

COMMENTS

Forms of Redress for Design Piracy: How Victims Can Use Existing Copyright Law

*Peter K. Schalestock**

Sacrificial days devoted to such creative activities deserve rewards commensurate with the services rendered.¹

Fashion designers have long been the victims of piracy by unscrupulous competitors. Though some designers have sought protection under copyright, patent, or trademark law, most have found themselves without legal recourse. Congress never has provided explicitly for the protection of clothing designs, and courts have been unwilling to use the tools available for even limited protection.

Clothing designs do not fit neatly into the existing scheme of intellectual property protection because they commit the cardinal sin of being useful. Copyright law protects useful articles only to the extent that they contain "physically or conceptually separable elements" that are unrelated to utility.² Trademark law does not protect that which is "functional."³ Design patents are reserved for the "ornamental."⁴ Unlike other useful articles—a hammer or an ironing board for example—clothes derive much of their appeal and value from their aesthetic properties. They exist not merely to cover and protect, but to decorate as well.

Separating the decorative, which is protectable, from the functional, which is not, is a difficult task. Unfortunately, courts and the

* Counsel, U.S. Representative Rick White; J.D. cum laude 1996, Seattle University School of Law; B.A. 1992, University of Washington. Thanks to Catherine Romero Wright and Professor Sidney DeLong for their thoughtful guidance and commentary.

1. Mazer v. Stein, 347 U.S. 201, 219 (1954).

2. 17 U.S.C. § 101 (1996).

3. See, e.g., *International Order of Job's Daughter v. Lindeburg & Co.*, 727 F.2d 1087, 1091 (Fed. Cir. 1984).

4. 35 U.S.C. § 171 (1996).

U.S. Copyright Office have declined to undertake it. To achieve broad protection, the only recourse may be for Congress to amend the Copyright Act.⁵ However, the judicial and administrative refusal to protect clothing designs is not justified by existing law, and courts should be willing to review clothing designs for copyrightable elements.

Part I of this Comment explores the nature and scope of design piracy in the fashion industry. It also discusses the impact of modern technology on pirates and their victims. Part II reviews the existing intellectual property legal framework, emphasizing copyright law and its application to clothing design. Part III discusses the exclusion of clothing design from copyright protection and reviews cases that have addressed that issue. Finally, Part IV suggests ways that designers might obtain greater protection. The alternatives explored are (1) the proper application of existing law to find separable protectable design elements, and (2) congressional action to include clothing designs in the works protected by the Copyright Act.

I. INTRODUCTION: PIRACY IN THE FASHION INDUSTRY

Design piracy permeates the clothing industry. Knockoffs "are as plentiful as tarts in a patisserie,"⁶ and rampant counterfeiting in the apparel industry is widely recognized.⁷ The tactics of pirates can be appallingly flagrant. The chairman of one American design firm visited a Hong Kong manufacturer he was considering hiring, only to find the factory churning out knockoffs of his company's sweaters.⁸ Another especially brazen pirate purchased a suit of novel and successful design from a competitor, disassembled and copied it—then sewed the suit back together and returned it for a refund.⁹ The victim of this audacity sued in federal court and lost.¹⁰ Obviously, pirates are highly confident that they can proceed without fear of liability.

And proceed they will, for there is real money at stake. Two major design pirates have been attributed with \$50 million¹¹ and \$200

5. 17 U.S.C. § 101 *et seq.* (1996).

6. *A Not-So-Little Black Dress*, NEWSWEEK, June 6, 1994, at 72.

7. *Protecting Your Product From Counterfeiters*, BOBBIN, July 1994, at 82.

8. *Copy Shops: Fashion Knockoffs Hit Stores Before Originals As Designers Seethe*, THE WALL STREET JOURNAL, August 8, 1994, at A1.

9. *See Johnny Carson Apparel, Inc. v. Zeeman Mfg. Co. Inc.*, 203 U.S.P.Q. 585, 588 (N.D. Ga. 1978).

10. *See id.* at 589.

11. *See* Leslie J. Hagin, *A Comparative Analysis of Copyright Laws Applied to Fashion Works: Renewing the Proposal for Folding Fashion Works Into the United States Copyright Regime*, 26 TEX. INT'L L.J. 341, 347 (1991).

million,¹² respectively, in annual revenue from their knockoff sales. The major retailer Barneys of New York said in 1994 that its private label merchandise accounted for thirty percent of sales, an increase of fifty percent over five years; the *Wall Street Journal* tactfully says of Barneys' private label wear that "some of [it] closely resembles the best of the pricier designer wear."¹³ Clearly, the ability to bring in revenue on this scale with no need for creative design work creates a powerful incentive for copiers to continue and expand their piracy.

By making the copying process both faster and easier, modern technology has increased the pirates' profit potential while decreasing the difficulty of their task. The key to a design's value is its novelty.¹⁴ In the past, a designer had exclusive use of his design for a limited time simply because of the time required for a pirate to produce and market copies. This situation may not have been optimal for the designer, but at least he could profit from buyers willing to pay a premium in order to obtain the original design first. In recent years, however, the situation has changed radically:

Now, in an age of instant global communications, high-quality copies often reach stores before the originals, and at a fraction of the cost. . . .

A photograph snapped at a fashion show in Milan can be faxed overnight to a Hong Kong factory, which can turn out a sample in a matter of hours. That sample can be FedExed back to a New York showroom the next day, ready for retail buyers to preview. Stores order these lower-priced "interpretations" for their own private-label collections even as they are showing the costlier designer versions in their pricier departments.¹⁵

The collapse of the time lag between creation and marketing has eliminated one of the last ways designers could recoup the cost of creating original works; if piracy continues to proliferate and undermine even the early sales efforts of designers, fashion houses may find that creating designs place them at an untenable competitive disadvantage. In particular, small designers who depend primarily on their creative work rather than their marketing muscle may be driven out of the industry.

12. See Rocky Schmidt, *Designer Law: Fashioning a Remedy for Design Piracy*, 30 U.C.L.A. L. REV. 861, 863 (1983).

13. *Copy Shops*, *supra* note 8, at A1.

14. See Hagin, *supra* note 11, at 347-48.

15. *Copy Shops*, *supra* note 8, at A1.

II. THE PRESENT COPYRIGHT SCHEME

The reason all of this piracy is possible is that the American intellectual property scheme does not protect clothing designs. Federal intellectual property law includes three separate types of protection: patent, trademark, and copyright. Patent protection can apply to utilitarian inventions or ornamental design.¹⁶ While the latter category might theoretically apply to clothing, the length of time required to obtain a patent makes it an impractical source of protection. The primary function of trademark law is to protect marks or design features (which are known as trade dress) that primarily serve to identify the source of goods. Trademark generally does not protect goods themselves.¹⁷ Thus, it is copyright law that offers the most likely avenue to protect clothing designs. Although fabric design (that is, the pattern on a flat piece of textile) and color arrangements—both of which are elements of clothing design—can be protected by copyright,¹⁸ courts¹⁹ and the Copyright Office²⁰ have consistently refused to grant protection to the overall design of apparel.

The United States Constitution authorizes Congress to “promote the Progress of Science and the useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries.”²¹ Congress has seen fit to exercise its power to protect through copyright not only writings, but musical and dramatic works, painting and sculpture, motion pictures, sound recordings and architectural works.²² Holders of copyright in a protected work receive a number of exclusive rights in that work, including the right to reproduce or distribute copies of the work.²³

Notwithstanding this broad scope, one of the most vibrantly creative artistic arenas has been denied protection by the courts and the Copyright Office, and repeated pleas to Congress in its behalf have

16. See 35 U.S.C. § 1 *et seq.* (1996).

17. See 15 U.S.C. § 1115 *et seq.* (1996).

18. See *Folio Impressions, Inc. v. Byer California, Inc.*, 937 F.2d 759, 763 (2d Cir. 1991) (fabric); *Primcot Fabrics, Dept. of Prismatic Fabrics, Inc. v. Kleinfab Corp.*, 368 F. Supp. 482, 484 (S.D.N.Y. 1974) (color); 1 MELVILLE H. NIMMER AND DAVID NIMMER, NIMMER ON COPYRIGHT § 2.14, at 2-178.5 (1991) (hereinafter NIMMER) (color).

19. See, e.g., *Jack Adelman, Inc. v. Sonners & Gordon, Inc.*, 112 F. Supp. 187 (S.D.N.Y. 1934).

20. See, e.g., Policy Decision, Registrability of Costume Designs, 56 Fed. Reg. 56530-02 (Nov. 5, 1991).

21. U.S. CONST. art. I, § 8, cl. 8.

22. See 17 U.S.C. § 102(a) (1996).

23. 17 U.S.C. § 106(1), (3) (1996).

been unavailing. Fashion designers, for whom creativity and originality are the lifeblood of success,²⁴ remain at the mercy of pirates who can steal their designs with impunity.

When analyzing the availability of copyright protection, the first step is to ask whether the article for which protection is sought has an intrinsic utilitarian function. If not, then the article is eligible for copyright protection. If the article has a utilitarian function, then the analysis proceeds to the search for separable copyrightable elements.

A. *The Useful Article Exception*

The reason clothing designs have been excluded from copyright protection is the "useful article" exception in the Copyright Act of 1976.²⁵ Among the categories of work eligible for copyright protection, the one most likely to apply to clothes is "pictorial, graphic, and sculptural works."²⁶ The definition of such works includes "works of artistic craftsmanship insofar as their form but not their mechanical or utilitarian aspects are concerned."²⁷ However, the Act states that

the design of a useful article, as defined in this section,²⁸ shall be considered a pictorial, graphic, or sculptural work only 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.²⁹

According to the legislative history of the 1976 Copyright Act, the purpose of excluding useful articles from copyright protection was "to draw as clear a line as possible between copyrightable works of applied art and uncopyrightable works of industrial design."³⁰ Examples of

24. According to attorney Francine Summa, who represented Yves Saint Laurent in a design piracy case, "each time a piece is copied, its value diminishes. From the moment the clientele sees a dress everywhere, they lose interest." *A Ruling by French Court Finds Copyright in a Design*, N.Y. TIMES, May 19, 1994, at D4; see also Hagin, *supra* note 11, at 347-48 ("In the fashion industry, style—rather than wear and durability—is the dominant competitive factor," citing Weikart, *Design Piracy*, 19 IND. L.J. 235, 256 (1944)).

25. See 17 U.S.C. § 101 (1996).

26. 17 U.S.C. § 102(a)(5) (1996).

27. 17 U.S.C. § 101.

28. A "useful article" is defined in the Act as: "[A]n article having an intrinsic utilitarian function that is not merely to portray the appearance of the article or to convey information." *Id.*

29. *Id.*

30. H.R. REP. NO. 1476, at 55 (1976), reprinted in 1976 U.S.C.A.N. 5659, 5668. Industrial designs may be the subject of a design patent. 35 U.S.C. § 171 (1996). However, this is of little help to fashion designers because "designs and patterns usually are short-lived and with the conditions and time incidental to obtaining the patent, this protection comes too late, if at all." *Jack Adelman, Inc. v. Sonners & Gordon, Inc.*, 112 F. Supp. 187, 190 (S.D.N.Y. 1934).

uncopyrightable works cited in the legislative history include "the shape of an automobile, airplane, *ladies' dress*, food processor, [or] television set."³¹

The inclusion of "ladies' dress" in this list of examples might at first seem to indicate that Congress explicitly intended to foreclose copyright protection for clothing designs. However, the items listed are not per se uncopyrightable; they still may receive copyright protection if they contain "some element that, physically or conceptually, can be identified as separable from the utilitarian aspects of the article."³² The 1976 amendments to the Copyright Act explicitly codified the U.S. Supreme Court's 1954 holding in *Mazer v. Stein*,³³ the leading case on the protection of useful articles.³⁴

B. Separability Analysis

The plaintiff in *Mazer* manufactured a lamp whose base consisted of a statuette.³⁵ The statuette, without any lamp components included, had been registered by the Copyright Office.³⁶ The defendant sold lamps embodying copies of the statuettes.³⁷ The defendant challenged the validity of the copyright in a work of art that was intended to be incorporated into a useful article.³⁸

The Court first established that the statuettes standing alone could be considered works of art eligible for copyright protection.³⁹ Next, answering the defendant's contention that the lamps were an industrial design subject to design patent protection, the Court stated that eligibility for patent did not preclude copyright protection.⁴⁰ The "art" in *Mazer* was an integral part of the physical structure of the lamp. Thus, *Mazer* stands as an example of the "conceptual separabil-

31. H.R. REP. NO. 1476, *supra* note 30, at 55 (emphasis added).

32. See, e.g., definitions of "pictorial, graphic and sculptural" works and definition of "useful article" contained in Copyright Act, 17 U.S.C. § 101 (1996).

33. 347 U.S. 201 (1954).

34. See 17 U.S.C. § 101; see also *Mazer*, 347 U.S. at 217.

35. See *id.* at 202.

36. See *id.* at 202-03.

37. See *id.* at 203.

38. See *id.* at 205.

39. See *id.* at 213.

40. The defendant's argument was that patent applications are subject to greater scrutiny than those for copyrights and include a requirement of novelty, so allowing a designer to obtain a monopoly over a useful article without the process of patent examination would hinder commerce. In rejecting the argument, the Court noted that a design patent grants a monopoly over the use of the patented item, while a copyright only prevents copying. *Id.* at 217.

ity" from utilitarian function that may support copyrightable subject matter.⁴¹

Since the 1976 Copyright Act, courts have attempted with varying success to clarify when a useful article contains "physically or conceptually separable" copyrightable elements. In one of the first cases to explore the application of this question to apparel, the Second Circuit in *Kieselstein-Cord v. Accessories By Pearl, Inc.*⁴² looked at ornamental belt buckles, which were "on a razor's edge of copyright law."⁴³ Although belt buckles clearly serve a utilitarian purpose, the court found that the designs were conceptually separable works of art and upheld the Copyright Office grant of registration.⁴⁴ The buckles were found to "rise to the level of creative art" and met the "basic requirements of originality and creativity."⁴⁵ No doubt the court was aided in its decision by the fact that the Metropolitan Museum of Art had accepted the buckles for its permanent collection.⁴⁶

Although the test applied by the court was conceptual separability, except for affirming the validity of that test, the decision stands for little beyond an artistic judgment.⁴⁷ In effect, the court seemed to say that any useful design of sufficient creativity and aesthetic appeal to be considered "art" contains separable elements that can be copyrighted. While true, this gives little guidance as to what, beyond aesthetic judgment, is involved in making the determination.

Recognizing the shortcomings of the *Kieselstein-Cord* standard, the Second Circuit in *Brandir Int'l, Inc. v. Cascade Pacific Lumber Co.*⁴⁸ refined the test for conceptual separability as follows:

[I]f design elements reflect a merger of aesthetic and functional considerations, the artistic aspects of a work cannot be said to be conceptually separable from the utilitarian elements. Conversely, where design elements can be identified as reflecting the designer's artistic judgment exercised independently of functional influences, conceptual separability exists.⁴⁹

41. See NIMMER, *supra* note 18, § 2.08[B], at 2-101.

42. 632 F.2d 989 (2d Cir. 1980).

43. *Id.* at 990.

44. See *id.* at 993.

45. *Id.* at 994.

46. See *id.* at 991.

47. The Copyright Office also acknowledges the validity of conceptual separability as distinct from physical. See Compendium II of Copyright Office Practices § 505.02 (1984).

48. 834 F.2d 1142 (2d Cir. 1987).

49. *Id.* at 1145.

Applying this test to a bicycle rack derived from an original artistic design, the court found that the rack was the uncopyrightable product of industrial design because the designer had adapted the original aesthetic elements to further the rack's utilitarian purpose.⁵⁰

By focusing on the creative process rather than on the result, the *Brandir* approach may appear to make the application of conceptual separability far narrower than what the Supreme Court called for in *Mazer*. If any functional influence whatsoever on the design process disqualifies the work for protection, then even the lamp bases in *Mazer* probably would not have been copyrightable because their design could have been influenced in some way by their functional role.⁵¹ Thus, the *Brandir* test seems inconsistent with the Supreme Court's application of the law, and narrower than the proper standard.

C. Current Issues Regarding Protection of Useful Articles

Although the Copyright Act is clear that useful articles cannot be copyrighted as to their useful aspects, the Act provides relatively little guidance on how to draw the distinction between what is useful and what is not. The need for making this distinction comes in part from the need to keep copyright (writings and art) and patent (inventions and discoveries) protection separate.⁵² However, there are some articles—clothes being an excellent example—which are extremely useful in many respects, yet which also have important aesthetic aspects. Clothes generally do not meet the standards for patent protection,⁵³ but the existence of their useful traits makes copyright protection difficult as well. Thus, clothes exist in a nether world between intellectual property schemes.

Because so much economic activity in the United States today involves entertainment and amusement, the conventional notion of "utility" may be ripe for re-examination. Its original meaning apparently referred to mechanical or transformative processes, but that definition may not fit current economic reality and the changing needs for intellectual property protection.

50. See *id.* at 1147.

51. See Shira Perlmutter, *Conceptual Separability and Copyright in the Designs of Useful Articles*, 37 J. COPYRIGHT SOC'Y U.S.A. 339, 372-373 (1990).

52. The scope of the two schemes must be separate because of the different types of protection they afford. Copyright protects only against copying, not independent creation. 17 U.S.C. § 106 (1996). Patent prevents any manufacture, use, or sale of the protected article, even if created independently. 35 U.S.C. § 271 (1996).

53. Patent protection requires novelty and nonobviousness. See 35 U.S.C. §§ 102-03 (1996).

III. EXCLUSION OF CLOTHING DESIGNS FROM COPYRIGHT PROTECTION

A. Cases Considering the Copyrightability of Clothing

The federal courts have struggled with copyright protection for clothing since 1934, when the court in *Jack Adelman, Inc. v. Sonners & Gordon, Inc.*,⁵⁴ confronted a "fundamental and important" question: "Does the copyright of a drawing of a dress give the owner of that copyright the exclusive monopoly to produce the dress itself?"⁵⁵ Analyzing the issue under the 1909 Copyright Act, the court answered in the negative for two reasons: (1) because copyright in the design drawing did not bar production of the dress, but only copying of the design; and (2) because the dress itself could not be copyrighted.⁵⁶ The first conclusion is subject to some debate;⁵⁷ the discussion throughout this article assumes that either registration of the design would protect against copying of the dress, or that the dress itself could be and was registered.

The second conclusion, that the dress itself could not be copyrighted, was based upon a Copyright Office regulation governing registration of works of art (the precursor to the current "pictorial, graphic, or sculptural work" scheme).⁵⁸ The court said,

The dress itself could hardly be classed as a work of art and filed in the Register's office. Moreover, the regulation just quoted lists "garments" among those articles in which "The exclusive right to make and sell . . . should not be sought by copyright registration." . . . It follows that plaintiff's copyright gives it the exclusive right to make copies or reprints of the drawing only, and that it gives the copyright owner no monopoly of the article illustrated.⁵⁹

54. 112 F. Supp. 187 (S.D.N.Y. 1934).

55. *Id.* at 188.

56. *See id.* at 189-90.

57. For example, in testimony on proposed changes to protection of architectural works, the Register of Copyrights contended that "where a three-dimensional work meets the standard for protection, infringement may lie regardless of whether access to the three-dimensional work is obtained from a two-dimensional or three-dimensional depiction thereof." H.R. REP. NO. 101-735, at 19, reprinted in 1990 U.S.C.C.A.N. 6935, 6950; *contra* NIMMER, *supra* note 18, § 2.08[H] at 2-146 (distinguishing between copying for explanation and for use); *Russell v. Trimfit, Inc.*, 428 F. Supp. 91, 94-95 (E.D. PA. 1977) (denying copyright protection for "toe socks" on the basis that copyright of the design drawings did not prevent manufacture of the socks depicted in the drawings).

58. *Adelman*, 112 F. Supp. at 189-90.

59. *Id.* at 188.

The court also quoted a letter from the Register of Patents in response to an inquiry from a dress designer. The Register stated that copyright law did not protect dresses, but that a design patent, under the proper circumstances, could be obtained.⁶⁰

The *Adelman* decision, whatever its merits sixty years ago, has been superseded by developments in copyright law in three respects. First, it was decided under a regulation that specifically precluded registering garments, and that regulation was superseded by the 1976 Copyright Act.⁶¹ Second, the decision depended heavily on avoiding a grant of "monopoly" to a manufacturer of useful articles.⁶² The Supreme Court dramatically undercut this rationale in *Mazer v. Stein*, noting that while patent protection grants an exclusive right to the idea disclosed in the patent, copyright only prevents copying the particular expression of an idea.⁶³ Thus, the holder of a copyright in a dress could only prevent others from copying his dress, not from making similar or identical dresses of independent creation. Finally, *Adelman* pre-dates both *Mazer v. Stein* and the 1976 Copyright Act, which together brought the notion of physical or conceptual separability into copyright law. The absence of separability analysis when *Adelman* was decided is critical, because, as discussed below,⁶⁴ the key question in copyrightability of dress designs is whether or not there are physically or conceptually separable copyrightable elements. *Adelman* did not perform a separability analysis and it should not dictate the outcome of current copyright decisions.

More recently, the court in *Aldridge v. Gap, Inc.*⁶⁵ dismissed a complaint for copying children's wear because, "[a]s numerous cases have recognized, although they fall within the subject matter of copyright regulation, clothes, as useful articles, are not copyrightable."⁶⁶ The court did not even acknowledge that separable elements of useful articles might be copyrightable.

The Copyright Office referred to the fashion design issue in 1991 when it issued a Policy Decision on the registrability of costume designs.⁶⁷ In that decision, the Copyright Office said, "[g]arments are useful articles, and the designs of such garments are generally outside

60. See *id.* at 189.

61. See *id.* at 188.

62. See *id.*

63. *Mazer*, 347 U.S. at 217-18.

64. See discussion, *infra* Part III.

65. 866 F. Supp. 312 (N.D. Tex. 1994).

66. *Id.* at 313-14.

67. 56 Fed. Reg. 56530-02 (Nov. 5, 1991).

of the copyright law.”⁶⁸ Although it seems uncontroversial that most garments are useful articles,⁶⁹ there may be exceptions. For example, in *Poe v. Missing Persons*,⁷⁰ the Ninth Circuit confronted a “swimsuit” made of clear plastic filled with crushed rock.⁷¹ The district court had granted summary judgment for the defendants on the basis that the “swimsuit” was a useful article not subject to copyright protection.⁷² The creator of the swimsuit argued that it was artwork, not clothing, and the Ninth Circuit reversed, holding that there was a disputed issue of material fact as to whether the object was a utilitarian article of clothing or a work of art.⁷³ The defendants’ evidence of the object’s usefulness consisted of a photograph of a woman wearing it; there was no evidence that it actually could be used as a swimsuit.⁷⁴ The bemused court said,

Nothing in our legal training qualifies us to determine as a matter of law whether Aquatint No. 5 can be worn as an article of clothing for swimming or any other utilitarian purpose. We are also unable to determine merely by looking at Poe’s creation whether a person wearing this object can move, walk, swim, sit, stand, or lie down without unwelcome or unintended exposure.⁷⁵

Indeed, given that the object was filled with crushed rock, one wonders if it might have been more “useful” as an anchor than a swimsuit.

Poe raises two important points. First, given the bizarre nature of what sometimes passes for high fashion, there may be a legitimate issue even as to the threshold question of utility. Some of the responses to the Copyright Office’s solicitations of comments for its 1991 policy decision noted the difficulty that this threshold issue poses in fashion design. The New York Patent, Trademark and Copyright Law Association noted that, by asking how the separability analysis should be applied to garment or costume designs, the Copyright Office presupposed utility (absent utility, copyright protection is afforded to the entire work and no separability analysis is required).⁷⁶ Professor William Fryer of the University of Baltimore School of Law observed that, “what some persons consider a costume is another person’s

68. *Id.*

69. See also Compendium II of Copyright Office Practices § 505.01 (1984).

70. 745 F.2d 1238 (9th Cir. 1984).

71. See *id.* at 1241.

72. See *id.* at 1241.

73. See *id.* at 1243.

74. See *id.* at 1241-42.

75. *Id.* at 1242.

76. Comment on file at the U.S. Copyright Office, docket no. RM 90-7.

ordinary wear.”⁷⁷ Attorney Andrew Langsam echoed this sentiment, and attached publications which he said “show that costumes and clothing designs are indistinguishable.”⁷⁸ Even if clothes are useful and costumes are not, deciding whether a given article is one or the other is a difficult process.

The second important point raised by *Poe* is that conceding utility only begins the analysis, because the crucial step is determining whether there are physically or conceptually separable copyrightable elements.⁷⁹ Most of the parties submitting comments took the position that costumes are not useful. Attorney David Gryce then tried to explain how to analyze the utility of clothing:

[F]or example, dresses and shirts, jackets and pants which owe their shape to how those garments are worn on the human body would be useful articles. To the extent there are shapes which are independent of the human body shape (beyond mere accentuation of a feature, such as padded shoulders), the article is “soft sculpture” and is copyrightable.⁸⁰

The criterion proposed by Gryce suggests one idea for implementing the “physical or conceptual separability” test of copyright law.

B. Costumes and Conceptual Separability

Although cases applying separability to clothing are virtually nonexistent, the analysis has been used to evaluate the copyrightability of costumes. Two leading cases, *National Theme Productions, Inc. v. Jerry B. Beck, Inc.*⁸¹ and *Whimsicality, Inc. v. Rubie's Costumes Co., Inc.*,⁸² reached diametrically opposite results. The Copyright Office chose to follow the minimalist approach to separability.

In *National Theme Productions*, the district court took seriously the statutory charge to evaluate the existence of separable copyrightable subject matter. The plaintiff manufactured Halloween and masquerade costumes. It claimed a copyright in aspects of four costumes: (1) Rabbit In Hat (which did not allow the wearer to sit or recline, and required the wearer to don additional clothing because of sheer fabric used in some portions); (2) Tigress (which could not be worn without a separate body covering underneath it); (3) Magic Dragon (in which

77. *Id.*

78. *Id.*

79. Because of its procedural posture, *Poe* did not reach this question.

80. Comment on file at the U.S. Copyright Office, docket no. RM 90-7.

81. 696 F. Supp. 1348 (S.D. Cal. 1988).

82. 721 F. Supp. 1566 (E.D. N.Y. 1989).

copyright was claimed only for the hood and tailpiece as wearable toys); and (4) Pampered Pup (protection claimed for the entire design as an integrated ensemble depicting an animated stuffed animal).⁸³ The court's opinion recognized that the costumes had an intrinsic utilitarian function as clothing, but then acknowledged the analysis prescribed by the Copyright Act:

The costumes are copyrightable, if at all, to the extent that they have features which can be identified separately and are capable of existing independently as a work of art. The features only need be conceptually separable from the utilitarian functions of the garments to be entitled to protection under copyright law.⁸⁴

The court adopted the test for conceptual separability established by the Second Circuit in *Brandir Int'l, Inc. v. Cascade Pacific Lumber*.⁸⁵ Applying that test, the court said:

The costumes at issue here are comprised of garments and/or accessory items. They lie on the margin of utility. Their primary purpose is to permit the wearer to masquerade. They are held to be useful articles nonetheless, because they are made up of items which are meant to be worn. . . . The costumes were not, however, designed to optimize their function as clothing.

The costumes' design and form have little to do with their suitability as wearing apparel. . . .

. . . The costumes' artistic features simply do not advance their utilitarian purpose as clothing or accessories.⁸⁶

The court carefully considered the precise aspects of the costumes claimed for copyright protection, and found them to "reflect unfettered artistic license."⁸⁷

The *National Theme* opinion is an exemplary application of the conceptual separability standard, and it resulted in copyright protection for some highly stylized designs.

However, *Whimsicality*, following shortly after *National Theme*, reached exactly the opposite conclusion. In *Whimsicality*, the district court undertook the separability analysis, but preordained its conclusion by a preliminary choice of definition. The court said the costumes in question were not useful merely as clothing, but "[t]heir purpose is more specialized; it is to enable the wearer to masquerade,

83. See *National Theme*, 696 F. Supp. at 1349-51.

84. *Id.* at 1352 (citations omitted).

85. *Id.* at 1353; see *supra* text accompanying note 49.

86. *National Theme*, 696 F. Supp. at 1353-54 (citations omitted).

87. *Id.* at 1354.

to pretend to be a jack o'lantern or a bee or a spider."⁸⁸ The court dismissed the very possibility of separable elements when it said, "the aesthetically very pleasing shapes of Mr. Couture's creations . . . are inseparable from the utilitarian function of the objects of which they are a part. . . ."⁸⁹

This approach effectively writes the notion of conceptually separable copyrightable elements out of the law. It equates the entertainment provided by the costume with its utility. Criticizing the *Whimsicality* opinion, one commentator described the comment on aesthetics as "remarkable language—the 'function' of decoration being precisely what is ordinarily conceived of as protected by copyright."⁹⁰ The *Whimsicality* court's approach also ignored the statutory definition of useful article, which includes only articles whose "utilitarian function . . . is not merely to portray the appearance of the article."⁹¹

The *Whimsicality* court's approach to separability is strikingly similar to the "aesthetic functionality" doctrine found in trademark and trade dress law. That doctrine originated in 1952, when the Ninth Circuit said in *Pagliero v. Wallace China Co.*⁹² that because the aesthetic features of the china in question were important to its commercial success, they were a "functional" part of the product.⁹³ The aesthetic functionality doctrine has been repeatedly criticized and rejected, even by the Ninth Circuit itself,⁹⁴ because "[r]elating functionality to the commercial desirability of the feature regardless of its utilitarian function discourages the development of appealing designs because such designs would be entitled to less protection."⁹⁵

The Second Circuit repeated the district court's error when it heard *Whimsicality* on appeal.⁹⁶ The court said, "clothes are particularly unlikely to [contain separable, copyrightable elements]—the very decorative elements that stand out being intrinsic to the *decorative function* of clothing."⁹⁷ Like the district court, the Second Circuit effectively revived a long-discredited doctrine. In doing so, the court

88. *Whimsicality*, 721 F. Supp. at 1574.

89. *Id.* at 1575-76. The court also criticized the *National Theme* court because it "failed to assess the artistic elements in light of the costumes' purpose as *masquerade* clothing." *Id.* at 1575 (*italics in original*).

90. Perlmuter, *supra* note 51, at 370.

91. 17 U.S.C. § 101 (1996).

92. 198 F.2d 339 (9th Cir. 1952).

93. *Id.* at 344.

94. See *Vuitton et fils S.A. v. J. Young Ents., Inc.*, 644 F.2d 769 (9th Cir. 1981).

95. *Ferrari S.P.A. Esercizio v. Roberts*, 944 F.2d 1235, 1246 (6th Cir. 1991).

96. 891 F.2d 452 (2d Cir. 1989).

97. *Id.* at 455 (*emphasis added*).

cut off the conceptual separability analysis before the analysis could begin. It should be noted, however, that the Second Circuit's comments on this question constitute dictum because the basis for its decision in the case was that the plaintiff had committed fraud on the Copyright Office.⁹⁸

Like aesthetic functionality, the *Whimsicality* approach to conceptual separability should be rejected. Realism, and hence effectiveness as a masquerade costume, may be totally unrelated to aesthetic appeal. The *Whimsicality* court's logic would preclude protection for stylistic architectural design, since part of the "function" of a building is to make people want to occupy it and aesthetic appeal serves that purpose. For that matter, in any artistic medium whose function is to "entertain" (e.g., television, music, cinema), the very artistic choices that comprise the work also support its "function." The logical result of the choices made in *Whimsicality* is to undermine the entire copyright scheme by declaring all artistic and creative work utilitarian.

Or, perhaps more broadly stated, the result is to merge utilitarian and artistic designs into a single group. In some respects, the "utilitarian" distinction may have less economic meaning today than in the past. For example, a Mickey Mouse costume worn by a Disneyland employee is as much a part of the process by which Disney generates its income as is the robot assembling cars for Ford on an assembly line. On the other hand, the same Mickey Mouse costume worn by a child on Halloween has no "economic" utility. The current state of the law relies on the nature of an article rather than its use; an article that performs some physical process is utilitarian, while one that appeals to the senses or intellect is not. In an economy where entertainment and knowledge are dominant forces, that distinction may be outdated. Nonetheless, it remains the best one available.

In the wake of *National Theme* and *Whimsicality*, the Copyright Office solicited comments on the question of whether costumes should be eligible for copyright protection.⁹⁹ The Office received twelve comments, primarily from costume and garment manufacturers.¹⁰⁰ The Office issued a policy decision announcing that it would examine fanciful costumes for separable copyrightable elements, but garments

98. "Appellant argues that although clothing may not be copyrightable, masquerade costumes are an exception to that general rule. In view of our disposition of this matter we need not address that contention." *Id.* at 455.

99. See Notice of Inquiry, 56 Fed. Reg. 20241 (May 2, 1991).

100. Comments on file at the U.S. Copyright Office, docket no. RM 90-7.

(including period and historical dress and uniforms) would be per se unregistrable.¹⁰¹

In its policy decision, the Copyright Office declared that the law regarding garment designs was clear and that "[p]arties who wish to modify this position must address their concerns to Congress."¹⁰² While Congressional action may be appropriate or even desirable,¹⁰³ the law is "clear" only insofar as courts have refused to apply it by declining to search for separable elements in clothing designs.

IV. HOW DESIGNERS CAN SEEK GREATER PROTECTION

A. Using Existing Law

Designers can assert their rights under existing law by focusing on the separable, protectable elements of their designs and by aggressively asserting their rights to protection in the Copyright Office and in the courts. There is clear and extensive precedent allowing designers to protect fabric designs and color combinations, and some designers have used this law effectively.¹⁰⁴ Indeed, many of the separable copyrightable elements that might be found in fashion designs will consist of fabric designs and color combinations, and can be reached under the existing (erroneous) limitations.

Designers who believe their designs include conceptually separable copyrightable elements, but who are refused registrations by the Copyright Office, may challenge the refusal in court. Even before a designer believes an infringement has occurred, she may seek review of the Copyright Office's denial of registration under the Administrative Procedure Act.¹⁰⁵ The designer following this course will bear a heavy burden, however, since the court will overturn the Copyright Office decision only if it was arbitrary, capricious, or an abuse of discretion.¹⁰⁶ Courts generally grant the Copyright Office

101. See Policy Decision, Registrability of Costume Designs, 56 Fed. Reg. 56530-02 (Nov. 5, 1991).

102. *Id.*

103. See *infra* Part IV.

104. See, e.g., *Peter Pan Fabrics, Inc. v. Martin Weiner Corp.*, 274 F.2d 487 (2d Cir. 1959); *Marisa Christina, Inc. v. Bernard Chaus, Inc.*, 808 F. Supp. 356 (S.D.N.Y. 1992); *Mister B Textiles, Inc. v. Woodcrest Fabrics, Inc.*, 523 F. Supp. 21 (S.D.N.Y. 1981); see also *Copy Shops*, *supra* note 8, at A1 (in one year, Marisa Christina, Inc. served papers on 30 alleged copiers, keeping knockoffs out of stores in each case).

105. See 17 U.S.C. § 701(d) (1996); see also *Nova Stylings, Inc. v. Ladd*, 695 F.2d 1179, 1181-82 (9th Cir. 1983).

106. See 5 U.S.C. § 706 (1977).

broad discretion to decide what is eligible for copyright protection.¹⁰⁷ However, because the Copyright Office relies so heavily on case law in denying protection for clothing designs, and because that case law can be shown to be either outdated (preceding *Mazer* and the 1976 Copyright Act) or erroneous (declining to follow the procedure of separability analysis), one can make a strong argument to overturn the Copyright Office decision.

Normally, registration is a prerequisite to an action for copyright infringement.¹⁰⁸ Nonetheless, a designer who believes her designs already have been infringed may sue under the Copyright Act notwithstanding the denial of registration, provided that the Copyright Office is served with notice and a copy of the complaint.¹⁰⁹ Once again, if the designs support an argument for finding conceptually separable copyrightable elements, the law supports an argument that the court should overrule the Copyright Office.

B. Seeking Congressional Action

Given the intransigence of the courts and the Copyright Office on the issue of clothing designs, congressional action may be required in order to expand copyright protection. Indeed, even if clothing designs were protected under the current legal framework, only those rare designs exotic enough to survive the conceptual separability analysis would be affected, and that might be a small part of the overall industry.

Despite repeated attempts, Congress has consistently refused to bring clothing designs explicitly within copyright coverage.¹¹⁰ This is particularly odd in light of the hundreds of millions of dollars involved in clothing design piracy.¹¹¹ Congress has amended the law to protect other industries (including sound recordings and semiconductors) that have suffered comparatively smaller losses from piracy.¹¹²

Whether or not Congress acts will be at least partly driven by the implications for international trade, which plays an increasingly

107. See, e.g., *Esquire, Inc. v. Ringer*, 591 F.2d 796, 801 (D.C. Cir. 1978); *Gemveto Jewelry Co., Inc. v. Jeff Cooper, Inc.*, 568 F. Supp. 319, 329-30 (S.D.N.Y. 1983).

108. See 17 U.S.C. § 411(a) (1996).

109. See *id.*; see also *Gemveto Jewelry*, 568 F. Supp. at 329.

110. See Hagin, *supra* note 11, at 347; Robert C. Denicola, *Applied Art and Industrial Design: A Suggested Approach to Copyright in Useful Articles*, 67 MINN. L. REV. 707, 708 n.6 (1983); *Aldridge*, 866 F. Supp. at 315 (N.D. Texas 1994).

111. See *supra* text accompanying notes 11-12.

112. See Hagin, *supra* note 11, at 346-47.

important role in the U.S. intellectual property regime. Recent examples include the changes to patent terms as part of the General Agreement on Tariffs and Trade,¹¹³ and the addition of architectural works to the categories of works protected by copyright to ensure compliance with the Berne Convention.¹¹⁴ European countries generally provide higher levels of protection for clothing designs than does the United States.¹¹⁵ On the other hand, the parties in *Whimsicality* suggested that international trade was the very reason why American copyright protection of clothing designs is so weak—it allowed American manufacturers to knock off European designs with impunity.¹¹⁶ Another impact occurs in the way designers seek to protect their work. Attorney Howard MacCord suggested in his comment to the Copyright Office that the absence of copyright protection for designs has encouraged fashion manufacturers to protect their works from lower-cost foreign imitation through tariffs and quotas.¹¹⁷

Ideally, before it decides whether to extend copyright protection to clothing, Congress should conduct a factual inquiry into the actual impact of current practices. If that inquiry shows that creation of new designs is impaired, or that American designers are suffering at the hands of foreign imitators, Congress should amend the law. On the other hand, it may appear that designers are able to recoup their design costs by marketing to high-end consumers while pirates target other market segments, resulting in no negative impact on manufacturers and expansion of the products available to consumers.

Within the fashion industry, opinion on the desirability of changing the Copyright Act to cover clothing designs surely will be mixed.¹¹⁸ Firms that rely on creative designs will probably support expanded protection, while those that thrive on piracy will oppose it. Large manufacturing houses may disagree with small design shops. The resulting lack of industry consensus might well doom any meaningful congressional action.

113. See Pub. L. No. 103-465, § 532 (Dec. 8, 1994).

114. See Pub. L. No. 101-650, §§ 701 *et seq.* (Dec. 1, 1990).

115. See Hagin, *supra* note 11, at 370 (describing English and French copyright protection for fashion works); see also *A Ruling By French Court*, *supra* note 24, at D4 (discussing large judgment in France for infringement of clothing design).

116. See *Whimsicality*, 721 F. Supp. at 1572 n.7.

117. Comment on file at the U.S. Copyright Office, docket no. RM 90-7.

118. Although most of the comments submitted when the Copyright Office reviewed its policy on costume copyrightability favored expanded protection, several designers and their counsel opposed any change in the current practice of refusing to register costume designs. See comments on file at Copyright Office, Docket No. RM 90-7.

V. CONCLUSION

The line between art and apparel can be a fine one. In *Poe*, the Ninth Circuit ordered a trial to decide whether a work was art or clothing.¹¹⁹ Although it may be easier to say that costumes have elements that are separable from their functional features, some exotic fashion designs surely are no more functional and share the shortcomings in clothing utility that influenced the courts in *Poe* and *National Theme*. Even if there are no separable elements, the law requires courts to consider and conduct the analysis, and this they have declined to do (except for *National Theme*). The effect on clothing designs is clear. As the district court in *Whimsicality* said, "logically applied, *National Theme* would extend copyright protection and monopoly status to the high fashion designs of the garment industry."¹²⁰ Whether or not one agrees that this outcome is desirable, it is logical—and it is inescapable that *National Theme* was the correct application of the existing law.

The existing copyright laws do not support the almost universal denial of copyright protection to fashion designers. If courts continue to avoid the hard analytic work of looking for separable elements that are protectable, the only hope for designers may be action by Congress. However, even absent changes in the law, designers are entitled to greater protection under existing law than they have received. For someone, hopefully, that potential will be worth the risk and litigation cost.

119. See *Poe*, 745 F.2d 1238; see *supra* text accompanying notes 70-73.

120. *Whimsicality*, 721 F. Supp. at 1575.