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A FASHION FLOP: THE INNOVATIVE DESIGN PROTECTION AND PIRACY PREVENTION ACT

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*Lauren E. Purcell**

INTRODUCTION

The fashion world is much more than just clothes, runway shows, and models. Instead, this is a complex industry that generates more than \$180 billion in sales annually¹ and accounts for about 4% of the total global GDP, which is approximately \$1 trillion per year.² Over the years, consumers have become very fashion conscious. With the advent of fashion reality television shows and movies, such as *Project Runway* and the *September Issue*, and high-end designer collaborations with retail stores, such as Missoni for Target, Jason Wu for Target, and Versace for H&M, high-fashion is now for the masses. From this emerges an educated consumer who is not only knowledgeable of the current fashion trends, but is willing to buy new clothes in order to keep up with the trends. There is a desire to be considered “in fashion” and to stay current with the new trends. Fashion consumers are not only looking for the latest trend, but are also looking to be different.³

The dynamic world of fashion has always been fast-paced, and part of this is due to the fact that all major fashion brands and companies are battling to produce the new trend and freshest designs. As Heidi Klum says on the show *Project Runway*, “In the world of fashion, one day you are in

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¹ Emma Yao Xiao, Note, *The New Trend: Protecting American Fashion Designs Through National Copyright Measures*, 28 CARDOZO ARTS & ENT. L.J. 417, 418 (2010).

² GUILLERMO C. JIMENEZ & BARBARA KOLSUN, FASHION LAW: A GUIDE FOR DESIGNERS, FASHION EXECUTIVES, AND ATTORNEYS 6 (2010).

³ See C. Scott Hemphill & Jeannie Suk, *The Law, Culture, and Economics of Fashion*, 61 STAN. L. REV. 1147, 1153 (2009).

and the next you are out.” The key to producing trendy but at the same time fresh styles is innovation. Inspiration for new designs can come from anywhere—art, everyday life, and past trends. In fact, fashion is cyclical, in which past trends often rotate back into current fashions. The health of the fashion industry is based on innovation. Without innovative designs and designers striving to produce products that consumers will want to buy, the industry will not be successful.

The success of the fashion industry begs the question—is intellectual property protection, such as copyright, necessary for the fashion world? Some legal scholars argue that copyright protection is not necessary. They say that the fashion industry is doing fine without protection, and in fact it is the copying of designs that is fueling the industry.⁴ Others argue that copyright protection is necessary in order for designers to be inspired and continue to design new clothes. To this side, copyright protection will regulate copying without adversely affecting the fashion industry.⁵

This note examines whether copyright protection for fashion designs should be achieved through the Innovative Design Protection and Piracy Prevention Act (IDPPPA). Part I will explore what intellectual property protection is currently available to fashion designs. Part II examines the current debate among legal academics and scholars about whether copyright protection should even be granted to fashion designs. Part III will explore proposed U.S. legislation to extend copyright protection to fashion designs, specifically focusing on the Innovative Design Protection and Piracy Prevention Act. Part IV will argue that if copyright protection should be afforded to fashion designs, the IDPPPA is not the way to achieve it. This part will also analyze the negative impact the IDPPPA will have on the fashion industry and businesses.

I. CURRENT INTELLECTUAL PROPERTY PROTECTION FOR FASHION DESIGNS

Intellectual property rights create a monopoly that allows for the inhibition of competition and places limits on creativity and freedom of

⁴ I will examine the arguments of Kal Raustiala and Christopher Sprigman in more depth in Part III.

⁵ I will examine the arguments of C. Scott Hemphill and Jeannie Suk in more detail in Part III.

expression.⁶ These rights create a market by “providing producers with a right to exclude,” and are “designed with a utilitarian purpose: to facilitate market transactions in intangible assets.”⁷ When granting intellectual property rights, there is a delicate balance between the costs and the benefits to society. The desired balance is “providing an incentive to create new works” while “promoting the two goals of making existing works available to consumers and making material available for use by subsequent innovators.”⁸ When extending intellectual property rights into a new area, competition must not be sacrificed by giving too many rights, for the granting of too many rights “can prevent follow-on creativity, and new inventions that build on past discoveries.”⁹ On the flip side, if not enough rights are given, then people will not profit from their works and will stop creating. In other words, they will have no incentive to continue to create.¹⁰

Currently there is no protection under intellectual property law for fashion designs. However, different elements of a design may be protected under different types of intellectual property. Such types include design patents, trademark, trade dress, and copyright.¹¹

Design patents protect the “new, original, and ornamental design for an article of manufacture.”¹² In other words, they protect “the ornamental appearance of an object or an object component.”¹³ In order to obtain a design patent, the design must meet three statutory requirements: “(1) the design must be ‘new;’ (2) the design must be ‘non-obvious’ compared to prior known designs in the marketplace or in prior patents; and (3) the

⁶ See Ezra Klein, *In Copycats vs. Copyright, the Knock-Off Wins*, WASH. POST, Aug. 22, 2010, available at <http://www.washingtonpost.com/wp-dyn/content/article/2010/08/20/AR2010082006330.html>.

⁷ LYDIA PALLAS LOREN & JOSEPH SCOTT MILLER, *INTELLECTUAL PROPERTY LAW: CASES & MATERIALS* 3 (2010).

⁸ Hemphill & Suk, *supra* note 3, at 1152.

⁹ LOREN & MILLER, *supra* note 7, at 4.

¹⁰ Christine Cox & Jennifer Jenkins, *Between the Seams, A Fertile Commons: An Overview of the Relationship Between Fashion and Intellectual Property*, READY TO SHARE: FASHION AND THE OWNERSHIP OF CREATIVITY, 5 (Jan. 29, 2005), available at <http://learcenter.org/pdf/RTSJenkinsCox.pdf>.

¹¹ JIMENEZ & KOLSUN, *supra* note 2, at 36–37.

¹² 35 U.S.C. § 171 (2012).

¹³ JIMENEZ & KOLSUN, *supra* note 2, at 59.

design must be ornamental and not solely functional.”¹⁴ Once a design patent is granted, protection only lasts for fourteen years.¹⁵

Most fashion designs do not fall within the protection of the design patent either because the design fails to meet the statutory requirements, or because such protection is not practical as the designs “already have been sold and phased out of a company’s line before the patent is finally obtained.”¹⁶ However, design patents are useful for designs for footwear, jewelry, purses, eyeglass frames, etc.¹⁷

Trademark protection applies to “any word, name, symbol, or device” that is used “to identify and distinguish . . . goods . . . from those manufactured or sold by others and to indicate the source of the goods.”¹⁸ However, trademarks do not protect the actual product or the design of a product. Instead, it only protects the link to the consumer, such as “logos, brand names, or other registered marks.”¹⁹

Trade dress, which is a type of trademark protection, protects “the overall appearance and packaging of a product.”²⁰ However, this type of protection is not available to a product if it has functional elements. A design is functional when “the design is necessary for the product’s usages or affects the production cost or quality.”²¹ As such, trade dress protects design elements that are purely aesthetic and indicate the source of a product or service.²² In *Wal-Mart Stores, Inc. v. Samara Brothers, Inc.*,²³ the United States Supreme Court declined to extend trade dress protection to fashion designs, and held that fashion designs were only protected if they had acquired secondary meaning as a trademark.

Currently, copyright protection is only available to artistic design elements that are separated from the design’s functional elements.²⁴ Elements of a useful article may be protected only if those elements “can be

¹⁴ *Id.* at 60; *see also* 35 U.S.C. §§ 102, 103 (2012).

¹⁵ 35 U.S.C. § 173 (2012).

¹⁶ JIMENEZ & KOLSUN, *supra* note 2, at 61.

¹⁷ *Id.* at 60.

¹⁸ 15 U.S.C. § 1127 (2012).

¹⁹ *Id.*

²⁰ *Id.*

²¹ *Id.*; *see also* *Qualitex Co. v. Jacobson Prods. Co.*, 514 U.S. 159, 165 (1995).

²² JIMENEZ & KOLSUN, *supra* note 2, at 51.

²³ 529 U.S. 205, 216 (2000).

²⁴ JIMENEZ & KOLSUN, *supra* note 2, at 54.

identified separately from, and are capable of existing independently of, the utilitarian aspects of the article.”²⁵ As of today, fashion designs are not protected as they are considered to be useful articles—they protect the “wearer from the elements, provide modesty and decorate the body.”²⁶ However, copyright does provide protection for “fabric prints, jewelry, textiles, some furniture, some product packaging, websites, quilts, designs or images on the surface of shoes, handbags, and other accessories.”²⁷

II. WHETHER COPYRIGHT PROTECTION SHOULD BE EXTENDED TO FASHION DESIGNS

The debate regarding whether copyright acts, such as the IDPPPA, should be enacted has also included the debate about whether copyright protection should even be granted to fashion designs. Two different sides of the argument pose different views on this question, but both focus on the effect of copying on the fashion industry.

Professors Kal Raustiala and Christopher Sprigman argue that copyright protection is not needed, and that the fashion industry is continuing to thrive without such protection. They argue that “copying fails to deter innovation in the fashion industry because . . . copying is not very harmful to originators.”²⁸ These Professors point out that the fast-paced fashion cycle is due in part because there is a lack of copyright protection for designs.²⁹ Currently, the cycle quickly rotates in and out new styles and trends—the new designs are developed by one group of designers, are copied by others, and then diffused out by the “early-adopter group.”³⁰ As Miucci Prada explained, “We let others copy us. And when they do, we drop it.”³¹ This fast cycle encourages designers to quickly develop and create new designs and trends in order to “induc[e] more rapid turnover and

²⁵ 17 U.S.C. § 101 (2012); *see also* *Mazer v. Stein*, 347 U.S. 201 (1954).

²⁶ Cox & Jenkins, *supra* note 10, at 7.

²⁷ *Id.*

²⁸ Kal Raustiala & Christopher Sprigman, *The Piracy Paradox: Innovation and Intellectual Property in Fashion Design*, 92 VA. L. REV. 1687, 1691 (2006).

²⁹ *Id.* at 1722.

³⁰ *Id.* at 1721.

³¹ *Id.* at 1722 (quoting *The Look of Prada*, IN STYLE MAG., Sept. 2006, at 213).

additional sales,”³² and in effect allows for more fashion goods to be consumed.³³ They argue that the lack of copyright protection promotes innovation and the growth of the fashion industry.³⁴

Professors Raustiala and Sprigman also argue that both consumers and smaller designers benefit from allowing copying in the fashion industry. As copying brings into the market less expensive versions of designs, it allows fashion to reach a wider range of consumers, who normally would not be able to afford the original design, thus bringing fashion to the masses.³⁵ Professor Sprigman further states that the competition between expensive garments and their cheaper copies have not impacted the price of high-end garments.³⁶ Instead, “the high-end originals are the only garments that have any price growth during this period.”³⁷ They also note that copyright protection would allow larger fashion companies to use lawyers as an anticompetitive tool.³⁸ For designers would need to spend more time and resources on “‘clearing’ designs and contesting claims,” and such costs “are more easily borne by large [fashion companies].”³⁹ They argue that “IP rights are costly monopoly grants that ought to be created only when necessary to foster innovation.”⁴⁰ As copying does not hinder innovation and design, there are no incentives to grant copyright protection to designs.⁴¹

In contrast, Professors C. Scott Hemphill and Jeannie Suk argue that in order to promote innovation, thus keeping the fashion industry

³² *Id.*

³³ Raustiala & Sprigman, *supra* note 28, at 1733; *see also* Katrina M. Klatka, *The New Trend in Copyright Law—Fashion Designs*, HAHN LOESER IP NEWS, available at <http://www.hahnlaw.com/references/563.pdf> (“Knockoffs . . . saturate the market and increase consumer demand for the next new idea.”).

³⁴ Raustiala & Sprigman, *supra* note 28, at 1775–76.

³⁵ *Id.* at 1722.

³⁶ *Innovation Design Protection and Privacy Prevention Act: Hearing on H.R. 2511, Before the Subcomm. on Intellectual Prop., Competition, and the Internet, 112th Cong. 76 (2011)* (Testimony of Christopher Sprigman), available at http://judiciary.house.gov/hearings/printers/112th/112-46_67397.PDF.

³⁷ *Id.*

³⁸ Kal Raustiala & Christopher Sprigman, *The Piracy Paradox Revisited*, 61 STAN. L. REV. 1201, 1222 (2009).

³⁹ *Id.*

⁴⁰ *Id.* at 1225.

⁴¹ Raustiala & Sprigman, *supra* note 28, at 1718.

economically successful, copyright protection should be extended to fashion designs.⁴² They state that while some copying is to be expected in the fashion world (in the form of borrowing), there is a difference between borrowing and close copying.⁴³ For example, when looking at a trend for a given season, designers “flock to similar hemlines, dress shapes, and tailoring. They converge on similar or related styles and themes.”⁴⁴ However, the end product made by each designer is different—it is not an exact copy of another’s work.⁴⁵ Professors Hemphill and Suk note that consumers often “flock” to new trends, because of their desire to be “in fashion” and “because [they feel that their] existing clothes seem outdated.”⁴⁶ However, at the same time, consumers also want to be different and “express themselves as distinctive individuals.”⁴⁷ Therefore, designers, through innovation, try to meet the need to be on trend and also “meet the need of consumers for individual differentiation.”⁴⁸ As such, many designers borrow and reinterpret existing works that represent the current trend.⁴⁹

Mere borrowing may be seen as an interpretation of a design or trend, in that “it marks the awareness of the difference between the two works as it looks to the prior work as a source of influence.”⁵⁰ In other words, when a designer borrows from an original work, he or she is reinterpreting, remixing, and transforming the original work into something new.⁵¹ In contrast, close copying is often a literal production that intends to replicate the original and “pass[es] off the work as the work that is [in fact] being copied.”⁵² It is this close copying that has a negative impact on the fashion industry.

Professors Hemphill and Suk argue that due to the “large scale and low cost at which rapid copies can be made,” close copies are taking away

⁴² Hemphill & Suk, *supra* note 3, at 1183–84.

⁴³ *Id.* at 1159.

⁴⁴ *Id.* at 1168.

⁴⁵ *Id.*

⁴⁶ *Id.* at 1164–65.

⁴⁷ *Id.* at 1164.

⁴⁸ Hemphill & Suk, *supra* note 3, at 1153.

⁴⁹ *Id.* at 1166.

⁵⁰ *Id.* at 1160.

⁵¹ *Id.* at 1166.

⁵² *Id.* at 1159–60.

profits from the original work.⁵³ Often these close copies are sold at a discounted price to the original, and the producer of such copies does so with lower production and design costs.⁵⁴ The reduction in profits decreases the incentive to create new innovative works, and some designers may be deterred from even entering into the fashion market.⁵⁵

It seems that perhaps, as Professors Hemphill and Suk argue, there is a difference in the types of copying—there is borrowing versus close copying.⁵⁶ When designers are able to “borrow” design ideas from other designs, this brings trends and styles to the masses at lower prices. This has an effect on the industry—consumers buy more products and then demand for the next new trend. Therefore, it’s understandable why such borrowing should not be infringed upon, and any copyright in this area would need to allow this. However, at the same time there is a need to balance these consumer concerns with protecting the interests of designers. Designers today “create works of art instead of just a dress, trousers, suit, or sweater.”⁵⁷ Creating these works of art does take time, money, and effort. For designers to continue to create designs and also have an incentive to do so, they argue that they should receive some type of protection for their efforts.⁵⁸

However, Professors Raustiala and Sprigman also make an interesting point—does the fashion industry really need this type of protection in order to thrive? As stated above, the granting of copyright essentially creates a monopoly—it grants a creator exclusive rights to a specific design—and such protection should only be granted if there is a need for incentive to create and for innovation.⁵⁹ As Professors Raustiala and Sprigman suggest, perhaps the answer to this question is not yet recognizable, and only time will tell if such protection is needed for designs.⁶⁰ However, if protection should be extended to fashion designs, the Innovative Design Protection

⁵³ Hemphill & Suk, *supra* note 3, at 1171–72.

⁵⁴ *Id.*

⁵⁵ *Id.* at 1176.

⁵⁶ *Id.* at 1172–73.

⁵⁷ Klatka, *supra* note 33.

⁵⁸ *See id.*

⁵⁹ *See* Raustiala & Sprigman, *supra* note 38, at 1225.

⁶⁰ *Id.*

and Piracy Prevention Act (IDPPPA) should not be the means by which such protection is granted to designs.

III. PROPOSED LEGISLATION TO EXTEND COPYRIGHT PROTECTION TO FASHION DESIGNS

As explained above, while there is copyright protection available to certain elements of a fashion design, there is no protection for the design as a whole. There have been attempts to amend Title 17 of the United States Code to extend copyright protection to designs—the failed Design Protection and Piracy Prevention Act (DPPA)⁶¹ and the more recent Innovative Design Protection and Piracy Prevention Act (IDPPPA).⁶²

Both of these bills plan to expand the scope of Chapter 13 of the U.S. Copyright Act to include fashion designs. This Chapter grants protection to original designs of only one type of useful articles, the designs of vessel hulls.⁶³ A useful article is defined as “a vessel hull or deck . . . which in normal use has an intrinsic utilitarian function that is not merely to portray the appearance of the article or to convey information.”⁶⁴ This type of protection is granted to vessel hull designs for a term of 10 years,⁶⁵ and also if application for registration of the design is “made within 2 years after the date on which the design is first made public.”⁶⁶ An original design is considered to be public “when an existing useful article embodying the design is anywhere publicly exhibited, publicly distributed, or offered for sale or sold to the public by the owner of the design or with the owner’s consent.”⁶⁷ Once a design is protected, the owner “has the exclusive right to (1) make, have made, or import, for sale or for use in trade, any useful article embodying that design; and (2) sell or distribute for sale or for use in

⁶¹ Design Piracy Prohibition Act, H.R. 2196, 111th Cong. (2009).

⁶² Originally introduced by Senator Schumer as S. 3728, 111th Cong. (2010); reintroduced by Congressman Goodlatte as H.R. 2511, 112th Cong. (2011).

⁶³ 17 U.S.C. § 1301; *see also* BRIAN T. YEH, CONG. RESEARCH SERV. RS. 22685, COPYRIGHT PROTECTION FOR FASHION DESIGN: A LEGAL ANALYSIS OF THE DESIGN PIRACY PROHIBITION ACT H.R. 2196, I (2009).

⁶⁴ 17 U.S.C. § 1301(b)(2).

⁶⁵ 17 U.S.C. § 1305(a).

⁶⁶ 17 U.S.C. § 1310(a).

⁶⁷ 17 U.S.C. § 1310(b).

trade any useful article embodying that design.”⁶⁸ In order to understand the IDPPPA, one must first examine its predecessor, the DPPA.

A. Design Protection and Piracy Prevention Act

Congressman Robert Goodlatte originally introduced the DPPA to the 109th Congress, H.R. 5055, on March 30, 2006.⁶⁹ It was referred to Committee and never enacted.⁷⁰ On April 25, 2007, Congressman William Delahunt reintroduced to the 110th Congress a second version of this Bill, H.R. 2033,⁷¹ and, much like its predecessor, it was referred to Committee and never passed.⁷² Congressman Delahunt introduced the final version of this Bill, H.R. 2196, to the 111th Congress on April 30th, 2009.⁷³ Once again, this Bill was referred to Committee and never passed.

The DPPA intended to add the provision “or an article of apparel” to the definition of useful article in § 1301(b)(2), thus expanding the scope of Chapter 13 to include fashion designs. The DPPA defined “apparel” very broadly in that the term covers “(A) an article of . . . clothing, including undergarments, outerwear, gloves, footwear and headgear; (B) handbags, purses, wallets, duffel bags, suitcases, tote bags, and belts; and (C) eyeglass frames.”⁷⁴ A fashion design is the appearance of the whole apparel article including any ornamentation on the article, and “includes original elements of the article of apparel or the original arrangement or placement of original or non-original elements as incorporated in the overall appearance of the article of apparel.”⁷⁵

⁶⁸ 17 U.S.C. § 1308.

⁶⁹ Design Piracy Prohibition Act, H.R. 5055, 109th Cong. (2006); *see generally* information regarding Bill, *available at* <http://www.govtrack.us/congress/bill.xpd?bill=h109-5055>, <http://thomas.loc.gov/cgi-bin/bdquery/z?d109:h5055>.

⁷⁰ *Id.*

⁷¹ Design Piracy Prohibition Act, H.R. 2033, 110th Cong. (2007); *see generally* information regarding Bill, *available at* <http://www.govtrack.us/congress/bill.xpd?bill=h110-2033>, <http://thomas.loc.gov/cgi-bin/bdquery/z?d110:h2033>.

⁷² *Id.*

⁷³ Design Piracy Prohibition Act, H.R. 2196, 111th Cong. (2009); *see generally* information regarding Bill, *available at* <http://www.govtrack.us/congress/bill.xpd?bill=h111-2196>, <http://thomas.loc.gov/cgi-bin/bdquery/z?d111:h2196>.

⁷⁴ Design Piracy Prohibition Act, *supra* note 73, at § 2(a)(9).

⁷⁵ H.R. 2196 § 2(a).

Instead of a ten-year term of protection, as provided in § 1305(a), the DPPA provided that fashion designs would receive a reduced term of three years of protection.⁷⁶ While the three-year term is much shorter than that for vessel hulls (ten years), supporters of the DDPA nevertheless felt that this was “enough time for the designer to recoup the work that went into designing and marketing his collection.”⁷⁷ Furthermore, due to the fast-pace of the fashion industry and the fact that trends often “arise and fade quickly,” a shorter term was a suitable period to time for a designer to have exclusive rights over a design.⁷⁸

The DPPA also required that a fashion designer submit an application for registration within a time frame of six months after the design was made public either in the United States or in a foreign country.⁷⁹ Furthermore, the Bill required the Register of Copyrights to “establish and maintain a computerized database containing information regarding protected fashion designs.”⁸⁰ This database would be electronically searchable and contain information about all submitted fashion designs, such as the owners of the design, the date the design was first made public, a visual representation of the design, designs that were registered and those that were denied registration, etc.⁸¹

The DPPA also set out what would not be protected by the extension of the Copyright Act. Protection would not be available for a design that was made public more than six months before the date of the application for registration.⁸² Furthermore, “[t]he presence or absence of a particular color or colors or a pictorial or graphic work imprinted on fabric shall not be considered in determining the originality of a fashion design.”⁸³

And finally, the DPPA also amended the infringement section of Title 17 to include provisions regarding fashion designs. According to the DPPA, infringement of a fashion design occurs when “any article the design of

⁷⁶ *Id.* at § 2(d).

⁷⁷ *A Bill to Provide Protection For Fashion Design: Hearing on H.R. 5055, Before Subcomm. on Courts, the Internet, and Intellectual Property*, 109th Cong. (2006), available at <http://www.access.gpo.gov/congress/house/pdf/109hr/28908.pdf>.

⁷⁸ YEH, *supra* note 63, at 4.

⁷⁹ H.R. 2196 § 2(f)(1).

⁸⁰ YEH, *supra* note 63.

⁸¹ H.R. 2196 § 2(j)(1).

⁸² *Id.* at § 2(b).

⁸³ *Id.* at § 2(c).

which has been copied from a design protected under this chapter.”⁸⁴ Infringement was found even if one did not have actual knowledge that the design was protected, but had “reasonable grounds to know that” it was protected.⁸⁵ The Bill stated that infringement of a fashion design would not be found if, “[the design] is original and not closely and substantially similar in overall visual appearance to a protected design, if it merely reflects a trend, or if it is the result of independent creation.”⁸⁶

Not only did the DPPA face opposition of its passage in Congress, but also, it was not supported by all of those in the fashion industry. While New York’s Council of Fashion Designers of America (CFDA) supported it, the American Apparel & Footwear Association (AAFA) opposed the DPPA.⁸⁷ Specifically, the AAFA argued “the Copyright Office would never be able to handle the flood of applications; the proposed protection standard was not sufficiently well defined; and the standard for infringement was too vague, so that the courts would spend years trying to define it, rather than enforcing it.”⁸⁸

B. Innovative Design Protection and Piracy Prevention Act

Proposed as an alternative to the DPPA, the Innovation Design Protection and Piracy Prevention Act was introduced by Senator Charles Schumer to the 111th Congress on August 5, 2010.⁸⁹ This Bill was referred to Committee but was never enacted.⁹⁰ On September 10, 2012, Senator Schumer reintroduced this Bill to the 112th Congress, which passed the Senate Judiciary Committee without amendment.⁹¹ On December 20, 2012

⁸⁴ *Id.* at § 2(e).

⁸⁵ *Id.* at § 2(e)(1)

⁸⁶ *Id.* at § 2(e).

⁸⁷ Louis S. Ederer & Maxwell Preston, *The Innovation Design Protection and Piracy Prevention Act—Fashion Industry Friend or Faux?*, LEXISNEXIS COMMUNITIES COPYRIGHT & TRADEMARK LAW (Jan. 31, 2011), available at <http://www.lexisnexis.com/legalnewsroom/intellectual-property/b/copyright-trademark-law-blog/archive/2011/01/31/the-innovative-design-protection-and-piracy-prevention-act-fashion-industry-friend-or-faux.aspx>.

⁸⁸ *Id.*

⁸⁹ Innovative Design Protection and Piracy Prevention Act, S. 3728, 111th Cong. (2d Sess. 2010).

⁹⁰ *Id.*

⁹¹ Innovative Design Protection and Privacy Prevention Act, S. 3523, 112th Cong. (2d Sess. 2012).

this Bill was placed on the Senate's legislative calendar.⁹² Representative Robert Goodlatte introduced the IDPPPA, now H.R. 2511, to the current Congressional session on July 13, 2011.⁹³ This Bill was referred to Committee and is currently waiting for the next step in the legislative process.

While all those in the fashion industry did not support the DPPA, this is quite different from the IDPPPA. This Bill is a result of the joint efforts of the Council of Fashion Designers of America and the American Apparel and Footwear Association.⁹⁴

The IDPPPA is in some ways similar to the DPPA. The IDPPPA has a similar broad definition of the term "apparel."⁹⁵ It also provides a similar definition for a "fashion design," however the IDPPPA further requires that a fashion design is "(i) the result of a designer's own creative endeavor; and (ii) provide[s] a unique, distinguishable, non-trivial and non-utilitarian variation over prior designs for similar types of articles."⁹⁶ Also, the term of protection for fashion designs under the IDPPPA remains at three years.⁹⁷ Like the DPPA, the IDPPPA also provides an independent creation defense for any infringement claim.⁹⁸

However, the IDPPPA also differs from the DPPA. One difference is the registration requirement. Unlike the DPPA, the IDPPPA will not require any registration for fashion designs after the design is "first made public."⁹⁹ As such, the IDPPPA also does not require that applications for registration be made available on an electronic searchable database.

Another difference is that the IDPPPA includes heightened pleading standards. According to the IDPPPA, infringement actions must be pleaded with particularity, and must establish the following facts:

⁹² *Id.*

⁹³ Innovative Design Protection and Piracy Prevention Act, H.R. 2511, 112th Cong. (2011).

⁹⁴ Susan Scafidi, *IDPPPA: Innovative Design Protection and Piracy Prevention Act, a.k.a. Fashion Copyright* (Aug. 6, 2010), available at <http://www.counterfeitchic.com/2010/08/introducing-the-innovative-design-protection-and-piracy-prevention-act.html>.

⁹⁵ H.R. 2511 § 2(a).

⁹⁶ *Id.* at § 2(a).

⁹⁷ *Id.* at § 2(d).

⁹⁸ *Id.* at § 2(e).

⁹⁹ *Id.* at § 2(f).

- (A) the design of the claimant is a fashion design within the meaning of section 1301(a)(7) of this title and thus entitled to protection under this chapter;
- (B) the design of the defendant infringes upon the protected design as described under section 1309(e); and
- (C) the protected design or an image thereof was available in such location or locations, in such a manner, and for such duration that it can be reasonably inferred from the totality of the surrounding facts and circumstances that the defendant saw or otherwise had knowledge of the protected design.¹⁰⁰

Further, it provides that when determining whether a claim has been pleaded with particularity, the court must consider the totality of the circumstances.¹⁰¹ Supporters of the IDPPPA contend that such heightened pleading standards will discourage litigation,¹⁰² thus preventing the court from being flooded with new litigation.

The IDPPPA is also different from the DPPA in that it provides a home sewing exception. This exception states that it is not an infringement on the fashion design owner's exclusive rights if a person produces "a single copy of a protected design for personal use . . . if that copy is not offered for sale or use in trade during the period of protection."¹⁰³ As Susan Scafidi explains, such an exception expands the fair use type of provisions already found within the Copyright Act into the realm of fashion designs.¹⁰⁴

A major difference between the DPPA and the IDPPPA is the latter's "substantially similar" standard. The IDPPPA states that a design will not be deemed copied from a protected design, i.e. there would be no infringement, if that design "is not substantially identical in overall visual appearance to and as to the original elements of the protected design."¹⁰⁵ A design will be considered to be substantially similar to a protected design when that design is "so similar in appearance as to be . . . mistaken for the protected design."¹⁰⁶ The IDPPPA further states that a design will be found to be substantially similar even though it may have differences in

¹⁰⁰ *Id.* at § 2(g).

¹⁰¹ H.R. 2511 § 2(g).

¹⁰² Scafidi, *supra* note 94.

¹⁰³ H.R. 2511 § 2(e).

¹⁰⁴ Scafidi, *supra* note 94.

¹⁰⁵ H.R. 2511 § 2(e).

¹⁰⁶ *Id.* § 2(a).

construction or mere trivial differences.¹⁰⁷ This standard is borrowed from trademark law¹⁰⁸ and was included in the IDPPPA to address concerns that the DPPA lacked guidance in establishing what constituted infringement.¹⁰⁹

IV. IDPPPA SHOULD NOT BE ENACTED

If copyright protection should be extended to include fashion designs, the IDPPPA should not be the means to accomplish this goal. This Act may actually do more harm than good for the fashion industry.¹¹⁰ It may actually “raise the cost of doing business in the fashion industry and will not protect small designers,”¹¹¹ as the Bill is intended to do.¹¹²

As Professors Hemphill and Suk point out, there is a difference between mere borrowing of a design, and a close copy of a design.¹¹³ However, there is a fine line between copying and borrowing, and the “substantially similar standard” of the IDPPPA may blur this line and negatively impact innovation. While the standard is intended to be narrow in scope, it may in actuality be more ambiguous. As stated above, a design is a “substantial identical” copy if the article of apparel is “so similar in appearance [that it is] likely to be mistaken for the protected design, and contains only those difference in construction or design which are merely trivial.”¹¹⁴ However, this standard fails to identify under whose view this standard should be decided. As Professor Sprigman argues, “Does it condemn a design that is likely to be mistaken for the original by the average person shopping for clothes? By some appreciable percentage of the population? By a fashion expert?”¹¹⁵ The standard leaves it up to the

¹⁰⁷ *Id.*

¹⁰⁸ Scafidi, *supra* note 94.

¹⁰⁹ Xiao, *supra* note 1, at 436–37.

¹¹⁰ See Kal Raustiala & Christopher Sprigman, *Why Imitation Is the Sincerest Form of Fashion*, N.Y. TIMES, August 13, 2010, available at <http://www.nytimes.com/2010/08/13/opinion/13raustiala.html>.

¹¹¹ *Innovation Design Protection and Privacy Prevention Act: Hearing on H.R. 2511, Before the Subcomm. on Intellectual Prop., Competition, and the Internet, supra* note 36, at 86, 88–89.

¹¹² See Klein, *supra* note 6.

¹¹³ See Hemphill & Suk, *supra* note 3, at 1153.

¹¹⁴ H.R. 2511 § 2(a).

¹¹⁵ *Innovation Design Protection and Privacy Prevention Act: Hearing on H.R. 2511 Before the Subcomm. on Intellectual Property, Competition, and the Internet, supra* note 36, at 86–87.

judges and the lawyers, who have little to no design training or experience in the fashion industry, to decide whether one design is substantially similar to another design. This begs the question—will judges be able to distinguish the borrowing of ideas as opposed to an identical copy that is substantially similar to the original design? Thus, the standard leaves room for interpretation, which may lead to “unpredictable and inconsistent verdicts,”¹¹⁶ which could lead to an unintended expansion of the law.¹¹⁷

Some argue that the IDPPPA “only targets businesses that produce and sell knockoffs of original designs[,] [and] [t]he vast majority of the apparel industry will not be affected.”¹¹⁸ However, the unpredictability of the “substantially identical” standard may have a chilling effect on designers. Not knowing whether a design is simply borrowing ideas from an original design or is substantially similar to the original may cause a fear of litigation. Such a fear may make designers hesitant to design new items and stifle creativity. This would decrease the amount of items in the marketplace and the amount of items that are made available to the mass consumers. As such, the consumer may be faced with higher prices and thus, “only the wealthy consumers would be able to afford current fashions.”¹¹⁹

Furthermore, the IDPPPA will not protect the smaller independent designers and new emerging designers as originally intended by the Bill. Similar to Professor Raustiala’s and Sprigman’s argument, the IDPPPA may give larger fashion companies a means to prevent competition in the marketplace¹²⁰ by raising the cost of doing business in the industry.¹²¹ As stated above, since there will be a fear of litigation, designers will most likely have to “clear new designs through a lawyer.”¹²² Often, new designers or designers with less resources will not be able to afford the cost of lawyer’s fees and litigation. As a result, new designers may decide not to

¹¹⁶ *Id.* at 87.

¹¹⁷ See Klein, *supra* note 6 (“A judge could interpret the law as broader than Congress intends . . . as has happened in other areas of copyright”).

¹¹⁸ *Innovation Design Protection and Privacy Prevention Act: Hearing on H.R. 2511 Before the Subcomm. on Intellectual Prop., Competition, and the Internet, supra* note 36, at 13–14.

¹¹⁹ Klatka, *supra* note 34.

¹²⁰ See Raustiala & Sprigman, *supra* note 38, at 1222.

¹²¹ *Innovation Design Protection and Privacy Prevention Act: Hearing on H.R. 2511, Before the Subcomm. on Intellectual Prop., Competition, and the Internet, supra* note 36, at 86.

¹²² *Id.* at 88.

enter into the fashion industry, thus shutting them out of the industry. Also, some designers may not be able to afford the litigation costs of copyright infringement. Such litigation costs end up being incorporated into the price of the products, and thus, ultimately placing the legal costs onto the consumers. Larger companies, however, would be able to afford legal costs. Furthermore, these larger companies could use the protections granted by the IDPPPA to stifle competition. For the bigger companies could “take the opportunity to start sending out a lot of intimidating cease-and-desist letters . . . and sue their way to prosperity.”¹²³ As a result, the fashion industry would suffer—there would be few players in the marketplace and less competition, which results in giving the larger companies a de facto monopoly allowing them to set prices.

Moreover, while the IDPPPA only provides copyright protection for a term of three years,¹²⁴ there is the potential that this term could be extended further after intellectual rights are granted. The terms for copyright protections “have been extended to a staggering length in time—life plus 70 years—far longer than the 14-year term originally contemplated by the drafters of the Constitution.”¹²⁵ Industry lobbyists are continuing to push for even stronger protections.¹²⁶ Thus, there is a possibility that the three-year term could very well be extended to a longer period, thereby extending the exclusivity of a protected design. It is important to mention again that copyright protection creates a monopoly, which would allow “designers [to] limit who has access to their products and control the prices.”¹²⁷ Such an extension of the protection term could have a negative impact on the fashion industry that was not originally foreseen. This would prevent designs from entering the public domain and could hinder the fashion cycle, for older designs and styles are often rotated into new trends.

¹²³ Klein, *supra* note 6.

¹²⁴ H.R. 2511 § 2(d).

¹²⁵ Cox & Jenkins, *supra* note 10.

¹²⁶ *Id.*

¹²⁷ Klatka, *supra* note 33.

CONCLUSION

The fashion industry is an important part of our economic market, and as such it is important that we protect it from harm. Perhaps some type of protection should be extended to fashion designs to encourage designers to continue to create innovative designs that drive the industry.¹²⁸ However, this type of protection should not be granted by the IDPPPA. This Act will not help protect the fashion industry, but rather may negatively affect this prosperous market. Furthermore, this Act will not help smaller designers, as they will not be able to afford the legal costs to protect their interests. Instead, we need to go back to the drawing board and determine whether copyright protection is even needed to protect the fashion industry.

¹²⁸ See Hemphill & Suk, *supra* note 3, at 1176.