

V-I-C-T-O-R-Y for the Fashion Industry: SCOTUS Establishes Uniform Test for Protection of Artistic Works Applied to Apparel

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The overall design (such as the shape and cut) of a garment, bag or shoe is not protectable under current U.S. Copyright law because such items are considered “useful articles.” However, Section 101 of the Copyright Act provides protection for the “**pictorial, graphic or sculptural features** [of a useful article] **that can be identified separately from**, and are **capable of existing independently of**, the utilitarian aspects of the [useful] article.”[1]

In the fashion world, this provision of the Copyright Act allows companies to protect original pictorial, graphic or sculptural features that are applied to garments, bags and other accessories. Examples include: fabric designs like a floral pattern; graphic art like an artistic rendition of a snake or tiger; and sculptural 3-D hardware adornments like belt buckles or buttons. Copyright protection only covers the artwork itself, not the overall configuration of the garment or other product to which it is applied.[2]

For decades, courts and commentators have struggled to fashion a suitable test to determine when a pictorial, graphic or sculptural feature of a useful article (such as a garment) is protectable under § 101 of the U.S. Copyright Act. On March 22, 2017, in a 6-2 decision written by Justice Thomas, the Supreme Court provided long-awaited clarification. Much to the relief of the fashion industry, the Court adopted a test that preserves copyright protection for applied art to apparel and fashion accessories.

In *Star Athletica, LLC vs. Varsity Brands, Inc.*, 580 U.S. ____ (2017), the Supreme Court held that:

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 is incorporated.[3]

The Supreme Court found that the test was satisfied in *Star Athletica*, and affirmed the 6th Circuit’s holding that the two-dimensional graphic features applied to Varsity’s cheerleading uniforms were eligible for protection under the Copyright Act. [4]

Facts and Procedural Background

Star Athletica, LLC v. Varsity Brands, Inc. involved a dispute between two companies that sell cheerleading uniforms. Varsity Brands, Inc. (“Varsity”) designs, manufactures, and sells athletic apparel and accessories, including cheerleading uniforms. Varsity employs a design team that creates various two-dimensional designs, some of which are later incorporated onto the three dimensional surface of cheerleading uniforms. Varsity was granted U.S. copyright registrations for two dimensional artwork designs shown as depicted on the surface of cheerleading uniforms. Varsity submitted the images below[5] as the deposit copies during the copyright registration process:



Star Athletica, LLC (“Star Athletica”) also markets and sells cheerleading uniforms and accessories. Varsity filed suit after it discovered Star Athletica’s marketing materials were advertising cheerleading uniforms very similar to Varsity’s copyrighted designs. Varsity brought federal claims for copyright and trademark infringement against Star Athletica, together with a number of state claims including unfair competition.

Both parties cross-moved for summary judgment. In 2014, the U.S. District Court for the Western District of Tennessee granted partial summary judgment in favor of Star Athletica and dismissed Varsity’s copyright infringement claims. The District Court found that it could not conceptually separate the design features at issue—the colors-and-design components of a cheerleading uniform—from the utilitarian object that is a cheerleading uniform. As such, it held the designs were not eligible for copyright protection. Specifically, the District Court found that “a cheerleading uniform loses its utilitarian function as a cheerleading uniform when it lacks all design and is merely a blank canvas.”[6] In making this determination, the court considered factors such as whether the designer intended to create the designs for the purpose of use on a cheerleading uniform and whether the cheerleading uniform would be “marketable” as a cheerleading uniform absent the graphic designs. [7]

On appeal, a majority of the Sixth Circuit rejected the District Court’s conclusion “that a cheerleading uniform is not a cheerleading uniform without stripes, chevrons, zigzags, and colorblocks,” [8] and instead held that the graphic features of Varsity’s cheerleading uniforms were protectable subject matter under the Copyright Act. After identifying nine different potential tests to determine what separates the copyrightable elements of a “useful article” from those purely utilitarian elements, the Sixth Circuit crafted its own hybrid approach grounded in the text of the Copyright Act. The Sixth Circuit ultimately found that the graphic features of Varsity’s cheerleading uniform designs could be conceptually separated from the utilitarian aspects of the uniform, and were therefore capable of copyright protection. Specifically, the Court found that the “arrangement of stripes, chevrons, colorblocks, zigzags are ‘wholly unnecessary to the performance’ of the garment’s ability to cover the body, permit free movement, and wick moisture”[9] and that the graphic design could exist as an artistic work side by side with the useful article (the garment).

Supreme Court Case

In May 2016, the U.S. Supreme Court granted certiorari to determine: “[w]hat is the appropriate test to determine when a feature of a useful article is protectable under section 101 of the Copyright Act?”

Both parties agreed that the Copyright Act protects fabric designs that can be applied to garments, but not the design of a garment itself. The parties disagreed as to where on this spectrum Varsity’s designs fall. Varsity argued that the two dimensional designs of chevrons, zigzags, stripes and colorblocks were protectable graphic designs that were separable and independent from the useful article.[10] Star Athletica argued that the particular configuration of chevrons, zigzags and stripes did not meet the separability test and were chosen for the functional purpose of making the uniform’s wearer “slimmer” or “taller”.

The parties also disagreed as to what test the Court should apply to determine whether the designs were separable and independent graphic designs that are capable of copyright protection. Star Athletica proposed that the Supreme Court adopt a four part “statutory-separability analysis” that focused not just on physical separability but also other objective factors such as the design process and the marketability of the design or article.[11]

Varsity argued that original two-dimensional graphic designs are copyrightable under the plain meaning of the statute and do not lose copyright protection simply because they are applied to a useful article such as a cheerleading uniform. Accordingly, Varsity argued that the Court need not reach the separability argument. Varsity also rejected the proposed separability test advocated by Star Athletica in favor of the Copyright Office’s approach, which finds that a feature satisfies the separability requirement “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.”[12]

Supreme Court’s Decision

In its much awaited decision, the Supreme Court fashioned a test for separability[13] that is true to the text of the Copyright Act and is in line with the approach suggested by the Copyright Office:

[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 is incorporated.[14]

Applying the test to the facts at issue in this case, the Supreme Court found that the surface decorations on the cheerleading uniforms were separable, and therefore eligible for copyright protection. First, the decorations could be identified as features having pictorial, graphic or sculptural qualities. Second, if the decorations were separated from the uniforms and applied in another medium, they would qualify as two-dimensional works of art under Section 101 of the Copyright Act. Removing the decorations from the uniforms and applying them in another medium would not merely replicate the uniform itself.

The Supreme Court clarified that if Varsity is ultimately successful in establishing valid copyrights in the designs at issue in the case, it “may prohibit only the reproduction of the surface designs in any tangible medium of expression—a uniform or otherwise.”[15] Varsity, however, has “no right to prohibit anyone from manufacturing a cheerleading uniform that is identical in shape, cut, and

dimensions” to the uniforms at issue here.[16]

Effects on the Fashion Industry

The Supreme Court’s adoption of a single, coherent test to determine the protectable design aspects of a garment provides much-needed guidance that should provide the fashion industry with more confidence and clarity. The Court’s decision also confirmed that copyright protection for pictorial, graphic and sculptural features applied to useful articles such as apparel and other fashion items is alive and well. Perhaps most importantly, the Court specifically rejected some criteria previously endorsed by courts that have potentially adverse results for fashion companies who rely upon copyright protection in applied art to help protect their business from knock-off products.

For example, the Court specifically rejected the distinction between “physical” and “conceptual” separability previously adopted by a number of courts, which considered the result upon the useful article if the artistic design feature were removed. The Court found that an examination of the “physical-conceptual distinction is unnecessary” [17] because “[t]he focus of the separability inquiry is on the extracted feature and not on any aspects of the useful article that remain after the imaginary extraction.”[18] The Court noted that the Copyright Act specifically provides copyright protection for art that is applied to useful objects, and that an artistic work cannot lose protection “simply because it was first created as a feature of the design of a useful article, even if it makes that article more useful.” [19]

The Supreme Court also specifically rejected the notion that design methods, purposes and reasons should be considered in determining whether graphic, pictorial or sculptural elements are capable of copyright protection, noting that there is no basis for such considerations in the text of the Copyright Act.[20] Had the Court considered such criteria, as advocated by Star Athletica, it could have effectively eliminated protection for applied art for fashion companies that employ designers to create pictorial, graphic and sculptural works for the purpose of applying them to fashion products.

The Court also rejected Star Athletica’s contention that it should consider the marketability of the design elements in determining whether they are capable of copyright protection. As noted by the Court, marketability is not a prerequisite to copyright protection under the Copyright Act and such a rule would “threaten[] to prize popular art over other forms, or substitute judicial aesthetic preferences for policy choices embodied in the Copyright Act.”[21] Such a rule would also have the potential to disadvantage new designers and small companies who may not have an established market for their designs.

In all, the Supreme Court gave the fashion industry a little something to cheer about.

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[1] U.S. Copyright Act, 17 U. S. C. § 101.

[2] In other words, a fashion company may protect a floral fabric design that it applies to a dress, but not the design of the dress itself.

[3] *Star Athletica, LLC v. Varsity Brands, Inc.*, 580 U.S. ____ (2017), Slip Op. at 1.

[4] *Id.* at 12. The Court expressly noted that it provided no opinion regarding whether the designs were sufficiently *original* for copyright protection. This matter was not before the Court on appeal. *Id.* at n.1, 11.

[5] *Star Athletica, LLC v. Varsity Brands, Inc.*, 580 U.S. ____ (2017), Slip Op. at Appendix to the Opinion of the Court.

[6] *Varsity Brands, Inc. v. Star Athletica, LLC*, No. 10-2508, 2014 U.S. Dist. LEXIS 26279, at *23 (W.D. Tenn. Mar. 1, 2014). The District Court held that the utilitarian function of the cheerleading uniform is not only to clothe the body but to do so in a way that evokes the concept of cheerleading. *Id.* at *24.

[7] *Id.* at *23, 25.

[8] *Varsity Brands, Inc. v. Star Athletica, LLC*, 799 F.3d 468, 468 (6th Cir. 2015).

[9] *Id.* at 492.

[10] Notably, while the deposit copies submitted to the Copyright Office were images of the whole uniforms that bore the designs, Varsity's copyright registrations covered only two-dimensional fabric designs. When filing U.S. copyright applications for pictorial, graphic or sculptural elements that are to be applied to useful articles, fashion companies would be well advised to use depictions of the artwork apart from the useful article for the deposit copy.

[11] Petitioner's Brief on the Merits at 39.

[12] Compendium of U.S. Copyright Office Practices, Third Edition, Section 924.2(B).

[13] The Court rejected Varsity's argument that the separability test was not necessary. *Star Athletica, LLC v. Varsity Brands, Inc.*, 580 U.S. ____ (2017), Slip Op., 5.

[14] *Id.* at 1.

[15] *Id.* at 12

[16] *Id.* at 12.

[17] *Id.* at 15

[18] *Id.* at 13.

[19] *Id.* at 14.

[20] *Id.* at 16.

[21] *Id.*

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