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## Note

### **The Sartorial Dilemma of Knockoffs: Protecting Moral Rights without Disturbing the Fashion Dynamic**

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In the months leading up to the wedding of Prince William and Catherine Middleton's wedding, the future Duke and Duchess of Cambridge kept Catherine's gown a secret. But as soon as she stepped out to reveal Sarah Burton's Alexander McQueen creation to the world, copycat designers began working on knockoffs available for a fraction of the price.<sup>1</sup> A similar phenomenon occurs every year during awards season, when film and television stars parade in couture gowns on the red carpet and copycat designers immediately manufacture replicas.<sup>2</sup> Beyond the glitz of high couture, an emerging designer's worst nightmare is to discover copies of her original designs in "fast fashion" stores like H&M, Zara, and Forever 21.<sup>3</sup> In a typ-

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\* J.D. Candidate 2012, University of Minnesota Law School; B.A. 2008, St. Olaf College. Copyright © 2011 by Margaret E. Wade, J.D. Candidate 2012, University of Minnesota Law School; B.A. 2008, St. Olaf College. Many thanks to Professor William McGeeveran for helpful advice and mentorship, and to the Editors and Staff of the Minnesota Law Review, notably Laura Arneson and Sharon Grawe for their helpful suggestions and thoughtful edits. Special thanks to Miriam Carlson for fashion design inspiration. Finally, deepest thanks to Marti Wade, Ann-Charlotte Wade, and David Sayre for their constant love and support. Copyright © 2011 by Margaret E. Wade.

1. See Cheryl Wischhover, *The First Kate Middleton Knockoff Wedding Gowns and Accessories Hit Stores; Here Are the Good, the Bad and the Ugly*, FASHIONISTA (May 2, 2011, 12:10 PM), <http://fashionista.com/2011/05/check-out-the-first-kate-middleton-knockoff-wedding-gowns-and-accessories/>; see also *Now You Can Own a Kate Middleton Knockoff Ring*, GAWKER (Nov. 20, 2010, 9:12 AM), <http://gawker.com/5695043/now-you-can-own-a-kate-middleton-knockoff-ring> (highlighting one example of a Kate Middleton engagement ring knockoff).

2. See *About Us*, FAVIANA, <http://www.faviana.com/about-us-en.php> (last visited Oct. 15, 2011) (revealing an industry where copycat designers create seemingly identical dresses minutes after an awards ceremony).

3. Guillermo C. Jimenez, *Fashion Law: Overview of a New Legal Discipline*, in FASHION LAW 3, 8 (Guillermo C. Jimenez & Barbara Kolsun eds., 2010) (noting that the "fast fashion" model, pioneered by Spanish clothing re-

ical case, designer Elle Sakellis' Otrera "evil eye" scarves, priced at \$190, were a huge success until her retailers began ordering a knockoff version that sold for only \$30.<sup>4</sup> Fashion piracy is not a new phenomenon, but with the rise of new technology and evolving consumer behaviors, copycat fashion is more common than ever before.<sup>5</sup>

Unlike that of most other countries, U.S. copyright law does not extend to fashion designs.<sup>6</sup> Although other forms of intellectual property protect fashion products, the cut of a garment is not protected.<sup>7</sup> After nearly a century of lobbying from fashion designers, there are two bills—the Design Piracy Prohibition Act (DPPA)<sup>8</sup> and the Innovative Design Protection and Piracy Prevention Act (IDPPPA)<sup>9</sup>—that aim to reform the copyright system to include fashion designs. However, critics claim that protection for fashion designs is unnecessary because the fashion industry is thriving and copying drives innovation.<sup>10</sup>

This Note evaluates whether the Copyright Act should be expanded to include fashion design. Part I provides an overview of fashion piracy, the current state of intellectual property protection for fashion, and the proposed legislation for a fashion

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tailer Zara, creates a "competitive advantage in speed to market" through the use of information technology).

4. Christina Binkley, *The Problem With Being a Trendsetter: Copycat Fashions Move Faster Than Ever, Making It Harder to Protect Original Ideas; Smaller Designers Bear the Brunt*, WALL ST. J., Apr. 29, 2010, at D8.

5. *E.g.*, Judith S. Roth & David Jacoby, *Copyright Protection and Fashion Design*, in ADVANCED SEMINAR ON COPYRIGHT LAW 2009, at 1099 (PLI Intellectual Prop. Handbook Ser. No. G-967, 2009) ("The advent of online, real time access to the exhibition of new designs and rapid-fire manufacturing capabilities through CAD and other technological advances have facilitated design piracy."); *Reasons to Stop Fashion Piracy: The Testimony of Susan Scafidi*, STOP FASHION PIRACY, [http://www.stopfashionpiracy.com/index.php/about\\_the\\_bill/](http://www.stopfashionpiracy.com/index.php/about_the_bill/) (last visited Oct. 15, 2011) ("Today, global changes in both the speed of information transfer and the locus of clothing and textile production have resulted in increased pressure on creative designers at all levels, from haute couture to mass market.").

6. *E.g.*, Susan Scafidi, *Design Piracy Prohibition Act: Historical Regression*, COUNTERFEIT CHIC (Mar. 10, 2008, 11:28 PM), <http://counterfeitichic.com/2008/03/index.php>.

7. *E.g.*, *Fashion Originators Guild of Am., Inc. v. Fed. Trade Comm'n*, 114 F.2d 80, 84 (2d Cir. 1940) (stating that dress designs are not copyrightable and "fall into the public demesne without reserve"), *aff'd*, 312 U.S. 457, 460 n.1 (1941).

8. H.R. 2196, 111th Cong. (2009).

9. S. 3728, 111th Cong. (2010).

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

design copyright. Part II considers both sides of the debate, analyzing the pros and cons in the arguments of the proponents and the critics. Part III argues against current fashion legislation that would expand the Copyright Act and proposes a solution that balances moral rights and the benefits of copying. This Note asserts that the costs of *sui generis*<sup>11</sup> copyright protection outweigh the benefits, and a certification or collective mark would be a better fit for the fashion industry.

## I. FASHION PIRACY, INTELLECTUAL PROPERTY, AND LEGISLATION

The fashion industry is unparalleled in its social and economic significance.<sup>12</sup> This Part illustrates the phenomenon of fashion piracy, including both the positive and negative aspects of copying. It then discusses the current state of intellectual property protections for fashion designers, including an overview of trademarks, trade dress, patents, trade secret, and copyrights. Finally, this Part provides background on recent and current legislation—the DPPA and the IDPPPA.

### A. FASHION PIRACY: THE GOOD, THE BAD, AND THE UGLY

In order to understand the complexity of fashion piracy, there are several important distinctions to make regarding the act of copying, the designers, and the timing.

First, fashion piracy is a very difficult concept to define because it rests on subjective notions of copying.<sup>13</sup> There is no bright line between copying and mere imitation, but fashion piracy is best illustrated by a spectrum of permissible to impermissible copying activity juxtaposed with ethics.<sup>14</sup> However,

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11. BLACK'S LAW DICTIONARY 1572 (9th ed. 2009) (defining "sui generis"—Latin for "[o]f its own kind"—as a term used in intellectual property law "to describe a regime designed to protect rights that fall outside the traditional patent, trademark, copyright, and trade-secret doctrines").

12. See Jimenez, *supra* note 3, at 6 (noting that the fashion and apparel sector accounts for about four percent of total gross domestic product or more than \$1 trillion per year).

13. For an example of one designer's perspective on copying that highlights the subjectivity inherent in the debate on copying in the fashion industry, see Eric Wilson, *O.K., Knockoffs, This Is War*, N.Y. TIMES, Mar. 30, 2006, at G2 ("[Protecting fashion design] is the most ridiculous thing. . . . There is no such thing as an original design. All these designers are getting their inspiration from things that were done before. To me a spaghetti strap is a spaghetti strap, and a cowl neck is a cowl neck.")

14. See SUSAN SCAFIDI, WHO OWNS CULTURE? 18 (2005) (discussing the implications of an ethical justification for the legal creation and protection of

some designers find all copying permissible and other designers draw a line between inspiration and copying.<sup>15</sup> According to the Council of Fashion Designers of America (CFDA), fashion design piracy “describes the increasingly prevalent practice of enterprises that seek to profit from the invention of others by producing copies of original designs under a different label.”<sup>16</sup> However, a degree of copying is inevitable since there are only a limited number of ways that material may cover the human form; whenever a designer creates, she must take old ideas and make them her own.<sup>17</sup> Copying is beneficial in many respects because it allows for collaboration and creativity.<sup>18</sup> Every season is marked by trends; designers are inspired by the work of other designers.<sup>19</sup> In a highly vulnerable industry, when one fashion company’s collection finds success, other companies will follow to capitalize on the trend.<sup>20</sup> The key legal question is at what point does copying a trend go too far.<sup>21</sup>

Although the terms “knockoff” and “counterfeit” are often used synonymously in ordinary discourse, there is an important

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intellectual property); Henry Hansmann & Marina Santilli, *Authors’ and Artists’ Moral Rights: A Comparative Legal and Economic Analysis*, 26 J. LEGAL STUD. 95, 143 (1997) (“[T]he overlap between moral rights and copyright emphasizes the extent to which copyright itself serves to give authors and artists continuing control over the way in which their work is exploited and, hence, over their reputation.”).

15. ULLA VAD LANE-ROWLEY, USING DESIGN PROTECTION IN THE FASHION AND TEXTILE INDUSTRY 17 (1997) (quoting Italian designer Mario Bellini as stating that “[w]hat makes me happy is when I am imitated in a rather clever way, that is the right way . . . [b]ut if someone copies the details, I feel robbed of money and of my inventive rights”).

16. *Design Piracy*, COUNCIL OF FASHION DESIGNERS OF AM., <http://www.cfda.com/design-piracy/> (last visited Oct. 15, 2011); *see also* Fashion Originators Guild of Am., Inc. v. Fed. Trade Comm’n, 114 F.2d 80, 82 (2d Cir. 1940), *aff’d*, 312 U.S. 457, 468 (1941); SYLVAN GOTSHAL, THE PIRATES WILL GET YOU: A STORY OF THE FIGHT FOR DESIGN PROTECTION 2 (1945) (“Piracy was formerly associated with the high seas. We know that it takes place also on the highways of trade and doesn’t call for a patch on the eye; only a faulty conscience and a sly hand . . . . Piracy is unauthorized taking, none the less so when what is taken is a thing of beauty.”).

17. *See, e.g.*, SUE JENKYN JONES, FASHION DESIGN 74 (2d ed. 2005); SCAFIDI, *supra* note 14, at 39.

18. *See, e.g.*, DAVID BOLLIER & LAURIE RACINE, THE NORMAN LEAR CTR., READY TO SHARE: CREATIVITY IN FASHION & DIGITAL CULTURE 13–17 (Jan. 29, 2005), *available at* <http://www.learcenter.org/pdf/RTSBollierRacine.pdf>.

19. *See* SHARON LEE TATE, INSIDE FASHION DESIGN 194 (5th ed. 2004).

20. *See* Wilson, *supra* note 13.

21. Jimenez, *supra* note 3, at 16 (“It is necessary to distinguish legal and acceptable forms of imitation from those that involve inappropriate use of another company’s IP.”).

legal distinction between these terms.<sup>22</sup> Fashion design knock-offs are legal, as illustrated by a dress sold in Forever 21 that appears indistinguishable from the original Diane Von Furstenberg design.<sup>23</sup> On the other hand, counterfeits of fashion names and logos are illegal, as seen by sunglasses with an unauthorized Dolce and Gabbana logo sold on Canal Street in Manhattan.<sup>24</sup> Identifying this gap in protection, many designers are particularly upset when a copycat designer crosses the blurry line from inspiration to knockoff.<sup>25</sup>

Second, fashion piracy has a disparate effect on designers.<sup>26</sup> Fashion is a very hierarchical business, often illustrated by a value pyramid, placing the high-end garments at the top and the lower-priced garments at the base, indicating the “proportion of total sales earned respectively by fashion” and lower-priced basics.<sup>27</sup> Established fashion designers and couture houses at the top of the pyramid have the resources and in-house legal teams to combat copycats with extralegal and intellectual property remedies.<sup>28</sup> Moreover, these established designers often appreciate copycat designers because there is no threat, only flattery.<sup>29</sup> Fashion houses have such strong brand recognition that copycat designs hardly faze them because their

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22. *Id.* at 16–17 (clarifying the distinctions between legal knockoffs, illegal knockoffs, and counterfeiting).

23. *Id.* at 8–9.

24. *Id.* at 16–17.

25. *E.g.*, *The Industry Speaks Out*, STOP FASHION PIRACY, [http://www.stopfashionpiracy.com/index.php/the\\_industry\\_speaks\\_out/](http://www.stopfashionpiracy.com/index.php/the_industry_speaks_out/) (last visited Oct. 15, 2011) (“My designs are known for their sophisticated shapes and feminine silhouettes. The fit, cut, and detailing of our clothes are as much a part of the Oscar de la Renta brand as our logo itself. They are just as recognizable to our customers and should be protected equally.”).

26. Binkley, *supra* note 4 (lamenting on the burdens imposed on designers who are faced with piracy in the fashion market).

27. Jimenez, *supra* note 3, at 12–13, 13 fig.1.2; Raustiala & Sprigman, *supra* note 10, at 1693–94, 94 fig.A.

28. *Your Questions*, LOUIS VUITTON, [http://www.louisvuitton.com/us/flash/index.jsp?direct1=home\\_entry\\_us](http://www.louisvuitton.com/us/flash/index.jsp?direct1=home_entry_us) (last visited Oct. 15, 2011) [hereinafter *Your Questions*] (“To combat [the scourge of counterfeiting], a special team has been set up in Paris, with offices abroad. Louis Vuitton works with various French and international professional associations to make consumers aware of the risks inherent to the purchase of counterfeits.”).

29. Cameron Silver, President, Decades, Inc., Presentation at Ready to Share: Fashion & the Ownership of Creativity 127 (Jan. 29, 2005), available at <http://www.learcenter.org/pdf/RTStranscript.pdf> (“Coco [Chanel] loved [the Faunel movement] because she said she always wanted to inspire the street . . . She encouraged the copying . . . She wasn’t threatened by the copies because the truth is the cut could not be replicated.”).

loyal consumers identify the original garment and choose to buy the original over the knockoff.<sup>30</sup> Fashion houses also have the resources to compete with copycat designers by knocking off their own brands, as seen by Isaac Mizrahi's relationship with Target and Chanel designer Karl Lagerfeld's line for H&M.<sup>31</sup> Although fashion piracy is a concern for designers at all levels, there are many options by which an established fashion design house may protect its designs.<sup>32</sup>

Many emerging designers, on the other hand, struggle to enter the market when they have to compete with copycats and established brands.<sup>33</sup> "Everyone always says that imitation is the best form of flattery. But it happened too soon . . . I'm not Louis Vuitton. It's not like when someone buys a Raj scarf that they know it's an Otrera knockoff," Designer Elle Sakellis said.<sup>34</sup> Since designers must fund the design process on their own, designers such as Sakellis risk losing their entire investment when a copycat steals their designs.<sup>35</sup> Copying can short-circuit the fashion cycle by devaluing the designer's garment before she can reap any return on the investment.<sup>36</sup> Copying dilutes the brand and creates confusion as a young designer attempts to establish her label.<sup>37</sup> Unlike the established brand, whose product is easily distinguishable from copycat versions, an emerging designer's garment does not likely indicate a unique source, increasing its vulnerability.<sup>38</sup> Unlike high-

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30. See Susan Scafidi, *Intellectual Property and Fashion Design*, in 1 INTELLECTUAL PROPERTY AND INFORMATION WEALTH 115, 121 (Peter K. Yu ed., 2007) ("Even if a famous designer's new line is knocked off, consumers may still be willing to pay higher prices for the [original].").

31. Raustiala & Sprigman, *supra* note 10, at 1724 (describing "single-firm price discrimination strategy" or vertical integration, before noting several designers who successfully employ such strategies); Adam Jones & Elizabeth Rigby, *A Good Fit? Designers and Mass-Market Chains Try to Stitch Their Fortunes Together*, FIN. TIMES, Oct. 25, 2005, at 17.

32. See, e.g., Raustiala & Sprigman, *supra* note 10, at 1724.

33. Scafidi, *supra* note 30 (noting that emerging designers "cannot depend exclusively on brand recognition for protection against design piracy").

34. Binkley, *supra* note 4.

35. See *id.*

36. See Scafidi, *supra* note 30, at 125 (describing the "pattern of consumer behavior that luxury goods industries can under limited circumstances leverage to create desire for new products").

37. See *id.*

38. Binkley, *supra* note 4 (elaborating on the unique difficulties that up-and-coming fashion designers face when confronted with knockoffs of their original designs).

fashion knockoffs, the scenario where emerging designers are knocked off results in great harm to the new designer.<sup>39</sup>

Third, the current call for fashion design legislation is nothing new: designers have fervently cried out against design piracy for decades.<sup>40</sup> There is a long history of the American fashion industry copying other designers.<sup>41</sup> For example, in 1964, more than 2,000 women flocked to Ohrbach's "semi-annual fashion phenomenon" in search of "line-for-line copies" of Paris couture originals.<sup>42</sup> The fashion world is notorious for its frenetic pace, demanding fashionistas, and strictly choreographed routine of spectacular performances.<sup>43</sup> Amidst this atmosphere, copying is standard practice in the fashion business.<sup>44</sup> Copycats snap photos of dresses on the red carpet or the catwalk and immediately send the photos to factories in China to reproduce identical garments.<sup>45</sup>

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39. *Id.* ("Small designers face a particularly large burden; often, they lack deep pockets to chase down versions they find similar, and their brands are so little-known that customers often aren't aware they're not buying an original design.").

40. *See also* Fashion Originators Guild of Am., Inc. v. Fed. Trade Comm'n, 114 F.2d 80, 82 (2d Cir. 1940) (establishing that members of a major fashion guild have gone as far as boycotting retailers who sold knockoffs), *aff'd*, 312 U.S. 457, 468 (1941). *See generally* Kenneth Collins, *Style Piracy*, WOMEN'S WEAR DAILY, Sept. 25, 1958, *reprinted in* INSIDE THE FASHION BUSINESS: TEXT AND READINGS 203, 203 (Jeannette A. Jarnow ed., 2d ed. 1974) ("As everybody knows, the latest Paris openings were marred by bitter charges of style piracy. No one claimed there was anything new about the situation except the speed with which the fashion thieves worked.").

41. *E.g.*, BOLLIER & RACINE, *supra* note 18, at 8.

42. Marilyn Hoffman, *Meet Manhattan*, CHRISTIAN SCI. MONITOR, Mar. 24, 1964, *reprinted in* INSIDE THE FASHION BUSINESS: TEXT AND READINGS, *supra* note 40, at 204–05.

43. *See Jimenez, supra* note 3, at 15–16 (describing how clothing manufacturers produce seasonal couture collections six times per year, including Spring, Summer, Transitional, Fall, Resort, and Holiday, which are shown at shows in New York, London, Milan, and Paris).

44. *See, e.g.*, INSIDE THE FASHION BUSINESS: TEXT AND READINGS, *supra* note 40, at 128 ("The late Norman Norell, considered the dean of American designers, expressed his philosophy about style piracy: 'I don't mind if the knock-off houses give me a season with my dress. What I mind is if they bring out their copies faster than I get my own dresses to the stores.'").

45. *See* 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); *see also* John Harlow, *2010 Oscars: Copycat Dresses on Sale Within a Week*, THE SUNDAY TIMES ONLINE (Mar. 7, 2010), [http://entertainment.timesonline.co.uk/tol/arts\\_and\\_entertainment/film/oscars/article7052414.ece](http://entertainment.timesonline.co.uk/tol/arts_and_entertainment/film/oscars/article7052414.ece) (last visited Oct. 15, 2011) (illustrating the phenomenon of knocking off gowns during awards season).

However, despite the copying norm in the industry, piracy is heightened in the information age in which the Internet and digital technology allows copying to occur faster and faster.<sup>46</sup> In 2006, lost revenue due to counterfeiting and piracy of fashion was estimated to be \$12 billion.<sup>47</sup> Consumer buying behavior has changed in response to e-commerce, shifting apparel sales to online retailers that employ new strategies like flash sales and membership-only benefits.<sup>48</sup> Fashion has also exploded in pop culture through reality television shows that illustrate the trajectory of an emerging designer.<sup>49</sup> The fashion blogosphere has expanded fashion consciousness far beyond New York City and Los Angeles, allowing people around the world to follow brands via more than 1000 fashion blogs.<sup>50</sup> Fashion bloggers have assumed an increasingly more important role in fashion.<sup>51</sup> For example, in 2009 bloggers were first seated in the front row at fashion shows, and Marc Jacobs created an ostrich bag named the *BB* after blogger BryanBoy.<sup>52</sup> The exponential growth of mobile blogging is making a huge impact on the fashion world, speeding up the natural proliferation of trends.<sup>53</sup> In the information age, fashion is venturing beyond the runway to

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46. See, e.g., Scafidi, *supra* note 30, at 125–26.

47. Roth & Jacoby, *supra* note 5, at 1083.

48. See generally Andrew Rice, *What's a Dress Worth?, The Online Retailer Gilt Groupe Offers a Great Deal: Buy Designer Clothes at Deep Discounts. But is it Good or Bad for Fashion?*, NEW YORK MAG., Feb. 14, 2010, at 76. Other examples of analogous retailers include HauteLook, Rue LaLa, and One Kings Lane.

49. See, e.g., *Project Runway* (Weinstein Co. broadcast Dec. 1, 2004–present).

50. For examples of such fashion blogs, see BRYANBOY, <http://www.bryanboy.com/>; INDEPENDENT FASHION BLOGGERS, <http://heartifb.com/>; Scott Schuman, THE SARTORIALIST, <http://thesartorialist.com/>; see also Cate T. Corcoran, *Marketing's New Rage: Brands Sponsoring Influential Bloggers*, WOMEN'S WEAR DAILY (Aug. 27, 2010), <http://www.wwd.com/media-news/marketing/marketings-new-rage-brands-sponsor-influential-bloggers-3230386/print-preview/>.

51. See, e.g., Corcoran, *supra* note 50 (quoting another blogger as stating that “[f]ashion bloggers are a unique combination of publisher and talent,” and suggesting that “[t]his is part of the next evolution of advertising[—]a more integrated approach”).

52. Cate T. Corcoran, *Fashion's New Fever: Bloggers in Spotlight as They Aim for Fame*, WOMEN'S WEAR DAILY (Feb. 17, 2010), <http://www.wwd.com/media-news/media-features/fashions-new-fever-bloggers-in-spotlight-as-they-aim-for-fame-2485957/print-preview/>.

53. See Jon Sobel, *State of the Blogosphere 2010 Introduction*, TECHNORATI (Nov. 3, 2010, 9:04 AM), <http://technorati.com/blogging/article/state-of-the-blogosphere-2010-introduction/> (“The significant growth of mobile blogging is a key trend this year . . . [The impact of women bloggers] is perhaps felt most strongly by brands . . .”).



explore new domains and reach new audiences, provoking a discussion of whether these changes are good or bad for the industry.<sup>54</sup> Consequently, the call for protection of fashion designs resounds with greater urgency.

The unique features of copying, designers, and timing fuel the debate and reinforce the complex nature of the legal issue.<sup>55</sup>

## B. THE CURRENT STATE OF INTELLECTUAL PROPERTY PROTECTION FOR FASHION DESIGNERS

Although the fashion industry is a major economic presence in the United States, federal law protects fashion designers against only some forms of design piracy.<sup>56</sup> The current intellectual property regime provides partial protection for fashion products through a combination of trademarks, trade dress, patents, trade secrets, and copyrights.<sup>57</sup>

### 1. Trademarks

A trademark is most often a brand name or a logo that indicates the source of a particular product.<sup>58</sup> For example, trademark law protects clothing and accessories adorned with a label, such as a Louis Vuitton purse with the renowned “LV” logo<sup>59</sup> or the stitching pattern on a pair of Levis.<sup>60</sup> To achieve trademark protection under the Lanham Act, the name or symbol on a fashion product must distinguish it from other goods in commerce.<sup>61</sup> Trademark law serves dual purposes in preventing

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54. See, e.g., Mercedes, *Cheap Chic: Do Knockoffs Actually Hurt Designers' Sales?*, GLOBAL PURCHASING COS. FASHION BLOG (Aug. 11, 2011), <http://www.globalpurchasinggroup.com/blog/cheap-chic-do-knockoffs-actually-hurt-designers-sales/>.

55. Jimenez, *supra* note 3, at 5 (describing the increasing need for fashion executives to become more knowledgeable about the law as a function of the unique characteristics of the industry).

56. See, e.g., *Malden Mills, Inc. v. Regency Mills, Inc.*, 626 F.2d 1112, 1113–14 (2d Cir. 1980) (holding that a copyright owner of a textile design was entitled to permanent injunction and damages against another design of substantially similar subject matter, representation, shading, composition, and relative size and placement of elements).

57. See, e.g., Scafidi, *supra* note 30, at 121–23.

58. RESTATEMENT (THIRD) OF UNFAIR COMPETITION § 9 (1995); see also RUDOLF CALLMANN, 3 THE LAW OF UNFAIR COMPETITION, TRADEMARKS AND MONOPOLIES § 17.1 (4th ed. 1981).

59. *Your Questions*, *supra* note 28 (illustrating ongoing efforts to protect Louis Vuitton’s famous “LV” logo).

60. See *Lois Sportswear, U.S.A., Inc. v. Levi Strauss & Co.*, 799 F.2d 867, 871 (2d Cir. 1986).

61. 15 U.S.C. § 1127 (2006).

consumer deception in the marketplace and protecting a fashion company's trademark from infringement.<sup>62</sup> Although trademarks do not protect fashion designs, they play a vital role in preventing consumer confusion with counterfeit fashion products, namely bags and accessories.<sup>63</sup>

## 2. Trade Dress

Trade dress, a subset of trademark law, protects "a product's design, product packaging, color, or other distinguishing, nonfunctional element of appearance."<sup>64</sup> For example, trade dress protects the look of well-known products like a Coca-Cola bottle<sup>65</sup> and a red-and-white pack of Marlboro cigarettes.<sup>66</sup> In 2000, the Supreme Court narrowed the applicability of trade dress when it declined to extend trade dress protection to fashion design in *Wal-Mart Stores, Inc. v. Samara Brothers, Inc.*<sup>67</sup> However, like the greater body of trademark law, trade dress remains an option for famous accessories, such as the Longchamp Le Pliage tote.<sup>68</sup>

## 3. Patents

Utility patents protect new and useful processes and inventions,<sup>69</sup> and design patents protect the ornamental features

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62. See, e.g., J. THOMAS MCCARTHY, 1 MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 2:2 (4th ed. 2010).

63. E.g., *Louis Vuitton Malletier v. Dooney & Bourke, Inc.*, 454 F.3d 108, 115–19 (2d Cir. 2006).

64. *Glossary*, U.S. PAT. & TRADEMARK OFF., <http://www.uspto.gov/main/glossary/index.html> (last visited Oct. 15, 2011); see also 15 U.S.C. § 1125(a) (2006) (codifying a similar explanation of the phrase "trade dress").

65. E.g., *Wal-Mart Stores, Inc. v. Samara Bros.*, 529 U.S. 205, 215 (2000) ("[A] classic glass Coca Cola bottle, for instance, may constitute packaging for those consumers who drink the Coke and then discard the bottle, but may constitute the product itself for those consumers who are bottle collectors, or part of the product itself for those consumers who buy Coke in the classic glass bottle, rather than a can, because they think it more stylish to drink from the former.").

66. *Philip Morris, Inc. v. Star Tobacco Corp.*, 879 F. Supp. 379, 385–88 (S.D.N.Y. 1995); see also MCCARTHY, *supra* note 62, § 8:4.50 (listing "the 'Marlboro Man' western cowboy motif" as one of many examples of protected trade dress).

67. 529 U.S. at 216 ("[I]n an action for infringement of unregistered trade dress under § 43(a) of the Lanham Act, a product's design is distinctive, and therefore protectible[sic], only upon a showing of secondary meaning.").

68. Jimenez, *supra* note 3, at 53 fig.2.2.

69. 35 U.S.C. § 101 (2006).

of an invention.<sup>70</sup> Although patent law primarily caters to scientists and inventors, fashion designers enjoy some patent protection.<sup>71</sup>

Design patents protect the ornamental design of a product for a term of fourteen years.<sup>72</sup> The most common fashion products to acquire this type of patent are accessories like eyeglass frames, jewelry, and footwear.<sup>73</sup> In order to claim a design patent, the product must be novel, nonobvious, and ornamental.<sup>74</sup> On the other hand, utility patents protect functional innovations for a term of 20 years.<sup>75</sup> In order to claim a utility patent, a product must be novel,<sup>76</sup> nonobvious,<sup>77</sup> and useful.<sup>78</sup> In fashion, utility patents protect inventions such as Velcro fasteners, Lycra high-performance textiles, and hazmat gear.<sup>79</sup> Utility patents also protect processes, such as a technique for washing denim jeans to create a specific look.<sup>80</sup> Although there are rare cases where fashion designers have successfully obtained utility patents, the threshold for patent protection is very difficult to meet.<sup>81</sup> The novelty standard essentially prevents an inventor from patenting something that already has an identical form in the public domain.<sup>82</sup> The nonobviousness requirement goes further, preventing an individual from obtaining a patent if it is similar enough to other products that people in the industry could have conceived it.<sup>83</sup> These requirements prove difficult for a designer to meet because fashions evolve from prior fashions, and it would be nearly impossible to invent an entirely new and nonobvious garment.<sup>84</sup>

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70. *Id.* § 171.

71. Jimenez, *supra* note 3, at 59–66 (describing various protections provided by and limitations inherent in design and utility patents).

72. 35 U.S.C. § 173.

73. *See, e.g.*, Jimenez, *supra* note 3, at 60.

74. 35 U.S.C. § 171.

75. *Id.* § 154(a)(2).

76. *Id.* § 102.

77. *Id.* § 112.

78. *Id.* § 101.

79. Scafidi, *supra* note 30, at 122.

80. *E.g.*, Levi Strauss & Co. v. Golden Trade. S.r.L., Nos. 92 Civ. 1667 (RPP), 90 Civ. 6291 (RPP), 90 Civ. 6292 (RPP), 1995 WL 710822, at \*1 (S.D.N.Y. Dec. 1, 1995).

81. *Cf.* Jimenez, *supra* note 3, at 65 (noting that utility patent protection “is difficult and costly to obtain and costly to maintain”).

82. 35 U.S.C. § 102 (2006).

83. *Id.* § 103.

84. *See, e.g.*, Vanity Fair Mills, Inc. v. Olga Co., 510 F.2d 336, 340 (2d Cir.

In addition to the steep threshold requirements for patent protection, there are practical concerns as a result of the short timeline to produce fashion apparel and the long timeline to process a patent application. For 2009, the average total pendency for a patent application was 34.6 months.<sup>85</sup> Fashion designers produce at least three or four shows a year, and the commercial life of a piece of apparel is only a few seasons.<sup>86</sup> Also, securing a patent is expensive because of fees charged by the USPTO for examination,<sup>87</sup> as well as attorneys' fees. Therefore, patent law does not provide a proper safeguard for fashion designs because the process of obtaining a patent is too time-consuming and expensive for most fashion designers.<sup>88</sup>

#### 4. Trade Secret

A trade secret is valuable information that maintains an economic advantage over competitors.<sup>89</sup> For example, a trade secret may be a secret recipe, a manufacturing technique, or a customer list.<sup>90</sup> Trade secret protection can theoretically last forever, but once it leaks out, it is gone.<sup>91</sup> In the fashion world, designers may keep trade secrets for techniques, such as designer Miriam Carlson's process for sewing flakes of the mineral mica on delicate fabric.<sup>92</sup> However, even if the patterns for a

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1975); CHRISTINE COX & JENNIFER JENKINS, BETWEEN THE SEAMS, A FERTILE COMMONS: AN OVERVIEW OF THE RELATIONSHIP BETWEEN FASHION AND INTELLECTUAL PROPERTY 5-7 (Jan. 29, 2005), available at <http://www.learcenter.org/pdf/RTSJenkinsCox.pdf>.

85. U.S. PATENT & TRADEMARK OFFICE, PERFORMANCE AND ACCOUNTABILITY REPORT: FISCAL YEAR 2009, (2010) at B, available at <http://www.uspto.gov/about/stratplan/ar/2009/2009annualreport.pdf>.

86. See *Wm. Filene's Sons Co. v. Fashion Originators' Guild of Am., Inc.*, 90 F.2d 556, 558 (1st Cir. 1937); 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, 47 (2001) (lamenting on the extensive investments of time and energy necessary for leading designers to continually update their fashion lines).

87. See 35 U.S.C. § 41(a)(3) (2006) (indicating the requirements to file a design patent application include a \$310 fee, and then there is a \$430 fee for the design patent to issue).

88. See Scafidi, *supra* note 30, at 115, 122.

89. George Gottlieb et al., *An Introduction to Intellectual Property Protection in Fashion*, in FASHION LAW, *supra* note 3, at 37.

90. E.g., Paula M. Weber, *From Hire to Fire: Contracts During the Employment Relationship*, in ADVANCED SEMINAR ON COPYRIGHT LAW 2009, *supra* note 5, at 280.

91. Gottlieb, *supra* note 89.

92. See Elizabeth Davies, *Miriam Cecilia Carlson*, ROCKFORD WOMAN (Apr. 23, 2010, 6:00 AM), <http://www.rockfordwoman.com/content/miriam-cecilia>

garment are kept secret, most clothing can easily be reverse-engineered,<sup>93</sup> so trade secrets provide little protection for fashion designs.

## 5. Copyrights

Copyright law protects artistic creations—including literature, song, dance, sculpture, painting, photography, movies, and computer programs—but not “useful articles” like automobiles or clothing.<sup>94</sup> Clothing may seem like art, but courts have classified it as a useful article because it provides warmth and covers nakedness.<sup>95</sup> The legislative history from the enactment of the Copyright Act explains this separability rule, indicating that copyright protection would not be extended to useful articles that are not separable from utilitarian elements.<sup>96</sup> In addition, copyright does not protect ideas like a sleeve, but it does protect the expression of ideas like a fabric pattern.<sup>97</sup> Although fashion design is excluded from the copyright regime, fashion designers still use copyrights to protect fabric prints,<sup>98</sup> and images on the surface of clothing and accessories.<sup>99</sup>

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-carlson-0 (describing the launch of designer Miriam Cecelia Carlson’s line *m.c.c.* and Carlson’s use of the mineral mica in her designs).

93. Julie Tsai, Note, *Fashioning Protection: A Note on the Protection of Fashion Designs in the United States*, 9 LEWIS & CLARK L. REV. 447, 450 (2005).

94. 17 U.S.C. §§ 101, 102(a) (2006); see *Carol Barnhart Inc. v. Econ. Cover Corp.*, 773 F.2d 411 (2d Cir. 1985).

95. See, e.g., *Whimsicality, Inc. v. Rubie’s Costume Co.*, 891 F.2d 452, 455 (2d Cir. 1989); cf. *The Industry Speaks Out*, *supra* note 25 (musing that “the bestower of patents—who clearly missed McQueen’s fall 2006 giant gauze-wrapped deer antler headdress—deems clothing ‘useful articles,’ not works of art”).

96. H.R. REP. NO. 94-1476, at 55 (1976), *reprinted in* 1976 U.S.C.C.A.N. 5667, 5668 (“[A]lthough the shape of an industrial product may be aesthetically satisfying and valuable, the Committee’s intention is not to offer it copyright protection under the bill. Unless the shape of a[] . . . ladies’ dress . . . contains some element that, physically or conceptually, can be identified as separable from the utilitarian aspects of that article, the design would not be copyrighted under the bill.”).

97. 17 U.S.C. § 102(b); see, e.g., *Baker v. Selden*, 101 U.S. 99, 104 (1880); *Publications Int’l Ltd. v. Meredith Corp.*, 88 F.3d 473, 481 (7th Cir. 1996); *Condotti, Inc. v. Slifka*, 223 F. Supp. 412, 415 (S.D.N.Y. 1963).

98. E.g., *Knitwaves, Inc. v. Lollytogs Ltd.* 71 F.3d 996, 1002 (2d Cir. 1995); see, e.g., *Hamil America, Inc. v. GFI*, 193 F.3d 92, 98 (2d Cir. 1999).

99. E.g., *Lauratex Textile Corp. v. Allton Knitting Mills Inc.*, 519 F. Supp. 730, 732 (S.D.N.Y. 1981); see, e.g., *Malden Mills, Inc. v. Regency Mills, Inc.*, 626 F.2d 1112 (2d Cir. 1980).

Protections for fashion designs slip through the cracks despite the plethora of potential copyright shields available to the fashion industry, leaving designers vulnerable to copyists.<sup>100</sup> In response to this concern, fashion industry members have campaigned for fashion design legislation for years, culminating in the legislation currently pending in Congress.<sup>101</sup>

### C. FASHION DESIGN LEGISLATION

Congress has considered over 70 bills since 1914 to provide some sort of protection against fashion design piracy, but no bill has yet been passed.<sup>102</sup> In recent years, there has been a new surge of legislative activity for fashion design protection.<sup>103</sup> The evolution of these bills illustrates the concerns that proponents and critics have had with the idea of fashion design protection.

On March 30, 2006, Representative Bob Goodlatte introduced the first version of the Design Piracy and Protection Act (DPPA) in the House of Representatives.<sup>104</sup> Despite support by prominent designers and the Council of Fashion Designers of America (CFDA), the bill faced opposition, most notably from the American Apparel & Footwear Association (AAFA), and stalled in committee.<sup>105</sup> A second version of the DPPA was reintroduced by Representative William Delahunt on April 25, 2007.<sup>106</sup> In the Senate, Senator Charles Schumer introduced the Senate version for the bill on August 2, 2007.<sup>107</sup> Neither version reached a vote.<sup>108</sup> The most recent DPPA was reintro-

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100. 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, 308–09 (2007).

101. Susan Scafidi, *IDPPPA: Introducing the Innovative Design Protection and Piracy Prevention Act, a.k.a. Fashion Copyright*, COUNTERFEIT CHIC (Aug. 6, 2010), <http://counterfeitichic.com/2010/08/introducing-the-innovative-design-protection-and-piracy-prevention-act.html>.

102. Marshall, *supra* note 100, at 314–15.

103. *A Bill to Provide Protection for Fashion Design: Hearing on H.R. 5055 Before the Subcomm. on Courts, the Internet, and Intellectual Prop. of the H. Comm. on the Judiciary*, 109th Cong. 2–3 (2006) (statement of the United States Copyright Office).

104. H.R. 5055, 109th Cong. (2006); Anya Jenkins Ferris, Note, *Real Art Calls for Real Legislation: An Argument Against Adoption of the Design Piracy Prohibition Act*, 26 CARDOZO ARTS & ENT. L.J. 559, 567 (2008).

105. See Ferris, *supra* note 104 (indicating that no vote was taken); Scafidi, *supra* note 101; *The Industry Speaks Out*, *supra* note 25.

106. Design Piracy Prohibition Act, H.R. 2033, 110th Cong. (2007).

107. Design Piracy Prohibition Act, S. 1957, 110th Cong. (2007).

108. *Id.*; H.R. 2033.

duced in the house by Representative Delahunt on April 30, 2009,<sup>109</sup> and on August 5, 2010 Senator Schumer introduced the Innovative Design Protection and Piracy Prevention Act (IDPPPA) in the Senate, which received support from both the CFDA and the AAFA.<sup>110</sup> The IDPPPA passed the Senate Committee on the Judiciary on December 6, 2010 and later died in committee.<sup>111</sup> On July 13, 2011, Representative Robert Goodlatte introduced the Innovative Design Protection and Piracy Prevention Act in the House, and it was subsequently referred to the House Committee on the Judiciary, and later referred to the Subcommittee on Intellectual Property, Competition and the Internet.<sup>112</sup> The IDPPPA may be reintroduced in the Senate this year.

### 1. The Design Piracy Prohibition Act

The DPPA would amend Title 17 of the United States Code to extend protection to fashion designs.<sup>113</sup> Instead of a direct amendment to the copyright act, the bill proposes an amendment to § 1301, which provides *sui generis* protection only for certain facets of watercrafts.<sup>114</sup> “Fashion design” is defined as “the appearance as a whole of an article of apparel, including its ornamentation” and “original elements . . . or the original arrangement . . . of . . . non-original elements” in “the article of apparel.”<sup>115</sup> The term “apparel” is defined rather broadly, including, in addition to clothing, “gloves, footwear, and headgear; handbags, purses, wallets, duffel bags, suitcases, tote bags, and belts; and eyeglass frames.”<sup>116</sup> To qualify for a three-year term of protection under the DPPA,<sup>117</sup> the designer must apply for registration “within 6 months after the date on which

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109. Design Piracy Prohibition Act, H.R. 2196, 111th Cong. (2009).

110. Innovative Design Protection and Prevention Act, S. 3728, 111th Cong. (2010); Scafidi, *supra* note 101.

111. S. 3728.

112. Innovative Design Protection and Prevention Act, H.R. 2511, 112th Cong. (2011).

113. H.R. 2196.

114. 17 U.S.C. § 1301 (2006); H.R. 2196; *see also* ROBERT P. MERGES ET AL., INTELLECTUAL PROPERTY IN THE NEW TECHNOLOGICAL AGE 472 (5th ed. 2010) (explaining that Congress has passed two design protection statutes, the Semiconductor Chip Protection Act of 1984 (17 U.S.C. §§ 901–14) and the Vessel Hull Design Protection Act (17 U.S.C. §§ 1301–32), that “create *sui generis* forms of legal protection to fill in gaps in the intellectual property landscape”).

115. H.R. 2196 § 2(a)(7).

116. *Id.* § 2(a)(9).

117. *Id.* § 2(d)(a)(2).

the design is first made public”<sup>118</sup> The DPPA also includes a public, computerized database containing visual representations and information for all of the registered fashion designs.<sup>119</sup>

An act of infringement occurs when a protected fashion design, or an image of the design, is copied “without the consent of the owner of the protected design.”<sup>120</sup> However, there is no infringement under the DPPA if the allegedly copied design is: (1) “original and not closely and substantially similar in overall visual appearance to a protected design,” (2) “merely reflect[ing] a trend,” or (3) “the result of independent creation.”<sup>121</sup> The DPPA sets the maximum damages at the greater of “\$250,000 or \$5 per copy.”<sup>122</sup> Thus, the defining features of the DPPA are the “closely and substantially similar” standard, the proposed searchable fashion design database, and the three-year term of protection.

## 2. The Innovative Design Protection and Piracy Prevention Act

Like its predecessor, the IDPPPA would amend § 1301 of the Copyright Act to extend protection to fashion designs.<sup>123</sup> The IDPPPA limits the term “Fashion design” to the original elements or arrangements of the article of apparel to those that “are the result of a designer’s own creative endeavor; and provide a unique, distinguishable, nontrivial and nonutilitarian variation over prior designs for similar types of articles.”<sup>124</sup> The IDPPPA defines “apparel” nearly identically to the definition in the DPPA.<sup>125</sup> The IDPPPA also provides for the same three-year term of protection as the DPPA.<sup>126</sup>

However, the IDPPPA also differs from the DPPA in many respects. Most notably, there is no registration requirement

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118. *Id.* § 2(f).

119. *Id.* § 2(j).

120. *Id.* § 2(e)(1).

121. *Id.* § 2(e)(3). The term “trend” is defined in § 2(a)(10) as “a newly popular concept, idea, or principle expressed in, or as part of, a wide variety of designs of articles of apparel that create an immediate amplified demand for articles of apparel embodying that concept, idea, or principle.”

122. *Id.* § 2(g).

123. S. 3728, 111th Cong. § 2 (2010).

124. *Id.* § 2(a)(2)(B)(7)(B).

125. Compare *id.* § 2(a)(2)(B)(9), with H.R. 2196 § 2(a)(9).

126. S. 3728 § 2(d)(a)(2); see also H.R. 2196 § 2(d)(a)(2).



under the IDPPPA,<sup>127</sup> and consequently, no searchable database.<sup>128</sup> In the IDPPPA, a design is not an infringing article if the design (1) “is not substantially identical in overall visual appearance to and as to the original elements of a protected design,” (2) “is the result of independent creation,” or (3) if the home sewing exception applies.<sup>129</sup> This heightened standard of “substantially identical” requires a claimant to show that an article of apparel “is so similar in appearance as to be likely to be mistaken for the protected design, and contains only those differences in construction or design which are merely trivial.”<sup>130</sup> The pleading requirements of the IDPPPA specify that the claimant must establish that (1) plaintiff’s design is protected, (2) defendant’s design is infringing, and (3) “it can be reasonably inferred from the totality of the surrounding facts and circumstances” that the defendant knew of the protected design.<sup>131</sup> Damages under the IDPPPA are much less than those under the DPPA because the senate bill limits damages to the greater of \$50,000 or \$1 per copy.<sup>132</sup> Also, the IDPPPA increases the penalties for false representation.<sup>133</sup>

In consideration of the unique facets of the fashion industry, the ongoing problem of fashion piracy, and the current intellectual property protections available to designers, the proposed legislation can be thoughtfully analyzed. After “eighty-nine failed attempts to increase IP protection for the fashion industry,”<sup>134</sup> discussion of fashion design piracy has evolved into a fervent debate, dividing designers, scholars, and industry stakeholders into two camps: those in favor of the fashion design legislation and those opposed to the fashion design legislation.<sup>135</sup>

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127. S. 3728 § 2(f)(2).

128. *Compare id.*, with H.R. 2196 § 2(j).

129. S. 3728 § 2(e)(2)(e)(3).

130. *Id.* § 2(a)(2)(B)(10).

131. *Id.* § 2(g)(2)(e)(1).

132. See 17 U.S.C. § 1323 (2006). *Compare id.*, with H.R. 2196 § 2(a).

133. S. 3728 § 2(h).

134. Alissandra Burack, Comment, *Is Fashion an Art Form that Should be Protected or Merely a Constantly Changing Media Encouraging Replication of Popular Trends?*, 17 VILL. SPORTS & ENT. L.J. 605, 619 (2010).

135. *Compare* Marshall, *supra* note 100, at 322–26 (urging Congress to adopt modified design protection), *with* Raustiala & Sprigman, *supra* note 10 (arguing that “[t]he fashion industry flourishes despite a near-total lack of protection for its core product, fashion designs”).

## II. DRESS WARS: ANALYZING THE FASHION DESIGN DEBATE

This Part summarizes opposing views on protection of fashion designs. It considers the philosophical motivations, economic justifications, and pragmatic concerns, from both the perspective of the proponents and the critics. The current discussion echoes the historical debate following the Supreme Court's 1941 decision in *Fashion Originators' Guild of America v. Federal Trade Commission*<sup>136</sup> that provoked Guild leader Maurice Rentner to lobby Congress to grant copyright protections for designers, claiming that "a failure to do so would put the fashion business in mortal danger."<sup>137</sup> In 1947, department store owner Leon Bendel Schmulen countered in *The New York Times* "that copying was 'no danger to the business' and a 'natural consequence of fashion.'"<sup>138</sup> The debate on whether fashion is in danger continues with the current *sui generis* copyright proposals.

### A. ARGUMENTS IN FAVOR OF EXPANDING THE COPYRIGHT ACT TO INCLUDE FASHION DESIGN

Proponents of intellectual property protection for fashion design have supported direct amendments to the copyright act,<sup>139</sup> trade dress protection,<sup>140</sup> and various forms of *sui generis* copyright protection.<sup>141</sup> While their conceptions of the ideal solution may differ, there are many arguments in common, including an interest in moral rights, efforts for international consistency, a parallel to architecture, and concern for the plight of emerging designers.

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136. 312 U.S. 457 (1941).

137. Kal Raustiala & Chris Sprigman, *Is the Design Piracy Prohibition Act a Good Idea?*, FREAKONOMICS BLOG (Mar. 12, 2010, 12:00 PM), <http://www.freakonomics.com/2010/03/12/should-fashion-be-protected-by-copyright-laws-a-guest-post/>.

138. *Id.*

139. See, e.g., Kristin L. Black, Note, *Crimes of Fashion: Is Imitation Truly the Sincerest Form of Flattery?*, 19 KAN. J.L. & PUB. POL'Y 505, 516–18 (2010); Ferris, *supra* note 104.

140. See, e.g., N. Elizabeth Mills, *Intellectual Property Protection for Fashion Design: An Overview of Existing Law and a Look Toward Proposed Legislative Changes*, 5 SHIDLER J.L. COM. & TECH. 24, para. 8 (2009).

141. E.g., Irene Tan, Comment, *Knock it off, Forever 21! The Fashion Industry's Battle Against Design Piracy*, 18 J.L. & POL'Y 893, 921–24 (2010).

### 1. Moral Rights: Fashion Designers Are Artists

At the root of nearly all of the arguments in favor of fashion design legislation is a concern for fairness. Although the law makes a clear distinction between knockoffs and counterfeits,<sup>142</sup> proponents claim that design piracy is no different than “counterfeiting without the label.”<sup>143</sup> They believe that fashion design creations are art—even if they have functional aspects—and deserve protection like paintings, music, and sculpture.<sup>144</sup> For example, museums around the world display couture garments.<sup>145</sup> Proponents identify the “growing acceptance of fashion designs as works of art” as an indication that designers are artists, worthy of the protections afforded by authorship status.<sup>146</sup>

Legal scholars Hansmann and Santilla identify

four distinct rights that are commonly referred to collectively as authors’ and artists’ “moral rights”: the right of *integrity*, under which the artist can prevent alterations in his work; the right of *attribution* or *paternity*, under which the artist can insist that his work be distributed or displayed only if his name is connected with it; the right of *disclosure*, under which the artist can refuse to expose his work to the public before he feels it is satisfactory; and the right of *retraction* or *withdrawal*, under which the artist can withdraw his work even after it has left his hands.<sup>147</sup>

Although the United States generally does not recognize moral rights,<sup>148</sup> Congress enacted the Visual Artists Rights Act (VARA) in 1990, indicating a willingness to consider a moral rights perspective.<sup>149</sup> VARA protects the rights of integrity and attribution for visual artists.<sup>150</sup> With this concern for the artist behind the dress, many proponents look to Europe, where moral rights have a greater presence than in the United States.<sup>151</sup>

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142. Jimenez, *supra* note 3, at 16.

143. *Reasons to Stop Fashion Piracy*, STOP FASHION PIRACY, <http://www.stopfashionpiracy.com/> (last visited Oct. 15, 2011).

144. Tsai, *supra* note 93, at 461–63; *The Industry Speaks Out*, *supra* note 25.

145. *E.g.*, Sara R. Ellis, Note, *Copyrighting Couture: An Examination of Fashion Design Protection and Why the DPPA and IDPPPA Are a Step Towards the Solution to Counterfeit Chic*, 78 TENN. L. REV. 163, 187 (2010); Tsai, *supra* note 93, at 461.

146. Ellis, *supra* note 145, at 186–87.

147. Hansmann & Santilli, *supra* note 14, at 96.

148. *Id.*

149. Visual Artists Rights Act of 1990 (VARA), Pub. L. No. 101-650 (codified as amended in scattered §§ of 17 U.S.C. (2006)).

150. 17 U.S.C. § 106A.

151. *See* Hansmann & Santilli, *supra* note 14, at 97.

## 2. The United States Should Follow International Models

Proponents contend that a lack of design protection prevents American designers from reaping the rewards of their work and places them at a disadvantage in the global marketplace.<sup>152</sup> They believe that the United States should follow the legal frameworks in other countries, which convey a greater appreciation for fashion.<sup>153</sup> Countries with vibrant fashion industries—such as France,<sup>154</sup> Japan,<sup>155</sup> and Italy<sup>156</sup>—provide legal protection for fashion designs. Even beyond the typical fashion circuit, countries like India protect the intellectual property of their fashion designers.<sup>157</sup> In Europe, fashion designers enjoy both protection by national laws and protection by the individual European countries and the European Directive on the Legal Protection of designs (E.U. Directive).<sup>158</sup> French designers have been protected since 1793 under the “doctrine of the unity of art.”<sup>159</sup> With the strongest legal protection for fashion designs in the world, France subjects copyright infringers to both civil suits for damages and criminal penalties, including a fine of 300,000 Euros and up to three years in jail for infringement.<sup>160</sup> Compared to other countries in the

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152. See *The Industry Speaks Out*, *supra* note 25.

153. See, e.g., Marshall, *supra* note 100, at 322–24.

154. See Loi 94-361 du 10 mai 1994 art. L112-2 [Law 94-361 of May 10, 1994, art. 112-2], JOURNAL OFFICIEL DE LA RÉPUBLIQUE FRANÇAISE [J.O.] [OFFICIAL GAZETTE OF FRANCE], May 11, 1994, p. 6863, *unofficial translation available at* <http://natlawip.abra.info/european/france/frenchlegislation/prfr7.htm> (including “articles of fashion” in the copyright act).

155. See Isho Ho [Design Law], Law No. 125 of 1959, art. 3 (Japan), *translated in* 6 EHS LAW BULL. SER. no. 6875A (2005), *translation available at* <http://www.cas.go.jp/jp/seisaku/hourei/data/DACT.pdf>.

156. See Emily S. Day, *Double-Edged Scissor: Legal Protection for Fashion Design*, 86 N.C. L. REV. 237, 267 (2007) (quoting Alberto Musso & Mario Fabiam, *Italy*, in INTERNATIONAL COPYRIGHT LAW AND PRACTICE § 2(4)(C) (Paul Edward Gellar ed., 2006)) (“Finally, Italian copyright law extends protection to ‘works of industrial design displaying creative character and *per se* artistic value.’”).

157. See The Designs Act, No. 16 of 2000, INDIA CODE (2000), *translation available at* <http://indiacode.nic.in/> (search for “Designs Act”); see also Biana Borukhovich, Note, *Fashion Design: The Work of Art That is Still Unrecognized in the United States*, 9 WAKE FOREST INTELL. PROP. L.J. 155, 166–67 (2009).

158. Council Directive 98/71, 1998 O.J. (L 289) 28 (EC).

159. See Borukhovich, *supra* note 157, at 167; see also Scafidi, *supra* note 30, at 117.

160. See Borukhovich, *supra* note 157, at 168.

global market, there is a considerable gap in United States copyright protection.<sup>161</sup>

### 3. Fashion Design Should Parallel the Architectural Works Copyright Protection Act

Proponents of expanding protection to fashion design also draw a parallel to architecture copyrights.<sup>162</sup> Until 1990, architectural buildings, unlike blueprints, had little protection: the physical structures could be copied, but architectural plans were protected.<sup>163</sup> In 1990, President George H. W. Bush signed into law the Architectural Works Copyright Protection Act, which expanded the subject matter of the Copyright Act to include “architectural works.”<sup>164</sup> Even though architectural designs are not physically separable from architectural works, this new category “does not implicate the ‘physical or conceptual separability’ conundrum that bedevils protection for useful pictorial, graphic, and sculptural (PGS) works.”<sup>165</sup> Proponents may be attracted to this more direct route because the *sui generis* amendment appears like a “second class” copyright and they think fashion design is worthy of full copyright protection under § 102 of the Copyright Act.

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161. See *Design Piracy Prohibition Act: Hearing on H.R. 5055 Before the Subcomm. on Courts, the Internet, and Intellectual Property of the H. Comm. on the Judiciary*, 109th Cong. 84 (2006) [hereinafter *Scafidi Statement*] (written statement of Susan Scafidi, Professor) (“The global legal trend toward fashion design protection has rendered the U.S. an outlier among nations that actively support intellectual property protection, a position that is both politically inconsistent and contrary to the economic health of the domestic fashion industry.”).

162. E.g., Kristin L. Black, Note, *Crimes of Fashion: Is Imitation Truly the Sincerest Form of Flattery?*, 19 KAN. J.L. & PUB. POL’Y 505, 508 (2010); Brandon Scruggs, Note, *Should Fashion Design Be Copyrightable?*, 6 NW. J. TECH. & INTEL. PROP. 122, 127 (2007).

163. See *Demetriades v. Kaufmann*, 680 F. Supp. 658, 667 (S.D.N.Y. 1988) (holding that traced blueprints infringed the originals, but that the construction of an identical building would not violate a copyright in blueprints).

164. 17 U.S.C. § 102(a)(8) (2006); see also *Id.* § 101 (defining “architectural works” as “the design of a building as embodied in any tangible medium of expression, including a building, architectural plans, or drawings” and including “the overall form as well as the arrangement and composition of spaces and elements in the design” as protected elements of the work).

165. MELVILLE B. NIMMER & DAVID NIMMER, NIMMER ON COPYRIGHT § 2.20[A] (2011).

#### 4. Barriers to Entry: Designers Are Harmed

Piracy creates an obstacle in the path of new designers in particular.<sup>166</sup> Since knockoffs can enter the market faster, the consumer sees the copy before the original, creating confusion.<sup>167</sup> Even if the consumer is not fooled by the knockoff, other consumers may be confused under the doctrine of post-sale confusion.<sup>168</sup> When a pirate creates a knockoff of a designer's work, the designer has economic loss from the lack of profits.<sup>169</sup> As a result, the designer is economically hurt as the knockoffs replace sales and demand for the original garment declines.<sup>170</sup>

### B. ARGUMENTS AGAINST EXPANDING THE COPYRIGHT ACT TO INCLUDE FASHION DESIGN

*The Piracy Paradox*, with its economic approach to fashion piracy, is the most prominent voice of opposition in the debate.<sup>171</sup> Critics contend that the pending legislation has great potential to negatively affect the multifaceted fashion industry, namely fashion designers, consumers, the courts, and other creative fields.<sup>172</sup>

#### 1. Utilitarian Theory

In the United States, intellectual property rights are premised on a utilitarian theory rather than a natural rights

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166. Binkley, *supra* note 4.

167. *E.g.*, Sara R. Ellis, *supra* note 145, at 188–90.

168. *See* Barton Beebe, *Intellectual Property Law and the Sumptuary Code*, 123 HARV. L. REV. 809, 851 (2010) (“This doctrine holds that even if consumers are not confused at the point of sale as to the true source of the goods that they are purchasing, other consumers may be confused as to the source of those goods after the sale.”).

169. *E.g.*, *Design Piracy Prohibition Act: Hearing on H.R. 5055 Before the Subcomm. on Courts, the Internet, and Intellectual Property of the H. Comm. on the Judiciary*, 109th Cong. 11 (2006) (statement of Jeffrey Banks, Fashion Designer) (describing how fashion design piracy “robs American [designers] of their livelihood”).

170. *E.g.*, C. Scott Hemphill & Jeannie Suk, *The Law, Culture, and Economics of Fashion*, 61 STAN. L. REV. 1147, 1176 (2009).

171. Kal Raustiala & Christopher Sprigman, Response, *The Piracy Paradox Revisited*, 61 STAN. L. REV. 1201 (2009); Kal Raustiala & Christopher Sprigman, *The Piracy Paradox: Innovation and Intellectual Property in Fashion Design*, 92 VA. L. REV. 1687 (2006).

172. *E.g.*, *Design Piracy Prohibition Act: Hearing on H.R. 5055 Before the Subcomm. on Courts, the Internet, and Intellectual Property of the H. Comm. on the Judiciary*, 109th Cong. 13–14 (2006) [hereinafter *Wolfe Testimony*] (testimony of David Wolfe, Creative Director, The Doneger Group).

theory.<sup>173</sup> The Constitution grants Congress the power “to promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries.”<sup>174</sup> Tension arises between a utilitarian approach, prioritizing society before individual, and a moral rights approach, prioritizing the individual.<sup>175</sup> Under a utilitarian perspective, critics of the proposed legislation view isolated cases of fashion piracy as unnecessary reasons to change a thriving industry.<sup>176</sup>

## 2. The Proposed Bill Will Harm Stakeholders

Critics claim that the fashion industry is thriving without protection for fashion design and this bill will upset the rituals and synchronized rhythm of the field.<sup>177</sup> Many critics believe “there would be no fashion” with fashion design copyright laws.<sup>178</sup> They contend that a *sui generis* amendment to the copyright act would create more harm to designers, consumers, and courts than any potential benefits of a fashion design copyright.

First, the bill will negatively affect fashion designers from established couture houses to young designers launching out of Parsons to Faviana knockoff designers.<sup>179</sup> Trends create jobs, whereas a copyright monopoly on a style will prevent other designers from capitalizing on the idea.<sup>180</sup> The knockoff houses

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173. See Adam D. Moore, *A Lockean Theory of Intellectual Property*, 21 *HAMLIN L. REV.* 65, 65 (1997) (“Society seeks to maximize utility in the form of scientific and cultural progress by granting rights to authors and inventors as an incentive toward such progress.”).

174. U.S. CONST. art. I, § 8, cl. 8.

175. Moore, *supra* note 173, at 66.

176. See, e.g., Raustiala & Sprigman, *supra* note 10, at 1727–28.

177. *Id.* at 1691. Cf. U.S. BUREAU OF LABOR STATISTICS & U.S. DEP’T OF LABOR, *Fashion Designers*, in OCCUPATIONAL OUTLOOK HANDBOOK 309 (2010–11 ed.), available at <http://www.bls.gov/oco/ocos291.htm> (“Employment of fashion designers is projected to grow by 1 percent between 2008 and 2018.”).

178. Videotape: *The Ecology of Creativity in Fashion* (The Norman Lear Center 2005), available at <http://www.learcenter.org/html/projects/?&cm=ccc/fashionsched>; see also Wolfe *Testimony*, *supra* note 172 (comparing the fashion industry to a balanced ecosystem of an ocean reef to emphasize the symbiotic elements of originality, creativity, and copying).

179. See Lynsey Blackmon, Note, *The Devil Wears Prado: A Look at the Extension of Copyright Protection to the World of Fashion*, 35 *PEPP. L. REV.* 107, 141–43 (2007); Ferris, *supra* note 104, at 559.

180. See Blackmon, *supra* note 179, at 142–43; see also Wolfe *Testimony*, *supra* note 172, at 16–19.

will suffer in particular, but job losses will occur throughout the industry because designers at every level engage in some degree of copying.<sup>181</sup> Litigation will require designers to spend more time in court and less time creating.<sup>182</sup> Designers will need to spend time and money enforcing their copyrights, and they will likely argue over whether copying occurred in the first place.<sup>183</sup> Because of these hidden costs in the proposed legislation, critics contend that it will likely have a disproportionate impact on small fashion companies and emerging designers.<sup>184</sup>

Second, the negative effects on designers will trickle down to hurt consumers.<sup>185</sup> If the bill is passed, fashion companies will need to adjust for the increased costs of litigation and filing expenses, and they will likely pass these new costs on to consumers.<sup>186</sup> In short, the cost of clothing will go up.<sup>187</sup> If copycat designers are prevented from replicating couture styles, the variety in clothing will go down, and stylish clothing will be less accessible.<sup>188</sup>

Third, the bill will burden the courts through excessive litigation over an ambiguous standard.<sup>189</sup> The substantially similar, identical standard is problematic. Even after many tries at creating the bill, the language is still too vague; the standard of “substantially identical” will be time consuming and difficult for the courts to determine. The courts lack the expertise to decide disputes over imitation in fashion.<sup>190</sup> To the average judge, two garments may look alike, but to industry insiders, they may see two entirely different pieces.

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181. See Blackmon, *supra* note 179, at 142–43.

182. See Ferris, *supra* note 104, at 584.

183. See Wolfe Testimony, *supra* note 172, at 16–20.

184. See Ferris, *supra* note 104, at 584.

185. See Blackmon, *supra* note 179, at 145–46.

186. See *id.*

187. See *Design Piracy Prohibition Act: Hearing on H.R. 5055 Before the Subcomm. on Courts, the Internet, and Intellectual Property of the H. Comm. on the Judiciary*, 109th Cong. 87–89 (2006) (outlining the prepared statement of Christopher Sprigman); Staci Riordan, *The “Destruction of Affordable Fashion Bill” Or IDPPPA Gets One Step Closer to Becoming Fashion Law*, FASHION L. BLOG: AN INTERACTIVE DISCUSSION OF THE BUSINESS OF FASHION (Dec. 2, 2010), <http://fashionlaw.foxrothschild.com/2010/12/articles/design-piracy-prohibition-act/the-destruction-of-affordable-fashion-bill-or-idpppa-gets-one-step-closer-to-becoming-fashion-law/>.

188. See Wolfe Testimony, *supra* note 172, at 19–20.

189. See Blackmon, *supra* note 179, at 144–45.

190. See Wolfe Testimony, *supra* note 172, at 19–20.



Fourth, critics warn that the proposed legislation will be a slippery slope. The debate on whether to adopt fashion design legislation is much larger than fashion because it stems from the philosophical perspectives underlying intellectual property law. The outcome of the debate has the potential of making significant waves across various other arguably underprotected fields, such as magic tricks,<sup>191</sup> stand-up comedy,<sup>192</sup> hairstyles, tattoos,<sup>193</sup> and cuisine.<sup>194</sup>

### 3. The Piracy Paradox: Knockoffs Benefit the Fashion Industry

In a traditional intellectual property system, the incentive thesis “predicts that, absent intellectual property protection against third-party appropriation of sale proceeds, manufacturers and creators will limit or cease investment.”<sup>195</sup> Although the presence of knockoffs is rapidly increasing, the American fashion industry has not been harmed by the lack of design copyright—in fact it has thrived.<sup>196</sup> Unlike the traditional model, knockoff fashion designs have not harmed designers by taking away a considerable amount of sales.<sup>197</sup> Raustiala and Sprigman use the phrase “low-IP equilibrium” to suggest “that the three core forms of IP law—copyright, trademark, and patent—provide only very limited protection for fashion designs, and yet this low level of legal protection is politically stable.”<sup>198</sup> Fashion does not adhere to the orthodox understanding of IP law in which piracy is a “fatal threat to the incentive to engage in creative labor,”<sup>199</sup> but instead “the lack of design protection in fashion is not especially harmful to fashion innovators, and hence

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191. See Jacob Loshin, *Secrets Revealed: Protecting Magicians' Intellectual Property Without Law*, in *LAW AND MAGIC: A COLLECTION OF ESSAYS* 123, 123–24 (Christine A. Corcos ed., 2010).

192. See Dotan Oliar & Christopher Sprigman, *There's No Free Laugh (Anymore): The Emergence of Intellectual Property Norms and the Transformation of Stand-Up Comedy*, 94 *VA. L. REV.* 1787, 1789–92 (2008).

193. Thomas F. Cotter & Angela M. Mirabole, *Written on the Body: Intellectual Property Rights in Tattoos, Makeup, and Other Body Art*, 10 *UCLA ENT. L. REV.* 97, 99–102 (2003).

194. Emmanuelle Fauchart & Eric von Hippel, *Norms-Based Intellectual Property Systems: The Case of French Chefs*, 19 *ORG. SCI.* 187, 188 (2008).

195. Barnett, *supra* note 45, at 1381–82.

196. Raustiala & Sprigman, *supra* note 171, at 1212–13; Ferris, *supra* note 104, at 579.

197. Ferris, *supra* note 104, at 580.

198. Raustiala & Sprigman, *supra* note 10, at 1699.

199. *Id.* at 1717.

they are not incentivized to change it.”<sup>200</sup> Barnett offers an explanation, hypothesizing that the presence of the knockoffs allows the designers to charge a “snob premium” for the original and popularizes the trend.<sup>201</sup>

Raustiala and Sprigman offer an alternative explanation for why knockoffs benefit the fashion community: the piracy paradox, which rests on two principles.<sup>202</sup> First, induced obsolescence is the process by which “IP rules providing for free appropriation of fashion designs accelerate the diffusion of designs and styles.”<sup>203</sup> Second, anchoring occurs when “readily discernible trends nonetheless emerge and come to define a particular season’s style,”<sup>204</sup> which ultimately drives consumption. The “piracy paradox” is the notion that “copying fails to deter innovation in the fashion industry because, counter-intuitively, copying is not very harmful to originators [and] . . . may actually promote innovation and benefit originators.”<sup>205</sup> The term “piracy paradox” refers to the manner in which copying “generate[s] more demand for *new* designs, since the old designs—the ones that have been copied—are no longer special” and results in “greater sales of apparel.”<sup>206</sup> Knockoffs help drive the trend, which increases the value of the original and urges designers to innovate.<sup>207</sup> Knockoffs also make designs more affordable, so more people can wear them because “Vera Wang and Allen B. Schwartz aren’t selling to the same crowds.”<sup>208</sup> Finally, it spurs more innovation because designers have to stay ahead of copycats.<sup>209</sup>

From a creative perspective, the lack of legal protection for fashion design has resulted in a rich bricolage that allows for “constant mixing and morphing of incongruous ‘found’ elements into a new synthesis.”<sup>210</sup> Articulating the culture of copying among designers, fashion writer Holly Brubach once wrote,

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200. *Id.* at 1718.

201. Barnett, *supra* note 45, at 1385.

202. Raustiala & Sprigman, *supra* note 10, at 1687.

203. *Id.* at 1722.

204. *Id.* at 1728.

205. *Id.* at 1691.

206. Raustiala & Sprigman, *supra* note 137.

207. Ezra Klein, *Copycats vs. Copyrights*, THE DAILY BEAST, NEWSWEEK ONLINE (Aug. 20, 2010), <http://www.thedailybeast.com/newsweek/2010/08/20/copycats-versus-copyrights.html>.

208. *Id.*

209. *Id.*

210. BOLLIER & RACINE, *supra* note 18, at 4.

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“Fashion is one of the means by which we dream collectively.”<sup>211</sup> Reflecting on the importance of appropriation, designer Tom Ford once said, “You couldn’t design without [appropriation]—I mean, none of us invented the sleeve. We have two arms. You need two sleeves.”<sup>212</sup> *The Piracy Paradox* explains both the economic and creative success in the fashion industry amidst rampant copying.

### III. TAILORING A SOLUTION TO FIT FASHION DESIGN

The proponents and critics of the legislation present thoughtful arguments for the fashion design community, yet there are significant concerns about either adopting proposed legislation or maintaining the status quo.<sup>213</sup> A solution that acknowledges the importance of attribution will address the concerns of the fashion design community, without creating more harm to stakeholders. The next Sections evaluate both sides of the debate on whether the proposed legislation is necessary, and propose a solution to protect attribution rights and to assure authenticity of original designs through certification and collective marks.

#### A. BOTH ARGUMENTS ARE FLAWED

While both sides of the debate present important concerns, neither side’s solution fully responds to the unique nature of the fashion design community. The proponents of *sui generis* protection advocate for an expansion of intellectual property rights to fashion that is dangerously broad. On the other hand, critics recognize the benefits of copying, but fail to see the value in protecting the moral rights of fashion designers.

##### 1. Proponents Fail to Consider the Risks of *Sui Generis* Protection

Proponents of expanding the Copyright Act to include fashion design fail to consider three main concerns. First, adopting a fashion design copyright could create oppressive monopolies in the fashion community that would put an end to creativity for emerging designers and interrupt the delicate balance of

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211. *Id.* at 19.

212. Tom Ford, Former Creative Dir., Gucci, Remarks at Ready to Share: Fashion & the Ownership of Creativity 45 (Jan. 29, 2005), available at <http://www.learcenter.org/pdf/RTStranscript.pdf>.

213. See *supra* Part II.

innovation.<sup>214</sup> Second, the “substantially identical” standard will be difficult for courts to apply and will most likely result in frivolous litigation, increased costs for consumers, and fewer clothing styles on the market. And third, the negative impact would likely spread beyond fashion to result in a slippery slope problem for other creative industries.

Architecture provides the best analogy for a fashion design amendment to the Copyright Act, but there are pragmatic issues that would make a direct amendment highly unlikely. There is a disparity in volume—the apparel industry is considerably larger than that of architecture. Unlike architecture, the life of a fashion design is transitory. The artistic and functional elements are more easily separated in a building than a garment because a building may have an ornate exterior and a functional purpose inside. These differences chip away at the parallel and illustrate why fashion design does not fit neatly into the copyright act.

Compared to the rest of the world, the U.S. copyright system appears to have a major gap, but the proponents of the bill ignore the evolution of U.S. copyright law in favor of attractive models across the pond. The moral rights argument has merit, but it is problematic in light of the utilitarian system in the United States. Implementing a gradual form of moral rights, in line with VARA, would be more realistic than attempting to copy the French copyright system. Proponents of the bill astutely identify the significant concerns of the emerging designer who is cut out of the fashion cycle, but they champion the wrong solution.

In sum, the proposed *sui generis* copyright protection for fashion designs is not a good solution for the knockoff dilemma because the costs outweigh the benefits. While the proponents are motivated by valid concerns for moral rights, the expansion will be problematic on multiple levels. First, the judicial system is not the best option for policing copying because the standard is difficult to apply and industry insiders will be better judges. Second, although the proponents make a strong argument for moral rights, the U.S. copyright system has an inherently utilitarian perspective that cannot be overlooked. Third, when analyzing the unique fashion design industry as a whole, there is no economic justification for a fashion design copyright.

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214. See COX & JENKINS, *supra* note 84, at 6.

## 2. Critics Fail to Consider Moral Rights

The critics aptly identify serious costs that would result from the proposed legislation, and they recognize the unique nature of fashion and the benefits of imitation and remix in the fashion world.<sup>215</sup> While the economic explanation proves wise, it focuses on the large fashion designers, not the emerging designers. Vera Wang is barely harmed if Allen B. Schwartz copies her bridal gowns, but the young scarf designer Sakellis is economically and morally harmed if her scarf design is copied.<sup>216</sup> The critics fail to acknowledge the considerable infringement of moral rights in the context of emerging designers. While the U.S. intellectual property system is founded on utilitarian motives, intangible motives play a large part in the fashion design community.<sup>217</sup> Designers are concerned about their moral rights and the solution should reflect those concerns.

### B. PROPOSAL: BALANCING MORAL RIGHTS AND CREATIVE FREEDOM

From within the fashion design debate emerges a convincing economic analysis from the critics and a significant concern for emerging designers from the proponents. The proposed legislation is not the best solution because it fails to reconcile these competing concerns. Instead of relying on the Copyright Act, proponents should shift their attention to trademark law—“the most universally applicable and flexible mechanism of the protection of fashion design.”<sup>218</sup>

In general, copying in the fashion industry has beneficial effects, but there are situations where individual designers are hurt from copying. A solution that allows for copying but still recognizes the moral rights of designers will allow fashion design to continue to flourish, while recognizing the sincere concerns of the huge industry. While the costs of expanding the Copyright Act outweigh the benefits, carving out protection for the moral rights of fashion designers in the trademark act will benefit all fashion stakeholders.

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215. *Wolfe Testimony*, *supra* note 172, at 19–20.

216. *See, e.g.*, Klein, *supra* note 207.

217. *See, e.g.*, Scafidi *Statement*, *supra* note 161, at 79.

218. Scafidi, *supra* note 30.

### 1. The Right of Attribution

When celebrities walk down the red carpet, reporters routinely ask, “Who are you wearing?” Fashion designs are intimately connected with the designer, even if there are no logos. There are both intangible and tangible concerns related to protecting the designer’s name. Many designers create for the love of fashion and design, seeking only the reward of notoriety and a positive review in *Women’s Wear Daily*. In a fast-paced industry that rides trends, reputation and recognition is very significant.

Among the four well-known moral rights,<sup>219</sup> attribution stands out as an ideal choice for fashion designers because it would not upset the system and it would achieve the goal of protecting the name of the designer. It would be impractical to apply a right of integrity to fashion design because consumers alter and tailor clothing to achieve a good fit.<sup>220</sup> Similarly, the right of disclosure would not make sense since fashion is intended to be visible and worn in public. The right to withdraw is likewise inapplicable because of the public and functional aspects of apparel. Compared to the other moral rights, the right of attribution—the artists’ right to insist that her name continue to be associated with work she has produced and to insist that her name *not* be used on work she *has* not in fact produced—responds to the concern for emerging designers, and it would not radically change the current U.S. intellectual property regime.

A right of attribution specifically addresses the needs of fashion designers. In working on a collection, a designer must carefully mold her reputation and brand identity so the line communicates a unique source and authentic story.<sup>221</sup> Throughout history designers have sought to protect their attribution rights in their collections. In the 1920s and 1930s, designers sought to create marks of authenticity, such as the thumbprint labels in Madeleine Vionnet’s atelier.<sup>222</sup> Likewise, the period of logomania in the 1980s was an effort to guard

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219. See, e.g., Hansmann & Santilli, *supra* note 14, at 95–96.

220. Cf. Berne Convention for the Protection of Literary and Artistic Works, Sept. 9, 1986, S. TREATY DOC. NO. 99-27, art. 6bis., 1161 U.N.T.S. 30 (stating that the author shall have the right “to object to any distortion, mutilation, or other modification” of the work).

221. E.g., BOLLIER & RACINE, *supra* note 18, at 23 (“Designers have credibility, stature and profitability because their name comes to represent a look and an artistic standard.”).

222. See Scafidi, *supra* note 30, at 124.

garments through trademark law by adorning apparel with an abundance of exterior labels.<sup>223</sup> These historical efforts underline the significance of attribution in the fashion design industry.

## 2. Fashion Mark Mechanism

A certification mark or collective mark would allow designers to opt in for protection of their moral rights without drastically changing the intellectual property regime. The Lanham Act provides for two types of marks that have not traditionally been used to protect fashion designs, but may solve the dilemma of source identification, without interrupting the copying dynamic.<sup>224</sup>

A certification mark is most often used by trade associations or other organizations “to identify a certain type of product.”<sup>225</sup> For example, the “Underwriters Laboratory” or “UL” mark shows that a product meets specific safety standards,<sup>226</sup> and the “Roquefort” mark indicates that cheese has been manufactured in a specific region of France and according to a particular process.<sup>227</sup> Thus, “a certification mark is symbolic of a guarantee or the meeting of certain standards.”<sup>228</sup> A mark may be registered as a certification mark, another subset of trademark law, pursuant to § 4 of the Lanham Act,<sup>229</sup> and courts have found that common law certification marks can be protected without registration.<sup>230</sup>

Another subset of trademark law, the collective mark, symbolizes membership in a group or organization.<sup>231</sup> For example, the mark “CPA” indicates membership in the Society of Certified Public Accountants.<sup>232</sup> Unlike trademarks, the collec-

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223. *See id.* at 120.

224. *See* 15 U.S.C. § 1127 (2006).

225. *Id.*

226. *See* *Midwest Plastic Fabricators, Inc. v. Underwriters Labs., Inc.*, 906 F.2d 1568, 1569 (Fed. Cir. 1990).

227. *Cmty. of Roquefort v. William Faehndrich, Inc.*, 303 F.2d 494, 496 (2d Cir. 1962).

228. MCCARTHY, *supra* note 62, § 4:16.

229. 15 U.S.C. § 1054 (2006).

230. *E.g.*, *Institut National Des Appellations d'Origine v. Brown-Forman Corp.*, 47 U.S.P.Q.2d 1875, 1885 (T.T.A.B. 1998) (“[T]he term ‘Cognac’ is recognized by purchasers in this country as a reliable indication of regional origin.”).

231. MCCARTHY, *supra* note 62, § 4:16.

232. *See generally* AICPA, AM. INST. OF CERTIFIED PUB. ACCTS., <http://www.aicpa.org/Pages/Default.aspx> (last visited Oct. 15, 2011) (display-

tive mark does not indicate that the goods or services come from a particular source, but “indicate[s] that their source is affiliated with a particular group.”<sup>233</sup> Whereas certification marks may be used by anyone who complies with the standards of the mark, collective marks may only be used by particular members of an organization.<sup>234</sup>

However, in the vast majority of cases, there is no source confusion with fashion design marks.<sup>235</sup> Most consumers can tell the difference between a blouse from Target and a blouse from Chanel. However, new designers do not have the same brand recognition as established designers.<sup>236</sup> If an established designer copies an emerging designer before the emerging designer’s garments are on the rack, the consumer may not know which design is the original.<sup>237</sup> In this scenario, there is a concern for attribution for the new designer. Without arbitration, the new designer may easily be cut out of the fashion cycle, harming the individual designer, economically and morally, as well as harming consumers by depriving the market of innovation and competition.

Certification and collective marks present attribution solutions that address this concern. A fashion design certification mark would allow designers to distinguish original designs from copied designs, while communicating a unique source to consumers. A term, such as “couture” or “original design” or “slow fashion” could be applied to apparel tags to indicate that the garment was originally designed without line-by-line copying. A fashion design certification mark would certify an authentic “mode of manufacture” and consequently “quality” and “accuracy” of an original design.<sup>238</sup> This mark would not be owned by any designer in particular, but by the group and would be “available without discrimination to certify the goods of any person who maintains the standards or conditions which

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ing the CPA logo as the official insignia of the Society of Certified Public Accountants).

233. MARY LAFRANCE, UNDERSTANDING TRADEMARK LAW 99 (2005); *see also* 15 U.S.C. § 1127 (articulating a similar explanation regarding a collective mark’s expression of association).

234. 15 U.S.C. § 1127.

235. *Cf. Splurge vs. Steal: Stripes*, MARIE CLAIRE (Feb. 26, 2008), <http://www.marieclaire.com/fashion/tips/splurge-vs-steal/splurge-steal-stripes>.

236. *Scadifi Statement*, *supra* note 161, at 82–83.

237. *Id.*

238. *See* 15 U.S.C. § 1127.



such mark certifies.”<sup>239</sup> Fast fashion retailers will likely not be affected by a mark on original garments, but it serves a valuable purpose to prevent source confusion in the marketplace and to provide a limited moral rights protection for fashion designers.

In the alternative, a similar idea could be implemented through a collective mark. The Council of Fashion Designers of America could create a collective mark in which designers who are part of the organization would be able to join. The CFDA then could set standards for original designs, which may be similar to the proposed substantially identical standard in the IDPPPA.

The Fair Trade Mark for clothing and VARA provide valuable models for a fashion certification mark in order to craft a limited protection that will blend with the current intellectual property laws in the United States. Certification marks are most commonly applied to food,<sup>240</sup> but Fair Trade USA recently launched a new fair trade certification mark for apparel.<sup>241</sup> This Fair Trade certification indicates quality from farm to factory,<sup>242</sup> and serves as a model for communicating design authenticity. Similarly, VARA serves as a guide, as a recent expansion of moral rights. Whereas VARA includes a right to attribution and integrity, the fashion mark would be limited to attribution, because clothing is functional and thus prone to accidental modifications.

The limited goal of preserving a right of attribution through a certification or collective mark responds to the needs in the fashion design community. This solution allows fashion victims to opt in for some protection, while maintaining the unique copying dynamic that fashion pirates enjoy.

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239. *Id.* § 1064(5)(D); see *Cmty. of Roquefort v. William Faehndrich, Inc.*, 303 F.2d 494, 497 (2d Cir. 1962).

240. *E.g.*, *Levy v. Kasher Overseers Ass'n of Am.*, 104 F.3d 38, 39 (2d Cir. 1997) (analyzing kosher certification marks, which “are used to designate food items that comply with Judaism’s strict dietary laws”).

241. *E.g.*, *Apparel & Linens Program*, FAIR TRADE USA (Sept. 11, 2011, 4:40 PM), <http://www.transfairusa.org/certification/producers/apparel-linens>; Lorraine Sanders, *Fashion First: Fair Trade Certification Finally Available for Apparel*, SFUNZIPPED, S.F. CHRON. ONLINE (July 23, 2010, 2:00 PM), [http://www.sfgate.com/cgi-bin/blogs/chronstyle/detail?entry\\_id=68495](http://www.sfgate.com/cgi-bin/blogs/chronstyle/detail?entry_id=68495).

242. See Sanders, *supra* note 241; Ariel Schwartz, *TransFair USA Introduces First Fair-Trade Clothing to the U.S.*, FAST COMPANY (July 19, 2010), <http://www.fastcompany.com/1671772/transfair-usa-introduces-first-fair-trade-clothing-to-the-us>.

## CONCLUSION

In considering the legal conundrum of knockoffs, fashion emerges as an incomparable industry. Clothing is an anomaly because it is both artistic and functional, new and old, distinctive and indistinctive, and it does not fit neatly into a legal framework. Copying—whether considered design piracy or sharing—plays a vital role in the unique, creative culture of the fashion world, and any proposed intellectual property changes must consider the industry norms.

Although copying benefits the industry, the negative effect on emerging designers is a legitimate concern, but the proposed legislation is not the appropriate remedy. The costs of *sui generis* copyright protection greatly outweigh the potential benefits. Knockoffs are not harming the thriving fashion industry as a whole, but actually playing an important role in the cycle of trends. A solution that balances the desire for limited moral rights without disturbing the copying dynamic would be a better fit. A certification or collective mark that communicates authenticity to the consumer would allow designers to opt in to distinguish their original designs without forcing new rules on a thriving industry.