

## Design Piracy Versus Fashion Trends – Can the Supreme Court Strike a Balance?

BY JEFFREY KADEN, ESQ.

Rarely does the Supreme Court consider issues involving design or fashion. One typically thinks of the Supreme Court as a lofty body of individuals that ponders weighty disputes concerning criminal law and procedure, government versus states' rights and the separation of church and state. Nonetheless, perhaps because there are more and more affordably priced retailers in the marketplace, who routinely offer for sale apparel and other accessories which are claimed to have the same or a similar "look" as apparel and accessory products offered by high-end boutiques and stores, the Supreme Court recently decided to focus on what many fashion designers refer to as fashion copy-catting. The implications of this impending decision could cut across every industry where the origination of design concepts plays an important role.

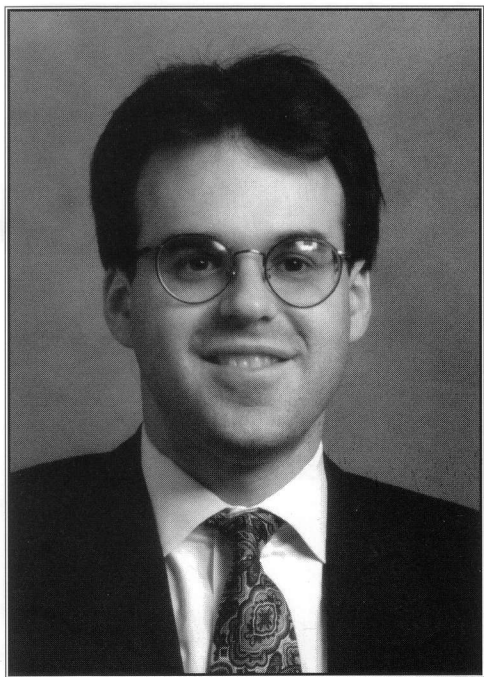
The case the Supreme Court chose involves the well-known discount retailer Wal-Mart Stores against Samara Brothers, a small New York based manufacturer known for its combination of seersucker fabrics, big collars and bold

appliques. In 1997, a federal jury found that Wal-Mart's Small Steps product line of sun suits had infringed upon the distinctive design or trade dress of Samara's infant wear. The Second Circuit Court of Appeals upheld the jury's finding a year later, specifically stating that Wal-Mart's marketing of its Small Steps product line constituted "willful piracy." The Supreme Court thereafter agreed to hear Wal-Mart's request for review (legally known as *certiorari*), and oral argument before the Supreme Court took place on January 19th of this year.

The fact that the Supreme Court decided to hear this trade dress case is somewhat surprising. The Supreme Court routinely turns down *certiorari* requests involving traditional patent, trademark and copyright issues. Whatever its reasons, however, the Supreme Court's decision will undoubtedly have a major impact on the fashion industry for years to come and probably further define the scope of trade dress protection to which innovative fashion designs are entitled.

What is trade dress? Traditionally, trade dress was a form of judicially-created intellectual property protection limited to the overall appearance of labels, wrappers and containers used in packaging a product. Over the years, this traditional definition has gradually expanded into a second category directed to the totality of the design elements in which a product or service is packaged or presented. These elements, in theory, combine to create an overall visual image for the consumer. The courts reasoned that these elements, taken together, are capable of acquiring exclusive legal rights as an identifying symbol of origin.

In the 1980's and 90's, a third type of trade dress developed that focused on the shape and design of a product. Simply stated, the look of a product may be so distinctive, or may have acquired distinctiveness over time, that it not only functions in a decorative manner, but it also



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functions to denote the source of the product to the consumer. The courts have generally held that trade dress encompasses the total image or overall impression created by a product such that a consumer views the total image in such a way that it identifies the source of the product.

In court decisions throughout the country, trade dress protection has been held to include such items as the layout and appearance of a mail order catalogue, the appearance of a teddy bear, the shape of an automobile, the appearance of a lamp, the overall design of a sports shoe and the look of a folding tape; it has even been stretched to cover the decor in a restaurant as well as the overall look of a line of greeting cards.

While trade dress protection has been expanded over the years to cover more and more diverse products and product-related themes, it does have limits. The courts have routinely held that trade dress cannot be stretched to give exclusive rights to a vague, abstract image or marketing theme of a product. For example, there are no exclusive rights in most advertising and promotional concepts, nor in a type of radio or television game show; however, it is possible that copyright rights could be asserted.

Trade dress protection also cannot be over-extended to cover concepts, styles, ideas or themes. In 1990, the Second Circuit Court of Appeals found that trade dress was not applicable with respect to a design for a line of silverware which was characterized by baroque design elements. The Court stated that the party asserting trade dress infringement was trying to obtain protection for "basic elements of a style that is part of the public domain" and therefore necessary to ensure "competition in the silverware market."

The rule that trade dress cannot be expanded to cover generalized concepts or styles is at the very heart of the Samara Brothers/Wal-Mart controversy and the Supreme Court will undoubtedly be required to address this issue. As recently stated by Wal-Mart's counsel, Washington D.C. attorney, William D. Coston, "What's at stake is whether common designs can be appropriated by a particular company and be declared off-limits to lower-price competitors." Obviously, it is his opinion, as counsel to Wal-Mart, that Samara Brothers is trying to protect a gen-

eralized style, theme or concept, something which traditionally is not protectable by trade dress.

The law, however, does not always stand still, and it is up to the Supreme Court to decide whether Samara Brothers' product line has enough of a defined look to warrant protection. More importantly, the Supreme Court needs to go further and should not confine itself just to the facts of the Samara/Wal-Mart dispute. Especially in the design and fashion industries, the trendsetters and trend followers need a concrete standard to guide them. If one of the functions of the Supreme Court is to define workable standards, then the Supreme Court's decision on the Samara Brothers/Wal-Mart dispute may serve as a vehicle for standardizing trade dress protection with respect to the fashion and design industry. Not only will this, in all probability, reduce the size and number of legal battles among competitors, it will also enable counsel to trendsetters and fashion followers to better advise clients on the legal risks involved when proceeding with their various product lines.

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