Protecting Design Rights in the United States

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Coca-Cola bottle includes all of the protections we will be discussing:

- Copyright
- Trademark
- Trade Dress
- Design Patent

Design of Coke’s bottle initially used as anti-counterfeiting device – customers knew they were getting authentic product because of the shape of the bottle.
Four Potential Approaches to Protecting IP Rights in Designs:

- 1 - Copyright
- 2 - Trademark
- 3 - Trade Dress
- 4 - Design Patent
Protects:
- Original literary and artistic expression fixed in a tangible form.

Scope:
- Protects against unauthorized use or copying. Does not protect the ornamental design of a useful item.

How to Obtain Rights:
- Copyright exists automatically upon creation.

Remember:
- To maximize rights, register copyright claim with the U.S. Register of Copyrights and publish with notice.
Term of Protection:
- For works created after January 1, 1978, author’s lifetime plus 70 years, or if anonymous or work made for hire, earlier of 95 years from publication or 120 years from creation.

Test for Infringement:
- Unauthorized use or copying (access plus substantial similarity).

Notice Requirements:
- Optional after March 1, 1989. © or “Copyright” with year of first publication and name of owner.

Advantages of Registration:
- Prerequisite to filing infringement action; statutory damages and attorney’s fees; prima facie evidence of validity; U.S. Customs recordation.
Copyright: Utilitarian Aspects vs. Artistic Elements

► While copyright does not extend protection to useful articles, it can protect the purely artistic elements of a useful article that can be identified and exist independently of the utilitarian aspects of the article.

► Thus, copyright may protect the design elements of a useful article, e.g., a chair or lamp, that are “physically or conceptually separable” from the utilitarian aspects.

► Difficulty is not in getting the Copyright Office to register the copyright, the difficulty comes in attempting to enforce the copyright against alleged infringers.
Copyright: Utilitarian Aspects vs. Artistic Elements

- Examples of Designs Protected by Copyright:
  - Lamp base
  - Belt buckles
Copyright: Utilitarian Aspects vs. Artistic Elements

Examples of Designs Not Protected by Copyright:

- Measuring spoons
- Bicycle rack
Copyright: Utilitarian Aspects vs. Artistic Elements

► Fashion Designs:

- While there is no per se rule that fashion designs are not protectable by copyright, the designs often fail the separability test.

- Thus, knock-offs of “Red Carpet” dresses are often immediately available (but conceivably protectable under trade dress theory)
The Design Piracy Prohibition Act is intended to extend copyright protection to fashion designs. The proposed bill would:

- Extend copyright protection to registered “fashion designs” for a period of three years.

- Define “fashion design” as “the appearance as a whole of an article of apparel, including its ornamentation” and “apparel” as “an article of men’s, women’s, or children’s clothing, including undergarments, outerwear, gloves, footwear, and headgear; handbags, purses, tote bags, belts, and eyeglass frames.”

- Extend the definition of infringing article to include any article the design of which has been copied from an image of a protected design without the consent of the owner.

- Establish damages for infringing fashion designs of up to $250,000 or $5 per copy, whichever is greater.

- Apply secondary infringement and secondary liability to actions related to original designs, making any person who is liable under either such doctrine subject to all the remedies, including those attributable to any underlying or resulting infringement.
The proposed bill would also:

- Require the Register of Copyrights to determine whether or not the application relates to a design which on its face appears to be within the subject matter protected as original designs and, if so, register the design.

- Exempt from infringement the making, importing, selling, or distributing of any article embodying a design which was created without knowledge or reasonable grounds to know that protection for the design is claimed and was copied from such protected design.

- Exempt from protection fashion designs that were made public more than 3 months prior to the filing of the registration application.

No action was taken on the bill when it was re-introduced in 2006

The legislation was reintroduced in 2007 but the U.S. fashion world appears to be split on the issue
Protecting Design Rights - Trademarks

► Protects:
  ● Commercial identifiers of source, such as words, designs, slogans, symbols, trade dress.

► Scope:
  ● Protects against creating likelihood of confusion; or dilution of a famous mark

► How to Obtain Rights:
  ● At common law, rights are obtained through adoption and use (and sometimes secondary meaning is required).

► Remember:
  ● For federal or state registration, owner must apply for registration and comply with statutes.
Term of Protection:

- At common law, as long as mark is properly used. With federal registration, as long as mark is properly used and registration is maintained and renewed.

Test for Infringement:

- Likelihood of confusion, mistake or deception as to source or sponsorship; or dilution by blurring or tarnishment.

Notice Requirements:

- Optional. “™” if unregistered; “®” or “Reg. U.S. Pat. & Tm. Off.” if registered.

Advantages of Registration:

- Nationwide priority rights; prima facie evidence of validity and ownership; U.S. Customs recordation; increased anti-counterfeiting remedies.
Protecting Design Rights - Trade Dress

► Protects:
  ● Design and appearance of a product together with all the elements making up the overall image that serves to identify the product presented to the consumer.

► Scope:
  ● Protects trade dress that is nonfunctional, either inherently distinctive or has acquired secondary meaning, and is likely to cause confusion.

► How to Obtain Rights:
  ● Same as trademark. The elements of the trade dress must be capable of being listed and defined with particularity so public will know the exact parameters. Cannot protect a single design element across a line of goods.
Term of Protection:
- At common law, as long as mark is properly used. With federal registration, as long as mark is properly used and registration is maintained and renewed.

Test for Infringement:
- Likelihood of confusion resulting from the total image and impression created by the defendant’s product or package on the eye and mind of an ordinary purchaser.

Notice Requirements:
- Optional. “™” if unregistered; “®” or “Reg. U.S. Pat. & Tm. Off.” if registered.

Advantages of Registration:
- Nationwide priority rights; prima facie evidence of validity and ownership; U.S. Customs recordation; increased anti-counterfeiting remedies.
### History of Trade Dress - Product Configuration v. Packaging ("Dress")

<table>
<thead>
<tr>
<th>Year</th>
<th>Event</th>
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<tr>
<td>Early 1980's</td>
<td>Courts expand the definition of trade dress to include product shape and design.</td>
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<td>1981</td>
<td>Fifth Circuit Court of Appeals liberalizes the distinctiveness requirement by allowing that trade dress can be inherently distinctive without having to show it has acquired distinctiveness through secondary meaning.</td>
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<td>1988</td>
<td>Congress expands the definition of and remedies for trade dress within section 43(a) of the Lanham Act of 1946.</td>
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<td>1992</td>
<td>U.S. Supreme Court rules that trade dress can be inherently distinctive in <em>Two Pesos v. Taco Cabana</em>.</td>
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History of Trade Dress - Product Configuration v. Packaging (“Dress”)

Mid-1990s to present

The trend in trade dress rulings shifts from liberal (rulings that made it easier to protect single design elements through an entire line of goods) to conservative (rulings that restrict trade dress protection to individual items as opposed to “looks”)

1995 Supreme Court holds that color by itself is never inherently distinctive and requires secondary meaning in Qualitex Co. v. Jacobson Products

1999 Congress amends the Lanham Act to place the burden of proving non-functionality on the plaintiff in cases of unregistered trade dress

2000 Supreme Court holds that product design, unlike product packaging, is never inherently distinctive and requires secondary meaning in Wal-Mart v. Samara Bros

2001 Supreme Court strengthens the non-functional requirement in TrafFix Devices v. Marketing Displays
Trade Dress Protection for Product Packaging:  
*Paddington v. Attiki (1993):*

- The U.S. District Court for the Eastern District of New York dismissed case believing that the law required Paddington to prove secondary meaning to gain legal protection for the trade dress and held that Paddington did not meet that burden.

- In the meantime, the U.S. Supreme Court clarifies that trade dress can be inherently distinctive without a showing of secondary meaning in *Two Pesos, Inc. v. Taco Cabana, Inc.*

- The Second Circuit then finds unequivocally that Paddington's trade dress was inherently distinctive. The court noted that the bottle was an arbitrary arrangement of elements that did not describe the beverage alcohol product within.

  The Second Circuit went on to find that "[t]he dresses of the two bottles bear substantial similarities, both in their details and their overall appearance," and noted that the two competing sets of labels used similar lettering style, layout, and coloration.

- The Second Circuit reversed the trial court's dismissal of the trade dress infringement claim and entered judgment for Paddington.
Trade Dress Protection for Product Design:  
*Samara Bros. v. Wal-Mart (2000):*

- Dress designer sues Wal-Mart alleging trade dress infringement and copyright infringement.

- Jury finds that Samara’s trade dress is inherently distinctive and that Wal-Mart infringed Samara's trade dress rights.

- Second Circuit affirms but finds that trade dress must be defined with specificity to fashion a suitable injunction.

- Defines the trade dress as:
  “The protected trade dress will include most if not all of the following elements: seersucker fabric used exclusively; two or three identically shaped and symmetrically placed cloth appliques (not screen printed) substantially similar to appliques displaced on Samara clothing in vibrant colors integrated into the collar (which is typically large and white), collar line and/or pocket(s) (if any), single-piece, full-cut bodies; and the absence of three dimensional features, outlines and words. Essential to the ‘Samara Look’ is the method by which the design elements are combined on the garments. It is that amalgamation of the elements, ... ‘a distinctive combination of ingredients,’ which creates the uniform, protectable Samara look. ... In particular, the placement of the appliques, typically a row of two or three, along the collar or collar line of the garment and on any pockets is essential to the look.”
Trade Dress Protection for Product Design:
*Samara Bros. v. Wal-Mart:*

- U.S. Supreme Court reverses finding that product design could (and should) never be inherently distinctive, but that secondary meaning must be shown.

- The Court states:
  “In the case of product design, as in the case of color, we think consumer predisposition to equate the feature with the source does not exist. Consumers are aware of the reality that, almost invariably, even the most unusual of product designs—such as a cocktail shaker shaped like a penguin—is intended not to identify the source, but to render the product itself more useful or more appealing.”

- Accordingly, in order to protect trade dress in product design, it must be shown that consumers regard the design feature as indicating source.

- But . . . Samara can enforce copyright in appliques
Trade Dress Protection for Product Design:  
*David Yurman's Cable Design*

- In 1982, David Yurman first created his signature cable design. Since then, Yurman has created jewelry designs that encompass the signature cable element alone, as well as in combination with other design elements. In attempts to stop counterfeiters and copiers, Yurman has relied on the laws of copyright, trade dress, trademark and patents with varying degrees of success.

- In *Yurman Design Inc. v. PAJ, Inc.* (2001), Yurman claimed its signature cable element combined with other design elements, without specifying what those other elements were, was protected by trade dress.

- The court held that description of the trade dress must be more specific, and did not allow the protection of the cable element alone.
Trade Dress Protection for Product Design:  
*David Yurman’s Cable Design*

- In *Yurman Design Inc. v. Golden Treasure* (2003), Yurman attempted to enjoin an entire collection of jewelry items that incorporated the cable design based on claims of copyright and trade dress infringement.

- While Yurman tried to narrow the scope of its trade dress claim, it still tried to enforce rights in the cable design against an entire collection of jewelry designs.

- Facing a motion to dismiss, Yurman was forced to amend the descriptions of its trade dress, and make them more specific to each Yurman item.

- As a result, the Court limited the scope of Yurman’s enforcement rights under copyright and trade dress law only to those individual items that were overall copies of particular Yurman items, and did not allow Yurman to enforce rights in his cable design against the entire collection under these legal theories.
Trade Dress Protection for Product Design:
*Coach Inc. v. We Care Trading (2002)*

- Second Circuit finds that Coach’s handbag design is protectable trade dress.

- Coach’s articulation of its trade dress was sufficient:
  - “glove tanned leather”
  - “bound edges”
  - “brass or nickel-plated brass hardware”
  - “a lozenge shaped hand tag with a beaded chain.”

- And Coach introduced sufficient evidence of secondary meaning:
  - expert testimony and consumer surveys
  - evidence of advertising and promotion
  - evidence of copying
Design Protection: Trademarks vs. Trade Dress

- In October 2002 Louis Vuitton released a line of handbags featuring its famous intertwined “LV” logo and Toile Monogram in an array of bright colors on white and black handbags created by designer Marc Jacobs and Japanese artist Takashi Murakami.

- When the look became popular, others, including Dooney & Bourke, launched their own versions. Dooney and Bourke’s "It-Bag" line was introduced in July 2003 with interlocked initials "D" and "B." The bags can cost from $125 to $275.
LVMH moved for a preliminary injunction on its claims for trademark infringement and dilution. Notably, LVMH did not allege a claim for trade dress protection (probably due to trends in the case law). The Court initially noted that the “problem” with LVMH’s case was that Dooney & Bourke did not use LVMH’s logo or Toile Monogram on its bag.

Court denied LVMH’s preliminary injunction motion because federal and New York State trademark laws offer no protection for the style of a bag. Further, the Court found that use of multicolored monograms against a black and white background was a useful (i.e., functional) design feature, not a trademark, so that if Louis Vuitton was the only party allowed to use it, competition would be inhibited.

LVMH was criticized for trying to use trademark law to gain rights over a “look” - a multicolored monogram against black and white background - when there was no proof that anyone actually believed all colorful, monogrammed bags came from LVMH.
Design Protection: Trademarks vs. Trade Dress

Second Circuit Reverses:

- The Second Circuit Court of Appeals reversed the denial of the preliminary injunction holding that the Court’s side-by-side comparison of two marks was inappropriate for determining confusing similarity.

- The sequential comparison of marks in the context of the marketplace is inclusive of factors like proximity of the products, sophistication of the consumers, and actual confusion. Therefore, it is not possible to determine confusing similarity by merely examining two marks without considering the proper context for comparing them.

- The case, which has been bitterly contested, is moving towards trial.
Copyright v. Trademark Protection:  
*Kate Spade’s Repeating “KS” Design*

- Kate Spade filed a copyright application to protect a stylized repeating “KS” design.
- But the repeating “KS” design was determined not to be sufficiently original or creative and, therefore, was not copyrightable.
Copyright v. Trademark Protection:
Kate Spade’s Repeating “KS” Design

- However, Kate Spade was able to obtain trademark protection for its “KS” design.
Copyright v. Trademark Protection:
Kate Spade’s Repeating “KS” Design

- Which it has since registered as a repeating mark for use on handbags
Protecting Design Rights – Design Patents

- Protects: New and “non-obvious” non-functional, ornamental designs for article of manufacture.

- Scope: Excludes others from making, using or offering for sale or selling the invention in the U.S. or by importation into the U.S.

- How to Obtain Rights: Granted only by the U.S. Federal Government.

- Term of Protection: 14 years from date of registration.
Test for Infringement:

- Ordinary Observer: “[I]f, in the eye of an ordinary observer, giving such attention as a purchaser usually gives, two designs are substantially the same, if the resemblance is such as to deceive such an observer, inducing him to purchase one supposing it to be the other, the first one patented is infringed by the other.”

- “Point of Novelty”: Whether the accused design appropriates the points of novelty that distinguish the patented design from the prior art.

- Must satisfy both tests.

Notice Requirements: “Patent applied for” or “Pat. Pending” after application; “Patent” or “Pat.” plus registration number after grant.

Advantages of Registration: Protection for non-secret inventions.
Protecting Design Rights – Design Patents

Protects wide variety of designs:

- Pens
- Cups
- Guitars
- Jackets
Design Patent Protection:  
_Etna v. Q Marketing (2004)_

- Southern District of New York finds that mirror product infringes design patent rights
- Award enhanced damages and attorney’s fees because of the infringer’s willfulness
Design Patent and Trade Dress:

Pending Action:

- Cartier asserts design patent infringement and trade dress infringement against knock-off watch maker.
Design Patent, Trademarks and Trade Dress: Movado’s Museum Design Watch

- Design originally protected by design patent in 1958 - expired in 1972
- 1972-1983 - No registrations of any kind covering design and multiple third party use
Design Patent, Trademarks and Trade Dress:
Movado’s Museum Design Watch

- 1983 - Application for trademark registration filed
- 1986 - Registration issues
- Movado builds entire marketing program around design
Design Patent, Trademarks and Trade Dress:
Movado’s Museum Design Watch

- Uses trademark registration to keep out third party users

- Also asserts trade dress protection in:
  - a round face
  - a solitary dot at the 12 o’clock position
  - the absence of any hour markers
► No “magic bullet” for design rights.

► Patchwork of protections, which typically apply to only limited aspects of the design.

► The scope of protection afforded by each of these areas may differ significantly and the rights owner should take care to select the form of protection that will provide the broadest scope of rights.