection was again extended by the 1909 Act to "all writings," in 1971 to include sound recordings, and in 1980 to include computer programs. *Id.* at 414-15.

"useful articles."[2] The Copyright Act only extends protection to useful articles "if, and only to the extent that, such 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."[3] Since the emergence of the commercial fashion industry, there has been a persistent demand for protection of these designs to provide a remedy to designers similarly situated to the person in the hypothetical.[4] Due to a lack of a legislative response, however, designers have previously tried to take such protection into their own hands through organized guilds.[5] The United States was quick to disband these organizations by claiming violations of anti-trust law.[6]

The latest attempt to provide fashion designs with copyright-like protection is the Innovative Design Protection and Piracy Prevention Act as proposed by Senator Charles Schumer on August 5, 2010.[7] A close examination of past attempts at fashion design protection, the general operation of the fashion industry, and the success (or lack thereof) of such protection in international law does not lead to the expected conclusion that this statute is needed in the United States. To the contrary, an examination of these circumstances indicates that the Innovate Design Protection and Piracy Prevention Act is not necessary and should not be made a law.

II. Innovative Design Protection and Piracy Prevention Act

In order to evaluate the potential of the Innovative Design Protection and Piracy Prevention Act (IDPPPA),[8] it is

2. 17 U.S.C. § 101 (2006).

3. *Id.*

4. *See* Hannah Martin, *Copyright Protection for Fashion Design*, THE HUNTINGTON NEWS (Apr. 15, 2010), http://huntnewsnu.com/2010/04/copyright-protection-for-fashion-design/.

5. *See* Fashion Originators' Guild of Am., Inc. v. Fed. Trade Comm'n, 312 U.S. 457 (1941).

6. *Id.*

7. Innovative Design Protection and Piracy Prevention Act, S. 3728, 111th Cong. (2010).

8. *Id.*

necessary to first understand the proposed law itself. The IDPPPA is not offered as an independent law, but as a series of amendments to sections of Title 17 of the United States Code that were created by the Vessel Hull Design Protection Act (VHDPA).[9]

The IDPPPA proposes the addition of "fashion design" to the designs protected by 17 U.S.C. § 1301(a).[10] A protected "fashion design" is defined as the overall appearance of the article of apparel, including both the ornamentation and original elements or arrangement of elements, as long as these elements "(i) are the result of a designer's own creative endeavor; and (ii) provide a unique, distinguishable, non-trivial and non-utilitarian variation over prior designs for similar types of articles."[11] It is important to note that in order for a fashion design to be protected under the IDPPPA it does not have to be registered, but rather it must simply be made public.[12] The IDPPPA's proposed definition of apparel is quite expansive and ranges from clothing to handbags and from duffel bags to eyeglass frames.[13]

A plaintiff alleging infringement must prove the design is protected, the design of the defendant's article has been copied, without the design owner's consent, from the protected design, and that the facts and circumstances indicate "that the defendant saw or otherwise had knowledge of the protected design."[14] A defendant's article is deemed "copied" if the article is "substantially identical in overall visual appearance" and substantially identical in "the original elements of a protected design."[15] The "substantially identical" standard is defined as being "so similar in appearance as to be likely to be mistaken for the protected design," such that the article "contains only those differences in construction or design which are merely trivial."[16] Seemingly infringing designs that are "the result of

9. Vessel Hull Design Protection Act, Pub. L. No. 105-304, §§ 501-502, 112 Stat. 2860 (1998) (codified as amended at 17 U.S.C. §§ 1301-1332 (2006)).

10. S. 3728 § 2(a)(4).

11. *Id.* § 2(a)(2).

12. *Id.* § 2(f)(2).

13. *Id.* § 2(a)(2).

14. *Id.* § 2(g)(2).

15. *Id.* § 2(e)(2).

16. *Id.* § 2(a)(2).

independent creation" or are a single copy created for personal use of the creator or an immediate family member are exempted from the IDPPPA.[17] The protection afforded by the IDPPPA, however, is not determined by "[t]he presence or absence of a particular color or colors or of a pictorial or graphic work imprinted on fabric."[18] The duration of the protection of these designs is limited to three years.[19]

When Senator Orin Hatch endorsed the IDPPPA before the Senate, he described the legislative intent as a desire to combat piracy and counterfeiting.[20] Senator Hatch classified piracy and counterfeiting as "the new face of economic crime around the world," responsible for "crippling growth and stifling innovation."[21] Furthermore, Senator Hatch argued that design protection was necessary so that the United States could "maintain [its] position at the forefront of the world's economy and to continue our country's leadership in global innovation."[22] Senator Hatch succinctly illustrated his perspective on the danger of apparel design piracy:

> Currently, original designs are copied and the apparel is manufactured in countries with cheap labor, typically in mainland China, Hong Kong, Pakistan, and Singapore. The garments are then shipped into the U.S. to directly compete with the garments of the original designer, sometimes before the originals have even hit the market. As a result, the U.S. apparel industry continues to lose billions of dollars to counterfeiting each year.
>
> . . . Plain and simple, when a company loses revenues to piracy or counterfeited goods, it does not have those resources to reinvest into making more of its goods. And that means lost jobs. This domino effect ensnares all within its reach.

17. *Id.* § 2(e)(2)-(3).
18. *Id.* § 2(b)(3).
19. *Id.*
20. 156 CONG. REC. S6886-01 (daily ed. Aug. 5, 2010) (statement of Sen. Hatch).
21. *Id.*
22. *Id.*

> These crimes not only affect the individual company, but they also adversely affect the companies that would have contributed to or benefited from the unmade goods. Suppliers of raw materials and components as well as shippers, distributors, and retailers, all take the hit.[23]

Senator Hatch's statements frame the IDPPPA as a mechanism to save the fashion industry from hard economic times by combating counterfeiting and piracy. His argument extends the IDPPPA's potential assistance beyond the fashion industry to raw material suppliers and shippers.

As Senator Hatch presents it, the intent behind the IDPPPA seems to be to effect a sound economic decision. He frames the issue as an economic "threat" to which he presents an economic "remedy." The problem with Senator Hatch's legislative intent is that he fails to account for the uniqueness of the fashion industry. The fashion industry actually thrives on copying to a certain extent. For example, fashion trends are not set when an individual designer is the only person to produce an innovative design. To the contrary, a fashion trends when fellow designers reinterpret this innovation in the same or a subsequent season. Copying fashion designs, which when first introduced were innovative, forces further innovation because copying of these designs leads to a saturation of the design and a demand for something new.[24] Kal Raustiala and Christopher Sprigman describe this phenomenon in the fashion industry as the "piracy paradox": "copying fails to deter innovation in the fashion industry because, counter-intuitively, copying is not very harmful to originators. Indeed, copying may actually promote innovation and benefit originators."[25]

23. *Id*.

24. *See* Kal Raustiala & Christopher Sprigman, *The Piracy Paradox: Innovation and Intellectual Property in Fashion Design*, 92 VA. L. REV. 1687, 1691 (2006).

25. *Id*.

III. History of Fashion Design Protection in America

In order to understand how the IDPPPA purports to be the answer to the demand for fashion design protection, it is necessary to look back to the previous efforts by the fashion industry to secure similar rights. Despite the seeming accuracy of the "piracy paradox," fashion designers have sought to have their cake (by protecting designs) and eat it too (by driving purchases through the turnover of trends). People within the fashion industry have continuously advocated for fashion design protection from the federal government. Such demands had fallen on deaf ears. The history of fashion design protection in America is punctuated by attempts by fashion designers to take these matters into their own hands, which later prompted some semblance of a government response.

A. Fashion Originators' Guild of America v. Federal Trade Commission[26]

The Fashion Originators' Guild of America (FOGA) had membership that included designers, manufacturers, sellers, and distributors of women's clothing, in addition to the industry's respective textile manufacturers, converters, and dyers.[27] The FOGA recognized the lack of copyright protection in their original clothing and textile designs.[28] The FOGA complained that after their original designs entered the stream of commerce, "manufacturers systematically ma[de] and [sold] copies of them, the copies usually selling at prices lower than the garments copied."[29] The FOGA called the practice "style piracy."[30] In order to remedy this lack of protection, the FOGA took matters into their own hands by, in the words of the United States Supreme Court, attempting to "destroy all competition from the sale of garments which are copies of their 'original creations'" by "purposely boycott[ing] and declin[ing] to sell their products to retailers who follow a policy of selling

26. 312 U.S. 457 (1941).
27. *Id.* at 462.
28. *Id.* at 461.
29. *Id.*
30. *Id.*

garments copied by other manufacturers from designs put out by Guild members."[31] The FOGA placed the names of non-cooperators on red cards and the names of cooperators on white cards, and gave these cards to the manufacturers with instructions to only sell to the companies listed on the white cards.[32]

The FOGA's "Design Registration Bureau" maintained the recordation of "original creations."[33] "Shoppers" were employed to visit retailers to help the FOGA to determine if the stores were selling copies of these recorded designs.[34] This determination was not arbitrary, but rather the FOGA implemented "[a]n elaborate system of trial and appellate tribunals" in order to decide "whether a given garment is in fact a copy of a Guild member's design."[35] Furthermore, the FOGA audited the books of its members to check for compliance with the directed boycotts and issued high fines for noncompliance.[36]

The Federal Trade Commission brought suit against the FOGA and found that the FOGA "prevented sales in interstate commerce," interfered with competition, and created a monopoly in violation of the Sherman and Clayton Acts.[37] The FOGA argued that their actions were not in violation of these acts because there was no evidence that the actions led to regulated prices, restricted production, or lower quality goods.[38] Instead, the FOGA argued that their actions were "reasonable and necessary to protect the manufacturer, laborer, retailer and consumer against the devastating evils growing from the pirating of original designs and had in fact benefited all four."[39] The Supreme Court agreed with the Federal Trade Commission and held that the practices of the FOGA "deprive[d] the public of the advantages which flow from free

31. *Id.*
32. *Id.* at 462.
33. *Id.*
34. *Id.*
35. *Id.* at 462-63.
36. *Id.* at 463.
37. *Id.* at 464.
38. *Id.* at 466.
39. *Id.* (internal quotation marks omitted).

competition."[40] The Court further ruled the actions of the FOGA tended toward monopoly, such that "the reasonableness of the methods pursued by the combination to accomplish its unlawful object is no more material than would be the reasonableness of the prices fixed by unlawful combination."[41] As their last argument, the FOGA sought for the Court to hold that their acts were justified based on the theory that copying of fashion designs was a tort.[42] The Supreme Court, however, denied that such copying was in fact a tort.[43]

B. Millinery Creators' Guild, Inc. v. Federal Trade Commission[44]

Another such attempt by the fashion industry to protect their designs was by the Millinery Creators' Guild, Inc., in New York.[45] The Millinery Creators' Guild was a stock corporation that consisted of manufacturers of expensive women's hats.[46] Similar to the FOGA, their stated purpose was "to combat the practice known as 'style piracy.'"[47] The Millinery Creators' Guild had a registration system for original designs and styles, which were reviewed and affirmed as original by a guild committee.[48] Guild members promised not to sell to any retailer who purchased pirated designs.[49] They also approached major retailers and persuaded 1600 of these retailers to sign "Declarations of Cooperation," which indicated a promise by these "stores not to purchase any hats which are piracies of designs registered with the Guild."[50]

The Federal Trade Commission investigated these practices and held that the Millinery Creators' Guild was

40. *Id.* (quoting United States v. E.C. Knight Co., 156 U.S. 1, 16 (1895)) (internal quotation marks omitted).
41. *Id.* at 468 (citing Thomsen v. Cayser, 243 U.S. 66, 85 (1917)).
42. *Id.* at 461.
43. *Id.* at 468.
44. 109 F.2d 175 (2d Cir. 1940).
45. *Id.* at 176.
46. *Id.*
47. *Id.*
48. *Id.*
49. *Id.*
50. *Id.* (internal quotation marks omitted).

acting in violation of the Sherman Antitrust Act by restricting competition within the industry.[51] The Millinery Creators' Guild appealed the determination of the Federal Trade Commission up to the United States Court of Appeals for the Second Circuit. The Millinery Creators' Guild argued that style piracy was immoral and their actions were therefore justified.[52] The Second Circuit did acknowledge the difficult position that fashion designers were in:

> What passes in the trade for an original design of a hat or a dress cannot be patented or copyrighted. An "original" creation is too slight a modification of a known idea to justify the grant by the government of a monopoly to the creator; yet such are the whims and cycles of fashion that the slight modification is of great commercial value. The creator who maintains a large staff of highly paid designers can recoup his investment only by selling the hats they design. He suffers a real loss when the design is copied as soon as it appears; the imitator in turn reaps a substantial gain by appropriating for himself the style innovations produced by the creator's investment. Yet the imitator may copy with impunity, and the law grants no remedy to the creator.[53]

The Second Circuit, however, returned to the basic legal argument that style piracy could not be outlawed because "it would afford a virtual monopoly to the creator of an unpatented and uncopyrighted design"—something for which Congress had not yet provided protection that the court could enforce.[54] Although the Second Circuit acknowledged that copies of these designs allow "one person to take a 'free ride' on the labor and inventiveness of another," they concluded: "the public interest is best served by limiting the protection afforded an idea to the

51. *Id.*

52. *Id.* at 177.

53. *Id.* (citing Cheney Bros. v. Doris Silk Corp., 35 F.2d 279 (2d Cir. 1929)).

54. *Id.*

particular chattel in which it is embodied."[55] The public interest that the Second Circuit referenced was universal access to designs at low prices: "Style piracy has been lethal in its effect on hat prices, and one of its results has been to make the latest fashions readily available to the lowest purchasing classes."[56] The court's description of the effects of style piracy reinforces the "piracy paradox" argument, where copying these designs distributes them among the masses and drives the creative overturn in the fashion industry. The Second Circuit thus rejected the Millinery Creators' Guild's efforts to protect the high prices of their hats; encouraging the competition manifest in the fashion industry where fashion designs were left unprotected by Congress.[57]

C. *Design Piracy Prohibition Act*

After these two famed attempts of the fashion industry to protect their own designs, Congress realized that there were constituents who wanted protection for fashion designs. The Design Piracy Prohibition Act was the last failed attempt at fashion design protection before the IDPPPA.[58]

The Design Piracy Prohibition Act was proposed on March 30, 2006, by Congressman Goodlatte, Congressman Delahunt, Congressman Coble, and Congressman Wexler.[59] This bill, just as the IDPPPA, was a series of proposed amendments to the VHDPA.[60] The Design Piracy Prohibition Act defined a "fashion design" as "the appearance as a whole of an article of apparel, including its ornamentation."[61] The bill was designed to create a registration mechanism for fashion designs, which would provide them with three years of protection.[62] There was an exemption for protection under this bill for fashion designs "that w[ere] made public by the designer or owner in the

55. *Id.* (citing Lewis v. Vendome Bags, Inc. 108 F.2d 16 (2d Cir. 1939)).
56. *Id.*
57. *Id.* at 178.
58. H.R. 5055, 109th Cong. (2006).
59. *Id.*
60. *Id.*
61. *Id.* § 1(a)(2)(B).
62. *Id.* § 1(c), (e)(1).

United States or a foreign country more than [three] months before the date of the application for registration."[63] The bill also provided that the defendant in an infringement action did not have to know that the fashion design was protected, but rather the plaintiff only needed to show that there were "reasonable grounds to know that protection for the design is claimed."[64] The Design Piracy Prohibition Act sought to expand the definition of copying to include replicating the design from an image and not just from the protected design object.[65] Finally, the proposed bill included an expansion of secondary infringement liability to protected fashion designs, which meant that the owners of such protected designs could file suits against stores, for example, that facilitated the copying by providing the infringer with the means to sell the infringing goods.

D. *Design Piracy Prohibition Act v. Innovative Design Protection and Piracy Prevention Act*

The Design Piracy Prohibition Act was unsuccessful and did not become law, so it is important to punctuate the differences between it and the IDPPPA in order to seriously consider the possibility of the IDPPPA successfully becoming a law. The IDPPPA expands the Design Piracy Prohibition Act's definition of "fashion design" beyond the whole appearance of the apparel, to include "original elements" or the placement of original and non-original elements alike.[66] Furthermore, the IDPPPA's definition of apparel widens the definition found in the Design Piracy Prohibition Act[67] to include wallets, duffel bags, and suitcases.[68] The IDPPPA does not include the Design Piracy Prohibition Act's protection exemption for fashion

63. *Id.* § 1(b)(3).

64. *Id.* § 1(d)(1) (internal quotation marks omitted).

65. *Id.* § 1(d)(2).

66. *See* Innovative Design Protection and Piracy Prevention Act, S. 3728, 111th Cong. § 2(a)(2) (2010); H.R. 5055 § 1(a)(2).

67. "(A) an article of men's, women's, or children's clothing, including undergarments, outerwear, gloves, footwear, and headgear; (B) handbags, purses, and tote bags; (C) belts; and (D) eyeglass frames." H.R. 5055 § 1(a)(2) (internal quotation marks omitted).

68. *See* S. 3728 § 2(a)(2)(B).

designs that have been public for more than three months without an application for registration.[69] In actuality, the IDPPPA does away with the registration requirement as a whole, thus allowing designs to be protected upon being made public with no extra hoops to jump through.[70] The IDPPPA adds the home sewing exception, which the Design Piracy Prohibition Act does not even contemplate.[71]

The most striking difference between the two proposed laws, however, is how infringement is approached. While infringement under the Design Piracy Prohibition Act required actual copying of the protected design, the IDPPPA introduces the concept of an infringing article being "substantially identical."[72] The IDPPPA does not address the Design Piracy Prohibition Act requirement that there be "reasonable grounds to know that protection for the design is claimed,"[73] but rather has a facial "substantially identical" test regarding the design's "overall visual appearance" and "original elements."[74] In an apparent narrowing of the Design Piracy Prohibition Act's approach to infringement, the IDPPPA does not propose to include secondary liability for the infringement of fashion designs.[75] Overall, however, it seems that the IDPPPA is a broader proposal than the Design Piracy Prohibition Act was, such that the latter's failure to be passed does not bode well for the fate of the IDPPPA.

IV. Vessel Hull Design Protection Act

The Vessel Hull Design Protection Act ("VHDPA") accomplishes what the fashion designers want to achieve in their industry—copyright-like protection for a design with utility. Both the Design Piracy Prevention Act and the IDPPPA seemingly want to piggyback on the success of the VHDPA, since they are both sets of proposed amendments to the

69. *Compare* S. 3728 § 2(f)(2), *with* H.R. 5055 § 1(e)(1).
70. *Compare* S. 3728 § 2(f)(2), *with* H.R. 5055 § 1(e)(1).
71. *Compare* S. 3728 § 2(e)(3)(B), *with* H.R. 5055.
72. *Compare* S. 3728 § 2(a)(2), *with* H.R. 5055 § 1(d)(2).
73. H.R. 5055 § 1(d)(1) (internal quotation marks omitted).
74. *See* S. 3728 § 2(e)(2).
75. *See* S. 3728.

VHDPA and not new design laws. In order to determine whether fashion designs are worthy of being included within the VHDPA, it is necessary to understand the origins of the VHDPA.

A. Bonito Boats, Inc. v. Thunder Craft Boats, Inc.[76]

Before the VHDPA, there was the case of *Bonito Boats v. Thunder Craft Boats*.[77] Bonito Boats designed a fiberglass hull, but this design did not have patent protection because Bonito did not file an application, nor did the design have inherent copyright protection because it had utility.[78] At the time of this suit, there was a Florida statute in force that made "[i]t . . . unlawful for any person to use the direct molding process to duplicate for the purpose of sale any manufactured vessel hull or component part of a vessel made by another without the written permission of that other person."[79] Bonito filed a suit against Thunder Craft Boats seeking temporary and permanent injunctive relief, alleging that Thunder Craft violated this Florida statute by copying Bonito's hull.[80] Ultimately, the United States Supreme Court agreed with the decision by the Florida Supreme Court, which held that the Florida statute was preempted by the Supremacy Clause because of the federal policy of balancing "the encouragement of invention and free competition in unpatented ideas."[81]

B. *Vessel Hull Design Protection Act*

In response to the Supreme Court's invalidation of the Florida statute, Congress passed the VHDPA.[82] Congress reasoned that the copying of hulls was a problem felt by consumers, boat designers, and manufacturers that needed to

76. 489 U.S. 141 (1989).
77. *Id.*
78. *Id.* at 144.
79. *Id.* at 144-45 (quoting FLA. STAT. § 559.94(2)-(3) (1987)).
80. *Id.* at 145.
81. *Id.* at 144.
82. Vessel Hull Design Protection Act, Pub. L. No. 105-304, §§ 501-502, 112 Stat. 2860 (1998) (codified as amended at 17 U.S.C. §§ 1301-1332 (2006)).

be remedied because "if manufacturers are not permitted to recoup at least some of their research and development costs, they may no longer invest in new, innovative boat designs that boaters eagerly await."[83] Congress made an argument analogous to one of the main theories behind patent law—protecting the product in order to encourage innovation—by stating that the intent of the law was to protect the money being invested "in the design and development of safe, structurally sound, and often high-performance boat hull designs."[84] Interestingly enough, however, Congress' concern on safety and economics was not supported with any research at the time of the bill's passing.[85]

The VHDPA protects designs of a vessel's hull, deck, or combination of both that "make[] the article attractive or distinctive in appearance to the purchasing or using public."[86] Protection was not extended to designs that were deemed "not original," "staple or commonplace" (including geometric figures, standard shapes, and prevalent patterns), or solely utilitarian.[87] Protection of these designs commences upon the date the design's registration is published or the date the design is made public, whichever is earlier, and lasts for ten years.[88] The VHDPA vests the design owner with the exclusive right to "make, have made, or import, for sale or for use in trade, any useful article embodying that design," as well as the right to "sell or distribute for sale or for use in trade any useful article embodying that design."[89]

"Infringing articles" within the VHDPA are articles that copy the protected designs without consent from the owner.[90] This does not include, however, illustrations of these designs in advertisements, photographs, books, and similar media.[91] The standard to determine whether an article copied an original

83. H.R. REP. NO. 105-436, at 15 (1998).
84. *Id.*
85. *Id.*
86. 17 U.S.C. § 1301(a) (2006).
87. *Id.* § 1302(1), (2), (4).
88. *Id.* §§ 1304-1305.
89. *Id.* § 1308(1), (2).
90. *Id.* § 1309(e).
91. *Id.*

design is whether the article in question is "substantially similar in appearance to [the] protected design."[92] The VHDPA includes a mechanism to register the designs, whose application includes an affirmation that the design is part of a useful article, as well as two "pictorial representation[s] of the useful article embodying the design" that illustrate the design "in a form and style suitable for reproduction."[93] After the application for registration is completed, it is up to the Administrator to determine whether the design "on its face appears to be subject to protection under" the VHDPA.[94] Upon confirmation of qualification under the VHDPA, the design is registered and announced by subsequent publication.[95] Design owners can seek monetary damages and injunctions as remedies for infringement of their designs.[96] It is interesting to note that if the design owner subsequently obtains a design patent for the same design, the design loses its protection under the VHDPA.[97]

Congress recognized that providing copyright-like protection to a utilitarian design was unprecedented and untested.[98] In an attempt to prevent opening Pandora's Box regarding utilitarian design, the protections in the VHDPA were initially limited to two years, as an experiment of sorts in federal design protection.[99] The bill contained a provision directing a study by the Copyright Office as to the effect of the provision of such protection.[100]

92. *Id.*

93. *Id.* § 1310(d)(5), (h).

94. *Id.* § 1313(a).

95. *Id.*

96. *Id.* §§ 1321-1323.

97. *Id.* § 1329. A design patent is a type of patent that protects "any new, original and ornamental design for an article of manufacture." 35 U.S.C. § 171 (2006). Design patents last for fourteen years. *Id.* § 173. They protect solely how an articles looks, as opposed to a utility patent, which protects how an article works. *Id.* §§ 101, 171. Both types of patents, however, require examination by the Patent and Trademark Office, which is more time-consuming, complex, and expensive as compared to registration under the VHDPA. MERGES ET AL., *supra* note 1, at 130-33, 399-404.

98. Digital Millennium Copyright Act, Pub. L. No. 105-304, § 504(a), 112 Stat. 2860, 2917 (1998).

99. *Id.*

100. *Id.*

The Copyright Office's report on the VHDPA found that, during the course of this trial period, the only lawsuit brought under the VHDPA was *Blazer Boats, Inc. v. Maverick Boat Co.*[101] Between July 29, 1999 and October 15, 2003, there was only a total of 156 registrations of boat hull designs.[102] The Copyright Office concluded that these factors made it "too soon to tell whether the VHDPA has had significant overall effect on the boat building industry."[103] Despite this conclusion, however, the VHDPA subsequently became permanent through an amendment to the Copyright Act.[104] Since the Copyright Office's original report on the VHDPA, only four cases have been brought under the statute.[105]

V. Trade Dress Protection

Looking at the situation, it may be very easy to get caught up in a binary view of the IDPPPA—either fashion designs will be protected by the IDPPPA's passage or they will be left unguarded in the cutthroat fashion industry. This impression, however, is not completely accurate because there is another area of intellectual property law, namely trade dress law, that can help fashion designers.

A. *The Lanham Act and Trade Dress Protection*

The Lanham Act is the preeminent federal legislation concerning trademarks and trade dress. Trademarks are defined by the Act to include "any word, name, symbol, or device, or any combination thereof" used to "indicate the source

101. U.S. COPYRIGHT OFFICE & U.S. PATENT & TRADEMARK OFFICE, THE VESSEL HULL DESIGN PROTECTION ACT: OVERVIEW AND ANALYSIS 9 (2003).

102. *Id.* at 10.

103. *Id.* at 20.

104. David Nimmer, *Codifying Copyright Comprehensibility*, 51 UCLA L. REV. 1233, 1330 (2004).

105. Maverick Boat Co. v. Am. Marine Holdings, Inc., 418 F.3d 1186 (11th Cir. 2005); U.S. Marine, Inc. v. United States, No. 08-2571, 2010 WL 1403958 (E.D. La. Apr. 1, 2010); Caterpillar Fin. Servs. Corp. v. Charter Connection Corp., No. 07CV767-L(NLS), 2007 WL 2177026 (S.D. Cal. July 26, 2007); Maverick Boat Co. v. Am. Marine Holdings, Inc., No. 02-14012-CIV, 2004 WL 1093035 (S.D. Fla. Feb. 10, 2004).

of goods."[106] If a person other than the manufacturer of the goods uses the trademark in a way that "is likely to cause confusion . . . as to the origin, sponsorship, or approval of his or her goods," the manufacturer has a cause of action under § 43(a).[107] Courts have come to interpret these sections of the Lanham Act to cover not only the symbols and words traditionally considered to be trademarks, but also trade dress.[108] Trade dress has evolved through the various circuit courts to assume "a more expansive meaning . . . [that] includes the design and appearance of the product as well as that of the container and all elements making up the total visual image by which the product is presented to customers."[109]

Having a design protected as trade dress is only as useful as the designer's ability to enforce this right. There are two basic steps to evaluate trade dress infringement under the Lanham Act: (1) "whether the product's trade dress qualifies for protection" and (2) "whether the trade dress has been infringed."[110] In order for a product to qualify for trade dress protection, it must be either inherently distinctive or have acquired secondary meaning.[111] Secondary meaning is specifically defined as "when, 'in the minds of the public, the primary significance of a [mark] is to identify the source of the product rather than the product itself.'"[112] Designs generally are not inherently distinctive, but over time they acquire secondary meaning that signals to the consumer the brand or source of the goods.[113] Thus, there already seems to be some protection provided for fashion designs outside of the IDPPPA.

106. Lanham Trade-Mark Act, Pub. L. No. 79-489, § 43(a), 60 Stat. 427, 441 (1946). *See also* 15 U.S.C. § 1127 (2006).

107. 15 U.S.C. § 1125(a) (2006).

108. *See* Wal-Mart Stores, Inc. v. Samara Bros., Inc., 529 U.S. 205, 209 (2000).

109. Jeffrey Milstein, Inc. v. Greger, Lawlor, Roth, Inc., 58 F.3d 27, 31 (2d Cir. 1995) (citing LeSportsac, Inc. v. K Mart Corp., 754 F.2d 71, 75 (2d Cir 1985)).

110. Blue Bell Bio-Med. v. Cin-Bad, Inc., 864 F.2d 1253, 1256 (5th Cir. 1989).

111. *See, e.g.*, *Wal-Mart*, 529 U.S. at 210-11 (2000).

112. *Id.* at 211 (quoting Inwood Laboratories, Inc. v. Ives Laboratories, Inc., 456 U.S. 844, 851 n.11 (1982)).

113. *Id.* at 211-12.

B. Wal-Mart Stores, Inc. v. Samara Bros., Inc.[114]

Application of this trade dress protection played out in the Supreme Court case of *Wal-Mart Stores, Inc. v. Samara Bros., Inc.*[115] The plaintiff in this case, Samara Brothers, was a designer and manufacturer of children's clothing who had "a line of spring/summer one-piece seersucker outfits decorated with appliqués of hearts, flowers, fruits, and the like" that was sold through chain stores, including JCPenney."[116] Wal-Mart contracted with a supplier to manufacture children's outfits based on "photographs of a number of garments from Samara's line" that Wal-Mart provided.[117] The manufacturer copied sixteen of these designs, which Wal-Mart subsequently sold.[118] Samara subsequently brought suit against Wal-Mart, the manufacturer, and various other retailers who sold the pirated designs for infringement of unregistered trade dress under § 43(a) of the Lanham Act.[119]

After considering the case, the Supreme Court held that Samara's designs would be eligible for trade dress protection if Samara could prove that the designs acquired secondary meaning.[120] Specifically, the Supreme Court stated: "We hold that, in an action for infringement of unregistered trade dress under § 43(a) of the Lanham Act, a product's design is distinctive, and therefore protectable, only upon a showing of secondary meaning."[121] As there is no record, of any subsequent proceedings, it is not clear whether secondary meaning was indeed found in Samara's designs. Just because the Court did not explicitly find infringement of the trade dress in Samara's designs, however, does not mean that other designers cannot seek protection in this manner for their designs.

114. 529 U.S. 205 (2000).
115. *Id.*
116. *Id.* at 207.
117. *Id.*
118. *Id.* at 207-08.
119. *Id.* at 207.
120. *Id.* at 216.
121. *Id.*

C. *Trade Dress Protection in Action: The Jelly Kellys*

In order to see how trade dress protection may work for a fashion design, consider two of the most iconic designs of the French fashion house Hermès: the Kelly bag and the Birkin bag.[122] The Kelly bag was named after Princess Grace Kelly and gained notoriety after *LIFE* magazine featured a photograph of her and the bag on its cover in 1956.[123] The Birkin bag was created in the 1980s and named after actress Jane Birkin after she voiced a desire for a larger version of the Kelly bag.[124] The Birkin bag is noted for its "trapezoidal shape, . . . small, semi-circular handle and flap design . . . . [And] unique lock and flap closure."[125] It is the lock that separates the Kelly bag from any other trapezoidal handbags. The lock's "design consists of two thin, horizontal leather straps with metal plates at each end that fit over a circular turn lock," which can be secured with a metal lock.[126] Over time, the Kelly bag has grown to be "a status symbol for the well-to-do and wealthy;" mostly because of the details from its craftsmanship, quality, detail, and waitlist availability.[127]

Enter Steven Stolman, a Long Island retailer whose boutique sold a bag identical in shape, size, and design to the Birkin—except that the bag was made out of rubber.[128] Stolman nicknamed the bag the "Jelly Kelly" (despite it being Birkin-sized), and his sales associates described it as "'an exact duplicate'" of a Hermès bag.[129] The "Jelly Kelly" and the Birkin bag both featured the same iconic design details: the trapezoidal shape, semi-circular handle, and flap-and-lock closure system. With identical designs, the bags only differed in

122. Meaghan E. Goodwin, *Pricey Purchases and Classy Customers: Why Sophisticated Consumers Do Not Need the Protection of Trademark Laws*, 12 J. INTELL. PROP. L. 255, 257 (2004).

123. *Id.*

124. *Id.*

125. *Id.* at 257-59.

126. *Id.* at 259.

127. *Id.* at 258.

128. Complaint at 8-10, Hermes Int'l v. Steven Stolman, Ltd. (E.D.N.Y. July 30, 2003) (No. CV-033722). Stolman is noted as stating that the bags that he sold were "made of 'the world's cheapest material.'" *Id.* at 9.

129. *Id.* at 8.

the material and the craftsmanship. The trial court granted a permanent injunction against Stolman from selling the Jelly Kellys, but the parties subsequently settled,[130] so there is no official opinion on whether the Kelly and Birkin bags would have been protected by trade dress laws.[131] Some scholars, however, have pointed to the granting of the permanent injunction as a sign that the Kelly/Birkin design achieved secondary meaning, such that trade dress protection applied and the Jelly Kelly created a likelihood of confusion.[132]

In order for the Kelly/Birkin bag design to be afforded trade dress protection, Hermès would need to prove that this design has acquired secondary meaning.[133] Secondary meaning for the design would be acquired if the public associates this design not only with being a Birkin bag or a Kelly bag, but also as belonging to Hermès. Of course without proper evidence, including expert testimony or survey results, a formal conclusion as to the existence of such secondary meaning is impossible. Anecdotally, Hermès has made use of the Kelly/Birkin shape and design for over fifty years.[134] Over this time period, the Kelly bag design has risen in the fashion world to the rank of a "status symbol."[135] It is not a large logical leap to infer that this designation as a status symbol derives not only from the bag itself, but also from or the ability of people to associate the bag with its designer and manufacturer: luxury brand Hermès.[136] This leads to the conclusion that the Kelly bag shape has acquired secondary meaning and as such is protected under existing trade dress law. It is very possible, therefore, for designers, like Hermès, who create iconic and unique designs to be protected by the currents laws without the need for new legislation in the form of the IDPPPA. Fashion designers are not without protection and recourse independent

130. Shelly Branch, *Hermès's Jelly Ache*, WALL ST. J., Apr. 9, 2004, at B1.

131. Goodwin, *supra* note 122, at 262.

132. *Id.*

133. *See* Wal-Mart Stores, Inc. v. Samara Bros., Inc., 529 U.S. 205, 211 (2000) (quoting Inwood Laboratories, Inc. v. Ives Laboratories, Inc., 456 U.S. 844, 851 n.11 (1982)).

134. *See* Goodwin, *supra* note 122, at 257.

135. *Id.* at 258.

136. *See id.* at 257-58.

of the passage of the IDPPPA.

VI. International Design Protection

As Congress initially intended the VHDPA to be a test balloon of sorts regarding copyright-like protection for utilitarian design, as of late there is no similar test in the United States for fashion design protection. While the United States has never provided copyright-like protection to fashion designs, many other regions of the world have. Since the fashion industry is a global industry, an appropriate test of the effectiveness of fashion design protection may be found by looking at the effects of these international laws.

A. *European Directive on the Legal Protection of Designs*

The European Council adopted the European Directive on the Legal Protection of Designs (the "Directive") in 1998.[137] The Directive requires "Member States to harmonize their laws regarding protection of registered industrial designs, a category that includes apparel designs, and to put in place design protection laws that follow the standards set out in the Directive."[138] Article One of the Directive defines a "design" as "the appearance of the whole or a part of a product resulting from the features of, in particular, the lines, contours, colours, shape, texture and/or materials of the product itself and/or its ornamentation."[139] Article Two applies the protection to designs that are registered.[140] Furthermore, Article Four instills a requirement that the protected designs be novel.[141] Novelty is defined within Article Four as the absence of an "identical design . . . made available to the public before the date of filing of the application for registration."[142] Being "identical" is further explained as differing only in immaterial details.[143]

137. Council Directive 98/71, 1998 O.J. (L 289) 28 (EC).
138. Raustiala & Sprigman, *supra* note 24, at 1735.
139. Council Directive 98/71, *supra* note 137, at art. 1(a).
140. *Id.* at art. 2(1).
141. *Id.* at art. 4.
142. *Id.*
143. *Id.*

Article Twelve affords the holder of a registered design "the exclusive right to use it and to prevent any third party not having his consent from using it."[144] Article Five specifies that the standard used to judge unauthorized copying of a protected design is based on "the overall impression it produces on the informed user."[145] The protection against copies of the design extends as far as "any design which does not produce on the informed user a different overall impression" as per Article Nine.[146] The design protection is initially for a five-year period, but it is renewable for a total term of twenty-five years.[147]

By comparing the Directive to the IDPPPA, it is easy to see that the former influenced the latter— albeit with some differences. The scope of the Directive's definition of "design" is much broader than that of the IDPPPA because the Directive is meant to apply to all types of designs, while the IDPPPA narrowly applies to fashion designs.[148] The Directive's hurdle to qualify for protection is "novelty,"[149] while the IDPPPA requires "unique, distinguishable, non-trivial and non-utilitarian"[150] design. Though phrased differently, both of these standards are similar because they both require the absence of a design identical to the one being offered for protection. While the IDPPPA's protection is proposed to run for a single, non-renewable term of three years,[151] the Directive offers design protection in five-year blocks that are renewable for a total of twenty-five years.[152]

The most important feature to be examined in both pieces of legislation, however, is the standard for infringement. The Directive defines infringing articles based on "the overall impression it produces on the informed user,"[153] while the IDPPPA looks to see if the infringing article is "substantially

144. *Id.* at art. 12(1).
145. *Id.* at art. 5(1).
146. *Id.* at art. 9(1).
147. *Id.* at art. 10.
148. *Compare id.*, *with* Innovative Design Protection and Piracy Prevention Act, S. 3728, 111th Cong. (2010).
149. Council Directive 98/71, *supra* note 137, at art. 4.
150. S. 3728 § 2(a)(2).
151. *Id.* § 2(b)(3).
152. Council Directive 98/71, *supra* note 137, at art. 10.
153. *Id.* at (13).

identical in overall visual appearance."[154] The Directive uses the perspective of the "informed user,"[155] but the IDPPPA employs the more general view of a "reasonable person."[156] This difference creates the potential for infringement to be less commonly found under the Directive than the IDPPPA. Both pieces of legislation look at the potentially infringing articles in a holistic manner—judging by how the article looks overall. All in all, the Directive is substantially similar to the IDPPPA, such that it can act as a great working model for what the IDPPPA would look like if it became law.

B. *European Union Fashion Design Registration Database*

In order for a fashion design to be protected under the European system, it must be registered.[157] Registration begins with the filing of an application with the Trade Marks and Designs division of the Office for Harmonization in the Internal Market.[158] Part of the application requires the applicant to indicate the article's appropriate Locarno Classification.[159] Applications are then examined for two major types of deficiencies: formalities and substantive non-registrability.[160] The formalities generally include "name, address, language, signature, priority date(s), fees, description, designer and indication of product/classification."[161] Substantive non-registrability is examined through two questions: (1) "Is it a

154. S. 2738 § 2(e)(3).

155. Council Directive 98/71, *supra* note 137, at (13).

156. S. 3728 § 2(e)(1).

157. Council Directive 98/71, *supra* note 137, at art. 2(1)(a)-(d).

158. *Filing an Application*, OFF. HARMONIZATION INTERNAL MKT. (TRADE MARKS & DESIGNS), http://oami.europa.eu/ows/rw/pages/RCD/regProcess/filing.en.do (last visited Sept. 30, 2011).

159. *Indication of Product and Classification*, OFF. HARMONIZATION INTERNAL MKT. (TRADE MARKS & DESIGNS), http://oami.europa.eu/ows/rw/pages/RCD/regProcess/classification.en.do (last visited Sept. 30, 2011).

160. *Examination*, OFF. HARMONIZATION INTERNAL MKT. (TRADE MARKS & DESIGNS), http://oami.europa.eu/ows/rw/pages/RCD/regProcess/examination.en.do (last visited Sept. 30, 2011).

161. *Id.*

design?" and (2) "[I]s it contrary to public policy or morality?"[162] It is interesting to note that the examination process does not see whether the design meets the novelty standard.[163] At this point, the application is either accepted for registration or rejected.[164] Accepted applications will be registered in the Community Design Register and published in the Registered Community Design Bulletin.[165] Since the designs are not examined for their novelty upon examination, it is possible to invalidate these registrations through invalidity proceedings, which are also the sole jurisdiction of the Trade Marks and Designs division of the Office for Harmonization in the Internal Market.[166] With this basic framework of design registration in the European Union, it is possible to proceed to examine the effectiveness of the Directive.

The first measure of the effectiveness of the Directive is how many fashion designers took advantage of the available method of protection via registration of their designs. The European Union fashion design registration database (the "Database") is available online and is searchable, such that it is possible to estimate how many fashion designs are registered for a given period of time.[167] The Database breaks the registered designs into various Locarno classes.[168] Specifically, Class Two covers "Articles of Clothing and Haberdashery" and

162. *Id.*

163. *Id.*

164. *Id.*

165. *Registration and Publication*, OFF. HARMONIZATION INTERNAL MKT. (TRADE MARKS & DESIGNS), http://oami.europa.eu/ows/rw/pages/RCD/regProcess/registration.en.do (last visited Sept. 30, 2011).

166. *Invalidity*, OFF. HARMONIZATION INTERNAL MKT. (TRADE MARKS & DESIGNS), http://oami.europa.eu/ows/rw/pages/RCD/regProcess/invalidity.en.do (last visited Sept. 30, 2011).

167. *See Design Consultation Service*, OFF. HARMONIZATION INTERNAL MKT. (TRADE MARKS & DESIGNS), http://oami.europa.eu/RCDOnline/RequestManager (last visited Sept. 30, 2011).

168. *EUROLOCARNO (9th Edition) List of Classes*, OFF. HARMONIZATION INTERNAL MKT. (TRADE MARKS & DESIGNS), 1-2 (Jan. 2009), http://oami.europa.eu/ows/rw/resource/documents/RCD/eurolocarno/eurolocarno_EN.pdf; *see also Design Consultation Service*, *supra* note 167.

is broken into subclasses, including: undergarments, lingerie, corsets, brassieres, and nightwear; garments; headwear; footwear, socks, and stockings; neckties, scarves, neckerchiefs, and handkerchiefs; gloves; haberdashery and clothing accessories; and miscellaneous.[169]

When Raustialia and Sprigman conducted their search of the Database for apparel designs registered between January 1, 2004, and November 1, 2005, they found only 1631 designs.[170] A similar search of the Database for Class Two garments registered between the earliest searchable date, April 1, 2003, and November 1, 2010, yielded a total of 12,035 registrations.[171] At first blush that total number seems substantial, however, the mystique falls away upon closer analysis of the number and designs. Raustialia and Sprigman's search was over approximately twenty-two months, which translated to a registration rate of approximately seventy-four designs a month. The search beginning April 1, 2003 until November 1, 2010, covered a registration period of approximately eighty-nine months, yielding a registration rate of approximately 135 designs a month. It may be plausible to explain Raustialia and Sprigman's relatively low registration rate by claiming that they looked at the database while it was still in its infancy. However, looking at the registration rate over a period approximately four times as long as Raustialia and Sprigman, does not show even a doubling of the rate. The April 1, 2003, to November 1, 2010, time span covers the infancy of the database through almost seven and a half years of existence to show that design registration still has not picked up in popularity or common usage.

Furthermore, a closer analysis of the actual 12,035 designs demonstrates a broad variety of loose interpretations for the

169. *EUROLOCARNO (9th Edition) List of Classes, supra* note 168, at 3.

170. Raustiala & Sprigman, *supra* note 24, at 1740.

171. This number was arrived at by using the *Design Consultation Service*, *supra* note 167. Specifically, the Design Consultation Service was queried for all designs registered as "Garments" under Locarno Class Two, Subdivision Two, in three-month blocks from April 1, 2003, until November 1, 2010. The results from these searches were then combined to arrive at the grand total for the period of 12,035 designs. This process was followed because the results for any search are limited to a maximum number of 1,000 results.

term "design." Raustiala and Sprigman note: "Any firm or individual marketing apparel in the territory of the European Union may register a design in this database and thereby gain protection under the regulations governing registered designs."[172] Just scrolling through the registered designs on the database from April 1, 2003 to November 1, 2010, yields garment designs that many would argue as basic. These registered designs are not cutting edge haute couture, but rather designs that most people would not think to classify as original. For example, design number 001238075-0043 is a design registered on October 5, 2010, by Creation Nelson for a pair of trousers.[173] The trousers have wide legs, front slit pockets, a back zipper, and darts in the front and the back.[174] There is nothing particularly unique or challenging in this design; most fashion design students, even most laypeople, would see this design as quite basic, and even traditional, in the realm of trouser construction.

Knowing Raustiala and Sprigman's assessment that "[a]ny firm or individual" does take advantage of the database is true, it then begs the question of whether high fashion designers take advantage of the database as well. Searching the Database for Class Two garment registrations by European designers, such as Louis Vuitton, Versace, Gucci, Alexander McQueen, Karl Lagerfeld, Chloe, and Chanel, indicates that these fashion houses have not registered any fashion designs.[175] The exception to this trend is *one* registered Class

172. Raustiala & Sprigman, *supra* note 24, at 1740.

173. *Creation Nelson Trousers Product Description*, OFF. HARMONIZATION INTERNAL MKT. (TRADE MARKS & DESIGNS), http://oami.europa.eu/RCDOnline/RequestManager (following the "Locarno Class-Subclass designation, select "02" from the dropdown menu in the first box and leave the second box reading "Any"; following the designation "Design Number" next to two empty search boxes, enter "001238075" in the first box and "0043" in the second; then click on the "Search" button).

174. *Id.*

175. This information was arrived at by using the *Design Consultation Service*, *supra* note 167. Again, specifically, these searches were conducted by filling out the query next to "Owner", selecting "Name" and "Is" from the adjacent dropdown boxes and typing each designer's name into the final box. Each search limited the query to all designs registered as "Garments" under Locarno Class Two, Subdivision Two.

Two garment by Christian Dior for a pair of jeans.[176] Viewing the design via the Database, it is not clear why this design, out of all possible Dior designs, was registered.

As a contrast to the lack of registration by these European design houses, Speedo has registered sixty-three Class Two garments.[177] These designs, however, do not appear to be registered in order to protect the specific ornamentation or aesthetic design of the garments, but rather to protect variations on the "speed suits" that are commonly seen in competitive swimming.[178] In the United States, these suits are thought of more as purely patentable subject matter, due to their utility rather than garment design.[179] Speedo seems to be using the Directive and registration process as a way to avoid the more complex and costly patent process by securing design protection. Thus, it is safe to say that the vast majority of the registered designs are more akin to Creation Nelson's wide-leg trousers than to an Alexander McQueen gown. While these 12,035 registered designs may in fact be valid, original designs,[180] they may not be the type of designs that were the

176. Christian Dior Trousers Product Description, OFF. HARMONIZATION INTERNAL MKT. (TRADE MARKS & DESIGNS), http://oami.europa.eu/RCDOnline/RequestManager (following the "Locarno Class-Subclass designation, select "02" from the dropdown menu in the first box and leave the second box reading "Any"; following the "Owner" designation, select "Name" and "Is" from the adjacent dropdown boxes and type "Christian Dior" into the final box; then click on the "Search" button).

177. Speedo Product Registrations, OFF. HARMONIZATION INTERNAL MKT. (TRADE MARKS & DESIGNS), http://oami.europa.eu/RCDOnline/RequestManager (following the "Locarno Class-Subclass designation, select "02" from the dropdown menu in the first box and leave the second box reading "Any"; following the "Owner" designation, select "Name" and "Is" from the adjacent dropdown boxes and type "Speedo" into the final box; following the "Filing Date" designation, enter 01/04/2001 into the first box and then 30/09/2011 into the second; then click on the "Search" button).

178. *Id.*; *see also Speedo Racing 2011 E-Catalog*, SPEEDO, http://explore.speedousa.com/speedo-racing-2011-e-catalog/ (last visited Sept. 30, 2011).

179. *See, e.g.*, U.S. Patent No. 6,446,264 (filed Dec. 18, 2000) (issued Sept. 10, 2002.).

180. It is important to also remember that since the examination process required for registration does not inquire as to whether the design meets the novelty standard, not all of these twelve-thousand designs may be original.

impetus behind the Directive or the IDPPPA.

Given the legislative intent that has surrounded the IDPPPA, these results are logically suspect. Since registration is required in order to file a claim for the copying of a fashion design in the European Union, why are so many fashion designers not registering every new design that they make? The Directive and registration process is not so new or complicated that the designers have not had time to register, nor is it likely that these designers or their counsel never knew this protection was available.

C. *European Cases and Judgments*

Actions that are brought with respect to the laws of the Member States created in conformity with the Directive are initially heard in national courts and tribunals of the member states.[181] These courts are collectively considered to be "Community Design Courts."[182] The Community Design Courts have exclusive jurisdiction over infringement actions, as well as actions to declare registered Community Designs invalid.[183]

Cases that are brought in the Community Design Courts regarding garment design are listed by the Office for Harmonization in the Internal Market, such that it is possible to examine how frequently suits are brought under the Directive.[184] There were only, however, a total of five suits listed concerning garment design.[185] For example, the dispute

181. *Judgments of the Community Design Courts*, OFF. HARMONIZATION INTERNAL MKT. (TRADE MARKS & DESIGNS), http://oami.europa.eu/ows/rw/pages/RCD/caseLaw/judgementsCDCourts.en.do (last visited Sept. 30, 2011).

182. *Id.*

183. *Id.*

184. *See generally id.*

185. Tribunal de grande instance [TGI] [ordinary court of original jurisdiction] Paris, 3ème, Jan. 25, 2011, RG: 09/17926, C. Viton (Fr.) (a dispute between Creations Nelson and Bestseller Wholesale France concerning the design of a cardigan); S.A.P., Dec. 22, 2009 (J.T.S., No. 490) (Spain) (Juan Boluda brought suit to enforce the infringement of the design of dresses by Grupo de Empresas H-R S.L.); Rb.'s-Gravenhage 17 oktober 2007, KG 2007, 1168 m.nt. Hensen (G-Star Int'l B.V./Espirt Europe B.V.) (Neth.) (surrounding the designs of a mesh jacket, sniper blazer, t-shirt, skirt,

in *Karen Millen Ltd. v. Dunnes Stores* related to a black knit top, a blue striped shirt, and a brown striped shirt,[186] a pair of legging shorts was at issue in *Bonnie Doon Europe v. Angro*,[187] and the articles involved in *G-Star International B.V. v. Espirt Europe B.V.* were a mesh jacket, sniper blazer, t-shirt, skort, cardigan, midnight art jacket, hooded knit, custom jeans, and a motor safety plus jacket.[188] The garments at the center of these cases were closer to everyday clothing staples rather than the innovative and creative designs that fuel the trends of the fashion industry.

The Court of Justice of the European Union has the jurisdiction to hear final appeals from the General Courts on these design cases.[189] There is, however, no case law either before the General Court or in Preliminary Rulings under Article 234 of the European Community Treaty regarding any garment design issues.[190] The absence of case law is most likely the product of the scant number of cases being brought related to garment design that would then be available for appeal. This absence may further indicate that the losing parties to the disputes have not found any appealable issues regarding the design laws, but rather the sole issue was whether copying was present. The case law, or lack thereof, in conjunction with an examination of the registration of garment designs indicates that even when fashion design houses have access to design

cardigan, midnight art jacket, hooded knit, custom jeans, and a motor safety plus jacket), *available at* http://oami.europa.eu/pdf/design/cdcourts/G-Star-Esprit.pdf.; Rb.'s-Gravenhage 7 december 2007, KG 2007, 1378 m.nt. Hensen (Bonnie Doon Europe/Angro) (Neth.) (a dispute surrounding the design of legging shorts), *available at* http://oami.europa.eu/pdf/design/cdcourts/Bonnie_Doon-Angro.pdf; Karen Millen Ltd. v. Dunnes Stores, [2007] IEHC 449 (Ir.) (regarding the designs of a black knit top, a blue striped shirt, and a brown striped shirt).

186. *See Karen Millen Ltd.,* [2007] IEHC 449.

187. *See* Rb.'s-Gravenhage 7 december 2007, KG 2007 (*Bonnie Doon Europe*).

188. *See* Rb.'s-Gravenhage 17 oktober 2007, KG 2007 (*G-Star International B.V.*).

189. *Judgments of the Court of Justice of the European Union*, OFF. HARMONIZATION INTERNAL MKT. (TRADE MARKS & DESIGNS), http://oami.europa.eu/ows/rw/pages/RCD/caseLaw/judgementsECJ.en.do (last visited Sept. 30, 2011).

190. *Id.*

protection, they do not bother to register their designs or enforce their corresponding rights under such registration.

VII. Direct Arguments Against the IDPPPA

A. *Induced Obsolescence*

Part II introduced the idea that the fashion industry functions unlike any other industry when it comes to the effects of copying.[191] The concept of the "piracy paradox"—where copying actually benefits the original designers—was briefly introduced and explained.[192] The companion argument to the piracy paradox is the concept of "induced obsolescence."[193]

It is true that clothing has utility—it is the barrier between the human body and the environment that surrounds it—however, the fashion design component of this good is less about utility and more about creativity. An article of apparel that goes beyond utility and incorporates fashion design, otherwise known as a "fashion-good," is commonly characterized as a "status good" because people are driven to purchase it because of the status benefits conferred on them as a result of the good being "in fashion."[194]

These status benefits that lead to a fashion design's popularity can also lead to its subsequent downfall. Kal Raustiala and Christopher Sprigman explain: "[t]he positionality of a particular good is often two-sided: its desirability may rise as some possess it, but then subsequently fall as more possess it."[195] A fashion trend or status good is marked by a specific design characteristic. It is this characteristic that initially makes people want to possess the good.[196] People want to signal their status via this good's

191. *See supra* Part II.

192. Raustiala & Sprigman, *supra* note 24.

193. *Id*. at 1722.

194. Jonathan M. Barnett, *Shopping for Gucci on Canal Street: Reflections on Status Consumption, Intellectual Property, and the Incentive Thesis*, 91 VA. L. REV. 1381, 1386 (2005).

195. *See generally* Raustiala & Sprigman, *supra* note 24, at 1719.

196. *See id*.

design.[197] The more people that have this good with this design characteristic, however, means the more early trend-adopting and status-seeking fashionistas will move away from this trend in search of the next big design.[198] This is the fashion cycle: trendsetters set a trend, it becomes prevalent in society through goods of the original designer and those that copy the design, and finally, as the design becomes more mainstream, the trendsetters are forced to move on to the next big design in order to stand out.

This cycle is fueled by the limited intellectual property protections available to fashion designs.[199] Take, for example, the secondary meaning requirement for a design to be protected under trade dress law.[200] It takes time for a design to acquire the requisite secondary meaning for trade dress protection. While the protection is still available to designs, it is not arbitrarily available to every design upon creation as it would be under the IDPPPA. As the intellectual property system currently functions, there is "free appropriation of fashion designs," which "accelerate[s] the diffusion of designs and styles."[201] Raustiala and Sprigman describe this phenomenon as "induced obsolescence" and opine that if copying was restricted, the fashion cycle would be slowed.[202]

If the IDPPPA protected all designs for three years from their creation, then the designs would not be eligible for appropriation throughout the fashion world for three years. This means that no copies, less expensive or otherwise, would be available to the mass market, such that the design would not saturate society by creeping into the mainstream until the three-year protection lapsed. Only the people who could afford the original designs from the original designers would have them. These people would enjoy a longer period of status from the fashion good, however, without the trend's diffusion to society, there would be nothing to force the trendsetters to move on to the next big trend until the protection tolled and

197. *See id.*
198. *See id.*
199. *See id.* at 1722.
200. *Supra* Part V.
201. Raustiala & Sprigman, *supra* note 24, at 1722.
202. *Id.*

the fashion cycle of free appropriation resumed. The creativity of the fashion industry as a whole would suffer because there would be a loss of incentive for designers to create new trends and designs as quickly.

As much as the IDPPPA would disincentive primary designers to produce new designs too often, it would also decimate the secondary design market. Retailers such as H&M and Zara pride themselves on producing current fashion trends the season they emerge for a fraction of the top designer price tag.[203] H&M has been described to have the capacity to "move the latest look from runway to rack in three weeks" while "sell[ing] high style at crazy-low prices."[204] Retail analyst Candace Corlett is quoted as describing H&M as "in-and-out fashion."[205] Just as Prada's spring 2011 collection hit the stores, a fully inspired collection was found at retailer Zara.[206] The collection echoes the same colors, silhouettes, garment types, and designs as Prada's collection, but at a much lower price-point.[207] These are the types of retailers that serve as the mechanism to disseminate trends to the mass market, which saturate society and cause fashionistas to design the next big trend from designers.[208]

With the IDPPPA's three-year protection of fashion designs in place, retailers like H&M and Zara would be faced with three options: shut down; begin to design non-inspired pieces; or wait until the three-year protection expires and then proceed on copying and disseminating the trends. None of these options are rather appealing. The first option is obviously the most extreme and crippling to the retailers. Execution of the second option would shift these retailers away from their original business models and turn them into just another label.

203. Sarah Ferguson, *Adventures in Copyright: Zara's Sweet on Prada's Entire Spring Collection*, FASHIONISTA (Apr. 3, 2011), http://fashionista.com/2011/04/adventures-in-copyright-zaras-sweet-on-prada-entire-spring-collection; Keith Naughton, *H&M's Material Girls*, NEWSWEEK (June 10, 2007), http://www.newsweek.com/2007/06/09/h-m-s-material-girls.html.

204. Naughton, *supra* note 203.

205. *Id*.

206. Ferguson, *supra* note 203.

207. *Id*.

208. Raustiala & Sprigman, *supra* note 24, at 1722.

Additionally, the prospect of creating non-inspired pieces would most likely increase costs and take the retailers out of the realm of affordable fashion. Finally, the third option would further reflect and contribute to the three-year delay of fashion design turnovers.

Currently the fashion industry year is marked by two major fashion collection seasons: the spring/summer collection and the fall/winter collection.[209] These are the two times a year when trends are made.[210] The demand for new trends in the fashion cycle has led design houses to create designs for two additional, in-between seasons: Resort (done after fall/winter, but before spring/summer) and pre-fall (done after spring/summer, but before fall/winter).[211] The IDPPPA, however, has the potential to create three-year-long trends, which would be a stark contrast to the lack of total protection today where "the regime of free design appropriation speeds diffusion and induces more rapid obsolescence of fashion designs."[212] Thus in order to preserve the pace of creativity in the fashion industry, the IDPPPA should not be made into law.

B. *Underutilization*

Drawing from the current legal mechanisms present both in the United States and in Europe, it is hard to say if the IDPPPA would even be utilized. Judging from the examination of the European Directive on the Legal Protection of Designs and its corresponding fashion design registration database above, the majority of designers that have taken advantage of the mechanism of protection are not the highly copied fashion

209. *Id*. at 1693.

210. *Id*. at 1722.

211. Belinda White, *What Are the Pre-Fall and Resort/Cruise Collections?*, TELEGRAPH (Dec. 16, 2010), http://fashion.telegraph.co.uk/news-features/TMG8207498/What-are-the-pre-fall-and-resortcruise-collections.html; *see, e.g.*, *Balenciaga/Pre-Fall 2011*, VOGUE, http://www.vogue.com/collections/pre-fall-2011/balenciaga/runway/ (last visited Sept. 30, 2011); *Chanel/Resort 2011*, VOGUE, http://www.vogue.com/collections/resort-2011/chanel/runway/ (last visited Sept. 30, 2011).

212. Raustiala & Sprigman, *supra* note 24, at 1722.

houses, but rather unknown designers.[213] The number of registered designs may have seen a rate increase from approximately seventy-four registered designs a month in the database's infancy to 135 a month currently; still, as a registration rate for all of Europe, that number is still weak.[214] European designers have been afforded increased legal protections and the ability to file suits against wrongdoers filing suits, similar to the IDPPPA, but have not elected to oblige themselves of the system.[215] This begs the question of whether American designers would choose to take advantage of the IDPPPA if their European counterparts have not.

While the specific reason why these European fashion house designers have chosen not to register their fashion designs or enforce their rights against infringers is not clear, it is clear that a law that is not used is useless. When the IDPPPA was introduced by Senator Hatch, he spoke of the evils of design piracy: "original designs are copied and the apparel is manufactured in countries with cheap labor . . . then shipped into the U.S. to directly compete with the garments of the original designer."[216] The IDPPPA was supposed to give the designers the tools to prevent their designs from being copied and sold in direct competition of the originals, but the IDPPPA can only accomplish this intent if the designers choose to utilize it. Due to the fact that the European designers have not utilized similar tools, there is no indication that their American counterparts will. A law that will not be used by the very people it attempts to protect, to accomplish its legislative intent, is useless and should not become a law.

This point is further illustrated by the parallel case of the VHDPA.[217] Despite the Copyright Office's conclusion that the effect of the VHDPA was too early to determine, it was made into a full law.[218] The VHDPA, however, is underutilized. There are only four cases that have been brought under the

213. *See supra* Part VI.B.

214. *Id*.

215. *See supra* Part VI.

216. 156 CONG. REC. S6886-01 (daily ed. Aug. 5, 2010) (statement of Sen. Hatch).

217. *See supra* Part IV.B.

218. Nimmer, *supra* note 104, at 1229-30.

VHDPA.[219] Boat designers, the industry that the VHDPA was specifically passed to help, have barely exercised the protections and rights afforded to them by this law.[220] Based on both the behavior of the European fashion designers and the American boat hull designers, it seems very unlikely that the American fashion designers would use the rights and protections afforded to them by the IDPPPA. Thus Congress should not allow the IDPPPA to become a law that is on the books, but never used.

C. *Counters General Copyright Protection Principles*

When examining the evolution of intellectual property law, it is always important to keep in mind the foundation policy goals set out as the basis for intellectual property rights in the United States. The founding fathers' policy goal behind copyright protection can be found in the United States Constitution: "To promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries."[221] The founding fathers wanted to build a public domain rich with the arts, but realized that most art and scientific discoveries took time, effort, and expense.[222] They further realized that without an economic incentive, people would not devote time, effort, and expense into these creations.[223] The solution to encouraging and compensating creativity so as to ultimately enrich the public domain became these limited, exclusive rights—namely copyrights and patents.[224]

While the rights and protections to be created by the IDPPPA are described as "copyright-like," they are not truly in form with the policy behind traditional copyright protection. In fact, there is a strong argument that the rights created by the IDPPPA go against traditional copyright theory. The purpose of

219. *See supra* Part IV.B.
220. *Id*.
221. U.S. CONST. art. I, § 8, cl. 8.
222. *See* MERGES ET AL., *supra* note 1, at 418-19.
223. *See id*.
224. *See id*.

providing traditional copyright protection is to provide authors with compensation in the form of a limited exclusive right in order to incentivize creativity.[225] For example, a writer may need the assurance of the copyright law that when he spends his time putting pen to paper, no one (besides himself) will be able to copy this work and profit off of his labor. The founders believed that without this right the writer would not spend his time writing, but instead seek out more lucrative enterprises, such that the public domain would be forever deprived of the work he would have written.[226]

In the fashion industry, however, creativity is incentivized without the need for government-created rights. The fashion designer must create in order to make a profit in the fashion industry because the fashion cycle demands new designs and trends. There is not the same worry, as there is with the author, that the fashion designer will not design because designing doubles as the income producing action. It is the demand within the current fashion industry that drives the designer's creation and through this demand the fashion industry has created a rich public domain. As the goal of copyright protection has materialized in fashion without such protection, there is no need for the incentivized creativity that is normally present in subject matters protected by the copyright law. Furthermore, the imposition of a three-year exclusivity on designs limits those designs from the public domain for that period, which in turn shrinks the public domain, which is counter to everything that the founding fathers wanted from copyright law. The copyright-like protection afforded by the IDPPPA does not further the overall goal of copyright law, but rather hurts it, such that the IDPPPA should not become a law.

D. *Problems with the IDPPPA*

Putting aside the big picture objections to the IDPPPA, there are problems at the very core of this bill itself. The IDPPPA is grounded in a "substantially identical" standard,

225. *See id.*
226. *See id.*

however the standard's language is not clearly defined in the bill. The lack of definition would make enforcement of the law impossible or arbitrary.

The standard for infringement under the IDPPPA is "substantially identical."[227] The IDPPPA defines "substantially identical" as being "so similar in appearance as to be likely to be mistaken for the protected design, and contains only those differences in construction or design which are merely trivial."[228] The "so similar" standard charges the court with the task of weighing degrees, but the court is not provided with any indication as to what constitutes similar but not infringing, or what is "*so similar*" that it is infringing.

This standard also leaves it to the court to determine what "differences in construction or design . . . are merely trivial."[229] Since the non-utilitarian parts of each fashion design are to be protected, the court can determine that every design element is tied to the garment's utility, such that it cannot be protected under the IDPPPA. Alternatively, a court could also hold that every part of the garment's design is trivial because it only serves an aesthetic function, such that IDPPPA protection can be denied. As with any artistic creation, what design choice seems arbitrary or trivial to one person may not accord with the true intent of the designer. In other words, a designer may have designed the article of apparel intentionally with a seam of a certain position and size, while an expert on garment construction may testify as an aide to the court that the seam's position and size in the design is trivial. This begs the question whether the court will see the seam's design as its creator says or as the expert describes. The interpretation and application of both "substantially identical" and "non-trivial" will put the court in a position of judging taste or artistic merit, which is not permitted.[230]

The language of the IDPPPA in its current form is ambiguous and would put the court in the impossible position of trying to decipher what Congress really meant for the

227. Innovative Design Protection and Piracy Prevention Act, S. 3728, 111th Cong. § 2(a)(2) (2010).

228. *Id.*

229. *Id.*

230. *See* Bleistein v. Donaldson Lithographing Co., 188 U.S. 239 (1903).

application of those terms. The IDPPPA should not be passed because even if it became a law, it is doubtful that it could be enforced in accordance with the true meaning of its language.

VIII. Conclusion

The IDPPPA should not be passed into law. Facially the bill has major language flaws that make its enforcement unclear to the courts. Furthermore, based on designers' historical inaction when such rights have been made available to them, namely through the VHDPA and the European Directive on the Legal Protection of Designs, there is strong evidence that even if the IDPPPA became law, American fashion designers would not register or use it to enforce their rights. Additionally, under current intellectual property law, specifically trade dress law, protections are already available to fashion designs. Finally, an examination of the fashion cycle indicates that such three-year protection would actually be detrimental to the induced obsolescence that drives the industry. The fashion industry has provided incentive for innovation and the creation of a rich public domain without traditional copyright protection motivation. The IDPPPA should, therefore, not be made into law so that fashion as a whole can remain protected.