REAL ART CALLS FOR REAL LEGISLATION: AN ARGUMENT AGAINST ADOPTION OF THE DESIGN PIRACY PROHIBITION ACT*

I. INTRODUCTION

Literary works, motion pictures, sound recordings, and most scientific innovations enjoy a long history of copyright protection in the United States. The copying of such innovations is explicitly disfavored and is punishable by civil and criminal laws. In spite of the history of intellectual property protection for artists and creators, one of the largest, most lucrative, and well-publicized creative industries lacks substantial safeguards against infringement: the fashion design industry.

Fashion designers in America have been unsuccessful in their attempts to gain protection under traditional intellectual property laws and currently enjoy only minimal protection for labels and marks under trademark law.[1] Thus, fashion designers who invest extensive time, energy, and money into generating new designs find their creations the subject of extensive copying, resulting in "knockoffs" that are sold at significantly lower prices.[2] As soon as a new design is released on the runway, cheap reproductions are generated in factories, using technology that allows the copies to be distributed for sale even before the originals are available in stores.[3] The result is two parallel and co-existing markets: expensive original designs on the one hand and more affordable copycat designs on the other.[4]

Fashion design is not protected under the Copyright Act because items of clothing have been regarded under the Act as "useful articles" which are not subject to protection. A bill introduced in the House of Representatives on April 25, 2007 by Representative William Delahunt (MA)[5] and in the Senate on August 2, 2007 by Senator Charles Schumer (NY)[6] would amend Chapter 13 of Title 17 of the United States Code to provide copyright protection to fashion design. The bill, entitled the Design Piracy Prohibition Act ("DPPA"), would extend a current statute that protects original vessel hull designs, also not covered by the Copyright Act because they are useful articles, to include the protection of fashion

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[1] Laura C. Marshall, Note, *Catwalk Copycats: Why Congress Should Adopt a Modified Version of the Design Piracy Prohibition Act*, 14 J. INTELL. PROP. L. 305, 313 (2007); Jennifer Mencken, Note, *A Design For the Copyright of Fashion*, 1997 B.C. INTELL. PROP. & TECH. F. 121201, 5 (1997).

[2] Jonathan M. Barnett, *Shopping for Gucci on Canal Street: Reflections on Status Consumption, Intellectual Property, and the Incentive Thesis*, 91 VA. L. REV. 1381, 1392 (2005).

[3] *Id.* at 1392.

[4] *Id.* at 1381.

[5] Design Piracy Prohibition Act, H.R. 2033, 110th Cong. (2007) [hereinafter H.R. 2033]; Design Piracy Prohibition Act, Bill Tracking Report, 110 Bill Tracking H.R. 2033, 110th Cong., (1st Sess. 2007) [hereinafter H.R. 2033 Bill Tracking Report].

[6] Design Piracy Prohibition Act, S. 1957, 110th Cong. (2007) [hereinafter S. 1957]; Design Piracy Prohibition Act, Bill Tracking Report, 110 Bill Tracking S. 1957, 110th Congress (1st Sess. 2007) [hereinafter S. 1957 Bill Tracking Report].

design.[7] Proponents of the bill argue that fashion design should be regarded as a form of applied art and should enjoy the same protection as it does elsewhere such as in France, the European Union, and the United Kingdom.[8] They also assert that the lack of protection against copyright infringement does irreparable harm to the fashion industry and costs designers hundreds of millions of dollars in revenue each year.[9]

Despite the large quantity of copycat designs pouring into the market, the fashion industry as a whole does not appear to be harmed. This lack of harm is evident from the stream of new original designs that are released on a consistent basis.[10] Opponents of extending copyright protection to the world of fashion therefore point out that fashion design occupies a unique place in the field of intellectual property because designers do not seem to lose incentive to create new designs even in the face of piracy.[11] Indeed, the fashion industry runs counter to, and may undermine, the very foundation on which intellectual property protection is based. The "incentive thesis," one of the prominent theories behind intellectual property protection, predicts that if piracy goes unpunished, there will be no incentive for artists or creators to invest money and time in new innovations.[12] In the absence of such legal protection, the availability of cheap reproductions will increase, leaving original artists vulnerable to loss of revenue and recognition.[13] Thus, the fashion design industry is somewhat of an anomaly[14] in this respect because, even in the face of excessive copying, fashion designers continue to create new designs and, although some revenue may be lost to copycats, the fashion industry as a whole continues to be profitable.[15]

Some have gone farther and suggested that the fashion industry actually benefits from knockoffs in a variety of ways.[16] First, it has been argued that that the presence of copycat designs in the market helps to publicize the original and results in increased

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[7] H.R. 2033, *supra* note 5; S. 1957, *supra* note 6.
[8] Marshall, *supra* note 1, at 323-24.
[9] Hope Calder-Katz, *Pirates of the Runway: How the Design Piracy Prohibition Act Could Deter Copying of High Fashion*, 2007 CBA REC. 44, 55 (Chicago Bar Association, Young Lawyers Journal); Vivia Chen, *Fashion Victims: Italy's Top Fashion Houses are Besieged by High-Quality Knockoffs that, So Far, are Virtually Impossible to Stop*, CORP. COUNS. 80, July 2006; Samantha L. Hetherington, *Fashion Runways Are No Longer the Public Domain: Applying the Common Law Right of Publicity to Haute Couture Fashion Design*, 24 HASTINGS COMM. & ENT. L.J. 43, 44 (2001).
[10] Barnett, *supra* note 2, at 1382; Kal Raustiala & Christopher Sprigman, *The Piracy Paradox: Innovation and Intellectual Property in Fashion Design*, 92 VA. L. REV. 1687, 1689 (2006).
[11] Barnett, *supra* note 2, at 1382.
[12] *Id.* at 1381-82.
[13] *Id.* at 1382.
[14] Raustiala & Sprigman, *supra* note 10, at 1691 (Raustiala and Sprigman describe this anomaly created by the fashion industry as the "piracy paradox").
[15] *Id.*
[16] *Id.*; Barnett, *supra* note 2, at 1382.

sales of the original.[17] Second, because fashion is constantly changing and what is popular or of high status when possessed by a few becomes unpopular and of low status when possessed by many,[18] the presence of copycats and derivative variations on original designs[19] may speed up the fashion cycle by "accelerat[ing] the diffusion of new designs and styles."[20] Third, the presence of copycats and derivatives helps to identify themes and set trends that provide direction to the industry and that notify consumers of what the current trends are and how to purchase accordingly.[21]

While these market-based theories are useful for understanding *why* the fashion industry continues to be profitable even in the face of copying, they fail to answer the question of *whether* fashion design should be protected under copyright law. By proceeding from the assumption that the only grounds warranting an expansion of copyright law to fashion design are economic in nature, opponents fail to take into account the policy considerations that favor protecting fashion design as art and designers as artists. Of course this begs the question – what *is* art? – a question I try to address briefly in this note.[22] Assuming for the time being that fashion design, at least high fashion, may appropriately be considered applied or wearable art, then one very significant benefit that could be gained by an extension of copyright law to the fashion world is that of recognizing fashion designers as artists under the same legal framework as that currently enjoyed by other artists. Thus, any evaluation of the DPPA must start with a cost-benefit analysis and proceed by comparing the policy considerations in favor of copyright expansion with the pragmatic considerations that may weigh against taking such action. Such an analysis should certainly be informed by the explanations, vigorously advocated by opponents of the DPPA, for why fashion design is an outlier from other creative industries. However, it is my position that such an analysis should not be reduced to a discussion of economic consequences.

The policy considerations in favor of protecting fashion designers as artists must be weighed against the costs that will result from enactment of the DPPA. Some of these costs are correctly highlighted by opponents, who point to the continued prevalence of copying in countries where extensive legal protection exists as

[17] Barnett, *supra* note 2, at 1384-85.
[18] Raustiala & Sprigman, *supra* note 10, at 1722 (Raustiala & Sprigman refer to this process of diffusion as "induced obsolescence").
[19] *Id.* at 1722-25.
[20] *Id.* at 1722.
[21] *Id.* at 1728-29 (The authors refer to this process as "anchoring").
[22] *See* discussion *infra*, Part IV(b).

proof that enacting such a bill would not curb fashion piracy.[23] One legitimate concern is that the DPPA will not provide courts with enough guidance on what constitutes infringement,[24] will lead to extensive litigation, and will prove to be "a lawyer-employment bill [rather than] a fashion industry protection bill."[25] In addition, I raise the concern that the DPPA will replace the relatively strong intellectual property protection available under current intellectual property laws for designers who are able to meet the legal standards for weaker and more widespread protection. This is particularly significant given the pattern of under-enforcement observed in countries where there is a strong copyright regime. Finally, in response to the arguments outlined above that copying actually benefits the fashion industry, I will assert that the most that can be concluded from market observation is that the fashion industry is *not harmed* by the prevalence of knockoff designs.

In this Note, I will undergo a cost-benefit analysis and ultimately conclude that the DPPA recently introduced before the Congress should not be passed into law. Specifically, I will argue that the policy considerations in favor of granting fashion designers comparable treatment and recognition under the law as that enjoyed by artists in other fields may only be furthered by a direct amendment to the Copyright Act. The policy consideration in favor of such an outcome is a desire for both uniformity and consistency in the way in which federal laws protect the integrity of artists' original works, irrespective of the medium. Thus, expansion of the copyright laws to include fashion designers as artists who are deserving of the same protection as writers, painters, architects, and film-makers necessitates an amendment to the Copyright Act itself, rather than the somewhat arbitrary and random consequence under the proposed legislation that because fashion works happen to be "useful," they are more properly grouped with vessel hulls. In the alternative, and given that such an amendment is highly unlikely, the DPPA should not be passed into law because the administrative costs outweigh any corresponding benefits in an industry that thrives despite the proliferation of knockoff designs. I will also show that the bill, if enacted, will merely open the floodgates to litigation regarding what constitutes infringement under the proposed act.

Part II will explore the current state of copyright law in the

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[23] *Design Piracy Prohibition Act: Hearing on H.R. 5055 Before the Subcomm. on Courts, the Internet, and Intell. Prop. of the H. Comm. on the Judiciary*, 109th Cong. (2006) (statement of Christopher Sprigman, Associate Professor, University of Virginia School of Law) [hereinafter Sprigman Testimony], *available at:* http://judiciary.house.gov/Hearings.aspx?ID=152.

[24] Marshall, *supra* note 1, at 308.

[25] Sprigman Testimony, *supra* note 23.

United States and other existing intellectual property protection available for fashion design. Part III will explore the provisions of the DPPA and the intellectual property protection afforded to fashion design in other countries. Part IV will argue that the only noteworthy benefit that can potentially outweigh the many costs associated with an expansion of copyright law to fashion design is to be gained by affording fashion designers the same treatment as currently offered under the Copyright Act to other artists, a goal which may only be achieved by a direct amendment to the Copyright Act itself. Given that such a direct amendment is unlikely to occur, Part IV goes on to show why the DPPA is an unworthy substitute and the many costs that would flow from its enactment.

II. BACKGROUND

A. *Current State of Copyright Protection in the United States*

Although Congress has considered upwards of 70 individual bills since 1914 that would provide some form of copyright protection to fashion design, no bill has been passed into law, and fashion design does not currently enjoy federal copyright protection.[26] Fashion design is not protected under the Copyright Act because articles of clothing have been interpreted to be "useful articles" under the Act, and "useful articles" are not subject to protection.[27] The useful article doctrine stems from a Congressional desire to ensure against the creation of monopolies by manufacturers based on the functional aspects of a product.[28] If Congress were to open the door to the protection of useful articles under the Copyright Act, under this reasoning, manufacturers would obtain control of the market, which would result in unfair competition.

A "useful article" is defined as one "having an intrinsic utilitarian function that is not merely to portray the appearance of the article or to convey information."[29] In an important copyright decision, the Supreme Court in *Mazer v. Stein* found that the artistic elements of a useful article, if separable from the functional aspects, are eligible for copyright protection.[30] In *Mazer,* the Court concluded that ceramic statues of male and female dancing figures that formed the base of a mass-produced table lamp were copyrightable[31] and held that works of "applied art" include all pictorial, graphic, and sculptural works embodied in useful articles.[32]

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[26] Marshall, *supra* note 1, at 314-15.
[27] *Id.* at 315.
[28] *Id.*
[29] 17 U.S.C. § 101 (2007).
[30] *Id.*
[31] Mazer v. Stein, 347 U.S. 201 (1954).
[32] *Id.* at 217-18.

Following *Mazer*, which seemed to leave open the possibility that any useful article that is ornamental could now gain protection under the Copyright Act, the Copyright Office enacted Regulation § 202.10(c) to limit the implications of the Supreme Court's decision.[33] The regulation, which was repealed and is now codified in § 101 of the Copyright Act of 1976, stated:

> If the sole intrinsic function of an article is its utility, the fact that the article is unique and attractively shaped will not qualify as a work of art. However, if the shape of a utilitarian article incorporates features such as artistic sculpture, carving, or pictorial representation, which can be identified separately and are capable of existing independently as a work of art, such features will be eligible for registration.[34]

Thus, while artistic aspects of a useful article may be subject to copyright protection, they may only be so if the utilitarian aspects of the article are *physically* or *conceptually* separable from the artistic aspects.[35] While physical separability has been relatively straightforward to apply, as illustrated by *Mazer v. Stein*, courts have had considerable difficulty in applying the conceptual separability test to fashion design. The result has been a multitude of different tests with inconsistent and often inequitable results.[36]

B. *Existing Intellectual Property Protection for Fashion Designers*[37]

It should be noted that courts have indeed found some as-

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[33] 37 C.F.R. § 202.10(c) (1959) (revoked Jan. 1, 1978, 43 Fed. Reg. 966 (1978), and codified in current Copyright Act at § 101).

[34] *Id.*

[35] Safia A. Nurbhai, Note, *Style Piracy Revisited*, 10 J.L. & POL'Y 489, 499 (2002) (citing Richard G. Frenkel, *Intellectual Property in the Balance: Proposals on Improving Industrial Design Protection in the Post-Trips Era*, 32 LOY. L.A. L. REV. 531, 541 (1999), citing H.R. REP. NO. 94-1476, at 55 (1976), *as reprinted in* 1976 U.S.C.C.A.N. 5659, 5668).

[36] The separability test has proved confusing and, as a result, numerous versions of the test have evolved. For a discussion of at least four distinct tests that have been proposed and used by various federal courts, see *id.* at 503-10 (discussing the "sole intrinsic function test", the "primary-subsidiary test", the "inextricably intertwined test", the "Denicola/Brandir artistic judgment test", and the "lack of test" approach). *See also* Mencken, *supra* note 1 (discussing three conceptual separability tests: the "Creative Process Model", the "Temporal Displacement Test" and the "Polakovic Approach to Conceptual Separability").

[37] Only a brief discussion of intellectual property protection for fashion designs other than copyright is contained in this Note. For a more detailed discussion of patent, trademark, and trade dress, see, e.g., Priya S. Bharathi, Comment, *There is More than One Way to Skin a Copycat: The Emergence of Trade Dress to Combat Design Piracy of Fashion Works*, 27 TEX. TECH L. REV. 1667 (1996); Anne Theodore Briggs, *Hung Out to Dry: Clothing Design Protection Pitfalls in United States Law*, 24 HASTINGS COMM. & ENT. L.J. 169, 171-202 (2002); Leslie J. Hagin, Note, *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, 354-60 (1991); Christine Magdo, *Protecting Works of Fashion from Design Piracy*, LEDA at Harvard Law School, *available at:* http://leda.law.harvard.edu/leda/data/36/MAGDO.html (2000); Julie P. Tsai, Comment, *Fashioning Protection: A Note on the Protection of Fashion Designs in the United States*, 9 LEWIS & CLARK L. REV. 447, 451-60 (2005). *See also*, Hetherington, *supra* note 9, at 47-56 (2001) (discussing the common law right of publicity as applied to fashion design).

pects of apparel copyrightable. For example, fabric patterns (but not the design made from them) have found protection as "writings" or "prints" under the Copyright Act,[38] as has original artwork on graphic t-shirts.[39] Furthermore, limited protection is available under trademark law for labels and marks that are distinctive such that the public recognizes the mark as one associated with a product. Federal trademark law under the Lanham Act protects "any word, name, symbol, or device, or any combination thereof" that is used to identify the source of the product.[40] Among the elements of apparel that have received trademark protection are Ralph Lauren's "POLO" mark,[41] Louis Vuitton's multi-colored "LV" design combination appearing on hand bags,[42] the Lacoste crocodile,[43] and Chanel's interlocking "CC" buttons.[44]

Trade dress, which is also governed by the Lanham Act, is a hybrid between trademark and unfair competition law that was previously limited to the packaging of products but has been expanded to protect the overall appearance of articles and services.[45] To recover on a claim of trade dress infringement, a plaintiff must demonstrate that a design is "nonfunctional," "inherently distinctive," or has acquired "secondary meaning,"[46] and that the infringer's design is likely to cause consumer confusion regarding the source of the product.[47] Fashion designers have been largely unsuccessful in meeting the requirements of "nonfunctionality" and the very high standards of "inherent distinctiveness" or "secondary meaning" to gain protection for their works under trade dress.[48] However, trademark is a powerful device for designers

[38] *See, e.g.*, Knitwaves, Inc. v. Lollytogs Ltd., 71 F.3d 996 (2d Cir. 1995).

[39] Lisa Pearson, Lauren Estrin & Ling Zhong, *In Vogue: IP Protection for Fashion Design*, COPYRIGHT WORLD, Apr. 2007, at 21.

[40] 15 U.S.C. § 1125(a)(1)(2006).

[41] Briggs, *supra* note 37, at 195 (noting that the "POLO" trademark has been upheld against infringement in the following cases: Polo Fashions, Inc. v. Craftex, Inc., 816 F.2d 145 (4th Cir. 1987); Polo Fashions, Inc. v. J&W Enterprises, 786 F.2d 1156 (4th Cir. 1986); Polo Fashions, Inc. v. Dick Bruhn, Inc., 793 F.2d 1132 (9th Cir. 1986); Polo Fashions, Inc. v. Branded Apparel Merchandising, Inc., 592 F. Supp. 648 (D. Mass. 1984); Polo Fashions, Inc. v. The Gordon Group, 627 F. Supp. 878 (M.D.N.C. 1985); Polo Fashions, Inc. v. Extra Special Products, Inc., 451 F. Supp. 555 (S.D.N.Y. 1978)).

[42] Louis Vuitton Malletier v. Dooney & Bourke, Inc., 454 F.3d 108, 116 (2d Cir. 2006) (case remanded in part for determination of whether defendant's mark was likely to be confused with plaintiff's mark).

[43] Pearson, Estrin & Zhong, *supra* note 39, at 22.

[44] *Id.*

[45] Bharathi, *supra* note 37, at 1678.

[46] To show "secondary meaning," a designer must show that the primary significance of the trade dress in the eyes of the public is the source of the product rather than the product itself. *Id.* at 1681-82.

[47] *Id.*

[48] Marshall, *supra* note 1, at 313-14; Briggs, *supra* note 37, at 195 (citing Wal-Mart Stores, Inc. v. Samara Bros., 529 U.S. 205 (2000); Knitwaves, Inc. v. Lollytogs Ltd., 71 F.3d 996 (2d Cir. 1995); and Coach Leatherware Co. v. AnnTaylor, Inc., 933 F.2d 162 (2d Cir. 1991)). *See also* Tsai, *supra* note 37, at 453-55 (discussing *Knitwaves*, *infra*, and Abercrombie & Fitch Stores, Inc. v. American Eagle Outfitters, Inc., 280 F.3d 619 (6th Cir. 2002)).

who use recurring signatory marks, and trade dress leaves open the possibility of strong protection for designers who can show secondary meaning.[49]

Design patents, which protect the way an article looks, require a showing of novelty, nonobviousness, ornamentality, and nonfunctionality.[50] If successful, design patents grant inventors a monopoly over their products, giving them the "exclusive right to manufacture, use and sell their innovations . . . for a term of 14 years."[51] However, the requirements of nonobviousness and nonfunctionality are particularly difficult for fashion designers to demonstrate.[52] The functionality prong requires a similar inquiry to that of the separability test developed under copyright law and thus poses similar difficulties.[53] The nonobviousness standard for design patents is very high, requiring a level of innovation that most fashion designs, as slight variations on standard articles of clothing, are very unlikely to meet. Furthermore, patents are extremely costly and require a lengthy application process that is largely unsuitable to the fast turnover that is characteristic of the fashion cycle.[54]

The result of the relatively weak intellectual property protection available for fashion design in the United States is that designers who do not qualify for trademark or trade dress protection and who cannot meet the separability tests developed in the courts are left without legal remedies against manufacturers who produce knockoffs of their designs.

III. THE PROVISIONS OF THE DPPA AND A LOOK AT THE LAWS OF OTHER COUNTRIES

A. *The DPPA*

The DPPA was introduced in the House of Representatives on April 25, 2007 by Representative William Delahunt of Massachusetts as H.R. 2033[55] and was introduced in the Senate on August 2, 2007 by Senator Charles Schumer of New York as S. 1957.[56] An identical version of the DPPA was introduced in the House of Representatives on March 30, 2006 by Representative Bob Goodlatte as H.R. 5055,[57] but no vote was taken before the close of the

[49] Pearson, Estrin & Zhong, *supra* note 39, at 23.
[50] Tsai, *supra* note 37, at 455.
[51] Pearson, Estrin & Zhong, *supra* note 39, at 23 (citing 5 U.S.C. §§ 154(a)(2), 173).
[52] Tsai, *supra* note 37, at 455.
[53] *Id.* at 455-56.
[54] *Id.* at 457-58.
[55] H.R. 2033, *supra* note 5; H.R. 2033 Bill Tracking Report, *supra* note 5.
[56] S. 1957, *supra* note 6; S. 1957 Bill Tracking Report, *supra* note 6.
[57] Design Piracy Prohibition Act, H.R. 5055, 109th Cong. (2006).

legislative session. The DPPA is intended to amend Chapter 13 of Title 17 of the United States Code, a provision that grants copyright protection to vessel hull designs, to include the protection of fashion design.[58]

The Vessel Hull Design Protection Act (VHDPA), enacted in 1998 as part of the Digital Millennium Copyright Act, was the second congressional action taken that offers *sui generis* protection for designs of useful articles.[59] The VHDPA was enacted to respond to the problem of "Hull Splashing" whereby boat hull designs are copied cheaply at the expense of the original designers and consumer safety.[60] In order to produce boat hulls, designers invest considerable resources in designing a boat "plug" from which a boat "mold" is made and is used to develop a particular line of boats.[61] "Hull Splashing" occurs when a manufacturer, intent on stealing a boat hull design, simply uses a finished boat hull to make a mold rather than a boat plug and produces a line of boats that appear identical to those of the original design.[62] As a result, designers who invest considerable money and time find themselves unable to recoup their research and production costs and are left with little incentive to continue to invest in such designs.[63] Furthermore, consumer safety is put at risk by this practice because, although the ships are visually identical, they lack the structural safeguards that are vital to a properly constructed boat hull.[64]

Design protection for vessel hulls extends to original designs actually embodied in a vessel hull but not to drawings or models of the design. The period of protection is ten years[65] and attaches not at the date of creation, as it does under copyright law, but at the date that the design is first made public or when a registration with the copyright office is published, whichever occurs earlier.[66] Once a design has been made public, an application for registration must be made within two years.[67] A design is "made public" for purposes of the Act "when an existing useful article embodying the design is anywhere publicly exhibited, publicly distributed, or offered for sale or sold to the public by the owner of the design or

[58] H.R. 2033, *supra* note 5; S. 1957 *supra* note 6.
[59] *Protection for Fashion Design: Hearing on H.R. 5055 Before the Subcomm. on Courts, the Internet, and Intell. Prop. of the H. Comm. on the Judiciary*, 109th Cong. (2d Sess. 2006) (statement of the United States Copyright Office) [hereinafter Statement of the U.S. Copyright Office]. The first such *sui generis* protection carved out for a useful article was the passage of the Semiconductor Chip Protection Act of 1984, 17 U.S.C. §§ 901-14 (1988). Hagin, *supra* note 37, at 377.
[60] Statement of the U.S. Copyright Office, *supra* note 59.
[61] *Id.*
[62] *Id.*
[63] *Id.*
[64] *Id.*
[65] 17 U.S.C. § 1305(a) (1998).
[66] *Id.* at § 1304.
[67] *Id.* at § 1310(a).

with the owner's consent."[68]

The statute also provides limitations on protection of otherwise original designs: a design that is "staple or commonplace" is not eligible for protection;[69] a design that is "embodied in a useful article that was made public . . . more than 2 years before the date of application for registration" may not receive protection;[70] and if a design has received design patent protection under Title 35 of the United States Code it is not eligible for protection under Chapter 13 of Title 17.[71] Finally, a registered design must bear a proper design notice sufficient to make others aware that the vessel hull design is protected.[72]

Once an article has been registered for protection, the owner has an exclusive right to make, have made, import, sell, or distribute that article, and it is an act of infringement for anyone to engage in any of these activities without the owner's consent.[73] An infringing article is defined as "any article the design of which has been copied from a design protected under this chapter, without the consent of the owner of the protected design" and does not include "an illustration or picture of a protected design in an advertisement, book, periodical, newspaper, photograph, broadcast, motion picture, or similar medium."[74] Finally, the VHDPA provides that any design that is original and "not substantially similar in appearance to a protected design" will not be considered an infringing article.[75]

The language of the VHDPA is certainly amenable to the inclusion of fashion designs. The VHDPA currently protects "an original design of a useful article which makes the article attractive or distinctive in appearance to the purchasing or using public"[76] but defines a "useful article" as "a vessel hull, including a plug or mold, which in normal use has an intrinsic utilitarian function that is not merely to portray the appearance of the article or to convey information."[77] Thus, an amendment would only necessitate a revision of the definition of a useful article to include not only vessel hulls, but also fashion designs. Indeed, this is exactly the approach of the DPPA, which would insert "or an article of apparel" after "plug or mold" in the above-quoted definition.[78] It seems clear that Congress organized Chapter 13 in this way with

[68] *Id.* at § 1310(b).
[69] *Id.* at § 1302(2).
[70] 17 U.S.C. § 1302(5).
[71] *Id.* at § 1329.
[72] *Id.* at § 1306.
[73] *Id.* at § 1309(a).
[74] *Id.* at § 1309(e).
[75] *Id.*
[76] 17 U.S.C. at § 1301(a)(1).
[77] *Id.* at § 1301(b)(2).
[78] H.R. 2033, *supra* note 5, at (a)(2).

an eye toward potential expansion of the VHDPA to other useful articles by simply redefining "useful article" under the Act.[79]

The provisions of the DPPA are laid out as follows. DPPA defines a "fashion design" as "the appearance as a whole of an article of apparel, including its ornamentation"[80] and defines "apparel" as "(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."[81] The protection for fashion designs under the proposed legislation would be nearly identical to that for vessel hulls, with some important exceptions. First, the duration of protection would be limited to three years rather than the ten years granted to vessel hull designs.[82] Furthermore, while the VHDPA excludes designs made public more than two years before the application for registration, the DPPA would shorten this period to three months.[83]

In addition, the DPPA would make several amendments to the section dealing with infringement that would also affect vessel hull design protection. First, while Chapter 13 currently provides that it is not infringement to "make, have made, import, sell, or distribute, any article embodying a design which was created without knowledge that a design was protected,"[84] this language would be amended to read that the infringer must not have had "knowledge or reasonable grounds to know that protection for the design is claimed."[85] Secondly, the amendment would clarify that, to constitute infringement, an article need not be copied directly from an actual article embodying a protected design but that it is also infringement to copy from an image of the design.[86] Finally, the proposed legislation would add a new subsection (h) to the infringement section that would make the doctrine of secondary liability, currently applicable only to copyright law under Chapter 5, apply equally to Chapter 13.[87]

Proponents of the DPPA argue that adding fashion design to the vessel hull exception for useful articles is the appropriate way to provide protection from fashion design infringement.[88] The

[79] Statement of the U.S. Copyright Office, *supra* note 59.
[80] H.R. 2033, *supra* note 5, at (a)(2).
[81] *Id.*
[82] *Id.* at (c).
[83] *Id.* at (e).
[84] 17 U.S.C. § 1309(c).
[85] H.R. 2033, *supra* note 5, at (d)(1).
[86] *Id.* at (d)(2)(the proposed provision would amend 17 U.S.C. § 1309(e)).
[87] *Id.* at (h). In the case of fashion design, secondary infringement would be actionable against a website that publishes photographs of designs immediately after they are released on the runway, charges subscription fees, and serves a clientele of knockoff designers. Statement of the U.S. Copyright Office, *supra* note 59.
[88] Marshall, *supra* note 1; Associated Press, *Bill Would Extend Copyright Rules to Fashion*, http://www.msnbc.msn.com/id/20183923 (last visited Aug. 8, 2007); Karen Matthews,

Council of Fashion Designers of America (CFDA) has been active in pushing for the passage of the legislation and in fact sent representatives, including designer Jeffrey Banks,[89] to testify before the Subcommittee on Courts, the Internet, and Intellectual Property on July 27, 2006 when the bill was before the committee as H.R. 5055.[90] Banks testified that, in his opinion, the bill would go a long way towards deterring manufacturers from knocking off designs and would also not result in significant litigation following the bill's enactment.[91] Professor Susan Scafidi, an active advocate for the expansion of copyright protection to fashion design, also testified along with Jeffrey Banks in support of H.R. 5055. In her words, "[t]he bill is narrowly tailored to achieve a balance between protection of innovative designs and the preservation of the extensive public domain of fashion as an inspiration for future creativity."[92] Although Banks, Scafidi, and other proponents of the bill would prefer a longer period of protection, they consider the more limited period of protection to be reasonable and most likely adequate to satisfy designers' interests in exclusivity during the relevant period after a design is made public in light of the seasonal character of the fashion industry.[93]

B. *Copyright Protection Abroad*

1. The United Kingdom

The United Kingdom recognizes fashion designs as works of art and provides copyright protection for such designs if they "relate back" to a copyrighted drawing of the article.[94] A copyright owner of such a work is entitled under the Copyright, Designs and

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Bill Targets Fashion Knockoffs, http://www.forbes.com/feeds/ap/2007/ap4000586.html (last visited Aug. 8, 2007).

[89] Jeffrey Banks is a fashion designer who graduated from the Parsons School of Design and opened his own line of men's clothing at the age of 22 after working with Calvin Klein. He has over 30 years of experience in the fashion industry. *See The Design Piracy Prohibition Act: Hearing on H.R. 5055 Before the Subcomm. on Courts, the Internet, and Intell. Prop. of the H. Comm. on the Judiciary*, 109th Cong. (2006) (testimony of Fashion Designer Jeffrey Banks) [hereinafter Testimony of Jeffrey Banks], *available at*: http://judiciary.house.gov/HearingTestimony.aspx?ID=450.

[90] *To Amend Title 17, United States Code, to Provide Protection for Fashion Design: Hearing on H.R. 5055 Before the Subcomm. on Courts, the Internet, and Intell. Prop. of the H. Comm. on the Judiciary*, 109th Cong. (2006) (Witness List), *available at*: http://judiciary.house.gov/hearings.aspx?ID=152.

[91] Testimony of Jeffrey Banks, *supra* note 89.

[92] *The Design Piracy Prohibition Act: Hearing on H.R. 5055 Before the Subcomm. on Courts, the Internet and Intell. Prop. of the H. Comm. on the Judiciary*, 109th Cong. (2006) (written statement of Susan Scafidi, Associate Professor of Law & Adjunct Professor of History, Southern Methodist University, Visiting Professor, Fordham Law School), *available at*: http://www.stopfashionpiracy.com/about.php#susan_scafidi.

[93] Statement of the U.S. Copyright Office, *supra* note 59.

[94] Olivera Medenica, *Bill Would Protect Fashion Designs: Designers Seek to Prevent Cheaper Knockoffs*, NAT'L L.J., Aug. 28, 2006, at S1.

Patents Act of 1988[95] to prevent both direct and indirect copying.[96] In the case of fashion design, an artistic work would include drawings of articles but would not extend to the overall appearance of an article, which is covered under the design right.[97]

Design right protection under UK law is available for both registered and unregistered designs. A design[98] may be registered under UK law if it is "new" and has "individual character."[99] The duration of a registered design right is initially five years but upon application to the registrar and payment of a fee may be extended to last potentially twenty-five years.[100] The Copyright, Designs and Patents Act of 1988[101] also creates an unregistered "design right" in original designs[102] which protects any aspect of the shape or configuration of an article but does not extend to surface decoration.[103] The design right becomes effective either at the date that a design is recorded in a design document or the date that an article is first made from the design.[104] The design right expires:

> (a) fifteen years from the end of the calendar year in which the design was first recorded in a design document or an article was first made to the design, whichever first occurred, or (b) if articles made to the design are made available for sale or hire within five years from the end of that calendar year, ten years from the end of the calendar year in which that first occurred.[105]

The owner of a registered or unregistered design right has a claim against an infringer who "produce[s] articles exactly or sub-

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[95] Copyright, Designs and Patents Act, 1988, c. 48 (Eng.).
[96] Hugh Devlin & Romain Dourlen, *Followers of Fashion*, 156 COPYRIGHT WORLD 16, Dec. 2005/Jan. 2006, at 17.
[97] *Id.*
[98] A "design," for these purposes, is defined as "the appearance of the whole or part of a product resulting from the features of, in particular, the lines, contours, colours, shape, texture or materials of the product or its ornamentation." Registered Designs Act, 1949, c. 88, § 1(2) (Eng.) [hereinafter RDA]. A "product" is defined as "any industrial or handicraft item other than a computer program; and, in particular, includes packaging, get up, graphic symbols, typefaces and parts intended to be assembled into a complex product." *Id.* at § 1(3).
[99] Devlin & Dourlen, *supra* note 96, at 16.
[100] RDA, *supra* note 98, at § 8. The requirement of novelty simply means that no identical design has been made available to the public before the date that the application for registration has been filed. A design has "individual character" if "the overall impression it produces on the informed user differs from the overall impression produced on such a user by any design which has been made available to the public before the relevant date." In other words, a fashion design will have individual character under the Act if someone experienced in the world of fashion would not experience "déja-vu" upon seeing the article.
[101] Copyright, Designs and Patents Act, 1988, c. 48 (Eng.).
[102] *Id.* at § 213(4) (providing that a design is not original "if it is commonplace in the design field in question at the time of its creation").
[103] *Id.* at § §213(2) and 213(3)(c).
[104] *Id.* at § 213(6).
[105] *Id.* at § 216(1).

stantially to that design"[106] and also may have a claim of secondary infringement.[107]

2. The European Community

The European Community similarly offers copyright protection to fashion designs in the form of registered and unregistered designs. The criteria for Community registered and unregistered designs[108] are essentially the same as that for UK registered designs in that the design must be "new" and have "individual character."[109] As with UK registered designs, the term of protection for Community registered designs is twenty-five years.[110]

In the case of Community unregistered designs, the relevant date for determining whether a design is "new" is the date that the design is first made available to the public rather than the date that an application for registration has been filed.[111] Community unregistered designs last three years from the date that the design is first made available to the public.[112] Unlike UK and Community registered designs, to show infringement of such a design, it is essential to prove that actual copying has occurred; a design that is merely similar to, or inspired by, the original but is the result of independent creative processes will not be enough to make out an infringement claim.[113]

3. France

France has long been known as the center of the fashion world. This is reflected in French copyright law, or *droit d'auteur*, which recognizes fashion design as applied art and does not explicitly require a showing of originality of the design in order to gain protection.[114] The history of French fashion design protection is rooted in the mid-nineteenth century emergence of "haute couture," or high fashion, which is deeply engrained in French culture. Copyright protection was first granted to fashion designs as applied art under the Copyright Act of 1793[115] and was later extended to non-functional designs and patterns under the Copy-

[106] Copyright, Designs and Patents Act, 1988, c. 48. (Eng.), at § 226(2).
[107] *Id.* at § 227. A claim of secondary infringement is available against one who, without the design owner's license, "(a) imports into the United Kingdom for commercial purposes, or (b) has in his possession for commercial purposes, or (c) sells, lets for hire, or offers or exposes for sale or hire, in the course of a business, an article which is, and which he knows or has reason to believe is, an infringing article." *Id.*
[108] The definition of "design" is identical to that used in the UK, and the definition of "product" is likewise substantially the same. *See supra* note 98.
[109] Devlin & Dourlen, *supra* note 96, at 16.
[110] Medenica, *supra* note 94, at 3.
[111] Devlin & Dourlen, *supra* note 96, at 17.
[112] *Id.*
[113] *Id.*
[114] Medenica, *supra* note 94, at 3.
[115] *Id.*; Hagin, *supra* note 37, at 374.

right Act of 1909.[116] Unlike in the UK and the European Community, in France, copyright protection attaches at the date of the creation of an article rather than at the date on which it is released to the public or registered.[117] The rights arising at the date of creation are both moral and patrimonial: moral rights of an artist to see "his work and name respected" last until death, extend to heirs, and do not expire; patrimonial rights give the owner the exclusive right to produce, distribute, and enjoy the financial benefits arising from the sale of the article.[118] The duration of protection under French law is not specifically provided for but is determined by judges on a case-by-case basis and is typically determined to last between eighteen months and two years.[119] Infringers of copyrighted designs are civilly liable for damages and also may be prosecuted criminally and serve a sentence of up to three years in prison.[120]

IV. WHY THE DPPA FAILS TO BE AN EFFECTIVE MECHANISM FOR EXPANSION OF COPYRIGHT PROTECTION TO FASHION DESIGN – IF SUCH EXPANSION IS DESIRABLE AT ALL.

The question of whether or not copyright protection should be extended to fashion design requires a careful balancing of the relative costs and benefits of such action. As discussed in detail in part (d) below, the costs associated with the expansion of copyright protection to fashion design are quite high. These costs include increased litigation, problems of enforcement, harm to the fashion industry, and sacrificing strong protection in some instances for widespread and relatively weak intellectual property protection. Furthermore, given strong empirical evidence that suggests that the fashion industry is not harmed and limited evidence that it may even be benefited by the presence of knockoffs, the threshold for justifying passage of legislation to combat fashion piracy is a high one. One clear benefit that might be achieved through expanding copyright protection to fashion design is evident and has its roots in the public policy considerations which favor granting fashion designers the same degree of rights and remedies as those enjoyed by artists in other fields. The DPPA falls drastically short in this regard by failing to place fashion designers on equal footing with other artists or to achieve uniformity in the law. Thus, absent a direct amendment to the Copyright Act, the costs associated with a law as compromised as the DPPA greatly outweigh any significant benefit flowing from an expansion of

[116] Medenica, *supra* note 94, at 3; Hagin, *supra* note 37, at 374.
[117] Marshall, *supra* note 1, at 319.
[118] *Id.*
[119] Hagin, *supra* note 37, at 374.
[120] Marshall, *supra* note 1, at 319.

copyright law to the fashion industry.

A. *Public Policy Requires a Direct Amendment to the Copyright Act*

If one were to categorically place fashion design within a copyright framework, it is unlikely that many people would find it to be more appropriately paired with vessel hull designs than with other artistic works such as literary works, motion pictures, and sound recordings. This is not simply an intuitive response – it reflects a deeper policy concern that the law should be reasonably related to our perceived reality and our normative values as a society.

While it is true that both vessel hull designs and fashion works are "useful articles" in so far as that has become a term of art in the copyright paradigm, the reasons for setting each of these apart from traditional copyright protection are based on different concerns, making the end result arbitrary and ignorant of competing public policy concerns. Vessel hulls are industrial works that do not qualify for protection under the Copyright Act because of their character as useful articles. The impetus for carving out *sui generis* protection for such otherwise unprotected designs was an attempt to address the twin aims of creating consumer protection and providing an incentive to manufacturers to continue to invest the extensive resources that such innovations demand, without the constant threat of piracy. It is unlikely that, in considering the passage of the VHDPA, anyone advanced the argument that vessel hulls were artistic works that should be eligible for protection under the Copyright Act in the same way that literary works, films, and sound recordings are. Fashion designs, on the other hand, are barred from protection under the Copyright Act based purely on the legal obstacle that they are not only artistic creations but also practically useful as clothing that covers the body. There are no concerns about consumer safety and, as I will address in Part IV(c), there is little threat to the incentive of fashion designers to continue creating new original designs even in the face of piracy.

Thus, if copyright protection should be extended to fashion design at all, it should be on the basis of the public policy of protecting artists against infringement and giving legal recognition to original designers as artists in their own right. Rather than granting fashion design *sui generis* protection under the DPPA along with vessel hulls, a direct amendment to the Copyright Act itself would provide a more consistent result. The policy underlying such a direct amendment to the provision of the Copyright Act that currently protects other artistic mediums is a desire for uniformity and consistency in the law. It is undeniable that fashion in its current form, especially high fashion or "haute couture," is far

more than a collection of useful articles. Indeed, many designs ranging from the hottest fashion powerhouses to the small East Village designers in New York City cannot be characterized as useful at all and are more appropriately considered wearable art. Arguably, the strength of French law is in its recognition that fashion designs are not merely utilitarian articles but "applied art." Whether or not French intellectual property protection for fashion designs are actually effective at curbing the prevalence of knockoff designs,[121] they are inherently stronger than the protection proposed under the DPPA by virtue of their deep-rooted historic and cultural awareness of the integrity of art and artists and their steadfast commitment to this understanding being embodied in their national laws. Similarly, the design right that is recognized in the United Kingdom, while not as strong as under French law, at least recognizes a design as something distinct and worthy of singular attention.

While a direct amendment to the Copyright Act is unlikely, it is not beyond comprehension. Such an amendment would not be the first time that Congress has added an exception to the useful articles doctrine while simultaneously preserving the artistic classification of an article. In 1990, the Copyright Act was amended to expand protection to architectural works despite the fact that no one could deny the useful character of a building.[122] The Architectural Works Copyright Protection Act ("AWCPA") added "architectural works" to the categories of works listed in § 102 of the Copyright Act[123] and granted protection to the aesthetic aspects of an architecture design embodied in the building, itself a useful article. Prior to enactment of the AWCPA, architectural works were in much the same position as fashion works are currently, protected only insofar as drawings or models of the designs could be copyrighted.[124] This left architects who designed original works vulnerable to copying by others who could simply reverse engineer a similar or identical structure from observing the original work and escape liability because the protected drawing itself was not the subject of copying.[125] In this way, the AWCPA represents a Congressional recognition that true protection for the aesthetic aspects of architectural works could not be achieved without enacting a law protecting against the practice of reverse engineering.[126]

Thus, while the nonfunctionality doctrine is trumpeted as the

[121] *See* discussion *infra* Part IV(d).
[122] Hagin, *supra* note 37, at 377.
[123] *Id.*
[124] *Id.* at 378.
[125] *Id.*
[126] *Id.*

major obstacle to a direct amendment of the Copyright Act to include fashion designs as protected articles, clearly no such obstacle truly exists. Like architectural works, fashion designs are useful and simultaneously artistic. Moreover, much like architectural designs prior to 1990, fashion designs are currently only copyrightable insofar as they are contained in drawings and thus are left vulnerable to reverse copying by those observing the article – indeed this tactic is at the heart of the knockoff industry, which thrives by reproducing items observed on the runway before they reach stores. Clearly, an amendment to the Copyright Act to include fashion works in the list of protected designs under § 102 is feasible. While such an approach would still be limited to protection of the aesthetic aspects of a design and not the functional aspects, it may avoid some of the problems inherent in the separability test.[127]

While it is not entirely clear how effective a direct amendment to the Copyright Act would be and whether it would truly overcome the problems associated with the separability test, the inherent strength of such an approach is, as stated above, the recognition of the artistic nature of the design process and the finished articles and the proper placement of fashion designs within a statutory framework. While such an amendment is feasible in light of the 1990 Congressional adoption of the AWCPA, it is highly unlikely to occur, given the many proposals that have come before Congress that have not been adopted. The Congressional hesitancy to expand copyright protection to fashion design in any form is most likely in response to the unique character of the fashion industry and market considerations.[128]

B. *Is Fashion Design Art?*

The argument that fashion design should be granted similar protection as that enjoyed by fine art, literary works, films, and sound recordings presupposes that fashion design is a form of art. This begs the question – what is art? – a question that, although

[127] *See* Hagin, *supra* note 37, at 378. Hagin suggests that inclusion of fashion works in the list of protected items under §102 of the Copyright Act would result in a two-step process of determining whether a feature of a fashion work is available for protection. First, a fashion work would be evaluated to see if there are "original, artistic elements present, including overall shape" and secondly, if there are such elements present, it would be determined whether those elements are "functionally required." If they are not absolutely required, they would be available for copyright protection. Hagin also notes that originality is defined in the AWCPA to include an "original arrangement of standard features" and argues that the same originality requirement should be applied to fashion works. *Id.* at 379. Finally, Hagin urges that the administrative determination of originality and functionality should not be too in-depth because the result would be a long process unsuitable to the fast cycle of the fashion industry and thus should only be a cursory determination which can be challenged in a claim for infringement as it is under French law. *Id.* at 380.

[128] *See infra* Part IV(d).

clearly beyond the scope of this Note, I will address briefly here. The line between clothing that is useful for covering the body and providing warmth and apparel that may no longer be classified as useful and is more accurately described as applied art is a fine one. However, when drawing distinctions between art and mere useful articles, it seems that two important places to look are the process of creation and the perception of the public.

First, most fashion design today is the result of high levels of creativity and innovation due to the largely competitive nature of the fashion industry and is not focused purely on practical considerations. Thus, the *process* of creation is akin to other artistic mediums that strive to achieve something unique and inspirational. Fashion designers invest extensive time and money in new designs, and the release of a new design is often a highly anticipated and publicized event. Runway shows are highly attended and people around the country and the world often are tuned in to such events to see the bold and exciting designs of high profile designers. Such a process is closely analogous to that of other artistic forms such as the release of a new sound recording or a highly anticipated novel or film.

Secondly, the public perception of fashion design as a form of art is evident in the culture surrounding fashion events, the inclusion of fashion works in museum exhibits, and more fundamentally, in the relationship between sense of identity and the way in which people dress. Fashion events have become standard platforms for designers to present their newest designs and are highly attended and the topic of much public commentary. For example, during "Fashion Week," a twice-yearly month-long presentation of hundreds of designers in four cities – New York, London, Milan, and Paris – people travel from far and wide to view shows, and the New York Times has an entire section dedicated to the event.[129] Furthermore, the Smithsonian has a permanent collection of inaugural first lady gowns, and other museums have had a variety of fashion works on display in recent years. Some of the most difficult applications of the separability test have involved fashion articles on display at museums which were thus obviously considered to be art by some. For example, the Kieselstein-Cord belt buckles which were the subject of a separability test challenge in *Kieselstein-Cord v. Accessories by Pearl, Inc.*[130] were on exhibit at the Metropolitan Museum of Art, and a bathing suit made of vinyl and filled with rocks that was displayed at the Los Angeles Institute of Art was also the topic of copyright protection in *Poe v. Missing Per-*

[129] Guy Trebay, *Admit It. You Love It. It Matters.*, N.Y. TIMES, Sept. 2, 2007.
[130] Kieselstein-Cord v. Accessories by Pearl, Inc., 632 F.2d 989 (2d Cir. 1980).

sons.[131] Finally, identity is largely tied up with fashion, a fact illustrated by the popularity of fashion magazines: in 2007 Vogue readership was 10.6 million,[132] Glamour readership was nearly 12 million,[133] and Allure readership was over 5 million.[134]

Thus, while the topic of what constitutes art is clearly the subject of much debate, literature and study, a quick survey of the creative process that is typical of fashion design and the way that at least high fashion is perceived by the American public reveals that fashion design is "art" and is worthy of recognition as such under the law.

C. *Knockoffs Do Not Harm – and May Even Benefit – the Fashion Industry*

Despite the policy considerations that would support a direct amendment to the Copyright Act, such action is highly unlikely to occur anytime soon in light of the history of Congressional unwillingness to expand copyright protection to fashion design. Once the concern of recognizing fashion designers as artists deserving of similar protection under the law as other artists is set aside, no valid basis remains for expanding copyright protection to fashion design, in the form of the DPPA or otherwise. While it is true that knockoff designs pour into the market with increasing frequency, the fashion industry overall continues to profit and to produce new original lines of apparel. The reasons that the fashion industry is unique in this regard are the very same reasons that it is an area that should be exempt from the intellectual property protection extended to other creative industries.

Intellectual property laws are largely designed to grant protection to original designers who would be unwilling or unable to maintain their creative process in the face of authorized piracy. If we were to allow copying at will of original manuscripts, films, and sound recordings, for example, artists would have little incentive to continue to invest the considerable time, funds, and creative energy necessarily entailed in the creative process because others intent on stealing their works would be left to profit at their expense. Such unauthorized reproduction across an entire industry would have a severe impact on the market and the economy – no one would be willing to invest or maintain the manufacturing and creative costs necessary to produce new original products, and confidence in a legal system that failed to protect such intellectual assets would wane. This theory, which has been termed the "in-

[131] Poe v. Missing Persons, 745 F.2d 1238 (9th Cir. 1984).
[132] Conde Nast Publications, 2008 Media Kit, http://www.condenastmediakit.com/vog/circulation.cfm.
[133] *Id.*
[134] *Id.*

centive thesis," is at the heart of the intellectual property paradigm.[135]

The incentive thesis predicts that, absent intellectual property protection against "third-party appropriation of sale proceeds," manufacturers and creators will limit or cease investment.[136] The incentive thesis rests on the assumption that imitators will take sales away from originators.[137] Viewed from this lens, the fashion design industry is something of an anomaly because fashion designers continue to produce new original designs despite the prevalence of knockoffs. The unique character of the fashion industry and the correspondingly weak protection that they are afforded under intellectual property laws are not a mere coincidence. Indeed, the "piracy paradox"[138] that results from examining the fashion industry in this light is what accounts for the "low IP equilibrium" at which the industry operates.[139]

There are several possible explanations for why the fashion industry does not suffer in the face of such vigorous copying as one would expect it to under the incentive thesis. One possible explanation is that these two industries are simply capable of existing simultaneously and independently. Arguably, there is enough room in the market for both a knockoff industry and an industry of original designers to coexist and profit without knockoffs taking sales away from original designers. Original fashion works produced by high-end designers are marketed to a very specific clientele and are signatory of a corresponding social status. Thus, one would not expect to find someone who shops at Gucci or Prada or Coach persuaded to visit H & M or Forever 21 for a cheap reproduction of the original item. For the elite consumer, the status associated with visible ownership of an original item by a well-known designer is what keeps them coming back to buy the latest trends, and thus there is little threat to original designers of losing this clientele to a manufacturer producing knockoffs. On the other hand, the non-elite average consumer is unlikely to have the option of buying the original design of a top-name designer because of cost constraints. Thus, if this average consumer decides to buy a knockoff design, this is similarly unlikely to result in lost sales for the original designer.

Jonathan M. Barnett argues that imperfect counterfeiting of goods in such a status-driven industry actually benefits original designers.[140] According to Barnett, counterfeiting will increase le-

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[135] Barnett, *supra* note 2, at 1381-82.
[136] *Id.* at 1382.
[137] *Id.*
[138] Raustiala & Sprigman, *supra* note 10, at 1691.
[139] *Id.* at 1692.
[140] Barnett, *supra* note 2, at 1384.

gitimate producers' sales in two ways.[141] First, the presence of cheap reproductions in the market allows original designers to charge a "snob premium" to "elite" consumers who are eager to be set apart from their lower-status knockoff-purchasing counterparts.[142] Secondly, knockoffs serve to promote and overstate the popularity of an item and may result in purchases of the original by "non-elite" persons who perceive increased status benefits of owning the original item.[143]

The first of the mechanisms identified by Barnett may be true, although it is unclear whether the "snob premium" Barnett identifies is truly the effect or rather the *cause* of knockoffs. In other words, it may be that it is not the availability of cheap reproductions that allows original designers to charge higher prices to elite consumers but rather that a lucrative market exists for knockoffs because of the very fact that original designers charge such premiums. Furthermore, it is not clear that knockoffs are essential to this phenomenon or whether the presence of any cheap items, reproductions or not, is enough to make way for the charging of a "snob premium." However, knockoffs would seem to bring the dichotomy between "elite" and "non-elite" to new heights by emphasizing the status gap and in this way may bolster the status-conferring nature of original goods. The second way that Barnett suggests knockoffs benefit legitimate designers would seem to be largely dependent on "non-elite" consumers' ability to afford an original item as opposed to the knockoff and thus presupposes an element of choice that indeed may not exist for many consumers. Thus, while knockoffs may or may not actively benefit legitimate designers by increasing sales, it is at least reasonable to argue that they do not harm original designers who rely primarily on these "elite" consumers who are unlikely to be interested in a less-than-perfect copy of the original.

Kal Raustiala and Christopher Sprigman offer another explanation for why the fashion industry does not conform to the incentive thesis.[144] Like Barnett, Raustiala and Sprigman posit that copying in the fashion industry does not harm and may even be beneficial to original designers.[145] They suggest that this phenomenon is the result of two interdependent processes that they refer to as "induced obsolescence" and "anchoring" and is made possible by two important features of the fashion industry: that goods are "positional," in that they are at least in part status-based,

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[141] *Id.*
[142] *Id.*
[143] *Id.* at 1385.
[144] *See* Raustiala & Sprigman, *supra* note 10.
[145] *Id.* at 1691.

and that the industry is cyclical in nature.[146] Because many fashion items are status-based, they are most desirable when they are exclusively owned by a few and become less desirable as they are diffused throughout the population by the presence of knockoffs. Thus, "induced obsolescence" is the process by which knockoffs and derivative variations on original designs[147] serve to speed up the fashion cycle by "accelerat[ing] the diffusion of new styles and designs."[148] The loss in value of such items may be partly attributable to a tarnishing of the status of the original by lower-quality reproductions that are made available. However, the decrease in value is most likely significantly due to the simple fact that when an item is widely adopted it is no longer symbolic of social status.[149]

The other process that Raustiala and Sprigman point out as contributing to the paradox that piracy benefits rather than harms original designers is "anchoring." Anchoring occurs when knockoff and derivative designs latch on to an emerging theme and transform it into a full-blown trend. In this way, knockoff designs play a key role in identifying themes and setting new trends in an industry that is not concentrated enough among producers to otherwise define the look of a new season.[150] It is this process of anchoring that signals to consumers what the new trends are and how to purchase accordingly.

While Barnett and Raustiala and Sprigman put forth some strong evidence that knockoffs benefit the fashion industry, it is unclear that these benefits outweigh the benefits associated with protecting fashion works under the theory that fashion designers are deserving of such protection as artists in their own right. However, what is clear is that the fashion industry, unlike other industries, does not require intellectual property protection to ensure that original designers will continue to invest in new material. Thus, it is safe to conclude that the fashion industry overall is not harmed by copying and that knockoffs may play a crucial role in the high turnover rate that characterizes the fashion cycle.

D. *The Costs Associated with the DPPA Outweigh any Potential Benefit of Granting Fashion Designers Copyright Protection*

1. Problems of Enforcement and Resulting Harm to the Fashion Industry

Given that the fashion industry is not harmed by the presence of knockoffs, the costs associated with enforcement and admini-

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[146] *Id.* at 1692.
[147] *Id.* at 1722-25.
[148] *Id.* at 1722.
[149] Raustiala & Sprigman, *supra* note 10, at 1720.
[150] *Id.* at 1728-29.

stration weigh heavily against adoption of the DPPA. The fashion industry is one that necessarily entails observation, adaptation, inspiration, and evolution. In any given season, with the emergence of a new trend, different designers will undoubtedly release many similar variations of a particular design. Thus, distinguishing between what is harmless borrowing or a variation on an original design and what is an intentional copy could pose significant problems for enforcement.

The DPPA in its current form does not offer any real guidelines on what would constitute an infringing article and thus could lead to extensive litigation in this area. Under the infringement provision of the VHDPA (left unchanged by the proposed DPPA), it is infringement to copy an original design without the owner's consent.[151] Conversely, it is not infringement to produce an original design that is "not substantially similar in appearance to a protected design."[152] Therefore, it will be left to the court to draw the very fine line between a copied design and a merely similar design inspired by the original. Proponents of the DPPA have argued that the drafters of the bill could remedy this enforcement problem by providing more specific guidelines to courts regarding what constitutes infringement within the meaning of the DPPA.[153] However, it is not clear what, if anything, could be incorporated into the statutory framework that would address this problem, given the extremely fact-specific nature that such determinations must necessarily entail. Without evidence of direct copying, it is hard to imagine that many courts would be willing to impose heavy punishments on manufacturers in an industry so inherently driven by inspiration and trends.

Professor Sprigman, during his testimony before the U.S. House of Representatives in 2006, emphasized that the DPPA would prove to be a "lawyer-employment bill, not a fashion-industry protection bill"[154] and would furthermore result in harm to an otherwise healthy industry.[155] Sprigman suggests that, in addition to taking up substantial judicial resources in determining whether infringement has occurred in a particular case, the industry will suffer because of the need to have a lawyer involved at every stage of production and manufacturing.[156] As a result,

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[151] 17 U.S.C. § 1309(e).
[152] *Id.*
[153] *See* Marshall, *supra* note 1, at 328-29. Marshall argues that the DPPA's protection of the "appearance as a whole of an article of apparel" is too vague and should more closely mirror language in the European Community legislation which goes on to define "appearance as a whole" as resulting from the "shape, color, texture, lines, ornamentation, and the material of which [the article] is composed." *Id.* at 328.
[154] Sprigman Testimony, *supra* note 23.
[155] *Id.*
[156] *Id.*

smaller firms and individual designers will be harmed most by the DPPA because they will be least able to meet the financial burden associated with such constant legal involvement.[157] Ultimately, Sprigman argues, the fashion industry, which is now characterized by rapid turnover, high levels of creativity and profit, and rich variety, will become more centralized in the hands of a few large firms that are able to meet these demands.[158] Accordingly, the end result of the DPPA will be "less consumer choice, fewer opportunities for young designers and small firms to break into the industry, and reduced consumption across the board of fashion goods."[159]

Thus, even assuming that the DPPA is desirable to combat design piracy in the fashion industry, the DPPA fails to be an effective mechanism for administering such an objective. Leaving such detailed factual determinations to the courts regarding what constitutes infringement in a given case would exhaust substantial judicial resources and would most likely result in complicated multifactor tests in different circuits, not unlike the separability tests that have resulted under the current regime. Furthermore, as Sprigman points out, such a system would carve out a new role for lawyers in the fashion industry and could potentially transform the industry into one of less activity, generating less variety and less profit. Such a result would be particularly devastating given the brief life span of designs in the fashion cycle. Litigation would leave designers tangled in a backed-up court system, bogged down by legal bills, and unable to generate new items of apparel to meet the demands of constantly changing trends and hungry consumers.

2. Trading Stronger Protection for More Widespread Protection

In addition to the costs associated with administration and enforcement of the DPPA, the bill would substitute the relatively strong protection currently available to a fashion designer (and available for more traditional "works of authorship") who can satisfy the requirements of trademark, trade dress, patent, or copyright protection for more widespread and significantly weaker protection. Under current law, a fashion designer who is able to demonstrate that the artistic aspects of an article exist separately from its useful aspects and thereby satisfy the separability test, is eligible for copyright protection lasting seventy years after his or her death.[160] Similarly, a fashion designer meeting the requirements of patent laws may achieve protection for twenty years for a

[157] *Id.*
[158] *Id.*
[159] Sprigman Testimony, *supra* note 23.
[160] Pearson, Estrin & Zhong, *supra* note 39, at 22.

utility patent and fourteen years for a design patent, and a fashion designer meeting the requirements of trademark law is protected indefinitely.[161] Under the DPPA, by contrast, a fashion designer is only protected against infringement for a period of three years and only if the design has been registered. Thus, the DPPA is an unworthy substitute for the current options available to some fashion designers and the very strong protection granted to other artists.

E. *Lessons from Other Countries*

Given that other industrial countries provide relatively strong intellectual property protection to fashion design, looking to the effectiveness of other countries in curbing copying is essential to any analysis of whether a provision such as the DPPA should be adopted in the United States. As mentioned earlier, the inherent strength of other countries' approaches to the problem of knock-off designs lies in their recognition of fashion designers as artists deserving of the same levels of protection under the law as other artists. However, while these countries may be applauded for their fair-minded approach and consistency on a formal level, their experiences with copying in the years since adopting such protection is informative in an entirely different way.

Despite the strength of the provisions under French, UK, and European Community legislation addressing design piracy, these countries continue to be plagued by rampant copying.[162] Raustiala and Sprigman point to the European Union where, despite the legislation offering protection to registered and unregistered designs, copying continues to be prevalent, very few actions have been litigated, and a small proportion of original designs have been registered.[163] They conclude that there is little difference in practice between the United States, operating in a low-IP environment, and the member states of the European Union, operating in a high-IP environment.[164] In Italy, one of the member states of the European Union, copying is a multi-billion dollar industry that saw an increase of 1,700% between 1993 and 2006.[165] In attempting to curb the rampant copying plaguing the country, Italy

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[161] *Id.* at 23.

[162] Sprigman Testimony, *supra* note 23 (Sprigman points out that while the European Community legislation provides extensive protection for original designs, there has been no real effect on the conduct of the industry since the legislation's enactment, and very few designs have been registered at all); Gioia Diliberto, *Fashion's Piracy Paradox: Knockoffs Fuel the Industry but Rob Designers. Is Legislation the Answer?*, L.A. TIMES, Oct.10, 2007, *available at:* http://www.latimes.com/news/opinion/la-oe-dilberto10oct10,0,7894347.story?coll=la-opinion-rightrail (noting that copying is still rampant in France).

[163] *See* Raustiala & Sprigman, *supra* note 10, at 1735-45.

[164] *Id.* at 1743.

[165] Chen, *supra* note 9.

enacted the "Made in Italy" legislation in 2003 to guarantee that only items made in the country may bear the label and put further laws into effect that fine consumers several times the retail price of the original item for buying copied goods.[166] Clearly, such laws go far beyond the European Union legislation, and yet none of them are enforced.[167] Lastly, in France, despite the extremely long history of IP protection and laws that are arguably the strongest in the world for fashion design, copying continues and goes almost completely unpunished because of the burdensome and lengthy process of bringing an infringement action.[168]

Some may argue that while copying still occurs in these countries, unlike in the United States, at least in these other countries designers have remedies against infringers. While it is true that original designers theoretically have laws to turn to for redress, the relative benefits to be gained from bringing a lawsuit against an infringer are often not worth the costs associated with such an action.[169] Furthermore, given the track record in other countries, it is unclear what benefit, if any, would be gained by enacting a law such as the DPPA in the United States, beyond a formal recognition of the immorality of copying. What can be said with certainty is that the argument offered by designer Jeffrey Banks that the DPPA would go a long way toward deterring manufacturers from producing knockoff designs is greatly weakened in light of empirical observations abroad.

V. CONCLUSION

Fashion design in the United States has long been outside the scope of copyright protection, yet the industry continues to thrive and grow in unprecedented ways. Congress has continually been given the opportunity to add fashion design to the list of industries protected by intellectual property laws, and has consistently declined to do so. Other countries, on the other hand, offer, at least on a formal level, what appear to be strong intellectual property protection to original fashion works. The strength of such laws has proven to be not in their effectiveness at combating the "problem" of knockoffs, but rather in their recognition of fashion designers as artists who should be protected under the laws in much the same fashion as other artists. The DPPA introduced in Congress fails in this regard by grouping fashion design with vessel

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[166] *Id.*
[167] *Id.*
[168] Barnett, *supra* note 2, at 1396.
[169] *Id.* at 1395-97 (noting that while on a formal level European countries have strong intellectual property protection for fashion design, most of the time the laws are not enforced because the costs of bringing actions are too high and the process is too time consuming in light of the fast cycle that characterizes the industry).

hulls simply because both have traditionally been barred from traditional copyright protection as "useful articles." Only a direct amendment to the Copyright Act, or perhaps a separate provision giving fashion design its own singular attention as applied art, would achieve what laws in other countries have.

The DPPA, therefore, is not a suitable substitute for a direct amendment to the Copyright Act. Putting aside the policy considerations in favor of granting fashion designers protection comparable to other artists, no defensible ground exists for expanding copyright protection to the fashion industry. The fashion industry is set apart from other industries because it defies the incentive thesis – despite high levels of blatant copying, the fashion industry as a whole continues to profit, to be competitive, and to display variety. Indeed, there is some evidence that knockoffs play a central role in speeding up the fashion cycle, setting trends, and may benefit the industry in several other respects. Thus, the traditional reasons cited for instituting intellectual property protection in other contexts make little sense in the case of the fashion industry. Finally, using other countries that have intellectual property protection for fashion design as a natural comparison, it becomes clear that, even if deterring copying were a desirable outcome, a law such as the DPPA is unlikely to achieve this result. Rather, the DPPA would most likely result in increased litigation and stifle an otherwise flourishing industry.

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