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Good Design: A Proposal for the Proper Protection of Market-Entry Industrial Design

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Table of Contents
Introduction..................................................................................................................................2
I. Industrial Design.....................................................................................................................4
   A. What is Industrial Design? ...............................................................................................4
   B. Industrial Design and Legal Protection .............................................................................5
   C. The Importance of Industrial Design and the Global Economy .....................................6
      1. Industrial Design and Modern Consumer Culture ......................................................7
      2. The Link Between Industrial Design and Global Competitiveness ............................8
      3. Government Policy and Design ..................................................................................9
      4. Current Focus on Protecting Fashion Design is Too Limited ....................................10
   D. The Problem is Counterfeiting .........................................................................................13
      1. Reasons for Rise in Counterfeiting .............................................................................13
      2. Harms of Counterfeit Goods .......................................................................................14
II. The Development of Legal Protection For Industrial Design Internationally .....................19
   A. Different Theories of Protection .......................................................................................19
      1. Type of Legal Protection for Industrial Design .............................................................20
      2. The Creativity Standard ...............................................................................................22
      3. The Aspects of Design which Deserve Protection .......................................................23
      4. The Intersection between Design and Copyright Law .................................................24
   B. A Brief Chronology of the Legal Recognition of Industrial Design Rights Internationally ......................................................................................................................26
      1. International Recognition of Industrial Design Rights ...................................................26
   C. The European Union Attempts to Harmonize Design Protection ....................................30
      1. The Difficulty of Harmonizing European Design Law ................................................30
      2. The Community Design Directive ..............................................................................31
      3. The Community Design Regulation ..........................................................................32
INTRODUCTION

Empirical research tells us that “(d)esign led companies have produced dramatically better share price performance for their investors.”¹ However, in the U.S., in contrast to all European and the majority of other countries around the world, the legal system provides no specific protection for market-entry design.² A few, very innovative, designs may qualify for patent protection.

Trademarks can sometimes be used to protect the shape of a design that has acquired secondary meaning, and under certain conditions, the creative portions of a design, if separable from its functional aspects may qualify for copyright protection, but there is no legal protection for design per se. Critics have suggested that the U.S. system is hostile to design innovation and that this is one of the reasons why American companies have often ceded innovation, and relinquished customers, to better European designed products. Part of this hostility to design is seen in the legal system’s lack of recognition of design as worthy of protection on its own merits.

There is starting to be an appreciation of the importance of design to the economy. In the context of jump-starting the economic recovery a recent article declared that, “Business innovation ought to be declared a public policy objective—one at least as important as boosting home ownership and agriculture.” Part of innovation is good design.

U.S. law’s lack of protection for market-entry design does not arise because Congress has never considered providing legal protection for design. There have been numerous attempts over the years to pass a design law. Most recently fashion designers have taken up the cause, claiming, “fashion design piracy has become a blight that affects all who depend on the U.S. fashion industry.” The Council of Fashion Designers of America (CFDA) has lobbied actively for several years now for the passage of U.S. legislation that would provide a copyright-like protection for fashion designs. Fashion designers argue that such legislation is essential to protect their industry from rampant copying. However, thus far fashion designers have not enjoyed any more success than earlier designers in securing legal protection for their designs.

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3 See infra section III A.
4 JOHN HESKETT, TOOTHPICKS AND LOGOS 32 (Oxford University Press 2002).
5 Edmund S. Phelps & Leo M. Tilman, Wanted: A First National Bank of Innovation, 88 HARVARD BUSINESS REVIEW 1, 2 (Jan 2010).
6 See Goldenberg supra note 2, at 25. Designers have sought legislation protecting design since 1898.
8 See H.R. 5055 Hearings (prepared statement of Susan Scafidi) 2006 WL 2127243.
10 See Goldenberg supra note 2, at 26.
This paper argues that the rise in counterfeiting and piracy mean that it is important for Congress to finally create a limited protection for industrial design under U.S. law. It reviews current principles of design protection and international harmonization efforts to outline how it is possible to develop a *sui generis* design protection based upon existing legal principles of U.S. and international law.

Part One of the paper evaluates the growing evidence of the importance of industrial design to the global economy. It identifies counterfeiting as the greatest threat for innovative design-intensive industries, which leads to the argument that to provide protection for designers against counterfeiters there is a need for short-term legal protection from copying. Part Two focuses on the history and development of the various concepts underpinning legal protections for industrial design. It briefly traces the chronology of international efforts to define and protect industrial design, and considers in more depth the relatively recent E.U. attempts to harmonize design laws in Europe, especially the adoption of the unregistered design right. It demonstrates that there is, in fact, a slowly developing international consensus on several aspects of legal protection for industrial design. Part Three explores the unsatisfactory and piecemeal manner in which protection for industrial design is currently provided by U.S. law. It explains the various shortcomings of each type of legal protection, and also addresses the problems with the fashion lobby’s proposed Design Piracy Prohibition Act. Part Four of the article reiterates the rationale for protection and proposes that the legislation should provide an unregistered limited protection against copying for all market-entry industrial design following the principles of protection found in international law and especially in key aspects of the European unregistered design right. The paper argues that this new law would benefit society, consumers and designers.

I. Industrial Design

A. What is Industrial Design?

Industrial design as a term originated in the early 20th Century, with German architect, Peter Behrens, credited as being the first industrial designer. The Patent Office first used the term industrial designer in 1913. “A design is hard to define but is easily described.” According to the International Council of Societies of Industrial Design (ICSID) “design is a creative activity whose aim is

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to establish the multi-faceted qualities of objects, processes, services and their systems in whole life cycles.”

More simply, design is about “shaping products to serve people’s needs.” In this article I will refer to the people who shape products in this way as designers, with industrial designers as those who shape all types of mass-produced products.

Before the First World War, manufacturers paid less attention to manipulating the look of a product to attract consumers and more to developing its functional aspects and enhancing its performance. French-born, Raymond Loewy, a fashion illustrator by training, was one of the first people to convince American manufacturers that the appearance of their products mattered, and, by the transformation of various products, he was able to show that changes to the outward appearance could result in products which were easier to manufacture, cheaper to produce and more pleasurable to use.

B. Industrial Design and Legal Protection

Traditionally, systems of intellectual property protection recognize a split between the different types of protection provided to different creative endeavors. In the simplest terms patents protect innovation, while copyright protects creative expression. This divisive view of the major intellectual property rights has been criticized. The criticism is especially valid for design. A 2005 Report on creativity in Britain for the U.K. government described design as “the process that links creativity and innovation.” This definition helps explain why the underpinnings of legal protection for industrial design are so complicated.

As an industrial process which concerns creativity and aesthetics of utilitarian objects, industrial design is particularly hard to categorize under either

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15Carnegie Mellon School of Design, http://www.design.cmu.edu/show_program.php?s=1. “We believe design to be a humanistic discipline: the art of conceiving, planning or shaping products that are made to serve people in answer to their individual and collective needs and desires.”
17TERENCE CONRAN ON DESIGN, supra note 11, at 195.
18See Afori supra note 13, at 1117.
Whether design is primarily about aesthetics or technical function, or both, causes dispute even among industrial designers themselves. The design of an object can also be used by the designer to indicate a particular source of manufacture, traditionally the subject of yet another intellectual property regiment, trademark protection. The design of iPods and coke bottles both illustrate this use of design.

In the U.S., design is primarily protected as a sub-category of patent law. However, because of the high standard of novelty required to obtain a design patent, the majority of new market-entry designs are not protected by the U.S. legal system. In most other legal regimes, design is now treated as a species of copyright and provided with a limited copyright-like protection. Over time the positions taken by some countries on how and what industrial design to protect have shifted. Despite the lack of international consensus on the type and standards of protection most suited for design, some communalities in approach are developing which, it is argued later in this paper, could be used to inform a clearer and more conceptually consistent protection for market-entry industrial design under U.S. law.

Apart from the question of where designs fits on the patent, copyright, and trademark paradigm, legal systems have also struggled with several other important questions concerning the protection of designs. These include the standard of creativity required for a design to be protected, whether both the functional and artistic features of a design deserve protection, and where the legal protection for industrial design should intersect with the protection provided to fine art and other artistic works by copyright law. These questions will mainly be addressed in Part II of this paper.

C. The Importance of Industrial Design and the Global Economy

25 See infra Section II.
26 Afori supra note 13, at 1116.
1. Industrial Design and Modern Consumer Culture

Design is becoming increasingly important in modern life. It is no accident that the top global companies are also design leaders in their respective fields. In the crowded modern consumer culture, “(d)esign is the only thing that differentiates one product from another in the marketplace.”

Industrial design allows a company to distinguish its goods and services from the competition in an interconnected global market where many different products constantly compete for the consumers’ attention. There is strong evidence that good design can achieve goals as varied as improving health, creating environmental benefits and even has an effect on the results of elections.

Designers are now employed in virtually every industry to create ‘eye-appeal’ for product and to differentiate between the many products in a crowded market to attract consumers. One only has to consider the success of design icons like the iPod and related products, to conclude that the process of design is important in selling products. There are other MP3 players on the market yet the iPod continues to be a top seller, at least in part because of its eye-pleasing and functional design. Good, well constructed design benefits consumers by making products aesthetically pleasing and often of higher quality. The economic argument in favor of a company expending resources on design is that market efficiency is increased when design improvement sparks competition between manufacturers of goods.

In a consumer society, where the consumption of goods is no longer based on necessity alone, but on a whole host of sociological and psychological factors, design provides many less-quantifiable benefits to both the consumer and the market as a whole. Designs allow a consumer to differentiate himself from others in his design choices. The design serves as a communicator of the objective attributes of the product, (what it can do) but it also communicates information like cultural values, (taste, style etc.) and, even social values (for example, environmentally sustainable design). As well as providing these indicators of choice to consumers, the attributes of design allow producers to segment the market and potentially increase profits.

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27 Daniel H. Pink, A Whole New Mind 84 (Riverhead Books 2005). It is plausibly argued that better design of the ballots could have changed the result of the presidential election in 2000.


29 Tom Peters, Re-Imagine! Business Excellence in a Disruptive Age 134 (Dorling Kindersley 2003).

30 Daniel H. Pink supra note 27, at 82-83.

31 Afori supra note 13, at 1111.

32 Id.

33 Id.

34 Id. at 1112-1113.
Automobiles, for example, are primarily useful objects to move people and their possessions, but they tend to have significance and meaning imputed to them which goes far beyond their utility. Cars act as a symbol of their owner’s lifestyle and aspirations. These are all reasons for providing legal protection to encourage the investment required to create good industrial design.

2. The Link Between Industrial Design and Global Competitiveness

According to a variety of studies, “(d)eign is increasingly being recognized as important for national competitiveness” in the global economy. Certainly European governments, as well as some corporations, are becoming considerably more aware of the effects of design on market performance. Although comparable data on national design industries are relatively hard to collect (and thus making reliable comparisons between nations is difficult) several studies have linked business success to the use of design. Design can create new markets, providing consumers with something they did not know was missing, from ring tones to medical devices. Companies like GE and P&G are trying to transform their processes so that design-led innovation helps them create new products and new markets.

In a study by the U.K. Design Council, companies that were “effective users of design” outperformed the U.K. stock market (FTSE 500 index) by more than 200% between 1994-2004. The study selected companies for inclusion in the “design portfolio” primarily on the basis of their being nominated for and winning design-related awards. The study concluded that, companies which focused on product design, not only substantially outperformed their competitors during good economic times, they also fared significantly better during economic downturns and recovered market share more quickly. A U.S. study published in 2005 confirmed that “good industrial design is related to corporate financial performance and stock market performance even after

35 HESKETT supra note 4, at 44.
37 See THE IMPACT OF DESIGN ON STOCK MARKET PERFORMANCE supra note 1.
39 Id.
40 DANIEL H. PINK supra note 27, at 79-81.
42 THE IMPACT OF DESIGN ON STOCK MARKET PERFORMANCE supra note 1.
considering expenditures on industrial design. In other words, design pays for itself. Some critics have suggested that the hostility of the US. legal environment to protecting design innovation explains why American companies like GM have focused comparatively little on design. U.S. car companies have lost market share to car companies from Germany and Japan because, although American automakers employ designers to style the outward appearance of their cars, they do not pay the same close attention as German and Japanese manufacturers to a holistic notion of design and product quality. BMW understands the importance of design. A representative has described its automobiles not as cars but as “moving works of art that express the driver’s love of quality.”

3. Government Policy and Design

The effect of government policy on industrial design has not been lost on newly industrialized countries. These countries (particularly those in Asia) which have long competed globally on the basis of low cost manufacturing have started to compete with the advanced industrialized nations increasingly on the basis of design and innovation. “China, for example, is putting a huge amount of effort and resources into building an indigenous design capability.” At the 2008 IDEA awards for the best global designs, although the U.S. came first overall in number of awards, its lead was narrowed, with designers from South Korea, China, Europe and Latin America all increasing their showing. Korea was also highlighted by the U.K. Treasury’s Cox Review, as a nation whose government has determined to increase its competitiveness in industrial design by aggressively committing resources towards establishing the country as a design hub within East Asia. As if to confirm this commitment, at the 2009 IDEA awards Samsung (a Korean company) was the top corporate winner of design awards.

\[43\] See Hertenstein & Platt supra note 1, at 4.
\[44\] Goldenberg, supra note 2.
\[45\] Heskett supra note 4, at 32.
\[46\] Daniel Pink, supra note 27, at 79.
\[47\] The Cox Review supra note 20, at 6.
\[48\] Id.
\[50\] Moultrie and Livesey supra note 36, at 1.
In Europe, governments have had design policies for decades. European countries have endeavored, by various means and with varying degrees of success, to promote design and emphasize its economic and cultural role in modern society. These governments have become particularly concerned recently about the impact of competition from the newly industrializing countries, in the area of creativity and innovation (which are viewed as traditional areas of European strength) and various reports have suggested solutions to assist European businesses in improving their design capabilities to become more competitive globally. Even in the U.S., which has never had a specific design policy, or focus on design as a competitive strength in the global economy, the private sector clearly recognizes the importance of branding and the design services sector to the economy. This is particularly important lesson for European and American firms which cannot compete with the labor costs of their Asian rivals.

4. Current Focus on Protecting Fashion Design is Too Limited

This article looks beyond the current narrow focus of lobbyists, legislators and academics on the legal protection of fashion design. It concurs with the fashion design lobby that U.S. law has significant shortcomings when it comes to the protection of design but it does not agree that the Design Piracy Prohibition Act is the way to fix the problem. The U.S. legal regime on design already lacks coherence and clarity and the fashion proposal is an example of self-interested legislation which, while it may benefit some members of the fashion industry, will do nothing to ensure the law balances the needs of industrial designers and their customers.

The author believes that useful lessons could be learned from the treatment of design protection in international treaties like the World Trade Organization’s Trade Related Aspects of Intellectual Property Agreement and efforts to harmonize laws on design like the European Union’s recent experience with its member states’ industrial design laws.

An analysis of the development of industrial design protection internationally, and a consideration of European protections for design will demonstrate that Congress should not focus on protecting a single industry, like fashion, from design copying, rather it should create a coherent, unified approach to the protection of all industrial design. Register Fischer of the U.S.

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52 Heskett supra note 4, at 180.
53 Id. 181
54 The Cox Review supra note 20, at 9 mentioning the Dutch and Finnish approach.
55 Heskett supra note 4, at 184.
Copyright Office said, prophetically, over 50 years ago, discussing the lack of legal protections for industrial designs, “if nothing is done the problem will increase in complexity … the matter has become so urgent that we should deal with it promptly before we find vested interests in different industries involved.”

The vested interests that have most recently put their stamp on the discussion are the fashion designers. The issue of whether fashion design merits special legal protection has generated a vast amount of debate among legal scholars in recent years. On the one hand, Raustiala and Sprigman have argued that the industry shows little sign of “blight,” and has thrived, at least in part, because of the lack of legal protections, or “low-IP equilibrium,” in the fashion industry. In his testimony on a version of the Design Piracy Prohibition Act, Christopher Sprigman suggested that it was far more likely to function as a “lawyer-employment bill, not a fashion-industry protection bill.” Raustiala and Sprigman have recently defended their stance that all copying, whether line-by-line or derivative, is beneficial to the fashion industry because of the way in which it speeds the fashion cycle.

Several scholars have criticized Raustiala and Sprigman’s view, raising a variety of reasons as to why the fashion industry now requires increased legal protection. The most common arguments made are that Raustiala and Sprigman underestimate the new technologies of copying, and misunderstand

60 Raustiala & Sprigman, at 1734.
61 Id. at 1698-99.
62 See H.R. 5055 Hearings supra note 2, (prepared statement of Christopher Sprigman, Associate Professor, University of Virginia Law School) at *2 2006 WL 2127243 (F.D.C.H.).
65 See, e.g., Erika Myers, Justice in Fashion: Cheap Chic and the IP Equilibrium in the United
the effect of various other changes in the fashion business, especially the motivations and buying habits of consumers. The speed of global communication with factories in China which are ready and able to execute commissions from fashion design pirates has significantly affected the dynamics of the business. In some cases knock-offs can reach the stores before the originals. In these cases, the original designers are being denied the economic fruits of their creative labors which could provide a disincentive to innovate and it is widely agreed that, “(t)he principle justification for intellectual property (IP) laws in the Anglo-American tradition is economic.” Raustiala and Sprigman’s critics also argue that the democratization of the fashion business, with many different types of designers creating clothing and selling to an increasingly diverse set of consumers, has affected the ability of high-end designers to make a profit from original design.

There is another strand of scholarship concerning the proper protection of industrial design or applied art generally under American intellectual property law. Orit Fischmann Afori has recently argued that industrial design enhances market efficiency and is under-protected by U.S. law. Design has certainly been the Cinderella of intellectual property law, relatively unchanged since the 1950s, while by contrast trademark and copyright law have expanded relentlessly in that period. Various commentators have argued that the piecemeal legal protection provided in the U.S. for industrial design has significant shortcomings. This paper focuses on the protection of all market-

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65 See, e.g., Lauren Howard, supra note 64, at 345-46 (discussing the sociology of the modern fashion customer).
67 See Afori supra note 13, at 1111.
68 Id. at 1118.
70 See, e.g., Afori supra note 13; Saidman, supra note 70; and Setliff supra note 21.
entry industrial design and not just on the issue of whether or not to protect the fashion industry.

D. The Problem is Counterfeiting

Commentators have been warning for years that “counterfeiting is endemic” in the field of design. The boost to earnings which companies gain from well-designed products is a lead which is very vulnerable to copying and may be lost to sales of counterfeit goods. Counterfeit activity has actually risen dramatically in recent years. Several government and international reports have recognized that one of biggest threats to the creativity and innovation advantage that industrial design can provide to a corporation is the increasing ease with which counterfeit goods can be quickly and cheaply produced, often in the newly industrializing countries such as China, and traded all over the world.

The term “counterfeit” is often used in the U.S. to denote goods which infringe the trademark of another, but the OECD Report on the Economic Impact of Counterfeiting uses the term for a range of activities which infringe trademarks, copyrights, patents and design rights, as well as a bundle of other intellectual property rights. The term will be used in the same way as in the OECD Report in this article.

1. Reasons for Rise in Counterfeiting

Counterfeit producers are greatly assisted today by instantaneous global communication and ready access to well-equipped modern factories in China and other newly-industrialized Asian countries. China’s rate of increase in R&D is the highest in the world. Its leaders are building China as a high investment, high level of skills, low cost base economy. According to the Design Business Association, “The new economies have fantastic factories but don’t know what to make.” While IPR protection is improving in China, the command economic model has traditionally placed little importance on legal rights especially

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76 See Reichman supra note 24, at 1164.
77 See Reichman supra note 22 at 400.
78 See for example, OECD, THE ECONOMIC IMPACT OF COUNTERFEITING AND PIRACY (OECD 2008).
81 The Cox Review supra note 20.
82 Id. at 6.
83 Id. at 8.
intellectual property protections. These conditions have caused China to become the largest single source economy for counterfeit goods. Asia produces a staggering two-thirds of all counterfeit goods seized in international trade.\(^{84}\)

In one other indication of the counterfeiting trend and its legal impact, the last few years has seen numerous lawsuits in many jurisdictions against the online marketplace, eBay, by luxury goods manufacturers (common targets of design piracy). eBay's own estimates, in defending a lawsuit by Tiffany, put the percentage of goods sold on eBay labeled as originals of designer goods which were, in fact, counterfeits, at 30%.\(^{85}\) All of the lawsuits claimed that eBay had, by its practices, enabled the global counterfeit industry to flourish,\(^{86}\) and although these lawsuits have met with widely divergent results,\(^{87}\) they do illustrate the extent of the global problem of counterfeiting, and the harm it causes to design-intensive industries.

The next section reviews the harms of counterfeiting as described in three recent reports on the topic by the OECD,\(^ {88}\) European Union Customs\(^ {89}\) and the Department of Justice Taskforce on Intellectual Property.\(^ {90}\)

2. Harms of Counterfeit Goods
   a. The OECD Report

A comprehensive study prepared by the Organisation for Economic Co-operation and Development, based on data from customs seizures of counterfeit goods in OECD countries, assesses the magnitude and effects of counterfeiting and piracy. It catalogs three types of harm produced by the sale of counterfeits: harms to society as a whole, harms to intellectual property rights holders, and harms to consumers and governments. The report concludes that the effects of piracy are so significant that they compel strong and sustained action from government, businesses and consumers.\(^ {91}\)

\(^{84}\) See THE ECONOMIC IMPACT OF COUNTERFEITING AND PIRACY supra note 78, Executive Summary at 13.

\(^{85}\) Tiffany v. eBay, US No. 04 Civ. 4607, at *6 (S.D N.Y. July 14, 2008).


\(^{87}\) Id. at 248.

\(^{88}\) THE ECONOMIC IMPACT OF COUNTERFEITING AND PIRACY supra note 78.

\(^{89}\) E.U. Customs Report on Counterfeit and Piracy supra note 79.


\(^{91}\) See THE ECONOMIC IMPACT OF COUNTERFEITING AND PIRACY supra note 78, Executive Summary at 4.
According to the OECD, the socio-economic effects of counterfeiting on society are to decrease innovation, employment, foreign direct investment and trade and economic growth, while increasing criminal activity and harm to the environment.\textsuperscript{92} In connection with these harms the report notes differences in these economy-wide effects in different industrial sectors. The risks for innovators are particularly high, for example, where research and development costs are high. For some industries the level of counterfeit activity is relatively important, while for others it is a minor consideration. Foreign direct investment from the U.S., Germany and Japan has been found to be higher generally in economies with lower rates of counterfeiting, although the report cautions that this analysis is based on a limited dataset.\textsuperscript{93} The report notes a similar caution with regard to its finding that the types of product traded between countries are influenced by counterfeiting. While counterfeiting and piracy transfer economic rents to all types of parties engaged in illegal activity, the effects of counterfeiting on the environment are especially deleterious in industries like the chemical industry where many products can have environmentally damaging consequences.

For rights holders and creators, counterfeit goods have a deleterious effect on sales volume and prices, royalties, brand value and firm reputation, investment and the cost to companies of combating piracy, the scope of operations and consumer utility.\textsuperscript{94} The report notes two types of sales lost to counterfeiters. Those lost from consumers who believe they re purchasing a genuine product, and those lost from consumers who are knowingly purchasing a lower-priced fake. Counterfeits damage the brand image and reputation, particularly where the consumer believes she is buying a genuine product. Counterfeits of luxury goods tend to make the goods less desirable. Respondents to the OECD industry survey mentioned instances where losses in brand value due to piracy had driven companies out of business or reduced their scale of operations.

The OECD Report notes that there are also effects of counterfeiting and piracy on government and consumers, which come in the form of lost tax revenues and the cost of anti-counterfeit activities including responding to public health and safety consequences, and corruption.\textsuperscript{95} Concerns over health and safety appear frequently in OECD survey responses, particularly in the automotive industry, food and drink, chemicals, pharmaceuticals and toiletry and household products. Counterfeiters have little interest in ensuring quality, safety or performance of their products.\textsuperscript{96}

\textsuperscript{92} Id. at 17.
\textsuperscript{93} Id. at 17-18.
\textsuperscript{94} Id. at 18-19.
\textsuperscript{95} Id. at 20.
\textsuperscript{96} Id. at 19.
The OECD initially estimated the cross border trade in counterfeit goods at $200 billion but it recently increased its estimate of the total global cost to the world economy of international trade in counterfeit and pirated goods to $250 billion.\(^9^7\) The report concedes that there is little research and a lack of data on counterfeit activity. The fragmentary nature of the information makes it hard for stakeholders to assess the situation in a comprehensive and coherent fashion.\(^9^8\) More and better information would help governments and businesses develop more effective practices to combat counterfeiting and piracy.\(^9^9\)

The OECD surveys found that counterfeit goods were being sold in virtually all economies. The levels of sales of fakes appeared to be higher in less developed countries with these countries also tending to experience significant sales of more common products like automotive parts, and pharmaceuticals,\(^1^0^0\) while more developed countries tended to have more problems with sales of counterfeit luxury goods like designer clothing and upscale watches.\(^1^0^1\) Counterfeit electrical goods, toiletries and household products appeared in markets worldwide.\(^1^0^2\) The report noted that the types of products being counterfeited were numerous and growing and that the counterfeiting of even the most common and lower priced products was increasing in developed countries partly because the liberalization of international trade has enabled the counterfeiters to infiltrate legitimate supply chains and partly due the rise of internet as a place to sell products.\(^1^0^3\)

Media reports of dangerous counterfeit consumer goods like toys, personal care products, medicines and spare parts reaching the market in developed countries,\(^1^0^4\) with supposedly stronger regulatory systems and strong IP protections and enforcement,\(^1^0^5\) have brought recently focused public attention on the increased threat to public safety from counterfeits of common consumer products.

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\(^9^7\) See Magnitude of Counterfeiting and Piracy of Tangible Products: An Update, supra note 80.

\(^9^8\) See The Economic Impact of Counterfeiting and Piracy supra note 78, Executive Summary at 9.

\(^9^9\) Id. at 7.

\(^1^0^0\) Id. at 13.

\(^1^0^1\) Id. at 11.

\(^1^0^2\) Id. at 13.

\(^1^0^3\) Id. at 14.

\(^1^0^4\) Goldirova Renata, Counterfeit Goods Flood Europe, BUSINESS WEEK ONLINE, June 1, 2007 2.34 EST.

\(^1^0^5\) Design Awards: Knocking off the Knock-Offs, BUSINESS WEEK ONLINE, March 5, 2009, http://www.businessweek.com/innovate/content/mar2009/id20090325_296592.htm?chan=innovation_innovation+%2B+design_design+awards.
b. Department of Justice Report

The DOJ Report states that the Office of the United States Trade Representative puts the economic costs of what it describes as, “intellectual property theft” to American corporations at $250 billion per year.\(^{106}\) This estimate is higher than the OECD estimate but includes domestic as well as international counterfeit activity. According to the Report “(i)ntellectual property is America’s competitive advantage in the global economy of the 21st century”\(^{107}\) and the DOJ has made intellectual property enforcement a high priority.\(^{108}\) The report is mainly focused on the DOJ’s achievements in increasing its criminal prosecutions of IP crime.\(^{109}\)

The DOJ Report unwittingly demonstrates the lack of specific protection for design under U.S. law. It describes two types of counterfeit goods, those including imitations of famous trademarks and those involving the imitations of patented drugs. The report notes that those buying products with counterfeit trademarks may pay more believing the trademark to be genuine, but it is far more concerned with the sale of counterfeit drugs which “pose serious risks to consumers’ health and safety.”\(^{110}\) The report makes no mention of the other dangers of sales of counterfeit products like the automotive parts, household products, toys and games mentioned in the OECD report, presumably since many of these products would infringe design rights rather than trademarks or patent rights and so are not caught by the DOJ enforcement efforts.

The DOJ Report describes intellectual property rights as being protected by four types of legal protection; patent, trademark, copyrights, and trade secrets. It does not mention design patents or any type of design protection. It is difficult to know how much of the economic cost of design piracy is actually captured by the report’s figures on intellectual property theft. Design patents may be included in the patent category, and trademark infringing goods (which are counted) will often necessarily include the copying of a product’s design as well as any trademark or other rights, so that it is probable that at least some of the huge economic costs attributed by the DOJ Report to “intellectual property theft” would include losses to designers from the copying of their designs.

The DOJ Report attributes the same main types of direct harm to sales of counterfeit goods as does the OECD: It states that counterfeit goods decrease

\(^{107}\) DOJ Report supra note 90, at 1.
\(^{108}\) Id. at 2.
\(^{109}\) Id.
\(^{110}\) Id. at 9-10.
incentives to create new and innovative products, hurt the economically important, innovative sectors of the economy, as well as threatening public health and safety by persuading consumers to purchase cheaply-produced, and sometimes dangerous fakes. It also notes that counterfeiting can fund criminal activity and that improvements in technology have increased opportunities for intellectual property theft by making the creation and distribution of counterfeit goods easier and more anonymous.\textsuperscript{111} After briefly mentioning the harms of counterfeit goods, the majority of the report focuses on the DOJ’s efforts to improve intellectual property enforcement and, particularly its efforts in increasing criminal prosecutions of all types of IP crime. It notes some success in prosecuting of sellers of counterfeit luxury goods like handbags, presumably under trademark law.\textsuperscript{112}

c. E.U. Customs Report

The E.U. customs report’s aim is to tracks customs seizures of counterfeit and pirated goods at E.U. borders.\textsuperscript{113} The customs report does not speculate on the harms produced to the economy by counterfeit activity but provides details each year of the seizure of goods at E.U. borders by customs officials. According to the 2008 figures, China continued to be the main source of all counterfeit goods with 54\% of the total amount, and the numbers of seizures of such goods continued to increase dramatically, with, for example, a huge 126\% increase over 2007 figures for seizures of counterfeit personal care products.\textsuperscript{114} Counterfeit clothing and cigarettes continue to head the list of the goods with the greatest number of large seizures.\textsuperscript{115} However, seizures of other types of goods including electronics, and personal care goods are increasing.\textsuperscript{116} According to the E.U. Customs Report most of these seizures were of trademark infringing goods, (only 1.24\% of goods seized infringed design rights\textsuperscript{117}) but, of course, many goods which infringe a company’s trademarks will also copy its product designs in order to deceive the consumer into believing that they are buying a genuine product.

Most design infringements found by E.U. customs concerned shoes, but other products where designs were infringed included accessories for cell phones, toys, medicine and tools.\textsuperscript{118} Seizures in the toy’s category were up 136\% on the previous year’s figures,\textsuperscript{119} demonstrating the increasing problem of

\textsuperscript{111} Id. at 13.
\textsuperscript{112} Id. at 26.
\textsuperscript{113} E.U. Customs Report on Counterfeit and Piracy, supra note 79, at 7.
\textsuperscript{114} Id. at 7. This is a slower increase than the 264\% in 2006.
\textsuperscript{115} Id. at 8.
\textsuperscript{116} Id.
\textsuperscript{117} Id. at 9.
\textsuperscript{118} Id. at 19.
\textsuperscript{119} Id. at 11.
counterfeit activity for designers of all industrial products and also the move of counterfeit goods, noted by the OECD report, into common products as well as luxury goods.

Despite the difference in figures, all these recent reports on counterfeiting activity agree that the amount of and the economic costs of counterfeit goods are increasing at an alarming rate and the effects of sales of counterfeit goods on the world economy is substantial and growing.\textsuperscript{120}

To highlight the problem of design counterfeiting in a different way a German group has been giving awards since 1977 to the most egregious design knock-offs sold in the German market each year.\textsuperscript{121} The organizers of the Plagiarus Awards hope that the media coverage surrounding receipt of an award will deter producers and sellers of fakes from infringing the designs of others.\textsuperscript{122} The awards have sometimes achieved this aim, with those nominated often pulling their counterfeit products from the market.\textsuperscript{123} However, the deterrent effects of such a venture are necessarily limited to a few infringers targeted in one market each year.

The next section of the paper reviews the theoretical underpinnings of, and traces the development of legal protection for industrial design internationally, especially the relatively recent harmonization efforts in Europe. Its aim is to show that despite the apparent muddle of laws, and lack of international consensus on the best methods for protecting design, there are some international standards emerging for the protection of industrial design which might guide the development of U.S. law.

\section*{II. The Development of Legal Protection for Industrial Design Internationally}

\subsection*{A. Different Theories of Protection}

The intellectual property triumvirate of patents, copyrights and trademarks were not created specifically to protect industrial design and the extension of laws beyond their original purpose is often problematic and has unintended consequences.\textsuperscript{124}

\begin{flushright}
\textsuperscript{120} See supra notes 91 – 119.
\textsuperscript{121} See supra note 105.
\textsuperscript{122} Id.
\textsuperscript{123} Id.
\end{flushright}
Patent law is designed to provide a relatively short term but very strong monopoly to encourage the development of industrially useful inventions. The strong monopoly it provides would have an anti-competitive effect if available to primarily aesthetic designs but it is difficult for courts to distinguish the functional from the ornamental aspects of a design which includes both.\(^{125}\)

Copyright law provides a longer time period of protection for merely original, rather than innovative, creative works against copying. Arguably its protection, while suited to the aesthetic nature of most design, is far longer in duration than necessary or desirable to protect industrial products, especially in fast moving industries which are characterized by lots of derivative works.

Trademark law protects consumers from being misled into buying fake goods and also protects trademark owners from those who would free-ride on their goodwill. Trademarks protect the reputation, particularly of well-known brands, but they do not protect product design specifically, and therefore to avoid providing monopoly awards for successful designs, they should not provide any protection until a design is well-known and linked in the minds of consumers with a particular design source.\(^{126}\)

To compound the problems inherent in attempting to squeeze design protection into existing intellectual property schemes, U.S. courts have unfortunately tended to view each type of intellectual property as separate rather than part of a scheme to protect innovation generally.\(^{127}\) As designers have tried to fit their requirements for protection into each of the traditional IP frameworks in turn, judges and legislators have found reason to limit the doctrinal expansion of the right and designers have been frustrated in their attempts to protect their designs.\(^{128}\)

1. Type of Legal Protection for Industrial Design

   Both in the U.S. and other legal systems, the debate over whether to categorize industrial designs as belonging to the copyright or industrial property/patent law paradigm has raged since industrial design was recognized as worthy of legal protection.\(^{129}\)

   Patents traditionally protect novelty and inventiveness and encourage the creation of new industrial processes. Industrial property protection is

\(^{125}\) See Afori \textit{supra} note 13, at 1123.
\(^{126}\) See Denicola \textit{supra} note 124, at 1670.
\(^{127}\) See Parchomovsky \textit{supra} note 19, at 1457.
\(^{128}\) See \textit{for example}, Saidman, \textit{supra} note 70, at 306.
\(^{129}\) See Reichman \textit{supra} note 24, at 388.
characterized by a short period of monopolistic protection and a registration scheme which is used to assess whether a particular invention is sufficiently novel to merit the monopoly protection and also to serve to provide notice to others of how to make the invention once the monopoly period is over. The view of those who advocate for a patent-like protection for industrial design is that industrial design is primarily about the engineering rather than the aesthetics of a product and so to avoid an anti-competitive effect only novel advances in the product’s functional features should be protected.\textsuperscript{130}

However, much industrial design is about incremental or aesthetic improvement to existing products rather than the creation of completely new products. Designers are usually different people to inventors. Their job can be seen as the creation of a better, more functional, aesthetically-pleasing mouse trap rather than the invention of a new mousetrap. It can be argued that design is more about aesthetic expression than function,\textsuperscript{131} and the obvious problem with using patent law to protect design is that it tends to under-protect new industrial design because few designers can claim to have created a truly new functional product.

A copyright regime, by contrast to a patent regime, is concerned with protecting original expression rather than innovation. It tends to overprotect design because it protects the particular form of the expression of an idea from copying for a relatively long period.\textsuperscript{132} Few, if any, formalities are required to obtain copyright protection, but the protection is more limited than the monopoly provided by a patent and can only be used to prohibit imitators and not independent creators. Since a copyright system protects artistic work there is an argument that copyright is the best regime for protecting design because design is about aesthetics.\textsuperscript{133}

The main argument that design should be treated in the exactly same manner as other artistic works and protected by copyright law is that judges should not be arbiters of the level of creativity involved in an artistic work. This ‘unity of art’ doctrine, most often strongly linked with French jurisprudence, holds that there “should be no discrimination between useful art and art for art’s sake.”\textsuperscript{134} A well-designed salt cellar or chair should enjoy protection in the same manner as an object of fine art like a painting or a book. Any artificial

\textsuperscript{130} Id. at 389.
\textsuperscript{131} See Setliff supra note 21, at 51.
\textsuperscript{132} See Reichman supra note 24, at 388.
\textsuperscript{133} See Setliff supra note 21, at 51.
\textsuperscript{134} See Afori supra note 13, at 1156.
distinction in protection based on where or how the product is used should be avoided. This broad approach has the merit of clarity and unambiguousness.\textsuperscript{135} Under the “unity of art” doctrine, all designs, irrespective of their form, mode of production, level of creativity or purpose, would qualify for protection by copyright law.

However, copyright protection provides long term protection (currently life plus 70 years). If applied to design it will protect the most mundane of everyday objects that are only likely to have a shelf life of a few years, or in some cases, mere months, for the full life plus 70 years copyright term. In France, the birthplace of the “unity of art” doctrine, the courts have applied arbitrary rules to deny protection to utilitarian objects, much as the U.S. courts and Congress have done in limiting the application of copyright law for designs in the U.S.\textsuperscript{136}

Even when the type of legal protection (patent or copyright) to be accorded to design is determined, at least three further very important questions remain for the legal regime: the standard of creativity required for design protection, whether functional or merely ornamental aspects of the design should be protected, and, if design is to receive something less than full copyright protection, the intersection between the design protection law and copyright law.

2. The Creativity Standard

The question of the type of protection that the legal regime should provide for industrial design (protection against any acts inconsistent with ownership or just against copying) raises the related question of what level of creativity is required for industrial designs to be protected. Under a patent regime the level of creativity required for protection is high. The patent standard is novelty. Only truly new and inventive designs (generally of functional features) are worthy of the protection. The U.S. design patent requires a design to be “new, original and ornamental.”\textsuperscript{137}

Under a copyright regime, the level of creativity is lower than that required for patent protection and there is less need for a pre-registration review of the design. Copyright law requires an “original” work for protections to apply. At the lowest level of originality this can mean simply that a work originated with

\textsuperscript{135} Id. at 1158.
\textsuperscript{136} See Reichman supra note 22, at 388.
\textsuperscript{137} 35 U.S.C. § 71.
the author, that is, it was not copied.\textsuperscript{138} Alternatively, originality can require more than “sweat of the brow,” some level of personal involvement of the author and a modicum of creativity. This is generally considered to be the U.S. standard. The judge will not enquire into the artistic merit of the work. The Supreme Court has explained that the requisite level of creativity is “extremely low,”\textsuperscript{139} nothing is required beyond some creative spark, no matter how crude, humble or obvious it might be.\textsuperscript{140} An even higher (and more subjective) standard of originality is possible. Some copyright regimes require a consideration of whether artistic creativity is involved in the creation of the work.\textsuperscript{141} Whatever standard of creativity is chosen, any copyright law standard of originality is going to be lower than a patent standard. Thus more industrial design will qualify for protection under a copyright standard than a patent standard.

3. The Aspects of Design which Deserve Protection

The next important issue relating to whether design is protected by a patent or copyright-like regime is the question of whether protection should apply only to the aesthetic parts of the design or should also cover the functional parts of the design. Patent law protects functional aspects of an invention. It provides a monopoly protection which allows the patent owner to control all uses of his invention. Critics have argued that since industrial design concerns incremental and often aesthetic improvements to a product it would be anticompetitive to provide designers with a protection of functional features.\textsuperscript{142}

Copyright protection schemes protect artistic elements but generally exclude protection of purely functional features. Thus, the reproduction of a design affixed to a teacup will be protected by copyright law but not the reproduction of the teacup itself, even of an unusual design, because it is a functional object. The difficulty for most industrial designs (as opposed to art

\textsuperscript{138} See Reichman \textit{supra} note 24, at fn.132, describing how before the introduction of the unregistered design right in the Copyright Designs and Patents Act 1988, U.K. law protected work without any artistic merit.


\textsuperscript{140} \textit{Id.} at 345.

\textsuperscript{141} See Reichman \textit{supra} note 24, at 1161, describing how the German copyright regime protects some exceptional designs but rejects most industrial design as lacking the requisite degree of artistic intensity or value.

later applied to a useful object) is separating the form from the function of the object. For example, clothing, however creative, must fit the human form.

Fashions change in everything, and the philosophy of the function of industrial design has changed over time. A predominant modern philosophy of design is one of functionality; a product’s features should dictate and be closely linked with its function. The philosophy is captured by the aphorism, “form follows function.” Non-functional, strictly ornamental flourishes (such as were common on 1950s automobiles, or Victorian buildings) are out, and streamlined simple and functional designs are in. The fact that many modern designers tend to emphasize the marriage of form and function makes it harder for them to obtain legal protection for their designs under current U.S. law because the functional and artistic aspects of the design cannot easily be separated.

In trying to solve the anti-competitive effect of the overprotection of functional features, Robert Denicola proposed a sliding scale between art and utility. His view was that the more a work is influenced by utilitarian considerations the less likely it ought to be to attract copyright protection. In this way mundane objects in which little design is evident will not attract protection but more creative objects will be protectable. This approach does not work well for functionalist design because in a functionalist design the functional and artistic portions of the design cannot be easily conceptually separated and so, under Denicola’s test the design will not be protectable. Denicola’s test was adopted by the Second Circuit in a case concerning a bike rack where the designer of the rack had reworked a sinuous metal sculpture to function as a bike rack. The court held the rack design, although it had received much praise and won design awards, was not protectable under copyright law because the form was not conceptually separate from the function. If all functional features are excluded from legal protection it is difficult to create a design law that will protect functionalist design.

4. The Intersection between Design and Copyright Law

Unless all designs are protected by copyright law (the ‘unity of art’ doctrine) the legal system must address the intersection between the laws protecting industrial design and art. At least three approaches are possible. The legal system may cumulate protections for industrial design so that all and any rights are available to design and it does not matter whether the creative

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143 The catchphrase of popular Bravo TV series “Project Runway” is “In fashion, either you are in or you are out.”
144 Afori supra note 13, at 1122.
145 See Denicola, supra note 142, at 739.
146 Brandir International Inc. v. Cascade Pacific Lumber 834 F 2d 1142 (2d Cir. 1987).
147 Id. at 1146-7.
work is fine art or functional design. One disadvantage of this type of system is that there may be little or no incentive to apply for a shorter duration of design protection, if the longer protection of copyright law will arise automatically on the creation of the artistic work. E.U. law specifically endorses the cumulation of all rights that E.U. member states’ laws provide for design in order to avoid conflict between the different legal schemes of protection.

A second approach is non-cumulation. The legal system provides for the protection of some original industrial designs and denies copyright protection to those that fail, or are unable to obtain design protection. This approach will leave many designs unprotected. It is basically the current U.S. approach. There remains an area where even this approach will intersect with copyright and that is art later applied to a functional object, or applied art. If a design is artistically creative and separable from the functional aspects of a product it will constitute applied art and protection will be available to the art under copyright law with its long duration and lack of formalities even though it is used in industry.

The third approach is partial cumulation. A design law protects all objects of original industrial design and copyright law protects art. Copyright protection is not denied to original design but some test is used to keep most industrial design out of copyright protection. In her recent article, Professor Afori proposes a partial cumulation type approach which she calls ‘unity of design.’ Afori suggests that the borderline between copyright and design law is currently in the wrong place. It requires courts to determine whether an object is art or not and so protectable by copyright. This is a subjective judgment. If industrial design was fully protected by a design law rather than copyright law courts would not have to consider the question of whether an industrial design was art. At the lower end of the design spectrum design law would protect all and any original industrial design whether artistic or functional. At the higher end of the spectrum, applied art which might in some legal systems be protectable by copyright, would be protected by design law if it was manufactured on an industrial scale. Essentially, Afori’s test as to whether an object is protectable by design law or copyright would shift to the industrial use of the object rather than focusing on its degree of artistic content. The merit of this approach is that the determination of how the design is used is more objective, and easier to

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149 See Afori supra note 13, at 1161-1162.
apply, than the more subjective assessment of whether a design contains conceptually separable artistic elements.

Most commentators argue that there is no international consensus on these legal principles on which design should be protected.\(^{150}\) In the next section the history of design protection internationally is reviewed to demonstrate that, while there is not complete agreement, there is a growing consensus on the important questions of what legal regime is best suited to protecting industrial design and what level of protection it should provide.

**B. A Brief Chronology of the Legal Recognition of Industrial Design Rights Internationally**

1. International Recognition of Industrial Design Rights

   Patent rights were subject to the first international intellectual property treaty in 1883,\(^{151}\) followed by copyrights in 1886.\(^{152}\) Initially these treaties attempted to define and harmonize the protection accorded to useful inventions and creative works respectively. The newer field of industrial design did not figure in legal treaties or discussions until the 1920s at the earliest.

   There are now four agreements and two organizations at the international level that are relevant to the protection of industrial design. None of them provides a completely agreed international standard for the protection of design and their history illustrates the continuing conflict on many issues related to industrial design. However, despite the confusion and points of disagreement, some tentative areas of emerging harmonization can be divined from the international efforts to protect industrial design.

   a. The Hague Agreement

      In 1925, The Hague Arrangement Concerning the International Registrations of Industrial Designs was the first treaty to focus specifically on the international protection of industrial design rights. The Hague Arrangement is not particularly important since it does not attempt to harmonize design laws or set any standards for the legal protection of industrial design. Its aim was to simplify the international legal procedure for obtaining protection for industrial designs by creating a centralized international deposit of industrial designs to

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\(^{150}\) *See for example, Afori supra note 13, at 1128.*


\(^{152}\) *Berne Convention for the Protection of Literary and Artistic Works art. 6bis, Sept. 9, 1886, revised July 24, 1971, amended Sept. 29, 1979, 828 U.N.T.S. 221 (hereinafter Berne Convention).*
make it easier to register designs in multiple countries. The original agreement had few contracting parties. There have been three revisions to the Hague Arrangement and the treaty is now administered by the World Intellectual Property Organization (WIPO). Even after three revisions the Hague Arrangement has not added any clear theory of protection to the law of industrial design. Although the revisions have simplified procedures, membership of the Hague Agreement remains unappealing to countries like the U.S. which provide for a substantive review of design applications for originality, because the Hague mechanism gives countries a maximum of six months to refuse protection to a deposited design. This short time limit clearly does not envisage a patent approach to protection but the agreement provides no harmonized standards for the type of protection members of Hague Arrangement should provide to industrial design.

b. The Berne Convention Recognizes Applied Art

The Berne Convention for the Protection of Literary and Artistic Works, signed in 1886 by a group of countries wishing to enshrine certain basic principles of copyright protection, has protected applied art since 1948. For much of the earlier years of the Berne Convention there was an ongoing debate about whether or not to include applied art (which could include some industrial design) as copyrightable subject matter. At the Brussels Conference to revise the convention in 1948 the Berne Union countries first agreed to protect applied art as a separate category of work akin to copyright. It was the French delegates who managed to obtain the agreement of the other members on the concept that designers of all ornaments whatever their merit or purpose should be entitled to legal protection. The delegates of many other countries including Italy and Germany were wary of this argument. Their view was that since industrial design concerned industrial processes rather than art for art’s sake, it would be anticompetitive to provide industrial designers with the long period of protection afforded to creative works by copyright. Ultimately, since neither side could agree, an awkward compromise was reached and it was agreed to add works of applied art to the protectable subject matter of the Convention, but each country retained the right to define applied art, limit the duration of copyright in applied art and, also distinguish between protectable applied art and a category called "designs

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153 The Hague Arrangement on the International Deposit of Industrial Designs or Models, November 6, 1925, 74 L.N.T.S. 341 (hereinafter Hague Agreement).
155 Reichman supra note 24, at 1161-1163.
156 Id.
157 Id., at 1156-57.
158 Id., at 1161.
159 Id. at 1161.
and models’ which could be subject to a more restrictive industrial property regime. 160

Thus, although it was agreed that applied art should be subject to copyright protection, the 1948 Brussels Conference did not require countries to protect all industrial design under copyright law. Countries could choose to write *sui generis* design laws to protect industrial design, and even if they used the copyright scheme as a basis for design protection, these countries could still limit the duration of protection of applied art as opposed to fine art. The change to Berne in 1948 was probably the high point of the ‘unity of art’ approach to design protection. This movement lost momentum after 1948 both inside and outside the Union as countries sought to pass *sui generis* laws and protect design as a type of industrial property. 161 This was a rejection of the full copyright approach and perhaps a recognition of the growing importance of designs to industry with the need for a more limited short term type of protection.

c. The Paris Convention Adopts Industrial Design Article

In 1958 the Paris Convention on Industrial Property also extended its provisions to cover industrial design. It adopted a new article at its Lisbon Conference that provided that all member states should protect ‘industrial designs,’ but, as at the 1948 Brussels Conference, it was agreed that each state could determine the nature, subject matter and conditions of such protection. 162 The tension between design as industrial or creative property remained unresolved. Two international conventions determined to add industrial design protection to their terms, but they specified neither the type of protection regime, nor the standards for protection and relationship between copyright and industrial design.

d. The World Intellectual Property Organization

The next step in the protection of industrial design came in the 1960s. The World Intellectual Property Organization (WIPO) was created. 163 A worldwide effort also started to develop a model design law or agreed set of principles. 164 At this point it seemed that many countries were interested in creating specific

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160 Id. at 1162.
161 Id. at 1163.
162 Paris Convention art. 5(5).
164 Reichman supra note 24, at 1165.
design protection laws. However, the reform movement fizzled out and set no clear international standard.165

e. World Trade Organization

Thirty years later in 1994, the Trade Related Aspects of Intellectual Property Agreement (TRIPS) was adopted after nearly seven years of talks as one of the General Agreement on Tariffs and Trades (GATT) sub-agreements.166 Its purpose is to ensure the effective appropriate enforcement of IP rights worldwide.167 TRIPS is an important addition to the international agreements which contain provisions on industrial design because it covers the largest number of countries,168 and it is the first agreement to provide some direction on the type of protection. Article 25 of TRIPS provides for “the protection of independently created industrial designs that are new or original.”169 It requires member countries to protect these “new or original” designs through either industrial design law or copyright law. Once again, the agreement does not clearly mandate a particular standard for protectable subject matter by using both the words “new” and “original.” However, TRIPS is the first treaty to be more specific in terms of minimum standards for the type and duration of protection. It requires that designs must be protected from copying, and must be protected for a minimum of 10 years.170 The requirement for protection against copying appears to recognize that copying is the main problem for designers and a copyright-type approach, focusing on protecting originality rather than novelty is the most relevant for industrial design. The minimum term requirement is much less than the full copyright term, suggesting a recognition of the industrial application of design and a rejection of the full copyright approach.

However, under TRIPS members are still essential free to determine the subject matter and type of design protection (as long as at a minimum it covers copying) and the method of implementation. When President Clinton signed legislation implementing TRIPS into U.S. law he stated that existing U.S. law already protected industrial design sufficiently to comply with TRIPS.171 Design patents do protect some designs for 14 years. The U.S. felt compelled to modify its copyright law in order to protect architecture in compliance with TRIPS, but

165 Id. at 1166.
167 Id.
169 TRIPS art. 25.
170 Id.
171 See Frenkel supra note 16, at 533.
shied away from a recognition that the current design patent approach does not in fact adequately protect industrial design.172

Although the Paris and Berne treaties mostly serve to illustrate the debate rather than provide assistance in terms of the principles of protection to follow,173 TRIPS can be viewed as providing a clearer attempt at the international level to enunciate the principles for the protection of industrial design. The TRIPS provisions envisage that design protection should be short (like other industrial property rights) and that it should also be focused mainly on protecting designs against copying (like copyright law). Thus the TRIPS provisions are evidence that a modified copyright approach to the protection of design is becoming the international standard. Since TRIPS further attempts to harmonize industrial design laws have occurred in the European Union. These attempts, reviewed in the next section, also suggest that the emerging consensus on the protection of industrial design is in favor of an approach based on modified copyright principles.

C. The European Union Attempts to Harmonize Design Protection

1. The Difficulty of Harmonizing European Design Law

Until recently European law was characterized by the confusion and variety of legal schemes of protection which has typified design law. Within Europe all schools of design protection theory were represented from the French ‘unity of art’ doctrine, to the Italian separability doctrine or inscindibili.174 All the long-standing members of the European Union are also long-standing members of the Berne Union, and Paris Convention and thus were part of the discussions and messy compromises of 1948 and 1958. As a result of the failure of these agreements to require specific standards, the laws of E.U. member states on design remained varied, and to add to the confusion, the positions of some countries on industrial design changed over time.175

In 1977 a subcommittee of the European Community’s Coordinating Committee for Harmonizing the Law of Industrial Property met to consider

172 Id. at 534.
173 See Afori supra note 13, at 1128.
174 Mario Franzosi, Design Protection Italian Style, 1 J. OF INTELL. PROP. LAW & PRACTICE, 599 (2006) describes inscindibili the old Italian position denying copyright protection to works of design as too harsh. The current Italian position is based on European Union law.
175 See Afori supra note 13, at 1173. English law has moved from a patent to a modified copyright approach to the protection of design. See also, Reichman supra note 22, at 388 for discussion of how there is a cyclical pattern that swings from over-protection of industrial design to under-protection.
reforming design protection at the European level. However, no further action was taken on the report produced by the subcommittee.\textsuperscript{176} In the 1990s the E.U. turned its attention again to the process of harmonizing the protection provided to industrial design with more success perhaps because of a growing recognition of the importance of design-intensive industries to the economy.\textsuperscript{177} The first E.U. action in 1998 was to pass a directive requiring all E.U. members to provide a registered right to exclusive use of the design renewable in five year increments for up to 25 years.\textsuperscript{178} More important in 2002 was the passage of a regulation containing two pan-European design protection rights administered at the European level.\textsuperscript{179} The first, the registered design right, was essentially the same as the right created by the earlier directive at the level of the member states. The second, the unregistered design right, provided a short term (three year) copyright-like right to prevent the copying of a design. This right required no registration but arose automatically on the first marketing of the design in the E.U. The Design Regulation was criticized by some as falling short of a complete harmonization of European law since it leaves in place most national rights and fails to address some important issues like the position of spare parts.\textsuperscript{180}

However, the unregistered design right the Regulation creates is a completely new type of right and it has achieved some measure of standardization of European law. Aspects of the unregistered design right are instructive for U.S. law on design, particularly the standard of originality required for protection, the actions which constitute infringement, and the fact that no formalities are required for its creation.

2. The Community Design Directive

The Design Directive called for an “approximation of the national laws to one another in order to create a more smoothly functioning internal market which would eliminate the distortion of Community-wide competition and decrease fees for applicants.”\textsuperscript{181} It cleared up several differences in the laws of different European countries. It determined that design law should not protect “features dictated solely by technical function” thus hampering technological innovation.\textsuperscript{182} It defined a protectable design as one that produced on the informed user “a different overall impression”\textsuperscript{183} to other designs, thus providing

\begin{itemize}
  \item \textsuperscript{177} Id.
  \item \textsuperscript{180} Design Directive supra note 178, at Recital (19).
  \item \textsuperscript{181} Id. art. (3).
  \item \textsuperscript{182} Id. at art 14.
  \item \textsuperscript{183} Id. at art. 9.
\end{itemize}
a guide for the standard of originality required for protection. It established the important principle of cumulation of different IP protections. This meant that countries which had both copyright and specific design protection legislation protecting designs did not have to choose between the different legal regimes for the protection of industrial design.\textsuperscript{184} Thus, although the directive still left European countries with several types and levels of design protection, and purposely avoided thorny issues like whether to prohibit the copying of spare parts,\textsuperscript{185} it still made several important contributions to the harmonization of design law in Europe. If other E.U. directives relating to copyright are considered an even clearer pattern emerges as to the direction the E.U. is taking with harmonization in this field.\textsuperscript{186}

3. The Community Design Regulation
In 2001, in the Design Regulation, the E.U. tackled more of the continued, potentially market-distorting, substantial differences between the laws of some E.U. member states on design.\textsuperscript{187} The Design Regulation introduced a scheme of design protection at the European level which allowed European designers to bypass messy and confusing individual national laws, and protect designs either through one Europe-wide registration or an unregistered, short-term, copyright-like right which attached to a design from first marketing in the E.U.\textsuperscript{188}

The Design Regulation mirrored the standards of originality in the Design Directive, protecting all designs that are ‘new’ and have ‘individual character.’\textsuperscript{189} A design is considered ‘new’ if no identical design has been made available to the public\textsuperscript{190} and designs are deemed to be identical if their features differ only in immaterial details.\textsuperscript{191} A design has ‘individual character’ if the overall impression the design produces on the informed user differs from the overall impression produced on such a user by any design which has been made available to the public.\textsuperscript{192} This is similar to the U.S. copyright standard of originality, rather than a patent-like standard of novelty such as that required for a design patent application. To be protected a design must not be identical to, or produce the same overall impression, as one already on the market, but it is not required to be new in the patent sense. The E.U. has clearly chosen a

\textsuperscript{184} Id. at art. 8.
\textsuperscript{185} Id. at art 12.
\textsuperscript{187} Design Regulation supra note 179, Recital (3).
\textsuperscript{188} Id. at art. 19.
\textsuperscript{189} Id at art 4.
\textsuperscript{190} Id.
\textsuperscript{191} Id. at art 5.
\textsuperscript{192} Id. at art 6.
modified copyright approach to the protection of design which is in line with the
direction already taken at the international level in TRIPs.

a. Unregistered Design Rights

The real innovation of the Design Regulation is the introduction of the
unregistered design right. Unregistered designs receive three years of
copyright-like protection from the date the design was first made public within
the E.U. 193 This protection is based on the U.K. unregistered design right,
introduced by the Copyright Designs and Patents Act 1988, 194 and was clearly a
compromise designed to provide some minimal level of protection that does
not require registration in those E.U. countries which do not provide for the
protection of design through copyright law. In these countries if a new design is
not registered, then it is unprotected because it will receive no protection from
copyright laws.

Designers in countries which required registration for the protection of
industrial design were clearly at a disadvantage in protection their work by
comparison with designers from countries like France who can automatically
obtain lengthy copyright protection for many of their designs. It can be argued
that the unregistered design right simply defers the problem of lack of
harmonization of European law for a few years, after which discrepancies in the
duration of legal protection provided to different types of design reappear. For
example, in France, many designs will be protected by copyright (life plus 70
years), while in the U.K. or Italy, where industrial designs are generally only
protectable by registration, protection for the same design will lapse once the
three year unregistered design right ends. E.U. law explicitly makes rights
cumulative so it does not shut off the copyright route to protection in countries
where it is available. However, the unregistered design rights are still helpful
because they provide all designers with the type of short term protection most
beneficial to protecting the first-to-market advantage for a short period. In
many design-intensive industries fashions change quickly and the short term of
protection provided by the unregistered design right is sufficient to provide a
tool to fight counterfeiters and thus encourage innovation in design.

One major difference between the European unregistered design right
and the original U.K. law is that the U.K. right provides for a much longer up to 15
year term of protection 195 during which “the owner of design right in a design
has the exclusive right to reproduce the design for commercial purposes.” 196 The
British unregistered design right was introduced to deal with the non-cumulation
problem in the U.K. British designs could be protected by the patent-like

193 Id. art. 11.
194 Copyright Designs and Patents Act, 1988, c. 48 section 213 (Eng.).
195 Id. at section 216.
196 Id. at section 226.
protection of the registered design law, but there was a possible entrance into copyright law for even the most functional of designs because of the ability to claim copyright infringement of two dimensional drawings by a three dimensional object.\textsuperscript{197} This enabled designers to obtain full copyright protection for even the most utilitarian and functional designs by claiming copyright infringement of the blueprint drawing.\textsuperscript{198} The unregistered design right was introduced to fix this flaw by providing a shorter copyright-like right for all original designs while at the same time shutting the door to derivative copyright protection for drawings of commercially exploited objects. The E.U. unregistered design right has been introduced to provide some short term protection for all design to blunt the advantage to designers in some countries of full copyright protection for design. In the author’s view the shorter term E.U. unregistered design right is preferable to the U.K. unregistered design right because it restricts design innovation for a shorter period.

Under current U.S. law there is no protection similar to the unregistered design right, and while designers attempt to use the three main branches of IP law to protect their industrial designs there are gaps left by all these rights. The problems of attempting to protect industrial design using design patent, copyright and trademark protection under U.S. law are discussed in the next section.

\section*{III Legal Protections for Industrial Design under U.S. Law}

Design is the Cinderella of the U.S. intellectual property law system. In contrast to the recent activity in Europe, the state of design law in the U.S. has been described as stagnant.\textsuperscript{199} Although there has been a seemingly relentless expansion of some other types of IP, such as copyrights and patents,\textsuperscript{200} Congress has been reluctant to legislate a new type of protection for industrial design.\textsuperscript{201} Courts have also been somewhat wary of stretching copyrights, patents and trademarks too far beyond their intended purposes in order to protect design and so have tended to limit the level of protection available through traditional IP rights for design.\textsuperscript{202} As each new type of protection has

\begin{footnotesize}
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\item \textsuperscript{197} British Leyland Motor Corp. v. Armstrong Patents Co. Ltd., (1986) A.C. 577 (H.L.) (U.K.), which allowed copyright protection in a two dimensional drawing to prohibit the creation of a three dimensional design from the drawing.
\item \textsuperscript{198} See Afori supra note 13, at 1173.
\item \textsuperscript{199} See Afori supra note 13, at 1107.
\item \textsuperscript{200} See for example, Dana Beldiman, Protecting the Form But Not the Function: Is U.S. Law Ready for a New Model?, 20 SANTA CLARA COMPUTER & HIGH TECH. L.J. 529, 534 (2004).
\item \textsuperscript{201} Id. at 532.
\item \textsuperscript{202} See for example Frenkel supra note 16, at 534.
\end{itemize}
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been tried by designers it has been closed off by courts wary of blurring the lines between different types of IP and expanding protection into new areas.\textsuperscript{203}

So, although the U.S. has the world’s biggest design industry,\textsuperscript{204} U.S. intellectual property laws are acknowledged as some of the strongest in the world, and the enforcement of intellectual property laws, particularly those against piracy, is claimed by the DOJ to be a priority,\textsuperscript{205} when it comes to the protection of industrial design there is a conceptual void. Part of the reluctance to protect industrial design can be explained by concern that such protection could be anticompetitive and might be used to restrict competition. The argument is, however, losing its force as copying by free riders becomes more and more of an economic burden on designers and the economy in general.\textsuperscript{206}

The U.S. is one of the last countries to rely mainly on a patent approach for the protection of industrial design instead of a \textit{sui generis} design law based on modified copyright principles. This has forced designers to look for creative legal strategies to protect designs, which are not or cannot be registered as design patents, through copyright and trademark law.

\section*{A. U.S. Copyright, Patent and Trademark Law}

1. Design Patents

Congress has protected industrial designs through patent law since 1842.\textsuperscript{207} Apparently this came about not for any clear doctrinal reason, but because there was no central registry for copyrights at the time and the request for the protection of industrial designs originated with the Patent Office. Patent law was seen as the stronger branch of intellectual property at the time, which was possibly another reason why it was chosen for design protection.\textsuperscript{208} This state of affairs has now more or less completely reversed with copyright having been significantly extended in terms of both duration and subject matter.\textsuperscript{209} There are both conceptual and practical disadvantages with the protection of industrial designs through design patents.

\begin{footnotesize}
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\item \textsuperscript{203} See Beldiman supra note 74, at 540.
\item \textsuperscript{204} See Moultrie and Livesey supra note 36.
\item \textsuperscript{205} See DOJ Report supra note 90.
\item \textsuperscript{206} See for example The Economic Impact of Counterfeiting and Piracy supra note 78.
\item \textsuperscript{208} See Brean supra note 23, at 327.
\item \textsuperscript{209} Id. at 330.
\end{itemize}
\end{footnotesize}
a. Conceptual Disadvantages

Design patents protect “any new, original and ornamental design for an article of manufacture,” 210 and as such must be examined for novelty. As discussed, this is a higher standard than copyright originality, requiring something completely new rather than merely an eye-pleasing variation of an existing product. Many designs fail to meet this standard, even those which are arguably creative, distinguishable and appealing to consumers. The vast majority of new designs are not registered as design patents. 211

In determining whether a design patent is infringed, courts look from the perspective of an “ordinary observer” to determine if designs are “substantially similar.” 212 Unfortunately, various circuits have created confusion by applying other tests in addition to the “ordinary observer” test. In a recent case, Egyptian Goddess v. Swisa, Inc. 213 the Federal Circuit sought to eliminate some of the confusion that had developed about the test for design patent infringement, by creating “the modified ordinary observer” test. The court held that the standard to consider whether a design patent has been infringed is “that a purchaser familiar with the prior art would be deceived by the similarity between the claimed and accused designs.” 214 This test is really quite similar to the test for trade dress infringement, essentially a customer confusion standard likely to be triggered by direct copying similar to that required for infringement of the unregistered design right. Possibly, the simplified test might encourage more use of design patents despite the conceptual problems with protecting primarily aesthetic subject matter through patent law. 215 However, design patents also have several practical disadvantages for designers.

b. Practical Disadvantages

An application for a design patent is subject to substantive review by a patent examiner to determine if it is eligible for protection; this process takes approximately two years, 216 and protection is not retroactive. 217 For many areas of industrial design this length of time makes an application for a design patent unappealing - the market is often simply too fast-moving for this protection to arrive in time to help a designer fight fakes. The counterfeiters will immediately

211 See Afori supra note 13, at 1123; Frenkel supra note 16, at 555. Even when a designer applies for a design patent the Patent and Trademark Office rejects the application roughly half the time.
212 Door Master Corp. v. Yorktown, Inc. 256 F.3d 1308, 1313 (Fed. Cir. 2001).
214 Id. at 672.
215 See generally Afori supra note 13, at 1122-1123; Frenkel supra note 16, at 555-556.
217 Id.
start copying the design and will in fact, probably be assisted by the details published in the application for registration. Some have argued that this disclosure has considerably more disadvantages for designers than inventors since designers tend to make incremental and aesthetic changes to product design which can easily be communicated to the competition for copying through the design patent application. Minor variations, once disclosed, are easily and cheaply copied or incorporated into another’s new product. Even when design patents are obtained courts often invalidate them because of the high standard of novelty required for patent protection.  

Design patents are protected for fourteen years from registration. During this period of exclusivity a designer may be able to focus on developing “secondary meaning” in order to extend the protection of the article as a trademark once design patent protection expires. Apple used design patents very successfully as part of its strategy to protect the iconic design of the iPod. Once Apple had been granted a design patent, the company spent time and money on advertising to link the product and its design in the minds of consumers before going on to use this advertising to register the shape of the iPod as a non-traditional trademark. Thus, for a limited number of innovative designs, acquiring a design patent can be a useful step in a strategy to obtain long term monopoly protection through trademark law. However, the time and expense of design patent applications together with the strict requirement of novelty preclude most new industrial designs from even qualifying for protection.

2. Copyright Law

The great benefit of copyright protection for designers over design patent protection is that no registration or other formalities are required to obtain copyright, the protection period is long and the required level of originality of the design is much lower than the patent law standard. However, the line between copyrightable applied art and non-copyrightable industrial design is the most important and difficult boundary in any system for the protection of industrial design and in the U.S., because of fears of the anticompetitive nature of providing long term copyright protection, the role of copyright in protecting industrial design has been almost eliminated.

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218 See Frenkel supra note 16, at 555-556.
221 Id.
a. Mazer v. Stein

The U.S. Supreme Court was given the chance to consider the position of applied art under U.S. copyright law in 1954. The Copyright Office had finally put the provisions of the 1909 Act in to practice and started to register copyrights in three-dimensional objects in 1949. The issue of whether to protect three-dimensional objects as applied art when they were used in industry quickly came before the court in the Mazer v. Stein case. The court ruled that a lampbase design of a statuette of a Balinese dancer was eligible for copyright protection. Succinctly phrasing the question as whether a lamp base manufacturer can copyright his lamp bases, the Court reasoned that a work of art that is incorporated into the design of a useful article is protectable under copyright law. Justice Reed said, “We find nothing in the copyright statute to support the argument that the intended use in industry of an article eligible for copyright bars or invalidates its registration.”

The Mazer ruling potentially put the U.S. squarely into the ‘unity of art’ camp. It appeared to create a general protection for an article of industrial design as part of copyright law. The case explicitly made no distinction between applied and fine art. For a time after this ruling, courts started interpreting what designs could be copyrighted very broadly. However, efforts to revise copyright (which eventually culminated in the 1976 Act) were already under way and the Copyright Office adopted new regulations which introduced the concept of conceptual separability (an approach derived from the then Italian indiscibilita doctrine in design law). The Office apparently favored protecting designs under a new limited design law rather than as part of copyright law and thus did not want give its support to the broad unity of art approach which the Mazer decision appeared to endorse.

b. Copyright Act of 1976

Thanks mainly to the Copyright Office position, the Mazer rule was codified very narrowly in the Copyright Act of 1976 to take most industrial design out of copyright law. Under section 102(a) of the 1976 Act the Mazer rule is codified that if the shape of an article is “dictated solely by a utilitarian function of the article that embodies it,” the design element cannot be protected.

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222 See Beldiman supra note 74, at 53.
224 Id. at 209.
225 Id. at 204.
226 Id. at 218. Italics added for emphasis.
227 See Reichman supra note 24, at 1152.
228 Id. at 1174.
229 Id. at 1176.
230 See 17 U.S.C. § 1302. Under 17 U.S.C. § 101 “Useful articles” are defined as “having an intrinsic utilitarian function that is not merely to portray the appearance of the article or to convey information.”
under copyright law. This means that designs per se are not protected but “pictorial, graphic or sculptural works” which are physically or conceptually separable from the design, such as a textile print, or ornamental embellishment, are protectable.\(^\text{231}\) This doctrine has unfortunately not proved a very clear or workable guide for designers or the courts.\(^\text{232}\) Although numerous efforts have been made over the years, the U.S. has never actually passed a sui generis design law necessary to complement this narrow treatment of industrial design by copyright.\(^\text{233}\) Though it would appear that the doctrine of conceptual separability in the 1976 Act would allow designers to copyright at least artistic ornamentation, the truth is that courts since Mazer have been so inconsistent with the tests for conceptual separability that the mechanism has not been particularly useful in protecting any industrial designs.

c. Current Conceptual Separability

At least four different tests have been articulated by the different circuits.\(^\text{234}\) In 1991, the Copyright Office felt compelled to issue a policy decision in order to try and clarify the principal of conceptual separability as it related to clothing design. It explained that the Office had generally refused to register copyright in “three-dimensional aspects of clothing or costume design” as clothes were useful articles that ordinarily contained “no artistic authorship separable from their overall utilitarian shape.” Fanciful costumes would “be registered if they contain separable pictorial or sculptural authorship.”\(^\text{235}\)

U.S. legislative and judicial actions have therefore limited copyright law as a means to protect design while at the same time failing to balance this limitation with a sui generis design law. Thus it can be argued that current U.S. law does not protect design by either of the methods (copyright or design law) envisaged by TRIPS.\(^\text{236}\) A Supreme Court decision might deal with the conflicting authorities and bring some consistency and clarity to the doctrine of conceptual separability. However, the doctrine is particularly problematic given the dominance of the design philosophy of functionalism (good design is dictated by the function of the object). If, as is likely given the case law and


\(^{232}\) See Robert C. Lind, COPYRIGHT LAW 40 (3d ed. 2006) (noting the split of authority regarding the test of conceptual separability); Brandir International, Inc. v. Cascade Pacific Lumber Co., 834 F.2d 1142 (2d Cir. 1987) (designer must have intended to exercise artistic judgment independent of functional influences); Poe v. Missing Persons, 745 F.2d 1238 (9th Cir. 1984) (multifactor test); Carol Barnhart, Inc. v. Economy Cover Corp., 773 F.2d 411 (2d Cir. 1985) (artistic features of the article must be superfluous or wholly unnecessary to the performance of the utilitarian function).

\(^{233}\) Reichman supra note 24, at 1171.

\(^{234}\) Beldiman supra note 74, at 17.


\(^{236}\) See Frenkel supra note 16, at 533.
legislative action since Mazer, copyright law is not going to protect the majority of industrial design as applied art, then it is incumbent on Congress to give some thought to the sui generis design law that the Copyright Office thought was necessary over 50 years ago.237

3. Trademark Law Protections
   a. Trademarks

   Given the problems with design patents and copyright, some designers have turned to trademark protection for industrial design. Commentators have argued that trademark law is not the best place for protection of design. "The problem is this: protection of industrial design, unless kept firmly tied to source recognition as a trademark, easily slides into an unpredictable system of monopoly awards for successful designs, uninhibited by the statutory standards of copyright law or design patent law."238 A trademark enjoys potentially perpetual protection without the need for patent novelty, or even originality under copyright law. The courts are afraid that overprotection of design through trademark law would protect functional objects and thus be anticompetitive.239 The problem is that in their attempts to ensure that trademarks do not provide designers with monopolies over non-distinctive features, the courts have rendered trademarks useless for protecting market-entry designs while, in some ways strengthening their use for well-established designers who can use them to monopolize particular design features.240

   Traditional trademarks can help industrial designers protect their design only where the trademark is visible, or where the product has come to have such a strong association with the design that the design itself is capable of being a trademark. The registration of traditional trademarks enables designers to sue counterfeit producers who copy their trademarks in order to deceive the public into believing they are purchasing a genuine article. However, trademark law often does not provide any assistance against the counterfeiter who makes exact copies of a design but leaves out the trademark (as do many purveyors of counterfeit merchandise in places like Canal Street in New York City).

   b. Trade Dress

   Trademark protection is also available where a designer can show that a particular design functions is a means to identify the origin of the goods.241 Only

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237 See Reichman supra note 22, at 390.
239 See Saidman supra note 70, at 304-306.
240 Id. 305.
241 See Afori supra note 13, at 1124-1125.
distinctive and non-functional elements of a design are protected. Successive Supreme Court decisions have made clear that the purpose of trademark law is to protect consumers from confusion and not to protect designers from would-be innovators.

In Wal-Mart v. Samara, the Supreme Court held that:

(T)o prevail on a trade dress infringement claim, the designer plaintiff must prove two elements. First, plaintiff must prove that its trade dress is protectable by showing that the trade dress is distinctive. To do so, plaintiff must show that the dress is either “inherently distinctive” or has acquired distinctiveness through “secondary meaning.” Second, plaintiff must prove infringement by showing that the defendants’ trade dress has caused or is likely to cause consumer confusion.242

In this case about children’s clothing, a unanimous Supreme Court determined that clothing designs that are “inherently source identifying” can ordinarily be protected with design patents (an assertion which is highly debatable because clothing is unlikely to reach the design patent standard of inventiveness). Thus, in order to avoid overlapping protection the court held that a design must acquire some secondary meaning to attract protection as a trademark.243 In Scalia’s opinion, competition would be deterred if a product design was entitled to protection without a showing that it had acquired secondary meaning.244 In other words, the designer must prove that the primary importance of the clothing design is to identify the source of the product.245

Samara alleged that Wal-Mart had copied its seersucker children’s clothes designs. The Supreme Court held that the design of the clothing had not acquired the necessary “secondary meaning” for it to function as a source identifier, such that a consumer could recognize from looking at the clothing where it came from, and thus did not provide Samara with a remedy against Wal-Mart for the copying of its line of clothing. Samara would have been better off with some limited type of protection against direct copying of its clothing (which Wal-Mart admitted). It did not really require a perpetual trademark monopoly, but a short-term advantage for its innovative design work before others could copy it would have enabled Samara to prevent Wal-Mart from essentially pirating its designs immediately it produced them and destroying Samara’s first-to-market advantage.

243 Id. at 212.
244 Id. at 213.
245 Raustiala & Sprigman, supra note 59, at 1703.
Obtaining trade dress protection is also problematic for designers because design aspects that are functional will not qualify for trade dress protection. The purpose of the “functionality doctrine” is to ensure that no one can use trademark law to control useful product features.\textsuperscript{246}

In 2002, in the case of Adidas Inc. v. Target Inc.,\textsuperscript{247} Adidas alleged that Target was selling shoes which were confusing customers into believing that they were buying Adidas shoes. Adidas asserted its claim as a violation of trademark law alleging that the trade dress of its original Superstar shoe was based on four design elements: the trademarked three stripes on the side of the shoe, a flat sole, a rubber toe with a shell design (“shell toe,”) and a “heel patch” including a trefoil design.

The court accepted the Adidas evidence that the toe portion of the original superstar shoe was strictly ornamental, adding neither durability nor performance to the shoe, and was therefore part of its trade dress which could acquire secondary meaning.\textsuperscript{248} The court also agreed that the shell toe had gained a significant amount of fame, and thus secondary meaning, because it was worn by several famous basketball players and had been around since the 1960s.\textsuperscript{249} Under U.S. law it was not the design itself that was able to obtain protection but the fact that the design had been used for long enough to be associated with a particular maker. A new and unusual shoe design would not be able to obtain this type of protection from it debut in the marketplace. This is the type of protection for original design which a design law could provide to new designs to protect them from counterfeiters.

B. Sui Generis Laws Protecting Design

While Congress has failed to pass a sui generis design law, it also significantly limited the use of copyright to protecting design,\textsuperscript{250} while judicial decision have had the same effect for design patents\textsuperscript{251} and trademarks.\textsuperscript{252} Instead of a unified approach to make clear where design fits into intellectual property law, there have been three particular design industries singled out for more specific legal protections over the last twenty years.

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\item \textsuperscript{247} Adidas-Salomon AG v. Target Corp., 228 F Supp. 2d 1192 (2002) D. Ore.
\item \textsuperscript{248} Id. at 1195.
\item \textsuperscript{249} Id. at 1196.
\item \textsuperscript{250} See Setliff \textit{supra} note 21, at 55.
\item \textsuperscript{251} See Saidman \textit{supra} note 70, at 310.
\item \textsuperscript{252} Id. at 306.
\end{itemize}
\end{footnotesize}
1. Architectural Works, Semiconductors and Vessel Hulls

‘Architectural works’ were added to the list of categories of work protected by copyright law in the Architectural Works Copyright Protection Act, enacted by Congress to comply with the Berne Convention.253 This Act provides direct protection to the design of buildings and design blueprints. Some have argued that the U.S. also fails to protect industrial design in line with its obligations under the Berne Convention and also under TRIPS.254 To head off such criticism, President Clinton specifically stated when he signed the law implementing TRIPS that U.S. law protecting design was sufficient to comply with its requirements.255

Under political pressure from the industries concerned Congress also created two forms of *sui generis* copyright-like protection with respect to design: one for the semiconductor industry; and one for the vessel hull industry. In 1984, Congress adopted the Semiconductor Chip Protection Act256 which afforded protection for “mask works,” which enable the etching of circuitry onto silicon wafers.

The Vessel Hull Design Protection Act (VHDPA) was passed by Congress in 1998, as Title V of the Digital Millennium Copyright Act.257 This act came about because the Supreme Court struck down a Florida statute protecting boat hulls on the basis of federal preemption,258 and once boat designers were prevented from using state unfair competition laws to protect their designs they lobbied Congress for federal protection of boat hull designs.259

The federal act gives copyright-like rights to “useful articles” for a period of 10 years, so long as the design of the article is registered within two years of the

255 Message from the President of the United States Transmitting the Uruguay Round Table Agreements, Texts of Agreements Implementing Bill, Statement of Administrative Action and Required Supporting Statements 1-2 (1994) The “protection currently available under U.S. patent and copyright law meets the requirements of these articles.”
date it was made public.\textsuperscript{260} The bill is supposed to prohibit the practice of “hull splashing” which is the copying of a boat producer’s hull design simply by buying the boat and making fiberglass molds to produce the same shape hull.\textsuperscript{261} The use of the term ‘useful article’ (in the act defined as a boat hull) suggests that Congress must have been envisaged that the act could be relatively easily extended in the future to cover other articles of industrial design simply by expanding this definition to include all articles of industrial manufacture.

Under the VHDPA, a hull design needs to be ‘original’ in order to be registered and protected by copyright. Original design is defined as providing a “distinguishable variation over prior work pertaining to similar articles which is more than merely trivial and has not been copied from another source.”\textsuperscript{262} There are similarities between the VHDPA and the European registered design right in terms of originality and infringement requirements. Once the design is registered, the owner has the exclusive right to make or import hulls which incorporate the protected design for a period of 10 years.\textsuperscript{263} However, as well as providing longer protection (up to a total of 25 years) the E.U. law is not limited to one industry as in the U.S. law.

2. Proposed Legal Protections for Fashion Design

The CFDA have recently started to actively protect fashion design, using litigation,\textsuperscript{264} as well as pushing for new legislation to protect the rights of fashion designers. There is a long U.S. tradition of allowing lobbyists for special interests to direct copyright legislation reform.\textsuperscript{265} Obviously, each group of lobbyists will attempt to push for the strongest legal protection possible for their members while generally ignoring the rights of others including consumers. In the absence of strong representation from another industry with a different agenda, such legislation can easily become dangerously skewed in favor of particular rights holders and the interests of consumers may be forgotten. It is widely acknowledged that copyright owners of all sorts have succeeded in greatly

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\textsuperscript{260} 17 U.S.C. §1310.
\textsuperscript{262} 17 U.S.C. §1301(b)(1).
\textsuperscript{263} 17 U.S.C. §1305.
\textsuperscript{264} See Presidential Power, http://www.counterfeitchic.com/2007/03/presidential_power.php (March 12, 2007, 12:03 EDT) quotes Diane Von Furstenburg in an interview with Women’s Wear Daily stating “I want to say, ‘Beware… There is no money, there is nothing that will stop me from going after you.’”
\textsuperscript{265} See JESSICA LITMAN, DIGITAL COPYRIGHT, 23 (2001).
expanding copyright protection to the detriment of the public domain in recent
decades.\textsuperscript{266}

The fashion lobby’s proposed Design Piracy Prohibition Act is a simple and
short bill which uses the VHDPA as a framework to expand protection to fashion
designs as well as boat hulls. Under the current bill, H.R. 2196,\textsuperscript{267} the protection
for boat hulls would be extended to “apparel” meaning “men’s, women’s, or
children’s clothing, including undergarments, outerwear, gloves, footwear, and
headgear; handbags, purses, wallets, duffel bags, suitcases, tote bags, and
belts; and eyeglass frames.”\textsuperscript{268} The act protects “the appearance as a whole of
an article of apparel, including its ornamentation”\textsuperscript{269} and “includes original
elements of the article of apparel or the original arrangement or placement of
original or non-original elements as incorporated in the overall appearance of
the article of apparel.”\textsuperscript{270} Designs of other products are not mentioned,
enabling the CFDA to argue that its extension of current law is modest, and that
it seeks only to protect its members from counterfeit goods.\textsuperscript{271}

Originality for an article of apparel would be subject to the same test as is
currently used under the VHDPA for boat hulls requiring that the design
“provides a distinguishable variation over prior work pertaining to similar articles
which is more than merely trivial and has not been copied from another
source.”\textsuperscript{272} The bill makes clear that a work is not protected if it is staple or
commonplace, such as a standard geometric figure, a familiar symbol, an
emblem, or a motif, or another shape, pattern, or configuration which has
become standard, common, prevalent, or ordinary.\textsuperscript{273} However, this restriction
on protectable work is modified in the newest version of the fashion bill. “The
presence or absence of a particular color or colors or of a pictorial or graphic
work imprinted on fabric shall not be considered in determining the originality of

\begin{thebibliography}{99}
\bibitem{266} See Siva Vaidhyanathan, Copyrights and Copywrongs 174 (2001).
\bibitem{267} A Bill to Amend Title 17, United States Code, to Extend Protection to Fashion Design, and
for Other Purposes, H.R 2196, 111\textsuperscript{th} Cong. 2 (2009) §2(e)(3) (hereinafter the Design Piracy
Prohibition Bill).
\bibitem{268} Lynsey Blackmon, The Devil Wears Prado: A look at the Design Piracy Prohibition Act and
\bibitem{269} See The Design Piracy Prohibition Bill, supra note 267, §.2 (a)(9).
\bibitem{270} Id. §.2(a)(7)(B).
\bibitem{271} See H.R. 5055 Hearings supra note 7 (statement of U.S. Copyright Office) (applauding
proponents of the legislation for seeking a modest term of protection that is appropriate for the
nature of fashion design).
\bibitem{272} 17 U.S.C. §1301 (b)(1).
\bibitem{273} 17 U.S.C. §1302(2).
\end{thebibliography}
a fashion design.” So, even where there have been changes to the color or pattern, the second design may still be considered infringing. This potentially widens the law to protect against derivative work as well as identical copies. The defenses to infringement are, that a design “merely reflects a trend,” or is the result of independent creation.

It is a central issue with the copyright-like standard that it protects designers too broadly and enables them to prevent more than just identical copies or knock-offs of their work because the exclusive rights of a copyright owner include the right to prohibit reproduction and derivative works. Broad protection is problematic since many legitimate designers borrow substantially from the work of others. In the fashion business, prohibiting designs which are closely and substantially similar to the original may give too much power to the well-financed and legally savvy designer who knows to register her design since design borrowing or interpretation is such accepted practice. Many argue it is also beneficial to the industry.

The Design Piracy Prohibition Act protects a registered design for a period of three years from the date of registration, shorter than the 10 years of protection that vessel hull designs receive under the current act. Proponents of H.R. 2196 argue that fashion designers are most likely to be harmed by the sale of infringed goods within three years of the design’s release, and that by demanding this short time period for protection they are showing restraint and not expanding IP rights further than necessary into the public domain. The Copyright Office in its statement on the proposed Design Piracy Prohibition Act stated that it had been informed that legal protection would only be sought for a small proportion of fashion designs, “primarily designs of haute couture for apparel sold at prices of four figures or more.” The Office did not say from where this assurance came. Designer, and Project Runway presenter, Tim Gunn, has been quoted as describing the Design Piracy Prohibition Act as a shield

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275 Id.
277 See Raustiala & Sprigman, supra note 59, at 1705.
278 See Myers, supra note 65, at 80, arguing that too wide a protection would hamper the formation of trends and damage the industry.
279 17 U.S.C § 1305(a).
281 See H.R. 5055 Hearings supra note 7, (Statement of U.S. Copyright Office).
rather than a sword.\footnote{See March on Washington 2: Project Beltway, http://counterfeit chic.com/2009/05/march-on-washington-2-project-beltway.html (May 6, 2009).} It is in fashion designers’ interests (and a common tactic of lobbyists) to suggest that they will not aggressively litigate their rights. However, others are clearly less sanguine about fashion designers’ use of the law, describing the proposed new law as a “lawyer employment bill.”\footnote{See H.R. 5055 Hearings supra note 7, (prepared statement of Christopher Sprigman) at *2.} Congress should be wary of giving broad rights based upon assurances that they will not often be used.

It has been noted that some well-known fashion designers are already increasingly aggressively using copyright and trademark litigation where possible to protect their designs\footnote{Presidential Power, http://www.counterfeit chic.com/2007/03/presidential_power.php (March 12, 2007, 12:03 EDT) quotes Diane Von Furstenburg in an interview with Women’s Wear Daily stating “I want to say, ‘Beware… There is no money, there is nothing that will stop me from going after you.’”} and there is no reason for them not to use legislation for which they have lobbied in the same manner. If the Design Piracy Prohibition Act becomes law it is likely to encourage those with attorneys to protect as many of their new designs as possible and to sue other designers who they believe have created “substantially similar” designs.

Armed with a registration, a designer has access to the usual impressive array of remedies available to copyright owners.\footnote{Gideon Parchomovsky & Alex Stein, Originality, 95 Va. L. Rev 1505, 1514 (2009).} The VHDPA includes injunctive relief,\footnote{17 U.S.C. § 1322.} and damages including statutory damages\footnote{17 U.S.C. § 1323.} which the Design Piracy Prohibition Act proposes increasing to up to $250,000 or $5 per copy whichever is greater.\footnote{H.R. 2196 Sec. 2 (g).} The issuance of a design patent terminates any rights in a design protected by the VHDPA but trademark and common law rights are permitted to coexist with design protection.\footnote{17 U.S.C. §§ 1329 – 1330.}

Registration of a design under the bill does not include a substantive review.\footnote{17 U.S.C. §.1313(a).} It is certainly possible to imagine that well-financed design houses which already routinely use attorneys, may decide to register many of their designs, whether or not they are particularly original, simply because they can, forcing smaller, or newer, and less well financed designers to be circumspect and less innovative about creation for fear of infringing a registered design and...
triggering an expensive lawsuit. So, like trademark protection already does, the Design Piracy Prohibition Act will tend to favor established and well-known designers over those who are new to the field. Unsurprisingly, it is these well-established and named designers who tend to belong to the CFDA.291

David Wolfe made the point, in his testimony on the almost identical first version of the bill, that the current absence of copyright protection for fashion design under U.S. law frees designers to incorporate unquestioningly all influences in their repertoire including recycling old ideas without fear of infringement claims.292 Protection, if it is too broad, is likely to stifle that creativity, especially the creativity of newer designers who do not have legal teams.

IV. REDESIGNING U.S. LAW TO PROPERLY PROTECT INDUSTRIAL DESIGN

A. Reasons for Redesigning the Law

1. Design Piracy Goes Beyond the Fashion Industry
   Fashion designers have brought their concerns about knock-offs to the attention of Congress and the public.293 Many studies clearly indicate that the amount of design copying in all industries has expanded greatly over recent years.294 It is clear that fashion is not the only industry where design is important and copying is rife. Design copying affects industries from automobiles to apparel.295 To protect the short-lived advantage of investing in good industrial design designers should be protected from direct copying by counterfeiters.

   In the U.S., the approach to the legal protection of design has tended to be piecemeal, with specific industries lobbying for protection, but no general clear direction to the law.296 There is clearly no conceptual rationale for providing legal protection for the designers of boat hulls but not for the designers of other goods, and extending the protection boat hull designers enjoy to fashion designers alone also makes little sense. While fashion is hard hit by copyists, the increasingly technologically savvy producers of knock-offs and

292 See H.R. 5055 Hearings supra note 7, (prepared statement of David Wolfe) at *3.
293 Id. (prepared statement of Jeffrey Banks, Designer).
294 See for example The Economic Impact of Counterfeiting and Piracy supra note 78.
295 Id. at 12.
296 See generally Goldenberg supra note 2.
fakes copy good design in all industries and lessen the incentives to invest in developing good industrial design.

2. Why Current Legal Protections for Design are Insufficient

Aspects of industrial design can currently be protected in the U.S. under patent, copyright, or trademark law, but none of these legal regimes are really suited to the protection of designers from fakes as they focus on innovation, creativity and reputation respectively.

Design patents, although they are considered to be the main method for protecting design in the U.S, have numerous disadvantages including the practical, (the application process and time and money necessary to achieve protection) and the conceptual (the requirement for an inventive step, and the non-protection of the functional aspects of design). The usefulness of design patents, if any, is limited to innovative design in which there has been substantial financial investment.

Copyright protection provides an artistic work with a very long term of protection, arguably unnecessary, and also anti-competitive for industrial products. Copyright also provides a far broader set of exclusive rights than are necessary for designers, or beneficial for their customers, such as the right to object to derivative work. In addition, U.S. legal tradition, and the line of judicial decisions and Copyright Office policy decisions interpreting “conceptual separability,” since Mazer, make it unlikely that copyright law can now be fashioned into a tool to protect functional industrial design.

Trademarks are also generally unsuitable for the purpose of protecting design, given that the focus of trademark law is the protection of the consumer from confusion and the protection of the reputation of the trademark owner, rather than the development of new designs for useful articles. Among other problems, the requirement for “secondary meaning” for the protection of trade dress means that using trade dress to protect design is rarely, if ever, going to protect market-entry designs because it takes time to acquire secondary meaning. The designs which are likely to be protected by the long duration of the trademark monopoly will be well-known designs by well-known designers.

Due to the shortcomings of the three main intellectual property rights, the unwillingness of judges to expand the scope of the different intellectual property protections, or consider an overlap of protections, and the lack of legislative action, the protection of industrial design remains a notable gap in U.S. law.
3. Knock-Offs Are the Problem

Many studies have found counterfeiting to be a major and growing problem for designers. Raustiala and Sprigman make a good argument that imitation (and, even in their view, the kind of direct copying favored by counterfeiters) allows the fashion business to thrive and that therefore the “low IP equilibrium” is well-suited for the industry because it speeds the fashion cycle and frees up designers to reinterpret trends or borrow from each other without fear of lawsuits. However, as has been pointed out in this paper and by others, Raustiala and Sprigman’s argument is specific to the highly derivative and fast-moving fashion industry and it also fails to make a distinction between different types of copying, specifically knock-offs or exact copies, on the one hand, and substantially similar or derivative work, on the other. In most industries there is a difference in practice between a counterfeiter who copies a design line-by-line with no original input, and a follower who closely copies many elements of an earlier design to create a substantially similar item, often for sale at a lower price point.

If it is acknowledged that counterfeiting is a problem for society as a whole, the goal for any industrial design protection should be two-fold: to prevent knock-off producers from benefiting from the creativity of others while avoiding stifling the creativity that goes into advances in design. The European standard of infringement for design rights is limited to preventing exact copies while still allowing derivative work. In order to infringe a prior design, under the European design right law a design must create the same overall impression as the prior design. In order to infringe an unregistered design right, copying must be proven. One author has noted that there appears to be more innovation in the U.K. fashion market (which is covered by European design law) than in the U.S. fashion market, particularly from the cheap chic retailers. This may be the result of a standard of infringement which clearly prohibits direct copying but leaves some room for designers to derive inspiration from earlier works.

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297 See THE ECONOMIC IMPACT OF COUNTERFEITING AND PIRACY supra note 78.
298 See Raustiala & Sprigman, supra note 59, at 1724.
299 See Hemphill & Suk, supra note 59, at 1181 (pointing out that Raustiala and Sprigman’s “analysis does not distinguish close copies from other relationships between fashion designs, such as interpretation, adaptation, homage or remixing.”).
300 Hemphill & Suk, supra note 59, at 1161.
302 Id. art 19 (2).
303 See Myers, supra note 65, at 78 (“the main effect of protection (in the U.K. market) has been to encourage greater innovation . . . in the U.K.”).
The concerns of commentators like Raustiala and Sprigman are that any additional legal protections against copying would upset the “low-IP equilibrium” that they argue functions so well in the fashion business. As noted, observation of the more legally protected fashion industry in Europe does not appear to entirely bear out their concern.\textsuperscript{304} Although it is obviously hard to measure creativity, it is also noteworthy that the cheap chic fashion retailers in Europe employ designers, unlike similar U.S. chains (like Forever 21).\textsuperscript{305} The European retailers seem to have perfected an art in taking a high-end design and “reinterpreting” it for mass-market sale, producing on a large scale, and having a supply chain that gets the new look into the stores very quickly. European high end fashion designers also seem less litigious, perhaps realizing that litigation is not always beneficial to their brand,\textsuperscript{306} and relying on design strategies, like making their work difficult to copy, rather than resorting to litigation.\textsuperscript{307}

\textbf{B. Proposals for Changing U.S. Law}

1. Protection Should Only Apply to Copying

The lack of protection provided by current U.S. legislation and the growing problem of counterfeiting have together persuaded many observers that legislation is needed to protect industrial design.\textsuperscript{308} However, any legislation protecting designers needs to be carefully drafted to avoid restricting innovation (thus hurting consumers), especially innovation by small design outfits who may be less legally savvy, or have lower margins and thus less money available to hire lawyers.

The proposed Design Piracy Prohibition Act goes beyond providing a legitimate protection against fake goods. Its broad definition of infringement could be used by lawyers for well-established designers to crush new competition. The definition of infringement should be tailored very specifically to prohibit only identical or virtually identical copies and the law needs to require proof of copying for a successful claim.

\textsuperscript{304} Id. at 78 (“the comparison between the U.S. and the U.K. suggests that IP protection for fashion design is mildly beneficial to the industry and to consumers.”).
\textsuperscript{305} Id. at 67.
\textsuperscript{306} Id. at 76.
\textsuperscript{307} Id. at 76.
\textsuperscript{308} See e.g. Blackmon and Hemphill & Suk supra note 59 and Myers supra note 65.
2. No Application Process

The proposed Design Piracy Prohibition Act envisages a registry for fashion designs. There are merits to a registry of design applications: It would put competitors on notice that a design has been registered; provide proof of ownership in a lawsuit; and allow policy makers to see who is using the scheme. However, any registration requirement will tend to benefit established designers at the expense of less well-funded designers. Registration is a formal step requiring knowledge of the law, and in all likelihood the need to retain an attorney.

There are significant advantages to avoiding a registration scheme. Protection is provided without formality which means that all original designs are equally protected. To avoid litigation, counterfeiters would be advised to avoid copying any new design for the duration of the right, rather than using the registry to designs around those designs that have been registered or check which designs can be copied because they have not been registered. An unregistered right would thus be more likely to be equitable because it would discourage all copying of original designs and so protect all designers against counterfeiters, not just those who had the resources to register their designs. The lack of registration coupled with the need to prove copying could be dealt with by using design drawings to prove creation and ownership of a design. Most designers keep design drawings. An organized and dated design portfolio would prove independent creation and ownership of a particular design.

The registration requirement found in the Design Piracy Prohibition Bill should be dropped in favor of a right which arises automatically on first sale without the need for a formal application similar to the European unregistered design right.

3. Two Levels of Protection

The European concept of providing two different types of protection to be chosen by the designer in order to suit the size of her investment in the design also merits Congress’s attention. Many designers (especially in fast-moving industries like fashion) do not need a long term registered protection. Probably the majority of new industrial designs will be obsolete in a matter of years or even months. In the E.U. this is dealt with through the provision of two types of right. The longer term registered design right and the shorter term unregistered design right. The requirement for a designer to renew protection in five year
increments for the registered design right is also particularly apt because it enables protection to be tailored to the design. If a design is not being actively commercialized, it will enter the public domain sooner than if the design is in use and the designer chooses to extend the protection.

For many designs a short duration of protection against copying that arises automatically on first sale is the ideal method to safeguard the investment and protect the first-to-market advantage against counterfeiters. It balances very well the interests of designers in securing protection for their investment with the interests of consumers in enabling competition among designers. In the U.S., at least for highly innovative design, there exists a registered form of protection. A designer who can show a novel ornamental design can obtain a design patent with 14 years of protection. This right has been criticized since it covers only truly inventive designs, requires registration and takes time to obtain but if a designer is able to obtain a design patent, it does provide a longer term protection for the investment of significant resources in research and development.

Under U.S. law there is no method of providing shorter term protection for less innovative, but still original designs. The Design Piracy Prohibition Act could be the vehicle to provide a shorter term of design protection for less research-intensive industries, but the current registration requirement is unhelpful for the reason that it favors well-established designers with attorneys and provides notice of good design to copyists. The registration requirement should be dropped.

4. Remedies

It is also important to focus on the remedies available for infringement of any design right. Very strong remedies will discourage designers from using earlier designs and thus limit the availability of subsequent copies of these designs to the public. For commonplace designs this may provide short-term monopoly rights to the first designer. In their article, Originality, Gideon Parchomovsky and Alex Stein suggests applying the concept of property and liability rules in the copyright context. Their suggestion is to calibrate the remedies available to copyright holders according to the level of originality in an author’s work. Thus, a very inventive piece would be protected by a

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309 See for example Frenkel supra note 16, at 555.
310 See Parchomovsky & Stein, supra note 285, at 1508.
311 Id. at 1507.
strong property right (an injunction would be available for breach) while a less
creative piece would be protectable by a liability right (damages only). Parchomovsky and Stein maintain that judges already make determinations about the level of creativity in an author’s work.

This remedy model could be used for the protection of industrial design. Only the most inventive design would be eligible for injunctive relief, and the infringement of more commonplace designs would result in damages awards only. This would assist design right holders, copyists, and the public. It would protect creative designs more strongly than commonplace designs. Designs with a low level of creativity would still be protected but the designer would not be able to prohibit others entirely from using her design. This would enable an infringer to determine if it was financially worthwhile to copy a particular design. This would increase customer choice, by allowing the public access, in certain cases, to several versions of a design. Creativity among designers would not be stifled and designers could make informed decisions about the use of earlier designs in subsequent work.

V. Conclusion

The U.S. should join the majority of other jurisdictions and protect market entry design by reference to modified copyright principles. This would benefit designers of new industrial products and the consumers that use them, as well as enabling the U.S. to live up to its obligations under international treaties. The current sui generis law protecting boat hull design, the VHDPA, clearly envisages the possibility of protecting all industrial design by defining original designs of “useful articles.” In the act “useful articles” are currently limited to boat hulls but the law could easily be applied to all new design with a change to the definition of “useful article.” Congress should resist the short-sighted move proposed by fashion designers of merely expanding the definition to articles of clothing and accessories. Congress should also rethink the requirements in the Design Piracy Prohibition Act for registration of designs as a requirement of protection. The law should automatically protect all market entry design without the need for registration for a short period. This would give the U.S. two levels of protection for designers to choose from based upon the amount of their investment. The law could be further tempered to avoid overprotecting

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312 Id. at 1524-25.
313 Id. at 1523.
commonplace designs by the use of remedies calibrated to the amount of creativity in the design.

The only problem with advocating for the inclusion of all industrial design in the proposed legislation is the awkward fact that, while the fashion industry in the U.S. agitates for more protection, which many academics and industry analysts suggest it may not need, there appears to be no major lobbying for protection from other design industries. Does this mean that they believe that current legal protection for industrial designers in the U.S. through copyright, design patents and trademarks are, in fact, adequate?