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Fashion Forward

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by LARRY C. RUSS and NATHAN D. MEYER

FASHION FORWARD

The *Star Athletica v. Varsity Brands* decision overturned
Copyright Office practices going back half a century

THERE is a saying in copyright law that you “can’t copyright fashion.” As a “useful article,” clothing has generally been considered ineligible for copyright protection. In other words, the cut of a dress, the look of a shoe, or the body-hugging properties of a pair of jeans are beyond the domain of copyright law.¹ The Supreme Court’s ruling this spring in *Star Athletica, L.L.C. v. Varsity Brands, Inc.*² may have shaken—although not destroyed—that core principle, leaving considerable questions for copyright holders and potential “inspired” clothing makers going forward.

The Copyright Act³ provides that “the design of a useful article, as defined in this section, shall be considered a pictorial, graphic, or sculptural work only if, and only to the extent that, such design incorporates pictorial, graphic, or sculptural features that can be identified separately from, and are capable of existing independently of, the utilitarian aspects of the article.”⁴ Therefore, even though a pictorial, graphic, or sculptural work may be copyrighted, useful articles such as clothing may not. On the other hand, expressive works that appear on a useful article are copyrightable. Justice Stephen Breyer put it best during oral argument in *Star Athletica* when he commented that “the clothes on the hanger do nothing. The clothes on the woman do everything. And that is, I think, what fashion is about.”⁵ In this case, a T-shirt imprinted with the image of Vincent Van Gogh’s painting “The Starry Night” would not be copyrightable, but the image presumptively would be subject to

copyright if it were not in the public domain due to its age. Indeed, copyright litigation over fabric prints (images on clothing) is a major industry in Los Angeles.

In most cases, drawing the line between a useful article and a piece of copyrightable material separate from the useful article is easy. For example, most fabric print copyrights are submitted to the copyright office as a JPEG of a piece of artwork that could be applied to clothing, canvas, or anything else and are not even offered as clothing-related. *Star Athletica* is the Supreme Court’s first decision focused on copyright protection for fashion, but the Court had addressed the line between useful articles and copyright once before, in 1954, in *Mazer v. Stein*, which concerned a set of dancing figure statuettes.⁶

Although standing alone, the statuettes were clearly works of art designed to be sold, and were in fact sold, as lamp bases. Thus, they were useful objects. The plaintiff company sued several defendants who created identical knockoffs. The issue before the Supreme Court was whether the otherwise copyrightable sculpture was rendered ineligible for copyright protection due to the fact that it was only sold as a useful object. The Supreme Court held that the fact that the otherwise clearly copyrightable work was used as a useful object did not render it ineligible for copyright. Thus, the *Mazer* decision stands for the proposition that making a work of art into a useful article does not render it uncopyrightable per se. But in *Mazer*, the Supreme Court offered little guidance on how to draw the line between the useful article and the copyright.

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MICHAEL CALLAWAY



In the more than 60 years since *Mazer*, the circuit courts, academia, and the U.S. Copyright Office have struggled to come up with practical guidance on how to apply the principles of *Mazer* to real-world copyrightability issues. Over the decades, the courts, the Copyright Office, and academia have come up with nine separate tests to determine whether a copyright registration relating to a useful article is sufficiently distinct from the useful article to make it copyrightable: 1) The Copyright Office approach, 2) the Primary-Subsidiary approach, 3) the Objectively Necessary approach, 4) the Ordinary Observer approach, 5) the Design-Process approach, 6) the Stand-Alone approach, 7) the Likelihood-of Marketability approach, 8) Patry's



Dancer figurine at issue in *Mazer v. Stein*.

approach, and 9) the Subjective-Objective approach.⁷

Although there is no need to address each test, the Copyright Office's approach is worth noting since a copyright registration is a prerequisite to litigation. The Copyright Office, in its *Compendium of U.S. Copyright Office Practices (Compendium)*,⁸ requires that the copyrightable element be either 1) physically separable from the useful article "without altering the useful aspects of the article" or 2) "capable of being visualized" as existing separately, but only if "the artistic feature and the useful article could both exist side by side and be perceived as fully realized, separate works—one an artistic work and the other a useful article."⁹ The Copyright Office's criteria generally controlled, but the various circuit courts employed slightly different tests (sometimes narrower and some-

times broader) in the context of infringement litigation.

It is worth stepping back to consider fashion protection before the U.S. Supreme Court decided the *Star Athletica* case and the law more generally. Prior to 2000, clothing companies tried to protect their design through trademark by arguing that their clothing was "inherently distinctive." For example, when Wal-Mart knocked off Samara Brothers' line of children's clothing in the 1990s, Samara sued for copyright infringement (of specific decorative items) and trademark infringement (of the layout of the dresses themselves).¹⁰ After Samara won at trial and before the Second Circuit, the Supreme Court reviewed the trademark ruling.¹¹

In *Wal-Mart Stores, Inc. v. Samara Brothers, Inc.*, Justice Antonin Scalia wrote the majority opinion rejecting Samara's attempt to protect its designs through trade dress, holding that a useful object (e.g., clothing) could never be "inherently distinctive."¹² In *Wal-Mart Stores* the majority argued that in order to obtain trademark protection, the designs must have "secondary meaning."¹³ Secondary meaning basically requires that consumers would recognize the design due to its ubiquity, something very hard for a brand to achieve.¹⁴ The Adidas "three stripe" design is an example of secondary meaning. There is currently a bitter fight being litigated over whether Converse Chuck Taylor All Stars sneakers have secondary meaning. However, secondary meaning is rare to find in clothing outside of accessories (e.g., shoes, belts) or true "marks" like the pocket designs on jeans.

Within the last decade, attempts to protect fashion designs through intellectual property have shifted to Congress.¹⁵ Bills to protect designs were introduced through the late 2000s and recently in 2012. The most notable bill was the Innovative Design Protection and Piracy Act (IDPPA) (S. 3728), introduced by Senator Charles Schumer of New York in 2010, and was nearly passed by the lame duck Congress after the 2010 elections.¹⁶ The IDPPA would have amended the Copyright Act to give creators of new fashion designs (broadly defined) a three-year monopoly over their original designs and the right to sue for infringement.¹⁷ The legislation did not reach the Senate floor before the new Congress was seated in 2011, and after 2011, fashion legislation ceased to be a priority.¹⁸ Thus, as the fashion industry entered the second decade of the 21st century with the rise of "fast fashion" like Forever 21, the legal environment and the business environment seemed to favor either "inspiration" or knockoffs—depending upon whom you ask.

Enter the rivalry between cheerleader uniform suppliers, Star Athletica and Varsity

Brands. Varsity Brands is a major manufacturer of cheerleader uniforms, and over the years, it has submitted images of more than 200 of its uniforms to the Copyright Office for registration, and received registrations.

Star Athletica began selling cheerleader uniforms that Varsity Brands contended were substantially similar to theirs. Varsity Brands sued Star Athletica for copyright infringement in Ohio. Star Athletica successfully obtained summary judgment, with the district court finding that the cheerleader chevron designs and the uniforms themselves were not capable of existing independently.

Law on Separability

The Sixth Circuit reversed, finding the uniforms to be copyrightable, and in doing so, laid out its view of the current law on separability.

First, the court examined "physical separability," or whether the decorative item could be physically removed from the useful article without destroying it (e.g., the hood ornament on a car). It concluded that the cheerleader chevrons were not physically separable from the uniform. Upon finding the chevrons were not physically separable, the district court turned to a "conceptual separability" test—basically whether the pictorial, graphic, or sculptural feature can be separated from the useful article in concept. The Sixth Circuit, possibly setting up the case for certiorari, identified the nine separate variants on the conceptual test.

The bulk of the separability approaches discussed by the Sixth Circuit,¹⁹ and particularly the approach of the Copyright Office, require that when an artistic element is conceptually removed from the useful article, the useful article remains "useful." Several of the remaining approaches²⁰ look only at whether the object as a whole is artistic and not dictated by function. In other words, the nine competing tests regarding separability essentially amount to two competing types of tests: 1) whether the artistic work and the useful article could be conceptually separated with one part surviving (conceptually) as a useful article and the element as an artistic work,²¹ or 2) whether there were aspects of the design of the useful article that were not dictated by function.²²

The first set of tests requires the useful article to survive removal of the artistic elements while the second set does not. The Sixth Circuit adopted a hybrid mix of these tests, involving a five-step process.²³ Applying the new test to the uniforms, it found the chevron combinations to be conceptually separable from the uniforms themselves, and reversed, in favor of Varsity Brands.²⁴ Star Athletica petitioned for certiorari.²⁵

In May 2016, the Supreme Court granted



From left, cheerleading uniform patterns involved in *Star Athletica, LLC. v. Varsity Brands, Inc.*: Designs 299A, 299B, 074, 078, and 0815.

certiorari on the issue of the appropriate test to determine when a feature of a useful article is protectable under Section 101 of the Copyright Act. Varsity Brands and the U.S. government argued that the chevron designs could be envisioned separately from the uniform. Varsity Brands argued that its designs are not “designs of useful articles.” Rather, they are “two-dimensional graphic designs that appear *on* useful articles.”²⁶ The government, offering an amicus position, offered a similar argument, stating that removal of the chevrons would leave the uniforms “similarly” useful.²⁷ Star Athletica proffered the same basic tests as the others²⁸ but argued for a different result, viz. that removal of the chevrons would not leave the uniforms equally useful.

The Supreme Court, in a 6-2 opinion written by Justice Clarence Thomas, rejected all of these approaches to copyrightability and set forth a new test for determining whether an expressive element of a useful article was copyrightable under Section 101:

A feature incorporated into the design of a useful article is eligible for copyright protection only if the feature (1) can be perceived as a two- or three-dimensional work of art separate from the useful article and (2) would qualify as a protectable pictorial, graphic, or sculptural work—either on its own or fixed in some other tangible medium of expression—if it were imagined separately from the useful article into which it is incorporated.²⁹

In this context, the Court held that it does not matter if removing the decorative element would render the useful article useless. In other words, it did not matter that without the chevrons, the garment would no longer be a cheerleader uniform. The Court determined that “[t]he statute does not require the decision maker to imagine a fully functioning useful article without the

artistic feature.”³⁰ The only question is whether the claimed feature can exist independently. Applying this test, the Court held that the claimed elements (the chevrons) could exist independently and therefore were copyrightable.

The Court’s decision did not resolve all the pending issues regarding the ongoing dispute between Star Athletica and Varsity Brands. The Supreme Court granted certiorari on the question of whether the uniforms were copyrightable, assuming they were original and sufficiently creative to be copyrighted. This was the issue on which Star Athletica obtained summary judgment in the district court. However, there were other issues in the case, on which the Supreme Court expressly declined to rule. For example, Star Athletica claimed that Varsity Brands was registering designs that it did not create in an effort to create a monopoly on cheerleader uniforms.³¹ That question has yet to be resolved.

Going Forward

The test adopted by the Supreme Court is a major substantive change, rejecting and overturning Copyright Office practices going back a half century. As noted, some of the competing tests,³² including and most important, that of the Copyright Office, required that the useful object remain similarly useful after removal of the decorative item, at least in concept. This was the theory unsuccessfully advanced by the government, and that requirement has now been unequivocally removed from copyright jurisprudence.

Therefore, it is now easier to copyright an artistic aspect of a useful article like a piece of clothing, although the exact nature of the change is still in flux. While the Court’s decision replaces various tests with one two-prong test, the standard in *Star Athletica* is basically two sentences with no further guidance. As a result, litigants and intellectual

property holders, at least for the moment, have no concrete guidance on how the test will be implemented within the fashion industry. As such, in the short period since the case came down, potential copyright holders have taken a “shoot first and ask questions later” approach to copyrightability, in the hope that any type of fashion feature could be protectable.

For example, less than two weeks after the *Star Athletica* opinion was released, Puma sued Forever 21 for allegedly knocking off its shoes. The core case was based on previously issued design patents and allegations of trade dress. But Puma also took photographs of the shoes, sent them into the Copyright Office as copyright applications, and asserted the knockoffs were infringing on their copyrights under *Star Athletica*. Puma’s claim is likely pushing the envelope.³³ However, practitioners also are likely to see similar actions until the Copyright Office issues meaningful guidance.

However, it is unlikely this will remain the case for long. The initial gatekeeper for copyrights is the Copyright Office, and that office provides detailed guidance on copyrightability in its *Compendium*. For example, prior to *Star Athletica*, the guidance on the issues decided in *Star Athletica* comprised eight single-spaced pages with multiple examples. In most cases, the information provided was sufficiently clear to provide guidance for litigants.

On June 1, 2017, the Copyright Office deleted this section of the *Compendium* and replaced it with three short paragraphs, quoting the standard from *Star Athletica*,³⁴ and stating “[t]he U.S. Copyright Office is developing updated guidance on the registration of pictorial, graphic, and sculptural features incorporated into the design of useful articles.”³⁵ In all likelihood, the Copyright Office will be the first federal office to provide real guidance on the impact of *Star Athletica* and

probably before meaningful court decisions come down.

Although plaintiffs may try, *Star Athletica* does not mean the IDPPA has now become law through judicial fiat. The decision moves the standard in that direction, but it almost certainly did not move it that far. For example, the Diane Von Furstenberg wrap dress, often offered as a key example of potentially protectable fashion in discussions of the IDPPA,³⁶ probably does not qualify as having artistic elements that could be applied to another medium. However, certain types of clothing that were earlier refused by the Copyright Office, and therefore would have been deemed uncopyrightable by the courts, now would likely pass muster under the Court's test. In other words, combinations of simple shapes that are integral to a piece of clothing probably would qualify as conceptually separable from the garment now, whereas they would not have before.

As an example, since the line has moved for borderline cases, it is worth looking at the clothing from *Wal-Mart Stores* again. There is an arrangement of seersucker and pocket patches that are no less separable from the dresses than the chevrons from the cheerleader uniforms in *Star Athletica*. In 2001, it was reasonably clear that the layout of the Samara dresses were not protectable under copyright law. Indeed, Samara only sought copyright for some of the individual items on the dresses. Today, the outcome would be less clear. Until guidance from the Copyright Office comes down, or a few motions to dismiss are granted in pending litigation, the sky will be the limit in the fashion industry. ■



Diane Von Furstenberg's iconic wrap dress.

and the Supreme Court did not grant certiorari on the copyright claims. See *Samara Bros. v. Wal-Mart Stores, Inc.*, 165 F. 3d 120, *rev'd*, 529 U.S. 205 (2000).

¹¹ *Wal-Mart Stores*, 529 U.S. at 216 (“[A] product’s design is distinctive, and therefore protectable, only upon a showing of secondary meaning.”).

¹² *Id.* at 211.

¹³ *Id.* at 216.

¹⁴ Ninth Circ. Model Civ. Jury Instruction 15.11 (“[W]hen it has been used in such a way that its primary significance in the minds of the prospective consumers is not the product itself, but the identification of the product with a single source, regardless of whether consumers know who or what that source is.”)

¹⁵ These attempts, plus earlier legislative attempts in the 20th century, were discussed briefly in *Star Athletica*’s Supreme Court brief. *Star Athletica, L.L.C. v. Varsity Brands, Inc.*, case no. 15-866, 2016 WL 3923923 at *22 (U.S. 2016).

¹⁶ See, e.g., H.R. 2511 (112th Cong., 2011), S. 3728 (111th Cong., 2010), available at Thomas.loc.gov.

¹⁷ The Copyright Act has two other “interest group” amendments, one for vessel hulls and one for architectural design.

¹⁸ After 2010, the primary intellectual property legislation was in the patent field.

¹⁹ The Copyright Office approach, Objectively Necessary approach, Ordinary Observer approach, and Stand-Alone approach.

²⁰ Primary-Subsidiary approach, Design-Process approach, Likelihood-of-Marketability approach, and Subjective-Objective approach.

²¹ The government supported this approach in the Supreme Court case, and argued that the plain white uniform that would remain after the cheerleader chevrons were removed would still be a useful article.

²² These standards are somewhat similar to those governing design patents.

²³ Briefly, whether the design is of useful article, identifying the utilitarian aspects of the article, and whether the graphic or sculptural features can exist independently. *Varsity Brands, Inc. v. Star Athletica, LLC*, 799 F. 3d 468, 477-93 (6th Cir. 2015).

²⁴ *Id.* at 471, *cert. granted in part sub nom.*, *Star Athletica, L.L.C. v. Varsity Brands, Inc.*, et. al., 136 S. Ct. 1823 (2016), and *aff’d sub nom.*, *Star Athletica, L.L.C. v. Varsity Brands, Inc.*, et. al., 137 S. Ct. 1002 (2017)

²⁵ While speculation, it is possible that *Star Athletica* would not have made it to the Supreme Court if Justice Antonin Scalia had lived. On February 13, 2016, before certiorari briefing was completed in this case, Justice Scalia died. Within days, it was reasonably clear that a replacement would not be appointed before November 2016. Between Justice Scalia’s death and President Trump’s inauguration, the Supreme Court granted certiorari on eight intellectual property cases for the 2016-17 term, out of a grand total of only 64 cases argued. Based on a review of SCOTUS blog from 2008 to present, in absolute numbers and as a percentage of the whole, the previous term was the heaviest intellectual property caseload in recent memory.

Unlike many other areas of federal law that the Supreme Court confronts on a regular basis (e.g., voting rights, death penalty, civil rights), and although often controversial in its own right, intellectual property does not track neatly across party lines. As a general proposition, the divides on intellectual property are not between Republicans and Democrats. Indeed, the ultimate lineup in this case, with Justices Clarence Thomas, Ruth Bader Ginsburg, Elena Kagan, Sonia Sotomayor, Samuel Alito and Chief Justice John Roberts aligned against Justices Anthony Kennedy and Stephen Breyer, is emblematic of this. It may be that intellectual property cases are less likely than others to lead to 4-4 splits, thus leading them to be relatively overrepresented this term. Then again, it may be a coincidence as the Supreme Court does not reveal what it discussed in conference.

²⁶ *Star Athletica, L.L.C. v. Varsity Brands, Inc.*, case no. 15-855 2016 WL 4916823, at 18 (U.S. 2016) (emphasis in original), (citing Brief for Respondents at 52).

²⁷ “If the work and the article can be visualized as two different things, with the article remaining similarly useful (and the work non-useful), then the work can be identified separately and exist independently of the article.” *Star Athletica, L.L.C. v. Varsity Brands, Inc.*, case no. 15-855, 2016 WL 5116853 (U.S.), at *29 (U.S. 2016).

²⁸ Whether a design feature (1) can be recognized as a unit by itself, apart from the article’s utilitarian aspects (the identified separately requirement), and (2) can exist side by side with the useful article with both perceived as fully realized, separate works (the exist independently requirement). *Id.*, (citing Opening Brief at 22).

²⁹ See *id.* at *29.

³⁰ *Id.*

³¹ See *id.*

³² Arguably, tests that were less friendly to copyright holders.

³³ An initial motion to dismiss was granted at the end of June 2017 on the grounds that Puma had failed to attach the filing receipt to the amended complaint. The court granted Puma leave to attach the receipts to an amended complaint and expressly declined to reach the substantive issue. It is likely the action will proceed once Puma fixes this technical issue.

³⁴ Technically, this guidance was only submitted for comment. It will become effective July 3, 2017.

³⁵ Draft COMPENDIUM, §924, available at <https://www.copyright.gov/comp3/draft.html> until July 30, 2017. It is likely that this will be the operative *Compendium* by the time this article is published.

³⁶ The wrap dress was key both because the dress was iconic at the time, and because of Von Furstenberg’s close affiliation with Senator Schumer. Her husband, Barry Diller, was a major bundler for the senator.

¹ They may be subject to trademark or patent law, but obtaining this type of protection requires additional elements not always present and at higher costs.

² *Star Athletica, L.L.C. v. Varsity Brands, Inc.*, 137 S. Ct. 1002 (2017).

³ Supreme Court copyright case law generally addresses two successive Copyright Acts, one passed in 1909 and one passed in 1976. For purposes of the issues addressed in *Star Athletica*, the two acts are functionally the same. (Copyright Act of 1909, Pub. L. 60-349, 35 Stat. 1075 (Mar. 4, 1909; repealed Jan. 1, 1978); Copyright Act of 1976, 17 U.S.C. §§101-810 (1976)).

⁴ 17 U.S.C. §101.

⁵ Transcript of Oral Argument, 47, *Star Athletica*, 137 S. Ct. 1002.

⁶ *Mazer v. Stein*, 347 U.S. 201 (1954).

⁷ *Varsity Brands, Inc. v. Star Athletica, LLC*, 799 F. 3d 468, 484-85 (6th Cir. 2015).

⁸ U.S. COPYRIGHT OFFICE, COMPENDIUM OF U.S. COPYRIGHT OFFICE PRACTICES, §924.2 (2016). The *Compendium*, a guide to the Copyright Office’s practices, lays out its standards for registration, among other things.

⁹ *Id.*

¹⁰ Samara also successfully sued for copyright infringement for copying ornamental items on the dresses—that judgment was affirmed by the Second Circuit,