

Fashion & IP: A Good Fit Interview with Joan B. Davis

For podcast release Monday, October 11, 2021

KENNEALLY: Ralph Lauren said he doesn't design clothes, he designs dreams. In 1967, in a tiny office in the Empire State Building, Lauren built a business inspired by classic American apparel that today is a publicly traded company with a market cap over \$8.5 billion.

Welcome to Copyright Clearance Center's podcast series. I'm Christopher Kenneally for Velocity of Content. Following fashion is essential to some and may seem silly to others, yet fashion brands are economic powerhouses and barometers of social change. The dreams and designs that Ralph Lauren has shared with the world for more than half a century made him a billionaire and shaped global culture.

The bedrock of his or any fashion business is IP, intellectual property, consisting of trademarks, copyrights, and even patents. In 2021, counterfeiters and other infringers jeopardize those assets more often and more easily than ever.

Joan B. Davis has a special perspective on the literary and fashion law landscape. She has worked in the fashion modeling industry and is a licensed private investigator, which has proven valuable in working with authorities to have counterfeit goods removed from online sites. Joan Davis is of counsel with Schroder Brooks Law Firm, and she joins me now from Richmond, Virginia. Welcome to the program, Joan Davis.

DAVIS: Thank you, Chris. Thank you for having me here today.

- KENNEALLY: Well, this is going to be, I think, an enlightening and entertaining conversation for us, because whatever our apparels and accessories are made of, whether it's leather or silk, denim or diamonds, every item in our closets and drawers has as its source IP. So I wonder if you could start, Joan Davis, by briefly sketching for us where copyright, patent, and trademark fit in to fashion.
- DAVIS: For trademarks, the average consumer is looking in luxury products at brands that they can recognize easily. I have a lot of props here. For Chanel, you're looking for these interlocking Cs. You're hoping that it is actually authentic when you find a purse or the shoes or whatever has these interlocking Cs. That's a trademark.



Frequently in my practice, when someone calls in, they confuse trademarks, patents, and copyrights. They're always asking for a patent when they need a trademark or vice versa. I find that trademark protection in the fashion industry in the US is probably really the only protection most designers have. You want to build up that brand. You want to make sure that you protect it, you register your brand, and you always use the R in a circle. So that is trademark.

Let's move on to copyright. A copyright, of course, is when you can put down your artistic expression in something that's tangible. For example, in fashion, we don't use copyright a lot to protect fashion brands. What copyright can do is protect the prints. That's in the US.

I was just in Europe this summer studying fashion, and I learned a lot about their design protection. Designers can get up to two years' copyright protection in Europe, where we don't have that sort of thing in the US. So when I'm talking about copyright with fashion, I'm talking about things like the famous Lilly Pulitzer prints which you see in West Palm, or I'm talking about the sleeves of a Robert Graham shirt. Those get protected. But when I talk about fashion, you're not going to get protection on, say, the design of this jacket, a dress. That is just not going to be protected here in the US.

That brings me to the next – design patents. I'm not a patent attorney, but design patents are not sought out as much by my clients. I think it's because they're more costly, and a lot of times, they age out before they really become effective. We're going to talk a little bit about a case we were hoping in the fashion industry would set some precedent, but like many of the cases, they settled, and we don't have precedent to follow.

- KENNEALLY: Of course, what bedevils fashion-makers as well as journal publishers and newspapers and everything else in our digital age are counterfeiters or people who are infringing their various IP rights. How dangerous to an asset is counterfeiting? And what can brands do about it?
- DAVIS: When you spend as much money as these designers spend in building up their brand and protecting it, it's disappointing. It caused companies to go out of business. And in the past, there hasn't been a great way to fight counterfeiters.

I wanted to give you a statistic that I found. In the US, counterfeiting in just fashion cost \$29 billion last year. That rose from previous years because of all the online shopping during COVID. I think there have been some good things that come out of COVID, and one of them I think is brands learning different ways to protect their IP as far as trademarks, especially in the luxury goods industry.



So one of the things that I tell a lot of my designers to do who may not be the Guccis of the world, but an emerging designer – you should register your brand. First of all, always register your trademark and then register that brand with Amazon. They have a brand registry program where they can check if someone's trying to sell something under your brand. That is a very easy way to protect yourself. You don't even have to hire a lawyer to do that.

I think the simple way is make sure you register your brands and be careful where you're putting them out on the internet. There are some apps that allow consumers to track brands. A while back, there was one that was called uFaker, and it was an app where you could actually take a picture and report it. It didn't work – well, my kids and I were down in the Caribbean, and there was a man walking along, selling Chanel on his back. My kids wanted to report them. Doesn't work that well in the islands. But there are new things coming out like that that get consumers involved.

A lot of people think, why is that a big deal? Why shouldn't I be able to carry that brand, even if it is a fake? But one thing that people don't realize is a lot of these counterfeits, the people that are working to get the counterfeits out involves criminal activity. A lot of it's using trafficking and things like that. So there's a seedy side to counterfeits that make them not seem as pleasant to carry if you want to get a \$250 Chanel bag instead of paying what they normally are, which is thousands of dollars.

- KENNEALLY: Let's talk about some cases, Joan Davis, because they are very interesting, and I think many people will recognize the names involved here. We want to start with what you regard as the most famous trademark case regarding fashion law. That was *Christian Louboutin v. Yves Saint Laurent*, two very famous names in fashion. What question did the court need to answer, and how did it rule?
- DAVIS: The first thing that the court needed to address was, "Is color a trademark, in simple terms? Can color ever be a trademark?" In the past, color was not found to be a trademark in most instances. So from there, they had to look at how is color used in the fashion industry? Can color be a trademark?

Christian Louboutin isn't the first case that uses a color as a trademark. The blue Tiffany color is also a trademark. But in this case, we were looking at the bottom of a shoe, and we had a Christian Louboutin shoe, which most people know this shoe, they see the lacquer bottom, and they're like, OK, that's Christian Louboutin. There's also a very famous designer, Yves Saint Laurent, who designed this shoe. See the red bottom? So these cases, that's what we had. We had shoe against shoe.



What ultimately happened is the court needed to decide if the bottom of that shoe had acquired what's called distinctiveness, so that when someone sees you walking down the street with that lacquer bottom, do they know that's Christian Louboutin, as opposed to this shoe? I do like to say that this case was a win-win case, because in the end, the court found that, yes, Christian Louboutin had gained that distinctiveness, because this is not just a red bottom. It is a lacquer red bottom with a contrasting color. So when you see that, yes, he should have the trademark.

Now, as far as Yves Saint Laurent, they are just putting a red sole on a red shoe. It's monochromatic. The court said that's OK, because no one's going to think this is Christian Louboutin. So it was sort of a win-win situation. The fashion industry was really looking at that case, because we were hoping that we wouldn't lose any protection that we already have. And a lot of times, that's what we're looking at with these cases – like, courts, don't take away what we already have. In this case, it was great, because we did get a holding that said, yes, you can have color in the fashion industry. It can be a trademark. But we learned that in this particular case, we needed to have a contrasting color for the shoe. So Christian Louboutin got his trademark there.

That is so far the most famous trademark case in the fashion industry that I know of. There is a similar shoe case. We get excited when they're shoe cases, because we can go out and buy the shoes. The next shoe case coming up is the Rockstud Valentino shoe, where they keep trying to have their studs on the shoes get the same protection that Christian Louboutin's red bottom did. That's to be decided. If you see the studs on a shoe, do you automatically think that is Valentino? So that will be coming up probably in the next year, and I guess I'll have to go out and buy those shoes just to try them on and make sure – to decide.

KENNEALLY: Well, toe to toe on the streets of Paris and in the courtrooms of the United States. It's really interesting, as you say, that distinctiveness is really what matters there and the difference between the two shoes.

That's an issue, as well, in the very complicated area of copyright and IP. The Copyright Act of 1976 – and I'll read here – makes pictorial, graphic, or sculptural features of the design of a useful article eligible for copyright under certain circumstances. And in 2015, apparently identical cheerleader's uniforms were Exhibits A and B in a Tennessee court. Tell us what happened then.

DAVIS: Yes. That case actually went all the way to the US Supreme Court. I was quite excited about that. I went and looked at the arguments, and it was fascinating to see how they picked apart this cheerleader uniform.



With copyright protection, generally, as I said earlier, you cannot get a copyright on a useful article – a piece of clothing. This jacket's a useful article. No copyright protection. So the courts had to look at whether the designs that were very similar – stripes, chevrons, the typical cheerleading uniform – were those useful? Did they have a utilitarian purpose?

Varsity had registered several copyrights for the cheerleader uniforms, and the opposing party, which was Star Athletica, had similar designs. What the court did was they had to decide if it was just a utilitarian purpose, so the court looked at arguments that brought up things like because the material is stretchy and it wicks perspiration, it's just utilitarian. That's not copyrightable. Whereas the other side argued that it was copyright protection, because these were designs. And if you took the designs off of the cheerleader uniform – which they provided evidence indicating and demonstrating that they designed these chevrons and stripes off of the uniform. So you could have taken those designs and hung them on the wall. That's the best way I can explain it.

So the court wanted to look at – could these designs be used elsewhere? They were able to prove that they could. So for that reason, we really didn't gain any more protection in the fashion industry, but none was taken away. Because for years, we've been able to get protection of prints on a fabric. We've been able to get items protected like artwork on the front of a shirt. We didn't really get anything out of that extra in the fashion industry, but nothing was taken away.

- KENNEALLY: Let's talk finally about patents. As you said, I know you're not a patent attorney, but this is a really interesting case that happened in 2012, where Lululemon sued Calvin Klein. It alleged infringement of its patent for the elastic waistband on athletic pants. And as one court observer noted, this was a real stretch. So what's new about the legal assertions that Lululemon made in court?
- DAVIS: As I said earlier, usually designers don't pick patent protection to protect their designs. In this case, we were hoping that we would get something out of it – that the fashion industry would have some guideline or bright-line rule to go by to prove when we should – I guess to protect patents and how you should use them in the fashion industry.

So in that particular case -I don't know if you can see this. This is the actual patent. They were arguing over this waistband. Again, there were arguments made as to whether the waistband should be protected, or was it just utilitarian? Unfortunately, in that particular case, they did end up settling, and we never got an answer. So it's the same sort of analysis.

KENNEALLY: Joan Davis with Schroder Brooks Law Firm in Richmond, Virginia, thank you so much for joining me today on the program.



DAVIS: Thank you so much. This was delightful.

KENNEALLY: Our co-producer and recording engineer is Jeremy Brieske of Burst Marketing. You can follow the program on Facebook and Twitter. I'm Christopher Kenneally. For all of us at Copyright Clearance Center, thanks for listening. Join us again soon on another edition of Velocity of Content.

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