

MORE ON **COPYRIGHT/TRADEMARKS** BY AMANDA CICCATELLI

Star Athletica, LLC vs. Varsity Brands case continues to spark fashion law controversy

FOR YEARS, COURTS HAVE STRUGGLED OVER

whether a garment's decorative elements serve purely ornamental functions or become indistinguishable from the garment's utilitarian function of serving as appropriate attire

for a particular purpose or occasion.

A few weeks ago, the Supreme Court announced it had agreed to review the U.S. Court of Appeals for the Sixth Circuit's copyright decision in *Star Athletica v. Varsity Brands*, which involves the issue of whether certain designs appearing on cheerleading uniforms are copyrightable or are instead non-copyrightable functional elements that are an inherent part of cheerleading uniform designs. In a split decision, the Sixth Circuit reversed the district court and ruled that the use of stripes, chevrons and color blocks were copyrightable despite the Copyright Act's prohibition against extending copyright protection to "useful articles." Though the majority disagreed on whether these design elements were

copyrightable, both agreed that "the law in this area is a mess" and intervention by the Supreme Court is necessary.

Star Athletica's petition for certification focused on the need for direction as to which of at least 10 tests used by courts and commentators should be applied. However, the Sixth Circuit's majority and dissenting opinions illustrate that whether a certain design feature will be found to be copyrightable largely turns on two issues: (1) how the garment's function is defined and (2) how strictly courts will enforce the Copyright Act's requirement that in order to be copyrightable, the nonutilitarian design feature must be separable from and capable of existing independently

of, the utilitarian aspects of the article.

With the Supreme Court potentially meeting on this case soon to determine whether an apparel feature on a "useful article" is protectable under the Copyright Act, we spoke with fashion attorney Elizabeth Kurpis from the law firm Mintz Levin about key copyright and IP issues that are under review. Kurpis also discussed the many ramifications this case may have for the fashion industry.

"This case is of major importance because the fashion industry has longed for one clear test to determine when a feature on a useful article can be protected under U.S. copyright law," said Kurpis. "Because a useful article itself cannot be copyrighted, the fashion industry relies on the concept of 'conceptual separability' to protect their designs."

Conceptual separability essentially allows for a component of an article that is separate from its utility aspect to be copyrighted. Because there is

no concise and uniform definition of “conceptual separability” the meaning of this term has become an important unresolved question in U.S. copyright law and one that the fashion industry hopes will be addressed by SCOTUS this fall.

According to Kurpis, a SCOTUS ruling in favor of Star Athletica could result in a definite setback for the fashion industry in terms of copyright protection. Generally, companies and designers have been able to rely on copyrights to protect things such as original fabric prints. “Here, Varsity is arguing that the chevron designs on their uniforms fall more in line with a fabric print or design, rather than a utilitarian and non-copyrightable aspect of the uniform. And because these chevron designs were actually copyrighted already, a ruling in favor of Star Athletica would undermine such rights,” she explained.

A SCOTUS ruling that favors Varsity—and proffers a single test for determining whether a design is conceptually separable from its utilitarian function—would likely provide the fashion industry with reasonably more confidence in the ability to protect through copyright certain design elements of apparel and accessories.

“Designers will have clearer guidance in how best to protect portions of their work that may not have been deemed covered under U.S. copyright law because they were strictly considered ‘useful,’” Kurpis said.

Because little protection exists for fashion design under U.S. copyright law, some fashion retailers have been able to generate substantial revenue producing

near copycat designs from the runways of luxury brands and selling them at a significantly lower price point. They are able to do so much faster than the traditional model allows, and as a result, such imitation pieces can be seen in stores before the original designs are produced and delivered to retailers as quickly as one week.

“These companies understand that the protections afforded to fashion companies and their designs are extremely limited and difficult to enforce,” she explained. “As a result, they have created successful business models that are based around exploiting the ambiguity in copyright protection by copying uncopyrightable elements of a fashion design, including borrowing shapes and visual elements of a garment, while taking care to avoid logos or specific custom prints.”

According to Kurpis, if SCOTUS rules in favor of Varsity, fashion retailers will have to adjust their business models accordingly, as elements of the designs that may not have been deemed copyrightable may soon be. They will have to carefully assess how the new judicial standard will affect each copy, and elements that were traditionally considered useful may now in fact be covered by copyright law. This will be risky business until the new test is litigated and the fashion industry can see how the courts apply it in practical terms.

Overall, this case may have major repercussions for the lucrative sports apparel industry. Right now, many valuable collegiate uniform designs that are not copyright protected may be covered should SCOTUS rule in favor of Varsity. The lack of

copyright protection has allowed other institutions to copy the design and color combinations for their own uniforms and sports memorabilia. If SCOTUS rules in favor of Varsity, this may change. Design elements of useful articles that were once seen as uncopyrightable depending on the jurisdiction in which an enforcement action is brought may now be covered under U.S. law, as Varsity argues.

Kurpis said, “Hundreds of professional and collegiate sports programs may change their uniform designs to protect themselves and their future sports apparel revenue streams against other schools that would currently be able to copycat and profit from others’ iconic and recognizable designs.” ●

CONTRIBUTING AUTHOR

Amanda G. Ciccattelli is a Contributing Writer for InsideCounsel, where she covers the patent litigation space. Amanda earned a B.A. in Communications and Journalism from Central Connecticut State University. Amanda is also currently a Social Media Strategist at the Institute for International Research where she produces digital content and directs digital strategy for large scale events across the globe. Most recently, Amanda was a Web Editor at Technology Marketing Corporation where she produced high quality content for over 20 clients in the technology industry. Amanda has experience in both print and online publishing as she was News Editor of her university newspaper “The Recorder” and writer for The Connecticut State University Systems’ “Universe” magazine. Follow her at @AmandaCicc.