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Trademark and Copyright: Complements or Competitors?

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**Copyright, Trademarks and Trade Dress: The Overlap (and Conflict?) in
Intellectual Property Regimes Concerning Designs and Visual Images**

General Report

TRADEMARK AND COPYRIGHT: COMPLEMENTS OR COMPETITORS?

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In recent years, the protection under copyright law of various categories of work has been supplemented by corresponding, sometimes broader, protection under industrial property regimes, such as trademark and unfair competition law (and design law).¹ This trend has been most pronounced in the United States, but prompted by recent reforms of EU law and broader international agreements, and perhaps by societal changes, similar developments can be detected elsewhere. This report synthesizes the contents of the National Reports, and addresses the causes and consequences of this phenomenon, with particular focus on the protection of designs

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¹Cumulation of protection under copyright and design law has been the subject of extensive scholarly debate for a long time, particularly in Europe. *See generally* DESIGN PROTECTION (H. Cohen Jehoram ed. 1976); J.H. Reichman, *Design Protection and the New Technologies: The United States Experience in a Transnational Perspective*, 19 BALT. L. REV. 6 (1989); Jerome H. Reichman, *Design Protection in Domestic And Foreign Copyright Law: From The Berne Revision of 1948 to The Copyright Act of 1976*, 1983 DUKE L. J. 1143 (1983); Graeme B. Dinwoodie, *Federalized Functionalism: The Future of Design Protection in the European Union*, 24 AM. INTELL. PROP. L. ASS'N Q.J. 611 (1996). This General Report focuses more closely on the trademark/copyright overlap, although principles applicable to the design law/copyright law interface are clearly also relevant to the copyright/trademark analysis.

and visual images.² These developments pose dangers as well as opportunities for authors. While trademark law can easily be seen as a means by which copyright owners can fill gaps in the fabric of copyright protection, it is by no means certain that the doctrinal (and theoretical) integration of separate intellectual property regimes will effect the transposition only of “filling” principles that accord more expansive protection. Instead, the “limiting” principles of trademark law (and design law and patent law) may as easily come to shape the contours of intellectual property protection of works of authorship, to the detriment of both the body of copyright law and the rights of authors. Moreover, the balance intentionally infused into copyright law (from which authors benefit) may inappropriately be disrupted by opportunistic exploitation of the differences between copyright and trademark (and design) law.

I. Description of the Overlap: Protected Subject Matter

In recent years trademark law has been used to protect the design of a number of products that, in some countries, might be susceptible to copyright protection: this list includes many consumer products, clothing designs, furniture, fashion accessories (such as handbags), household ornaments, and the covers of guidebooks.³ Copyright has been invoked with respect to an increased range of works that would often in the past have been regarded as too banal to warrant protection, including labels on shampoo and perfume bottles and emblems.⁴ The former

²The overlap extends more broadly, however, and developments in the protection of other works are referenced in so far as they shed light on the protection of designs and visual images.

³For examples, see the National Report of the United States at 5; National Report of the Netherlands at 9-10 (clothing designs); National Report of Greece, at 2 (fictitious characters); National Report of Switzerland, at 4 (furniture designs); National Report of Sweden, at 5 (noting cumulative copyright and trademark protection of the design of a telephone).

⁴For examples, see the National Report of the United States at 15; National Report of the Netherlands at 8 (emblems); National Report of Germany, at 9 (discussing copyright protection for the shape of a perfume bottle).

trend (in trademark law) has been more pronounced than the latter (in copyright law); but the net result is an increased overlap in copyright and trademark protection.⁵

Viewed from a long-term historical perspective, this increase in overlap can be attributed in part to an expansion in protectable subject matter under each of the principal intellectual property regimes.⁶ Thus, for example, in the United States, early copyright law protected maps, charts and books.⁷ From this beginning, copyright protection gradually has been conferred on an ever-expanding list of works, and the current U.S. copyright statute now identifies potential copyright subject matter in very broad terms: the statute protects “original works of authorship fixed in any tangible medium of expression, now known or later developed from which they can be perceived, reproduced or otherwise communicated, either directly or with the aid of a machine or device.”⁸ Categories of work are listed in the statute for illustrative purposes only.⁹

Likewise, the definition of protectable trademark subject matter has grown beyond historical borders. Traditionally, words or two-dimensional pictorial images comprised the

⁵Of course, trademarks have often had artistic components that may or may not be copyrightable works of art. And copyright has always protected works that were put to commercial use. One of the most prominent early U.S. Supreme Court cases involved the successful assertion of copyright in an advertising poster. But the subject matter of each regime has clearly expanded in almost every country over time, causing greater overlap in forms of protection.

⁶In her Session II B General Report, Annette Kur suggests that the erosion of “traditional delimitations separating the different categories of rights” can also be attributed to a lowering of thresholds and a broader scope of protection, as well as a convergence of the “legal foundations” upon which the different rights rest. *See* Annette Kur, *Further Legal Analysis and Debate Concerning the Relationship of Copyright and Trademark Exceptions: Does/should Trademark Law Prohibit Conduct to Which Copyright Exceptions Apply?*, Session II B General Report, at 1, available at <http://www.alai2001.org>. While each of these variables surely can affect the extent of overlap, in the design context, the (formal) lowering of thresholds plays a somewhat lesser role. But each of these is relevant in addition to the removal of limits on protectable subject matter discussed in the text.

⁷*See* Copyright Act of May 31, 1790, Ch. 15, 1 Stat. 124 (repealed 1802).

⁸17 U.S.C. § 102(a).

⁹*See also* National Report of the Netherlands, at 1 (same under Dutch law; listed categories are not exhaustive).

subject-matter of trademark protection. Although words remain the most common form of trademark, the potential subject matter of trademark protection has expanded well beyond these traditional categories. The Trademark Harmonization Directive now transposed in all the member states of the EU, and the Trademark Regulation, which establishes a system of EU-wide trademark rights, each defines the concept of a trademark in sweeping language:

A trademark may consist of any sign capable of being represented graphically, particularly words, including personal names, designs, letters, numerals, the shape of goods or of their packaging, provided that such signs are capable of distinguishing the goods or services of one undertaking from those of other undertakings.¹⁰

The United States Supreme Court, interpreting similarly broad language in the U.S. trademark statute (the Lanham Act) has held that anything that is capable of “carrying meaning” may potentially be trademark subject matter.¹¹ Under this philosophy, trademark rights have been recognized not only in slogans, numbers, and packaging, but also in the shape of products themselves, sounds, smells, and in the mere color of a product.¹²

Finally,¹³ many national systems of registered design rights offered protection only to

¹⁰First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the member states relating to trade marks, art. 2; Council Regulation EC No. 40/94 of 20 December 1993 on the Community trade mark, art. 4.

¹¹Qualitex Co. v. Jacobson Prods. Co., 514 U.S. 159, 162 (1995).

¹²Although the TRIPS Agreement did not expressly mandate the protection of product design *in haec verbis* as did the EU Trademark Directive, the generalist language of the definition of trademark in Article 15 of the TRIPS Agreement has contributed to the trend. See National Report of Australia at 10.

¹³Utility patent law has not been immune to these developments. Patent law in the United States initially protected any “useful art, manufacture, engine, machine, or device, or any improvement therein.” Act of Apr. 10, 1790, ch. 7, § 1, 1 Stat. 109, 110. Although the formal categories of patent subject-matter have remained substantially the same, see Lloyd L. Weinreb, *Copyright For Functional Expression*, 111 HARV. L. REV. 1149, 1180-81 (1998), Congress has affirmed that “anything under the sun that is made by man” is potentially patentable subject-matter. S. REP. NO. 82-1979, at 5 (1952). And in recent years, the U.S. courts and patent authorities have adopted an expansive view of patentable subject matter. See, e.g., *State Street Bank & Trust Co. v. Financial Signature Group*, 149 F.3d 1368 (Fed. Cir. 1998). International patent law is consistent with this approach to

ornamentation or features that “appealed to the eye,”¹⁴ but this subject matter restriction (as such) has been lifted in many countries and the trend is clearly toward a definition of protectable subject matter that extends both to aesthetic and functional design features.¹⁵ The momentum behind this trend can be traced in recent years to the reforms of U.K. copyright and design law in 1988, and of EU design law in the 1990s. In both contexts, design rights were introduced on an unregistered basis to both aesthetic and functional designs alike (albeit with different doctrinal restrictions, discussed below, intended to limit protection of certain functional designs).¹⁶

In this climate, the scope of protection under a particular intellectual property regime is defined conceptually and purposively, rather than categorically. For example, the limits of copyright protection will now be set by the concepts of originality and fixation, rather than by inclusion within classifications such as “work of art.”¹⁷ In the United States, the standard of originality requires only that the work be independently created and possess a minimal degree of

patentable subject matter. *See* TRIPS Agreement art. 27 (“[P]atents shall be available for any inventions, whether products or processes, in all fields of technology, provided that they are new, involve an inventive step and are capable of industrial application”).

¹⁴*See, e.g.*, Registered Designs Act 1949 § 1(1) (U.K.) (defining “designs” for purposes of the Registered Designs Act, as “features of shape, configuration, pattern or ornament applied to an article by any industrial process, being features which in the finished article appeal to or are judged by the eye. . .”). U.K. law still distinguishes between aesthetic and functional designs in that functional designs cannot obtain registered protection because of that system’s “eye-appeal” requirement, but such designs may obtain unregistered protection. The EU design directive harmonized only registered design laws.

¹⁵*See, e.g.*, Vessel Hull Design Protection Act, Digital Millennium Copyright Act 1998, tit V.

¹⁶*See, e.g.*, Directive 98/71/EC of the European Parliament and of the Council of 13 October 1998 on The Legal Protection of Design, O.J. (L 289) (Oct. 28, 1998), art. 1(a) (defining design as “the appearance of the whole or a part of a product resulting from the features of, in particular, the lines, contours, colours, shape, texture and/or materials of the product itself and/or its ornamentation”).

¹⁷*See* National Report of the Netherlands, at 1 (noting that protection depends upon whether a work is original and bears the stamp of the maker rather than on whether a work is a work of art); National Report of Switzerland, at 1 (noting that classifications as art and literature do not answer -- and are not suitable for answering -- the question whether a work is protected).

creativity.¹⁸ The limits of trademark subject matter will be set by notions of distinctiveness: does the design serve to identify the product as that of one undertaking as opposed to another? Design protection will be available if the design is new and differs sufficiently from what has gone before.¹⁹

This permissive approach to protectable subject matter appears grounded in notions of artistic neutrality that have deep roots in copyright law. This notion resonates most strongly, of course, in countries adhering to the philosophy of the unity of art. France is the prime example of a country following the philosophy of unity of art.²⁰ “French law considers that any creation of form bearing an adequate mark of its author's personality, whatever its purpose or usefulness, comes necessarily under [copyright law and specific design legislation]. The said Unity of Art Theory results in a rejection of any criterion of aesthetic creation which could allow industrial art to be separated from real art.”²¹ But the general notion that copyright law should not discriminate on the basis of the nature of the art in question has also found expression in U.S.

¹⁸See *Feist Publications Inc. v. Rural Tel. Service*, 499 U.S. 340 (1991). The *Feist* standard moved U.S. law slightly closer to continental European prerequisites of personal intellectual creation. See, e.g., National Report of Germany, at 1 (discussing copyright threshold).

¹⁹In the context of the EU design directive, to obtain protection, a design must be (1) new, and (2) have individual character. See Design Directive art. 3(2). Where a particular design protection threshold fits as compared to copyright and trademark thresholds depends, of course, in part upon the other relevant thresholds. In the common law world, the design thresholds are typically higher than the copyright originality standard. See National Report of Australia, at 3.

²⁰See also e.g., National Report of Denmark, at 1; National Report of Greece, at 2.

²¹Marie-Angèle Pérot-Morel, *Specific Protection of Designs and its Relation to Protection by Copyright in French Law in DESIGN PROTECTION* 45, 47 (H. Cohen Jehoram ed. 1976). See also National Report of the Netherlands, at 1 (noting that “useful articles received the same treatment as purely decorative works”).

law. In principle, a work's utility – whether commercial²² or mechanical²³ – should not prevent the protection of that work by copyright.²⁴

Once the limits of the particular regimes are defined in this fashion, an overlap of protection (as regards copyright and trademark) will occur if a design can be conceived of as both an original work of authorship and as a source-identifying feature. Designs surely serve both these purposes, a conclusion confirmed not only by post modern understandings of symbolic meaning but also by empirical observation of contemporary existence. Design of consumer products was an integral part of the aesthetic of the late twentieth century. And we are a more visual society, prompted both by technological developments and the demands of a global existence. We instruct computers by clicking on visual icons rather than typing text. Visual symbols transcend borders in ways that language does not. They sometimes convey meaning with an immediacy that words cannot carry. There is a reason that wanted pictures consist of artist's impressions, and not mere verbal descriptions.²⁵ Thus, in theory, defining protectable subject matter by conceptual notions (rather than metaphysical notions of what is a “work of art” or what is a “sign”) would result in significant opportunity for designs to receive ample protection under each and every intellectual property regime.

²²See *Bleistein v. Donaldson Lithographing Co.*, 188 U.S. 239 (1903).

²³See *Mazer v. Stein*, 347 U.S. 201 (1954).

²⁴See 17 U.S.C. § 113(a) (providing that “the exclusive right to reproduce a copyrighted pictorial, graphic, or sculptural work in copies . . . includes the right to reproduce the work in or on any kind of article, whether useful or otherwise”). In *Mazer*, the United States Supreme Court, interpreting an earlier statute, upheld copyright protection for the design of lamps in the form of Balinese dancers. Section 113(a) of the current statute restates the basic holding of *Mazer*. See H.R. Rep. No. 1476, 94th Cong. 2d Sess. 105 (1976).

²⁵For an elaboration of this point, see Graeme B. Dinwoodie, *The Death of Ontology: A Teleological Approach to Trademark Law*, 84 Iowa L. Rev. 611, 639-44 (1999); SUSANNE K. LANGER, *PHILOSOPHY IN A NEW KEY: A STUDY IN THE SYMBOLISM OF REASON, RITE, AND ART* 95 (2d ed. 1951).

This prediction of overlap is buttressed by an examination of recent developments in the theoretical foundations of the distinct intellectual property regimes. To the extent that purposive analysis drives the contours of protection under each regime – and this surely is more likely where categorical subject matter restrictions are removed – the purposes underlying recent development of copyright, trademark and design protection have converged. Although the purposes of copyright law have retained a constancy,²⁶ the purposes of trademark law have been the subject of intense debate. Two primary justifications have traditionally been offered in support of trademark protection: to “protect the public so that it may be confident that, in purchasing a product bearing a particular trademark which it favorably knows, it will get the product which it asks for and which it wants to get”; and to ensure that “where the owner of a trademark has spent energy, time and money in presenting to the public the product, he is protected in his investment from its appropriation by pirates and cheats.”²⁷ These separate interests, of the purchasing public and of producers, are each served by classical trademark protection against confusion as to “source” or “origin”. Many modern trademark law developments, such as dilution protection and preemptory rights for trademark owners in the online context, are arguably driven to a greater extent by the protection of producer value.²⁸ This purpose more closely mimics the purposes of copyright law than does the consumer-regarding

²⁶Some scholars have criticized recent copyright developments as undue expansions of the rights of copyright owners. But, whatever the merits of those criticisms, the grant of (new or expanded) copyright rights remains grounded in the same justifications that warranted the forms of protection that critics find appropriate in scope.

²⁷S. Rep. No. 1333, 79th Cong., 2d Sess. 3 (1946).

²⁸The drafters of recent reforms of EU design law adopted a mix of trademark and copyright justifications, recognizing both the creativity of designers (evoking copyright justifications) and the marketing role of distinctive designs (suggesting trademark rationales). *See* Green Paper on the Legal Protection of Industrial Design, Working Document of the Services of the Commission, Doc. # 111/F/5131/91-EN (1991).

rationale equally dominant under classical thought.

To these theoretical explanations of the causes underlying the increased overlap of different intellectual property rights, there must be added two practical, historical reasons: the inter-relationship of different intellectual property rights, and the role of opportunistic lawyering. The expansion of trade dress protection in the United States beyond packaging and the shape of containers can be traced to 1976, when the long-awaited revision of the U.S. copyright statute occurred. Up until the last minute, the copyright statute contained two titles. The first was what became the Copyright Revision Act of 1976. The second was a copyright-like design law, which would have offered design protection to original ornamental designs. At the last minute, that second title was dropped.²⁹ The same year saw the first recognition by a federal appellate court that the design or shape of a product could itself be protected as a trademark.³⁰ These events are probably not unrelated: the pressure to grant trademark protection to product designs starting in 1976 would surely have been less intense had Congress enacted an appropriate form of design protection. This highlights an important point, namely that the expansion of protection in one intellectual property regime is often a product as much of external developments than reforms internal to that regime. And, perhaps, the normative validity of those expansions should also take account of such external considerations.

Opportunistic litigation is also a practical cause of these recent developments: trademark can fill the holes in the fabric of copyright protection that a plaintiff receives. To illustrate the

²⁹For a fuller description of the treatment of designs under the proposed and enacted copyright revision legislation, see David Goldenberg, *The Long And Winding Road: A History of The Fight Over Industrial Design Protection In The United States*, 45 J. COPR. SOC'Y 21, 48-50 (1997).

³⁰See *Truck Equipment Service Corp. v. Fruehauf*, 536 F.2d 1210 (8th Cir. 1976).

opportunistic, perhaps even haphazard, nature of the development of trade dress protection for designs, consider two recent trade dress lawsuits in the United States. In *Foamation Inc. v. Wedeward Enters.*,³¹ the plaintiff sought to protect the design of a foam replica of a wedge of cheese (a so-called “cheesehead”), and thus to enjoin the manufacture and distribution of imitation cheeseheads. It is instructive to consider why the plaintiff sought to bring a trade dress claims. A copyright claim was also brought, but failed because copies of the work had been distributed before 1989 without copyright notice.³² Similarly, in *Fundamental Too Ltd. v. Gemmy Indus. Corp.*,³³ a plaintiff claimed trade dress rights in the design of a novelty product, the Toilet Bank. Here too, plaintiff contemplated both copyright and trademark claims, but the conduct that the plaintiff wished to restrain was largely occurring abroad. Although the U.S. courts have been reluctant to apply U.S. copyright laws extraterritorially, they have for half a century been much less reluctant to apply trademark laws extraterritorially.³⁴ Again, there were strategic advantages to framing this as a trademark claim; the court would exercise jurisdiction over the conduct under the Lanham Act, but not under the copyright statute.³⁵

Some of the huge volume of product design trade dress claims can be explained by these type of circumstance; it is the result of opportunistic exploitation by the intellectual property owner of the differences between the different regimes. Wilhelm Grosheide has described this as

³¹970 F. Supp. 676 (E.D. Wis. 1997).

³²The design might also have been insufficiently original, but the “notice problem” was at least one of the motivations for the trade dress claim.

³³111 F.3d 993 (2d Cir. 1997).

³⁴*See generally* Curtis A. Bradley, *Territorial Intellectual Property Rights in an Age of Globalism*, 37 VA. J. INT’L L. 505 (1997).

³⁵*See* *Fundamental Too Ltd. v. Gemmy Indus. Corp.*, 1996 WL 724734 (S.D.N.Y. Dec. 17, 1996).

the rise of the “ipr entrepreneur” as a right owner, seeking indiscriminately to obtain an advantage over rivals through application of whatever legal rights it can find.³⁶ Annette Kur has described this as the “human factor” in modern intellectual property litigation.³⁷ But however, we describe it, it is important to recognize that while we may rationalize and theorize the reasons for the convergence in the different intellectual property regimes, it is in large part attributable not to universal truths about the nature of the different property rights but rather to historical circumstance.

II. Intentional Gaps in Copyright Protection

Viewed merely in term of recent developments (rather than over the entire history of intellectual property law), the increased overlap of distinct intellectual property rights is heavily dependent upon the expansion in trademark and design law, rather than copyright law.³⁸

National Reports reveal little formal change in copyright law.³⁹ Rather, copyright law continues in many countries to insist on limiting protection for designs and visual images in ways that

³⁶See F. Willem Grosheide, *Crossing Borders: Convergence in the Field of IPRs*, Paper Delivered to the Ninth Annual Fordham Conference on International Intellectual Property Law and Policy (April 2001).

³⁷See Kur, *supra* note 6.

³⁸See, e.g., National Report of Denmark, at 5 (noting liberalization of trademark law). Danish law, like U.K. and some other European laws formerly did not protect the shape of the goods themselves, but now does in response to the EU trademark harmonization directive. See National Report of Denmark, at 2.

³⁹Some National Reports suggest that copyright protection has expanded in terms of its protection of relatively banal subject matter. See National Report of Germany, at 10; National Report of Sweden, at 10 (noting that the level of creativity required has been lowered in the last decades). If it has, then it has done so largely by reinterpretation of existing statutory text: the desire to protect the fruits of creativity (and investment) that may be less part of the *beaux-arts* than the traditional objects of copyright protection may have caused the lowering of the threshold of creativity. Harmonization of the level of originality -- in several supposedly non-horizontal EU copyright directives -- at levels below that of classical notions of creativity may also have contributed to that development. Cf. Gerhard Schricker, *Farewell to the "Level of Creativity" (Schopfungshöhe) In German Copyright Law*, 26 I.I.C. 41, 47-48 (1995). These developments have occurred with respect to subject matter the creativity of which has at some time been questioned – software, photographs and databases.

invite trademark and design law to fill gaps in copyright protection. In assessing the increased protection for certain works of authorship under regimes other than copyright, it is useful first to identify the ways in which (and reasons for which) copyright offers less than complete protection to designs. The National Reports reveal a variety of devices by which designs are denied copyright protection. It is important to recognize the different reasons for these restrictions, because changes in society and other intellectual property regimes may warrant revision of one set of restrictions but not the other grounded in a different rationale.⁴⁰

(a) **Narrow Classification of Protected Works.**

Some national copyright laws grant copyright protection only to certain defined classes of works (for example, “works of art”) that may tend to exclude designs by virtue of a narrow definitions of the protected class. For example, copyright law may protect “works of art” and then view “works of art” in terms that exclude items of mass-production or designs applied industrially.⁴¹ Most national laws now foreswear any parameter-setting definition of work of

⁴⁰ For example, if designs are excluded from protection because they are thought insufficiently creative, the legitimacy of such an exclusion may be undermined by either a revision in the applicable legal standard of originality – which may be happening in Europe, for example – or by a fuller appreciation of the creativity involved in the act of design (which may also be happening, if one looks at the increased attention to design by a variety of art organizations). If, instead, the non-protection of designs stems from a countervailing policy concern, such as ensuring free competition in durable consumer goods, then the normative validity of this exclusion is necessarily dependent upon the state of the competitive marketplace at any one time (and indeed upon legal notions of appropriate competition policy).

⁴¹ See National Report of Kazakhstan, at 1-2 (describing definitions of “work of art”); National Report of Sweden, at 4 (noting case law that denied copyright protection to the shape of a beer bottle because the work was “commercial” rather than “artistic” as demanded by the copyright statute, which protects “literary” and “artistic” works). Earlier U.S. copyright statutes attached significance to categories of work, although U.S. courts were even then sometimes reluctant to find restrictions in protection as a result of an assessment of the “artistic” nature of the work in question. See *Bleistein v. Donaldson Lithographing Co.*, 188 U.S. 239 (1903) (discussing the 1874 act). *But see* *Bailie v. Fisher*, 258 F.2d 425, 426 (D.C. Cir. 1958) (cardboard star with a circular center bearing the photograph of an entertainer not a “work of art” within scope of Copyright Act because not within “the historical and ordinary conception of the term art”) (citations omitted).

art.⁴²

(b) Narrow Application of General Prerequisites to Copyright Protection.

Other national copyright laws restrict protection not by the device of classifying but rather by applying general defining concepts – for example, “originality” or “authorship” – in ways that will exclude protection for designs. This exclusionary device rests upon unfavorable views of the design process (that it involves no authorship, or, relatedly, that it involves no originality or creativity).⁴³ In some laws, this has the effect of wholly excluding copyright protection for designs. Other national laws use these concepts to define those design works protectable by copyright and those that are not.⁴⁴ Thus, for example, under Dutch copyright law, if the work is “determined purely by functional or technical considerations” it will be denied copyright protection; but if, although possessing some technical aspects, the work is not dominated by them, it may receive copyright protection.⁴⁵ It would appear that the line will be set by the question whether the shape of the product reveals sufficient choices by the producer within the constraints of the technical function such that the product may still be said to have

⁴²See National Report of the Netherlands, at 1; *see also* National Report of Switzerland at 1 (noting unsuitability of using classifications to determine protection).

⁴³*Cf.* National Report of Finland, at 1 (noting that some denials of copyright protection reflect concern that the design embodies no creative expression, and only creative ideas or methods of production); National Report of Denmark, at 2 (noting that “products that derive their shape on or from nature or consist only of shapes that are necessary to obtain a technical result are not considered original”); *id.* at 4 (describing protection for clothing); National Report of Germany, at 2 (explaining reasons for higher standard of originality as applied to works of applied art); National Report of Spain, at 1. The opposite conclusion might properly be reached, namely, that given the constraints of technical function, the designer may in fact show greater creativity in developing a work. *Cf.* National Report of Switzerland at 2 (noting that the lesser protection for design works is inconsistent with the notion that “it should be easier for an artist with less creative scope . . . to receive copyright”).

⁴⁴*See, e.g.*, National Report of Germany, at 8-9 (noting that the higher originality standard for works of applied art results in copyright protection for works of designers whose “artistic merits are uncontested, like le Corbusier, or Charles Eames”).

⁴⁵ *See* National Report of the Netherlands, at 1-2.

individual character and bear the stamp of the maker.⁴⁶ It is by this focus on the extent of originality that Dutch law calibrates protection.⁴⁷ And thus, in practice, “works containing user or consumer functions enjoy a lesser degree of copyright protection than products which have a purely decorative, literary or artistic function.”⁴⁸

Often this differentiation in the application of the general standards is embodied in a legal rule imposing a different formulation of the general requirement.⁴⁹ For example, in Germany more restrictive standards are applied when assessing the originality of works of applied art.⁵⁰ In other countries, the originality standard is nominally the same, but in practice the designs of useful articles tend to fail to meet the test (because it is applied more strictly).⁵¹

(c) Specific Exclusions from Protection Grounded in Copyright Policy.

Some copyright laws contain exclusions consciously designed to restrict copyright protection for certain categories of work otherwise protectable under general principles of copyright law. These exclusions may take different forms, reflecting different justifications, but

⁴⁶ See National Report of the Netherlands, at 2 (discussing *Screenoprints* and H.R. 27 January 1995, NJ 1997, 273 (Drainage tile)).

⁴⁷ See National Report of the Netherlands, at 2 (discussing bootlace case).

⁴⁸ National Report of the Netherlands, at 2. The same is true as regards the moral rights of authors in a work that is utilitarian in character; such works embody a lesser expression of individuality and are thus less likely to be detrimentally affected by conduct that might otherwise be regarded as a moral rights violation. See National Report of the Netherlands, at 2-3.

⁴⁹ Under Dutch law, discussed above, no higher standard prevails. See National Report of the Netherlands, at 3 (noting that, under the *Screenoprints* decision, the design of useful articles need show no additional “marked artistic character” beyond that ordinarily required to obtain copyright protection).

⁵⁰ See National Report of Germany, at 1-2.

⁵¹ See National Report of Finland, at 1 (noting that the originality standard does not differ depending upon the type of work, but in practice “the originality requirement is high in respect of the products of industrial art and handicraft”); see *id.* at 5 (noting practical difficulties in reaching the standard in the case of clothing and furniture); see also National Report of Denmark, at 1-2 (discussing creativity requirement as applied to applied art); *id.* at 4-5 (noting that cumulation not feasible sometimes in practice); National Report of Spain, at 1.

each is derived from an independent concern that certain matter not be protected by copyright. These exclusions are conceptually not unlike other exclusions from copyright protection. First, there are those that are premised on the notion that some things are too important to be protected by copyright (and thus may be analogized to general exclusions, such as applies to ideas, for example). These exclusions tend to reflect concerns for free competition.⁵² Second, there are those exclusions premised on the notion that designs are insufficiently important for copyright protection (because, for example, they will inevitably fail to evince the creativity necessary for copyright protection).⁵³

(d) Exclusions Grounded in Broader Intellectual Property Policy.

Finally, there are exclusions that reflect legislative design (or judicial regard) of the system of intellectual property systems as a whole. Again, these exclusions may take different forms. For example, some national laws contain a per se (or sometime de facto) exclusion of certain types of designs thought most appropriately protected by patent or design law.⁵⁴ For example, Italian law creates a system of partial cumulation by providing that only the separable artistic elements of a design or work of applied art may be protected by copyright. Other designs and works are relegated to a generous system of design protection. The United States adopted

⁵²The exclusions discussed below may reflect concern for the climate of competition created by the intellectual property system as a whole. The two inevitably interact, as the U.S. Supreme Court continues unconsciously to demonstrate in its confused trade dress jurisprudence. *See* National Report of the United States at 10.

⁵³These exclusions obviously overlap with the device referenced above, namely the application of the general prerequisite of originality. But I am referring here to blanket exclusions of categories of work, where the justification tendered for that rule of law is the assumption that all designs will fail to meet that test. The device discussed above involves no such legislative determination, but rather judicial determinations that the legislative standards is rarely satisfied but the possibility is left open.

⁵⁴*See* National Report of Italy, at 1-2.

the Italian approach to cumulation in the 1976 Copyright Revision statute. Section 101 of the Copyright Act now provides that the “design of a useful article . . . shall be considered a pictorial, graphic and sculptural work only if, and only to the extent that, such design incorporates pictorial, graphic and sculptural features that can be identified separately from, and are capable of existing independently of, the utilitarian aspects of the article.” The case law interpreting this provision has bordered on the incomprehensible. As interpreted by the majority of courts, however, this provision greatly restricts copyright protection for artistic designs embodied in useful articles. Although some courts have offered copyright protection to the designs of useful articles that have passed this so-called “separability” test⁵⁵ the prevailing approach is likely to exclude protection for designs that integrate form and function.⁵⁶ Indeed, the legislative history to this provision suggests that it was specifically intended to draw a line between works of applied art (such as those lamp designs recognized in *Mazer* as the proper subjects of copyright protection) and works of industrial design (which were not to be afforded copyright protection).⁵⁷ Unlike the Italian system, however, the United States relegates design not to a *sui generis* design system but to an unprotected status.

Alternatively, one can find an exclusion reflecting the fact that the intellectual property owner has elected to receive, or has received, benefits from other parts of the intellectual

⁵⁵See, e.g., *Keiselstein-Cord v. Accessories by Pearl, Inc.*, 632 F.2d 989 (2d Cir. 1980) (protecting the design of an ornate belt-buckle).

⁵⁶See, e.g., *Carol Barnhart Inc. v. Economy Cover Corp.*, 773 F.2d 411 (2d Cir. 1985) (denying protection to the design of four human mannequins because their design features were not “wholly unnecessary” to performance of the utilitarian function of the articles); *Brandir Int’l Inc. v. Cascade Pacific Lumber Co.*, 834 F.2d 1142 (2d Cir. 1987) (denying protection to the design of a bicycle rack because the ultimate design was influenced by functional considerations).

⁵⁷See H.R. Rep. No. 1476, 94th Cong., 2d Sess. 55 (1976)

property system. Rules that preclude or limit the protection of designs under one regime (such as unfair competition) after the expiry of other particular intellectual property rights reflect this motivation.⁵⁸ The “election” may be presumed by certain conduct. Australian law, for example, establishes a defense to copyright infringement claim where the artistic work is used as a design and three dimensional functional articles embodying the design are manufactured and sold.⁵⁹ If industrial application such as this occurs, design law is regarded as the appropriate regime for protection (rather than copyright) and this rule incentivizes producers to seek that protection.⁶⁰ U.K. and Canadian law contain similar provisions when the design is applied industrially to 50 articles.⁶¹

National Reports suggest that there are few countries with rules that categorically exclude copyright protection based upon the parallel existence or non-existence of trademark protection and vice-versa. Most countries start from the proposition that different intellectual property rights exist independently of each other, a proposition frequently supported by reference to the different purposes of the copyright and trademark laws.⁶² But, despite this

⁵⁸See National Report of the Netherlands at 6 (discussing the circumstances in which protection against slavish imitation under unfair competition law is available to products on which particular intellectual property protection has expired).

⁵⁹See National Report of Australia, at 2.

⁶⁰See *id.* at 3 & 5 (discussing purpose of the defense and noting that it is derived less from a view regarding “the essential subject matter of copyright but rather from a policy that sees industrial design registration as a more appropriate form of protection for three-dimensional mass-produced products”). The Spanish report offers criticism of expansive trademark protection for a number of items on this ground. See National Report of Spain, at 4-5 (noting the proper route to protection being industrial model or design law).

⁶¹See National Report of the United Kingdom, at 4; National Report of Canada, at 2.

⁶²This concern about different purpose is sometimes expressed in terms of the different “interests” underlying the exercise of the different rights. The Dutch report discusses some tension in recent case law on the question of cumulation. In the *BMV v. Blok* case, referenced in the Dutch report at page 7, the Dutch court demanded a specific interest in enforcing copyright beyond that at issue in trademark law before it would allow

general proposition, the concern that the intentional limits in one regime might be circumvented by protection under another has given rise to case law (and some statutory provisions) that restrict protection under one regime depending upon the treatment of a work or product under another.⁶³ The greatest area of concern would appear to be where a producer seeks under trademark or unfair competition law to extend the effective term of intellectual property protection offered under patent or copyright law.⁶⁴

The cumulation of copyright and industrial design rights is more frequently regulated by statute, perhaps in part because of a closer coincidence in purpose behind copyright and design laws. Design laws are often motivated by the same instrumentalist concerns of incentivizing certain activity or the natural rights to the fruits of creativity, but are tempered (and thus modified in scope) by a belief about the scope of creativity involved in the authorship of designs or concerns about the different competitive concerns that arise when designs are industrially applied.⁶⁵ Permitting the producer to pick and choose between the regimes appears to negate legislative intent because the construction of one regime has often implied a rejection of the

cumulative protection of a character under trademark law.

⁶³See National Report of the United States at 18; National Report of Germany, at 10. Several reports reference the decision of the European Court of Justice in *Parfums Christian Dior v. Evora*, where the court, faced with parallel claims under copyright and trademark law, indicated (without explanation) that the free movement of goods required that the scope of trademark and copyright rights in the work in question (perfume labels) be the same. It is not clear why the Court of Justice reached that conclusion, although the principle of the free movement of goods (rather than any internal principle of copyright or trademark law) was surely a consideration. Another common rule precludes registration of a trademark that is an infringement of the copyright of another, presupposing some overlap. See National Report of Finland, at 5; National Report of Greece, at 2.

⁶⁴See National Report of Italy, at 2 (noting limits of unfair competition action). Many national laws will still, however, permit protection beyond the term of a separate intellectual property right. See, e.g., National Report of Denmark, at 6; National Report of Greece, at 2 (discussing use of unfair competition law to protect a work unprotected by copyright because of lack of originality or expiration of term)

⁶⁵See National Report of Sweden, at 2 (explaining the reasons for the shorter term of protection under design law).

application of the other to the particular subject matter in question.⁶⁶ Despite this, some national laws expressly permit cumulation of design and copyright protection.⁶⁷

III. Gaps in Trademark Protection

While there are gaps in copyright protection of designs, one should also recognize that trademark law has its own limits that affect the scope of protection for designs. The National Reports reveal three common sets of issues that affect the scope of protection.⁶⁸

(a) **Distinctiveness**

Some countries require that product designs satisfy stricter standards to receive protection under trademark law (just as under copyright law). These take two primary forms: some countries have a blanket requirement that product designs will be protected only upon proof of secondary meaning;⁶⁹ others create a higher standard for demonstrating inherent

⁶⁶In the United States, industrial designs are relegated not to a design protection system (as was the initial purpose of the 1976 reforms) but to a state of no-protection. *See also* National Report of Switzerland, at 2 (explaining more stringent standards as a result of the “design protection law sub-structure” of the law).

⁶⁷ *See* National Report of the Netherlands, at 3 (citing article 21 of the Benelux designs law); National Report of Denmark, at 2. The copyright in a design will lapse whenever the design right lapses unless the owner of the design files an extension notice with the Benelux Design Office. *See* National Report of the Netherlands, at 3. The Dutch courts have recently treated this requirement as modified by the provisions of the Berne Convention. Thus, where an Italian producer failed to file the extension notice, and its design rights in a chair expired after fifteen years, its corresponding copyright protection was held to continue by virtue of Article 7(4) because that provision requires that industrial designs protected as applied art under copyright law must received 25 years of protection without the imposition of any formality (such as the extension notice). *See* Cassina v. Sedetti (HR 26 May 2000), discussed in National Report of the Netherlands, at 3-4. This decision would appear to have caused the demise of the extension notice requirement, although it has also caused doubt as to the duration of copyright in works for which an extension was sought. *See id.*

⁶⁸Much of the cases law and practice in this area remains undeveloped. Several countries did not offer trade mark protection to product design until recently and thus jurisprudence is still sparse. *See* Comments in National Report of Germany at 3.

⁶⁹*See* National Report of Finland, at 3 (noting that three dimensional designs can enjoy protection “after becoming established”). The U.S. Supreme Court in *Wal-Mart Stores Inc. v. Samara Brothers Inc.*, 529 U.S. 505 (2000), required product design to possess secondary meaning to receive protection, although packaging trade dress and other non-design marks, other than color per se, may be protectable as inherently distinctive. Some countries recognize the possibility of inherently distinctive product design marks. *See* National Report of Germany, at 3.

distinctiveness. German law recognizes the possibility of inherently distinctive product design marks, but the German courts have recently referred a question to the European Court of Justice asking whether stricter distinctiveness standards must be applied to product design.⁷⁰ The motivation for the German court's reference would appear to be the interaction of trademark protection for design with other industrial property protection, but these rules often reflect, and embed as a rule of law, the belief that designs only rarely act as source-identifiers.⁷¹ Again, as in copyright law, while some of these exclusions have been embedded in rules of law, the effective exclusion is achieved in other countries simply by practical application of a general standard to subject matter that less easily serves as a source-identifier.

The same German court has asked the European Court of Justice to consider whether the need to keep forms free from monopolization should be considered in determining distinctiveness.⁷² Similar impulses can be found in U.S. case law as courts in the United States sought (pre-*Samara*) to develop a test for the inherent distinctiveness of product design. These are unhelpful considerations. If protection is denied for lack of distinctiveness, the justifications of trademark law are not implicated; it is unproblematic to favor the rule of copyright law permitting copying. But, if the goals of trademark law justify prohibition, and the need to keep a shape free for use is conceived as a countervailing policy, one might reach a different result in

⁷⁰See National Report of Germany, at 4.

⁷¹See e.g., *Duraco Prods., Inc. v. Joy Plastic Enters., Ltd.*, 40 F.3d 1431 (3d Cir.1994); *Wal-Mart Stores Inc. v. Samara Brothers Inc.*, 529 U.S. 505 (2000). To some extent, the decision in *Wal-Mart* was also driven by the Court's perception that articulation of a workable rule for determining the inherent distinctiveness of product design was extremely difficult, making it difficult to dismiss strike suits at an early stage of a litigation. See Graeme B. Dinwoodie, *The Rational Limits of Trademark Protection* in U.S. INTELLECTUAL PROPERTY: LAW AND POLICY __ (2001) (forthcoming) (discussing *Wal-Mart*).

⁷²See National Report of Germany, at 4.

light of the need to balance two legitimate concerns of intellectual property law.⁷³

(b) Functionality

Most trademark laws contain exclusions for design features that are to different extent influenced by, or determined by, technical considerations.⁷⁴ The United States Supreme Court, for example, has recently confirmed that “in general terms, a product feature is functional . . . if it is essential to the use or purpose of the article or if it affects the cost or quality of the article.”⁷⁵ The key question in any national law is what (type and) extent of “necessity” is required for this exclusion to apply?

Questions regarding the scope of the functionality exclusion in the EU trademark directive has been referred to the European Court of Justice by the UK courts.⁷⁶ The advocate-general recently issued his opinion suggesting that the case -- involving the shape of the head of an electric shaver -- could be resolved through application of the exclusion in the EU trademark directive of “signs which consist exclusively of the shape of goods which is necessary to obtain a technical result.”⁷⁷ He concluded that the shape in question “appeared to be the perfect example of a merely functional shape,” and endorsed the approach of the U.K. court to the relevance of alternative designs: “there is nothing in the wording of [Article 3(1)(e)] which makes it possible

⁷³See Dinwoodie, *supra* note 25, at 729-746 (discussing the question of competing considerations in the context of trademark functionality rules under U.S. law).

⁷⁴ See National Report of the Netherlands, at 5 (noting exclusion where the shape of the article was the “direct result of the production of the product” or “technically or functionally indispensable”).

⁷⁵Traffix Devices, Inc. v. Marketing Displays, 69 U.S.L.W. 4172, 4174 (Mar. 20, 2001) (quoting Qualitex Co. v. Jacobson Prods. Co., 514 U.S. 159, 165 (1995)).

⁷⁶See Philips Elec. v. Remington Consumer Prods., 1999 R.P.C. 809 (Ct. App. 1999) (U.K.).

⁷⁷See Case C-299/99, Philips Electronics v. Remington Consumer Prods. (Jan. 23, 2001) (Opinion of Advocate-General Ruiz-Jarabo Colomor).

to conclude that a merely functional shape could be registered if another shape, capable of achieving a comparable result, exists.”⁷⁸ He supported this literal interpretation by reference to what he saw as the purpose of the exclusion, namely to prevent trademark law from extending the life of other intellectual property rights that are limited in time.⁷⁹ Indeed, the advocate-general found further support in the slightly different scope of exclusion of functional designs in the EU design directive, which, he maintained, would deny protection for design features that are “solely *dictated* by technical function.”⁸⁰ The advocate-general read the trademark functionality exclusion as more easily triggered than the design directive exclusion.⁸¹

A number of countries excludes protection for design features which, although not technically essential substantially affect the value of a product.⁸² This might be thought of as a question of “commercial” as opposed to “technical necessity,” and approximates to what in U.S. law is unhelpfully called the doctrine of aesthetic functionality. This historically confusing doctrine excludes from trademark protection designs which, though aesthetic rather than

⁷⁸*Id.* at ¶ 28. In the United States, most lower courts have given some weight, in assessing functionality, to the availability of alternative designs that might serve the same purpose as the article in question. Yet, the *Traffix Devices* Court found that there was no need to have regard to alternative design possibilities if the *Inwood* test (quoted above) was met. *See Traffix Devices*, 69 U.S.L.W. at 4175. Although the Court has rejected the lack of alternatives as a necessary component of a court’s analysis (or of a defendant’s case), it is likely that lower courts will continue to have regard to the question. It will be helpful in determining whether a design feature is “essential to the use or purpose of the article or affects its cost or quality” or is one “the exclusive use of [which] would put competitors at a significant non-reputation related disadvantage.” What is “essential” will not be easy to answer absent subsidiary analyses of alternative designs. *See National Report of the United States*, at 7.

⁷⁹*See id.* at ¶¶ 30-31.

⁸⁰*See id.* at ¶¶ 32-34 (emphasis in original).

⁸¹*See id.* at ¶ 34 (in the case of designs, “the feature concerned must not only be *necessary* but *essential* in order to achieve a particular technical result”). Note again that the contours of one intellectual property regime are being influenced by external considerations found in another regime.

⁸²*See National Report of the Netherlands*, at 5 (discussing case law).

utilitarian, are essential for rivals to imitate in order to compete. For example, the Court of Appeals for the Second Circuit in *Wallace International Silversmiths, Inc. v. Godinger Silver Art Co.*,⁸³ concluded that the ornamentation on baroque silverware was aesthetically functional because, although not essential to the use or purpose of the silverware, that ornamental design was essential to any rival seeking to compete in the market for baroque silverware.

Any comparison of the functionality exclusion in copyright and trademark laws of national systems is difficult, and reveals little consistency. On the one hand, for example, the functionality exclusion in Italian law is phrased in terms that approximate the separability exclusion in Italian copyright law.⁸⁴ On the other hand, the Dutch report concludes that these express exclusions are such that “the exclusions in trademark law differ entirely from those found in copyright law.”⁸⁵ Regardless of different formulations, however, the exclusions found in national copyright and trademark laws appear driven by similar concerns of free competition and, despite conceptually different formulations, may involve similar evidentiary inquiries. In particular, the availability of alternative designs (multiplicity of forms) is prominent in setting the parameters of copyright, trademark and design protection for designs.⁸⁶

⁸³916 F.2d 76 (2d Cir. 1990).

⁸⁴See National Report of Italy, at 2. The exclusions from copyright and trademark in Danish law are also similarly phrased: “shapes that are necessary to obtain a technical result” are not protected. See National Report of Denmark at 2 (copyright) and 3 (trademark).

⁸⁵National Report of the Netherlands, at 6.

⁸⁶This concept of multiplicity of forms may also be relevant to the thresholds of protection as well as the exclusions. See, e.g., National Report of Germany, at 4 (discussing trademark distinctiveness standards); National Report of the United States (discussing copyright thresholds); National Report of the United States, at 8-10.

(c) Scope of protection.

Because classical trademark protection in many countries depended upon a likelihood of confusion as to source,⁸⁷ a defendant may avoid trademark liability (or liability under passing off-based unfair competition laws) by taking step to differentiate its product notwithstanding the similar product design. Thus, for example, the defendant in the international litigation between Philips and Remington regarding the copying of the three-headed shaver design prevailed in Australia because it took steps to differentiate its product through the use of labeling and the addition of the Remington brand name.⁸⁸ (This may be less helpful in property-based trademark systems where an identity of mark and product is sufficient of itself for trademark infringement; the defendant in a design case will almost always be using the design on the same product, and so confusion-based defenses may be unavailing).

Thus, although trademark law can be used to fill in gaps of copyright protection, it is – properly applied – itself intended to afford only limited rights and is circumscribed by its own concern for competition.

IV. Exploiting Other Differences in Aspects of Copyright and Trademark Law

Without detailing every difference between copyright and trademark law, the following represents a list of the primary variables that suggest opportunity for exploitation by litigants and on which, given the role of opportunistic litigation discussed above, we must focus. As a preliminary matter, it is important to recognize that many of these differences may be more

⁸⁷Many countries have, of course, extended trademark protection beyond these parameters and offer protection against non-confusing uses that dilute the distinctiveness of trademarks.

⁸⁸See National Report of Australia at 12-13. Indeed, subject to the caveat in the text, the factual findings made in the corresponding UK case would probably have enabled the court to reach a similar conclusion without addressing protectability.

theoretical than real. That is, different terminology is sometimes used to describe concepts that, in practice, apply in very similar ways. The most prominent examples of this are noted below.

- (a) **Term.** Unlike copyright, trademark rights may endure indefinitely. But this may be deceptive. Trademark rights are only *potentially* perpetual dependent upon continued use and distinctiveness.
- (b) **Scope of rights.** In theory, the scope of trademark rights is defined in large part by the similarity of the marks and the goods upon which the mark is used. Because competing designs will tend to be used on the same or similar goods, however, the trademark's reach is in large part defined by similarity of the design (which brings the test of scope closer to copyright's substantial similarity standard).
- (c) **Infringement.** Unlike copyright law, trademark infringement may be made out even absent copying. On the other hand, trademark law classically protects only against use of a mark in commerce and as a trademark (private, non-commercial copying can less easily be treated as trademark infringement). Courts have, however, interpreted the trademark requirements of use in commerce and use as a trademark very broadly, such that this may be a relatively insignificant limitation.⁸⁹
- (d) **Formalities.** While copyright protection exists without registration, trademark rights in many countries require registration. But here too, this difference can be over-stated. Many countries offer similar protection for unregistered marks under passing off or unfair competition laws.

⁸⁹*But see* Dutch National Report at 9 (discussing recent case law insisting on this requirement as part of a trademark infringement claim).

(e) **Exhaustion of rights.** In some countries, there are differences in exhaustion rules that apply to copyright and trademark rights. These differences relate both to the geographical scope of exhaustion⁹⁰ as well as the circumstances warranting recognition of rights notwithstanding the first sale of a copy of the work. For example, under Dutch copyright law, the rule of international exhaustion applies; in the trademark context, EU (or EEA) exhaustion applies.⁹¹ As noted in several National Reports, the European Court of Justice has, however, recognized the need to align these rules in light of the overlap of copyright and trademark subject matter.

V. Issues to Consider

A review of the national reports suggests that several issues might appropriately be considered in assessing the appropriate overlap of copyright and trademark rights in designs and visual images.

(a) **Cumulation as such.** Perhaps the most central issue is whether cumulation of copyright and trademark protection is problematic as a general rule. A core principle of intellectual property law suggests that we should not be concerned with cumulation (at least of trademark and copyright). Although, in effect, cumulated protection ends up protecting the same physical object, none of the intellectual property rights in theory protect the tangible product.

⁹⁰See National Report of Finland, at 8 (noting regional exhaustion for trademark and traditional worldwide exhaustion for copyright).

⁹¹See National Report of the Netherlands, at 17-18. The Dutch report notes that article 2 of the Information Society Directive might require the scope of copyright exhaustion to be brought in line with that applicable under trademark law. *See id.* at 18. The Commission is seeking to standardize this issue throughout a variety of directives, and EEA exhaustion is the standard that will be applied. As noted above, for reasons as yet unexplained, the European Court of Justice is also seeking to assimilate the scope of conduct permitted by exhaustion of rights under copyright and trademark law. The Court would appear to be acting upon free movement concerns; the Commission would appear to be acting to safeguard the economic interests of EU producers.

Rather each regime protects a (different) intangible part of the product; copyright and design rights protect the creativity and authorship embodied in a work; trademark law protects the goodwill embodied in the source-identifying symbol. But, while this theoretical observation is important, blind commitment to this theoretical argument should not obscure the practical reality: the same product is protected, and the same conduct permitted under one regime may be enjoined under the other. In such a context, even the theoretical purposes of copyright and trademark law might be undermined. How then to reconcile this dilemma? In what circumstances might protection appropriately be made available under trademark law where copyright law permits copying? To be sure, different bodies of law frequently regulate the same conduct in the pursuit of more than one policy purpose. But what happens when those purposes generate conflicting outcomes?

In seeking an answer to these questions, the rationale for the denial of copyright protection might be a persuasive factor to consider.⁹² That is, the reason for the lack of copyright

⁹²This is true even at the instinctual level. Different examples of opportunistic exploitation of the differences between trademark and copyright protection might evoke different reactions to the plaintiff's plight. The plaintiff is likely to elicit some sympathy when laboring under the minimalist approach of U.S. copyright law toward Berne Convention adherence. Thus, the plaintiff in *Foamation* could not bring a case under the copyright statute because, among other things, copies of the work had been distributed to the public prior to 1989 without copyright notice. Similarly, some plaintiffs seeking to vindicate moral rights of paternity and integrity have used the Lanham Act to make up for the deficiencies of U.S. law in offering moral rights protection as such. *See, e.g., Gilliam v. American Broadcasting Co.*, 538 F.2d 14, 24 (2d Cir. 1976) (reconciling the effective protection of plaintiff's moral rights of paternity and integrity -- not available as such under U.S. law -- with the instrumentalist premises of U.S. copyright protection). In contrast, there are situations where the copyright claim would fail not because of a deficiency of American law, let alone a deficiency inconsistent with the premises of the Berne Convention, but rather because the copyright statute affirmatively permits the defendant's conduct. For example, in *Rock and Roll Hall of Fame and Museum, Inc. v. Gentile Productions*, 134 F.3d 749 (6th Cir. 1998), the Rock and Roll Music Museum and Hall of Fame sought to enjoin the sale of unauthorized posters of the museum (which had been designed by I.M. Pei). The district court granted an injunction, but the appellate court reversed the lower court (in a somewhat confused opinion) for failure to establish that the architectural design was consistently functioning as a trademark. Yet the plaintiff's efforts to use trademark law evoke little sympathy when Congress had arguably, in Section 120 of the copyright statute, affirmatively -- and consistent with international standards -- permitted reproduction of such architectural designs in photographs.

protection might color the view that one has of complementary gap-filling trademark protection. If the justification for denying copyright protection to designs is an explicit policy determination that certain other intellectual property regimes are more appropriate vehicles for the protection of designs, then the force of such exclusions – and their use to trump potential protection under a different regime such as trademark – may be dependent upon the availability of those other protection regimes. The justification for the separability rule in Italian rule, for example, is premised upon the existence of carefully-crafted (and more limited) design-specific legislation that protects some of those designs denied copyright protection.⁹³

The exclusion that a plaintiff seeks to circumvent may instead flow from an “election of rights” philosophy.⁹⁴ Yet, exclusions premised upon the election argument may afford insufficient weight to the consumer-protection aspects of trademark law, which (although enforced by private rights holders) aim to protect the public by minimizing marketplace confusion.⁹⁵ There, trademark law has a greater claim to apply and fill the gaps in copyright protection. It would thus be unduly simplistic to conclude that trademark protection should never be available where copyright protection is not, or indeed on the contrary that the non-availability of one form of protection is never relevant to the existence of the other. We should

⁹³The same exclusion in U.S. copyright law – albeit initially premised on the availability of design protection – operates without the accompanying design law, which arguably affects the normative validity of the exclusion (and indeed of the ways in which the courts are likely to interpret the exclusion and the force that they afford the exclusion when it abuts potential trademark protection for the same design).

⁹⁴A system of election of rights work less easily in an environment where unregistered rights (such as copyright, unregistered design rights and some trademark rights) are the norm; presumed elections (such as when industrial application is made) are required for the doctrine to work. But it is unclear why a work protected by copyright should suddenly become unprotected by virtue of its industrial application. *Cf.* *Mazer v. Stein*, 347 U.S. 201 (1954).

⁹⁵*Cf.* *Dinwoodie*, *supra* note 25, at 687& 739 (arguing that U.S. trademark functionality doctrine must be revised to reflect competing concerns of competition and protection of consumer understanding).

thus be hesitant to impose an overarching “cumulation principle.”

As a general rule, a balance between copyright and trademark rights can best be achieved if the purposes of trademark law are confined. If trademark law is reduced to ensuring a return on producer investment, it will become difficult to establish limits on its reach. If the consumer-regarding aspects of trademark law are given prominence, it may become easier to reconcile trademark law to one role and copyright to another. This is not to deny that difficulties will continue to arise. But they will do with less frequency and this different focus of trademark law might enable a court to recognize the objectives of both systems in the relief that it grants: a defendant may be permitted to copy (as allowed by copyright law) but not to confuse (as prohibited by trademark law). This is more room between these two propositions than a property-based notion of trademarks that asks a judge to reconcile the right of a defendant to copy under copyright law and the right of a plaintiff to stop copying under trademark law. It is therefore trademark law that must prune back its reach.

(b) **Exceptions and Limitations.** These questions also raise two themes discussed at recent ALAI Congresses. In Cambridge, we discussed the importance of limitations and exceptions to the copyright system. This has been recognized explicitly also by the drafters of the WIPO Copyright Treaty, and by the European Union in recent directives imposing mandatory exceptions. If this is so, to what extent must those exceptions be upheld in the face of contrary exclusionary rights provided by other intellectual property systems? The balance with which copyright law is intentionally infused may inappropriately be disrupted by opportunistic exploitation of the differences between copyright and trademark (and design) law. This debate about the overlap of copyright and trademark protection is thus appropriately part of a larger

discussion about the centrality of exceptions and limitations to copyright law.

(c) **A unified theory of intellectual property rights.** Last year, in Stockholm, we discussed whether the bundle of different rights of the copyright owner might be subsumed under the rubric of a generalized right to exploit a work. Might this convergence be logically extended beyond copyright? Is it time to unify the bundle of rights of the intellectual property owner applying to certain works under a single rubric also? If so, what would those general principles be? To attempt such unification may, of course, pose dangers as well as opportunities for authors. While trademark law can easily be seen as a means by which copyright owners can fill gaps in the fabric of copyright protection, it is by no means certain that the doctrinal (and theoretical) integration of separate intellectual property regimes will effect the transposition only of “filling” principles that accord more expansive protection. Instead, the “limiting” principles of trademark law (and design law and patent law) may as easily come to shape the contours of intellectual property protection of works of authorship, to the detriment of the rights of authors.

Moreover, such grand plans for a unified system of intellectual property are (like a general rule governing cumulation) too grand, and perhaps too fundamental, a response to the problem. Attention to the proper (classical) scope of protection of trademark law will help mediate any tension between the two systems, as will a firm conviction regarding the appropriately limited objectives of trademark law. What problems remain might best be addressed by attempting to effect an *entente cordiale* between copyright and trademark law in smaller ways. Can commonality be forged on certain aspects of products that should and should not be protected? Consider as one possibility the principal exclusions from protection of product designs, which rules inform competitors what of competitors’ products they might use. As noted

above, any comparison of the precise scope of the functionality exclusion in trademark laws and similar exclusions in copyright laws is difficult, and reveals little consistency in almost any national law. Regardless of different formulations, however, the exclusions found in national copyright and trademark laws appear driven by similar concerns of free competition and, despite conceptually different formulations, may involve similar evidentiary inquiries. One evidentiary device that appears used in several countries in defining the scope of both trademark and copyright law is the question of alternative designs, or multiplicity of forms. This is prominent in setting the parameters of copyright, trademark and design protection for designs; where such common inquiries exist, they should be seized upon as mechanisms to effect intra-intellectual property harmonization.

Conclusion

The answer to the conundrum of overlapping copyright and trademark rights may thus depend on a number of variables, including the reasons for denial of copyright protection, which may vary from country to country, and the overall protective scheme available to designs. If some form of doctrinal mediation is required, it will best be found by building areas of agreement where the two disciplines use similar devices to determine the scope of protection for certain products (whether as regards functionality exclusions, or perhaps or exhaustion of rights), rather than by constructing grand principles. Finally, the search for any larger answer – if it is to be essayed – should be situated within the broader copyright debates concerning the appropriate role for exceptions and limitations in copyright law and the development of unified (“converged”) copyright rules.