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Intellectual Property & Technology | Alert

April 2017

In Spirited Opinion, Supreme Court Affirms the Sixth Circuit in *Star Athletica, L.L.C. v. Varsity Brands, Inc.*

On March 22, 2017 the United States Supreme Court issued its much-anticipated copyright decision in *Star Athletica, L.L.C. v. Varsity Brands, Inc.,* 580 U.S. __, *1 (2017) ("Op."). Varsity Brands, which designs, manufactures, and sells cheerleading uniforms, had registered its designs, made up of colorful stripes, chevrons, and shapes, with the Copyright Office as two-dimensional artwork applied to their uniforms and sought to protect its designs against copying by its competitor, Star Athletica.

The dispute at issue was whether the two-dimensional designs embellishing Varsity's cheerleading uniforms were eligible for copyright protection. Star Athletica successfully defended the suit in the district court, arguing that the designs were not separable from the cheerleading uniforms they adorned, and thus not protected under the Copyright Act.[1] On appeal, the Sixth Circuit reversed. The Supreme Court granted certiorari to resolve widespread disagreement over the proper separability analysis to be applied in determining whether a design feature can be eligible for copyright separate and apart from the useful article incorporating it.

In a spirited 6-2 decision authored by Justice Clarence Thomas, the Supreme Court clarified the standard for determining when creative design elements incorporated into useful articles may be eligible for copyright protection. The standard articulated closely adheres to the statutory language found in Section 101 of the Copyright Act: an artistic feature incorporated into the design of a useful article is eligible for copyright protection if the feature "(1) can be perceived as a two- or three-dimensional work of art separate from the useful article and (2) would qualify as a protectable pictorial, graphic, or sculptural work either on its own or fixed in some other medium if imagined separately from the useful article." Op. 17.

[1] The Copyright Act does not protect "useful articles" with "intrinsic utilitarian function." *See* 17 U.S.C. §§101, 102.

Applying this test, the majority concluded that the "surface decorations" were works of art separable from the utilitarian functions of the uniforms and were therefore eligible for protection. Op. 10-11. The Court rejected arguments concerning the "relative utility" of the cheerleading uniforms without the decorations as "unnecessary," instructing instead that the proper separability analysis should focus on "the extracted feature and not on any aspects of the useful article that remain after the imaginary extraction." Op. 13. The Court observed, "[a]n artistic feature that would be eligible for copyright protection on its own cannot lose that protection simply because it was created as a feature of the design of a useful article, even if it makes the article more useful." Op. 14.

The Court was careful to limit the scope of its holding, clarifying that only the two-dimensional designs were eligible for copyright, and that "respondents have no right to prohibit any person from manufacturing a cheerleading uniform of identical shape, cut, and dimensions to the ones on which the decorations in this case appear." Op. 12. Similarly, the Court did not decide whether the designs were sufficiently original to warrant protection. Op. 11 n.1.[2]

Rooted in legislative history, the dissent by Justice Breyer and joined by Justice Kennedy argued that the design features were inseparable from the utilitarian aspects of the cheerleading uniforms, and that in such instances "Congress did not intend a century or more of copyright protection." Dissent 7. Moreover, Justice Breyer observed that "copyright protection imposes costs" and that "Congress has not extended broad copyright protection to the fashion industry." Dissent 8. He argued that the fashion industry has thrived without broad copyright protection, and cautioned that "a decision by this Court to grant protection to the design of a garment would grant the designer protection that Congress refused to provide. It would risk increased prices and unforeseeable disruption in the clothing industry, which in the United States alone encompasses nearly $370 billion in annual spending and 1.8 million jobs." Dissent 9.

This unusual subject of Supreme Court scrutiny presented a rare opportunity for fashion lawyers and the fashion industry to receive clarification about the extent to which copyright law can be used to protect fashion designs. The *Star Athletica* decision is significant not because it expands upon the tools available to fashion houses and designers seeking to protect their creations (it does not), but because it ensures that copyright protection continues to be a meaningful way to protect designs with qualifying elements, such as fabric prints, appliques, or jewelry. How this decision will affect litigation going forward remains unclear, as room for subjectivity still lingers within the framework of this two-part test.

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[2] Justice Ginsburg concurred in the judgment, but reasoned the separability analysis was unwarranted because the designs themselves were copyrightable and merely reproduced on useful articles. Concurrence 1-2.

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