ALERT MEMORANDUM

Supreme Court to Consider Whether Apparel Design Is Protected By Copyright Law

May 9, 2016

Last week the Supreme Court announced that it will take up the question of whether certain aspects of cheerleading apparel are entitled to copyright protection. *Star Athletica, L.L.C. v. Varsity Brands, Inc.*, ---- S.Ct. ----, 2016 WL 98761 (2016). For decades, courts have struggled to determine whether apparel designs are separable from their utilitarian functions, so as to qualify for copyright protection. In considering this question, the Sixth Circuit rejected nine different tests for conceptual separability applied by other courts and instead crafted its own hybrid approach, holding that the stripes, patterns and colors in cheerleading uniforms are not protected by copyright. The Supreme Court's decision is expected to bring long-awaited clarity – or at least uniformity – to this challenging issue and will provide guidance to litigants seeking to protect the decorative aspects of their apparel.

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Background

Varsity Brands, Inc. is the world's largest designer, manufacturer and seller of cheerleading apparel, and has registered multiple cheerleading uniform designs with the U.S. Copyright Office, including the five at issue in this lawsuit.[1] In 2010, Star Athletica, LLC, a newly-created sports apparel designer, distributed a catalogue advertising cheerleading uniform designs similar to Varsity's registered designs.[2] Varsity sued Star in the Western District of Tennessee, alleging copyright infringement, trademark infringement and a variety of state-law claims.[3]

The District Court's Opinion

In its March 2015 ruling, the district court addressed whether a design is separable from the utilitarian aspects of an article of clothing so as to be copyrightable, a question courts have been grappling with ever since *Mazer v. Stein*, 347 U.S. 201 (1954) introduced the concept of separability. The Copyright Act of 1976, which codified *Mazer*, affords copyright protection for the design of a "useful article" such as apparel only to the extent that the "design incorporates pictorial, graphic, or sculptural features that can be identified *separately from, and are capable of existing independently of*, the utilitarian aspects of the article."[4] The district court interpreted this provision to imply two separate considerations: conceptual separability (that is, whether the design has copyrightable features separate from its utilitarian aspects) and physical separability.[5]

The district court held that the combination of braids, chevrons, and stripes on Varsity's cheerleading uniforms were not conceptually separable from the utilitarian concept of a cheerleading uniform.[6] The district court explained:

> [W]ithout the kind of ornamentation familiar to sports (or cheerleading) fans, the silhouette no longer evokes the utilitarian concept of a cheerleading uniform, a garment that is worn by a certain group of people in a specific context. . . . [T]he utilitarian function of a cheerleading uniform is not merely to clothe the body; it is to clothe the body in a way that evokes the concept of cheerleading.[7]

The district court's consideration of physical separability underscored this point: as it explained, transferring the cheerleading uniform patterns onto a different article of clothing continued to evoke an association with cheerleading uniforms.[8] As a result, the district court held that Varsity's cheerleading uniform designs were not eligible for copyright protection. Varsity appealed.

The Sixth Circuit's Opinion

On August 19, 2015, the Sixth Circuit vacated the district court's ruling, holding that Varsity's designs were conceptually and physically separable from the utilitarian aspects of the cheerleading uniform.[9] The Sixth Circuit rejected the nine different tests applied by other courts to determine whether a design is conceptually separable and set forth its own hybrid approach.[10] The Sixth Circuit's approach is grounded

[1] *Varsity Brands, Inc. v. Star Athletica, LLC*, No. 10-2508, 2014 WL 819422, at *2 (W.D. Tenn. Mar. 1, 2014).

[2] *Id.* at *1.

[3] *Id.*

[4] 17 U.S.C. § 101 (emphasis added).

[5] 2014 WL 819422, at *7.

[6] *Id.* at *8.

[7] *Id.*

[8] *Id.* at *9.

[9] The Sixth Circuit also (1) held that the Copyright Office's determination that Varsity's designs are protectable under the Copyright Act deserved "respect proportional to [the interpretations'] 'power to persuade,'" otherwise known as *Skidmore* deference; and (2) vacated the district court's dismissal of Varsity's state-law claims for lack of federal jurisdiction. *Varsity Brands, Inc. v. Star Athletica, LLC*, 799 F.3d 468, 478, 493-94 (6th Cir. 2015).

[10] *Id.* at 484-85.

in a series of questions, with the last two focusing on separability:

1. Is the design a pictorial, graphic, or sculptural work?
2. If yes, is it a design of a useful article?
3. What are the utilitarian aspects of the useful article?
4. Can the viewer of the design identify pictorial, graphic or sculptural features separately from . . . the utilitarian aspects of the useful article?
5. Can the pictorial, graphic, or sculptural features of the design of the useful article exist independently of the utilitarian aspects of the useful article?[11]

The Sixth Circuit easily answered the first two questions in the affirmative with respect to Varsity's designs. Turning to the third question, it explained that cheerleading uniforms have utilitarian purposes, such as "cover[ing] the body, wick[ing] away moisture, and withstand[ing] the rigors of athletic movements."[12] For the fourth question, the appellate court held that the combination of stripes, chevrons, zigzags, and color-blocking in Varsity's designs are separately identifiable from a cheerleading uniform, because a uniform without these elements would still include the utilitarian aspects of a cheerleading uniform.[13] Finally, the Sixth Circuit explained that the decorative elements could exist independent of a cheerleading uniform's utilitarian aspects, because these designs could be incorporated onto a variety of garments—not just cheerleading uniforms—and the interchangeability of the designs demonstrated that the designs are not integral to the function of the apparel as a cheerleading uniform.[14]

In dissent, Judge McKeague disagreed with the majority view on separability, stating Varsity's designs are core to a cheerleading uniform's function of identifying its wearer as a member of a group and, as a result, the placement of stripes, braids and chevrons is not separable from that function.[15]

The Supreme Court's Grant of Certiorari

On May 2, 2016, the Supreme Court granted Star's petition for a writ of certiorari, agreeing to address "the appropriate test to determine when a feature of a useful article is protectable under § 101 of the Copyright Act."[16]

The Significance of The Upcoming Supreme Court Ruling

The "separability" analysis called for by the Copyright Act is inherently challenging, if not outright metaphysical. It requires a court to define the "utilitarian aspects" of an article – in other words, its functional essence – so it can then assess whether the claimed ornamental features "can be identified separately from, and are capable of existing independently of, the utilitarian aspects." The district court's decision below mused about Plato's concepts of the "essence" of an object, such as the "tree-ness" of a tree.[17] The Sixth Circuit likewise recognized it needed to grapple with the essence of cheerleading uniforms: "[a]re cheerleading uniforms truly cheerleading uniforms without the stripes, chevrons, zigzags, and color blocks?"[18]

Yet despite the highly conceptual nature of the problem, the practical implications are concrete – especially for the fashion industry, whose products have not fit cleanly into any single area of protection under U.S. intellectual property law. Congress has declined to clarify the statutory test, despite years of lobbying by the fashion industry. And the lower courts have spawned a variety of approaches and tests. It now falls to the Supreme Court to provide uniformity,

[11] *Id.* at 487-88.

[12] *Id.* at 490.

[13] *Id.* at 491.

[14] *Id.* at 491-92.

[15] *Varsity Brands, Inc. v. Star Athletica, LLC*, 799 F.3d 468, 495 (6th Cir. 2015) (McKeague, J., dissenting).

[16] *Star Athletica, L.L.C. v. Varsity Brands, Inc.*, ---- S.Ct. ----, 2016 WL 98761 (2016).

[17] 2014 WL 819422, at *1.

[18] 799 F.3d at 470.

and ideally clarity, to this elusive exercise of drawing the boundaries of copyright protection.

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