

Daily Journal Newswire Articles

www.dailyjournal.com

© 2008 The Daily Journal Corporation. All rights reserved.

- select Print from the File menu above
-

MEDIA • Sep. 29, 2008

Confusing Patchwork of Laws Governs Fashion

By Amanda Becker

Daily Journal Staff Writer

LOS ANGELES - On a recent afternoon in Steptoe & Johnson's Westside conference room, partner Michael Heimbold spread a dozen fabric samples before him on the table.

Some were florals, others multi-colored paisleys.

Although the fabrics were of different designs and motifs, they had one thing in common - all were involved in copyright litigation.

The Design Piracy Prohibition Act, an effort to expand copyright laws to provide a three-year term of protection on fashion designs, is stalled in Congress. But an uptick in patent applications for garments and a spate of lawsuits over fabric copyrights are a sign that apparel designers and manufacturers are finding other ways to protect their products.

Serving these garment industry clients will require more than one practice group, intellectual property attorneys say.

"There's copyright, trademark and patent law, and they don't really overlap," said Staci Riordan, an associate in the fashion law services group at Thelen's Los Angeles office. "It's one of the hard things in this area."

Numerous firms, including Thelen, Loeb & Loeb and Sheppard Mullin, have responded by establishing fashion practice groups and apparel teams.

The practice has grown especially active in Southern California, widely considered a hub of the fashion industry, after New York. The California Fashion Association reports there are more than 9,600 fashion-related business in Los Angeles alone that tap into an industry that generates \$32.5 billion a year for the state.

One way clothing manufacturers have been attempting to protect fashion designs is by patenting an entire garment.

But patents aren't easy to come by. For a garment to be patentable, it must have a unique design, Riordan says. A complicated undergarment or a newly created type of moisture-wicking athletic fabric are two examples she cited that could, in some instances, pass the patent review process.

However, the stringent, unique-design standard for patenting a garment makes it not only a difficult process, but costly and time consuming. Fees associated with filing a successful patent can run from \$650 to \$1,300 and can take up to three years to complete, according to Milord Keshishian, a Century City-based attorney who has patented clothing designs for several clients.

Moreover, Keshishian said, even if a garment is eligible for patent protection and manufacturers are willing to absorb the cost, filing for a patent isn't something that's on the radar of many attorneys working with clothing designers because they don't specialize in patent protection.

"A lot of in-house copyright attorneys are not patent attorneys," Keshishian said. "They don't know about the availability of patents to protect garments."

As a result, many manufacturers and designers are protecting their merchandise with copyrights, attorneys say. This route is especially useful if the cut of a garment isn't unique. It's also quicker and less costly. The online filing fee for a copyright is \$35.

While the Copyright Act of 1976 excludes articles that are mainly utilitarian, like clothing, it does allow for protection of specific aspects of a garment, such as a print on a fabric or an embroidered embellishment on a jeans pocket.

"Fabrics are protectable as a graphic work," said Keshishian, likening their protection to that of a painting.

But copyrighting fabrics comes with its own set of problems, and attorneys say that the legal ambiguity surrounding the process is wreaking havoc on garment manufacturers and distributors.

For starters, unlike patents, there is no searchable database where manufacturers can look for copyrighted fabrics to ensure compliance before a new print is produced. A lawsuit must be filed before a visual representation of the design can be obtained.

"You can pull up a patent and see the drawings," Heibold said. "If you search for a copyright, a certificate of registration comes up, and you don't get to see the design. It's pretty much worthless."

Thus, Heibold said, it is impossible for a designer to determine how similar a given fabric is to those already in existence or to know if a fabric manufacturer owns the copyrights it says it does.

Additionally, unlike patent applications, no one reviews copyright applications when they are processed to ensure they aren't duplicative, Heibold said. He said he knows of cases where an individual has sent in a picture of a print and copyrighted the work of someone else.

"A copyright is not like a trademark or patent," said Ilse Metcheck, president of the California Fashion Association. "There's no collection and no review."

The situation often leads to disputes between textile designers, garment manufacturers and fashion retailers that end up in litigation. Several plaintiffs' firms in Southern California have filed hundreds of fabric lawsuits claiming copyright infringement, Heibold said.

And without clearer laws that guide the fashion industry, avoiding litigation has become difficult.

"It's making doing business dangerous," Heibold said.

The effort and money involved in filing a copyright application is minimal and the gains to be had from successful litigation are significant. In some cases, manufacturers can make more money by suing than they could have earned through the sale of legitimate goods.

"We're seeing people who are just filing everything," Riordan said. "It's like tort litigation."

Riordan recalled a case that made it to court. The standard, as in any fabric copyright case, was whether the average individual would find the two fabrics substantially similar, thereby creating market confusion. The judge walked into a hallway and asked the first person he found whether the two samples were substantially similar. The case rested on the answer.

"If your grandma or uncle would think it's similar, then you've got a problem," Riordan said.

Yet, despite these ambiguities in the current copyright process, the California Fashion Association takes the position that extending copyright protection to an entire garment would make the problem worse.

"Hundreds of designers could come up with the same silhouette at the same time," Metcheck said. "The whole industry is about trends and recycling."

Even more legal claims would result from designers simultaneously filing garment copyright applications that are dumped into a database without review, and it would open "a whole new Pandora's box," Heibold said.

For now, manufacturers' only choice to protect themselves from fabric copyright suits is by documenting the inspiration for their original design and by obtaining detailed indemnity agreements from textile factories. Heimbold cautioned to pay particular attention when buying fabric from abroad.

While no landmark cases on the topic exist in California yet, attorneys are hoping that the proliferation of lawsuits will eventually lead to some clarification.

"I'm hoping we get a little more guidance from the courts on the substantial similarity of generic fabrics," Heimbold said.

amanda_becker@dailyjournal.com

This article appears on Page 1

© 2008 Daily Journal Corporation. All rights reserved.