

How design patents complement trademarks in the fashion brands armoury

In the continuing battle against counterfeiting, fashion designers are increasingly turning to design patents to improve protection for their products. Such patents can act as a new weapon in litigation, provided that they meet certain requirements

The global fashion market is a leading industry which employs approximately 75 million people and was valued at \$1.7 trillion in 2012 (“Global Fashion Industry Insights Report”, *Fashion United*).

The key players in this industry include fashion brands such as LVMH, Dior and Prada, which each invest huge sums to create original designs. The results involve considerable intellectual and creative effort, necessary in this highly demanding and perpetually evolving market.

However, counterfeiting of these brands has also become a very lucrative industry. It is not only logos and trademarks that are copied, but also the designs of clothing and accessories. The World Customs Organisation (WCO) has reported that approximately 10% of the fashion trade is now counterfeit.

According to the WCO, counterfeiting costs the European fashion industry €6 billion each year. This figure includes reputation management, legal action to protect brands against infringement and job losses.

This sad reality explains why the luxury brands of the fashion industry take counterfeiting extremely seriously and engage in campaigns against illegal copying, including working closely with the relevant customs authorities to enforce a zero-tolerance policy against counterfeits. Nevertheless, these campaigns must be complemented by comprehensive IP strategies in order to protect fashion products and brands.

Fashion brands are central to the marketing strategies of the major fashion houses, enabling them to establish a bond with their customers. However, it is becoming apparent that trademarks alone are no longer sufficient to ensure effective protection against counterfeiting. Actors within the fashion industry must use different IP rights strategically in order to reduce the damage inflicted by counterfeiting and enhance their competitiveness.

In this strategic fight against counterfeiting, fashion designers are increasingly turning to design patents to improve protection for their products. These can act as an interesting weapon in cases of litigation, provided that they meet certain requirements. Moreover,

a patent design can be complemented by other IP tools in a multi-rights approach.

Design patents: an under-exploited resource

Registering designs patents

While some brands such as Gucci have been using design patents for many years, incorporating design patents into an IP strategy has only recently become more widespread.

In recent years companies within the fashion industry have increasingly recognised the importance of design patent protection. As a result of this trend, there has been a significant increase in design patent applications being filed for clothes and accessories, especially in the United States. For example:

- Parisian design house Balenciaga filed a US design patent application in August 2011 for an “ornamental design for a handbag”;
- Italian fashion house Missoni – known for its colourful knitwear – patented two variations of its iconic zigzag prints;
- Céline also obtained design patents for two of its well-known handbags – Case and Diamond – in order to protect their image and design;
- Alexander Wang registered a design patent for his “bags with corners” by the US Patent and Trademark Office (USPTO); and
- Hermès recently obtained a design patent for its Etribelt bag.

A design patent protects the way that an article looks, as opposed to a utility patent which protects the way that a product is used and works. A design patent provides protection for novel, ornamental product designs. Protection can be afforded to configuration or shape, surface ornamentation or both.

Design patents are thus typically used in industries where the product’s aesthetic qualities are of special significance, such as clothing and accessories.

In the European Union, a registered Community design can be obtained at the Office for Harmonisation in the Internal Market (OHIM) by paying an official fee and meeting formal requirements for registration. This protection is awarded for five years, renewable for a maximum period of 25 years, and is valid in all EU member states.

International protection is also afforded by registration at the World Intellectual Property Organisation (WIPO). This protection – frequently referred to as the Hague System – is granted in accordance with the validity conditions of the Hague Agreement and affords protection only in contracting states to this agreement. The term of protection is five years and registration may be renewed for one or more additional terms of five years, up to the expiry of



Jean-Paul Gaultier's Le Mâle. This trademark is highly distinctive, as the bottle's shape is unique and cannot be found easily in the market

the total term of protection allowed by the laws of the different contracting states. French design house Hermès is one of the top 10 users of the Hague System for the international registration of designs, with hundreds of designs registered.

Such registrations grant designers the right to exclude others in the marketplace from making, using, offering for sale or selling the registered design, which may relate to a three-dimensional (3D) feature (eg, the shape of a bag) or a two-dimensional feature (eg, a textile print). Thus, registering a design allows fashion houses to deter others from copying it and protects clothing and accessories from being targets for knock-offs.

A potential not yet fully exploited

Even though design patent law is becoming increasingly popular as a mean for designers to protect their works, its full potential has not yet been fully exploited in the fashion industry.

The first explanation for this tendency is that in some countries, fashion designs can be efficiently protected by author rights as works of applied art. In France, for example, designs are automatically and immediately protected by author rights even if they are unregistered, provided that they are original creative works.

Another frequently cited explanation for not registering fashion designs is that the fashion industry is trend based and ephemeral in nature. This short lifecycle – often no more than one season – cannot justify the time and financial costs involved with registration.

It is true that many fashion trends come and go very quickly. However, some trends become classic design pieces. If appropriate design protection is not in place for these successful trends, imitators will be able to copy them very easily. Thus, when fashion

companies anticipate that a new product may have a long lifespan, filing an application for a registered design may be the best way to protect it from competitors and infringers.

Moreover, design protection is not always a major financial burden, especially in the European Union, where OHIM offers an unregistered form of protection for industrial designs for up to three years, starting from the date on which the design is first made available to the public. An unregistered Community design confers on its holder the right to prevent copying.

The arguments raised against registering design patents in the fashion industry are thus perfectly answerable and the decision as to whether to register a new design should be considered on a case-by-case basis.

The advantages of strong design patent protection

Design patents can be extremely useful for fashion houses looking to fight counterfeiting, protect their designers' concepts and avoid copycats. They are particularly effective weapons against runway infringers, which are numerous among ready-to-wear brands. Such infringers tend to copy or imitate only the designs – not the marks – meaning that trademarks are little help in defending the brand.

However, a cease and desist letter citing a design patent carries significant weight. It signals to the infringer that the patent holder is serious about protecting its designs and ready to take legal steps against counterfeiting.

The rise in the number of design patent registrations has already resulted in an increase in litigation in this area.

For example, a legal battle is pending between Spanx and Yummie Tummie concerning the design of shapewear undergarments for women. Yummie Tummie claims that Spanx has infringed three of its design patents. Spanx alleges in response that its camisoles have unspecified but significant differences from Yummie Tummie's design.

In 2012 there was a significant dispute between the yoga pants brand Lululemon and Calvin Klein. Lululemon claimed that the US fashion retailer was infringing a number of patents that covered the company's iconic yoga pants. Although this lawsuit was eventually settled, it demonstrates that registered design patents can be a useful tool when it comes to litigation to protect fashion goods, especially when clothing designs with staying power are involved.

However, in order to provide strong and comprehensive protection, a design patent must meet certain requirements.

The requirements to obtain strong design patent protection

A design protects the appearance of a product. Therefore, the first requirement in order to qualify for design registration is to have a specific product. Colours *per se*, verbal elements and sounds do not qualify for design protection, as they do not constitute the appearance of a product. However, they can be registered as trademarks.

In addition, a design patent is available only for creations which are new. The EU Design Regulation requires, for example, that designs be new and possess individual character in order to be protectable. A design is considered to be new if no identical design or no design differing only in tiny details has been disclosed before it. Moreover, a design possesses individual character if the overall impression conveyed to the user differs from that conveyed by any other previous designs.

Finally, a design must be correctly and accurately represented in the application in order to qualify for strong protection. Designs should be represented graphically using technical drawings, which

can be made either in black and white or in colour. Up to seven different views of the product can be filed in order to represent the design and these views may be plain, in elevation or in perspective. However, no explanatory text, wording or symbols can be added to explain the design.

The purpose of graphical representation is to display all features of the design that the company wishes to protect. It is thus important to be extremely careful when preparing the application in order to ensure that the features of the design are displayed as thoroughly as possible. The quality of representation is also paramount.

The last requirement is that the design respect public policy and morality standards. For example, the registration of designs promoting violence or discrimination will be refused.

Taking into account all of these requirements, fashion houses should evaluate carefully which designs, or portions of designs, deserve protection.

Under the Hague System, it is possible for companies to choose between three levels of verification carried out by the office of a contracting state designated in the international application:

- for Sfr42 (all prices indicated are for the registration of a single design), the office will register a design, but will not carry out an examination on substantive grounds;
- for Sfr60, the office will carry out an examination on substantive grounds other than novelty (eg, on issues such as the definition of a design, public order and morality); and
- for Sfr90, the office will carry out an examination on substantive grounds, including an examination as to novelty.

Paying the highest level of fees assures an applicant that it has strong design patent protection which meets all legal requirements. If a complete examination of the validity criteria is not carried out by the office, there is a risk that the design may not meet the necessary requirements and could be declared void if it were attacked by another party.

This risk is even higher for Community design patents, as OHIM does not carry out thorough examinations for such applications, but checks only formal requirements (eg, whether the representation of the design is sufficiently clear or the views provided are consistent with one another). Its substantive examination is limited to two issues:

- whether the design represents the appearance of the whole or part of a product; and
- whether the design contains an element that goes against public policy and morality.

However, OHIM will not check to see whether the design is new or whether it possesses individual character.

“ Thanks to utility patent registrations, designers can prevent competitors from replicating their patented product across the entire market ”



Alexander Wang filed a utility patent for the studs that adorn the bottom of his famed Rocco bag by emphasising the specific grooves and circular channels on them. He was granted a utility patent for 20 years for exclusive use of these specific studs

Thus, a design patent can be validly registered by OHIM or WIPO even if it does not meet the necessary legal requirements. In such cases, obtaining a registered design patent does not guarantee 100% protection and it is uncertain how effective such design patent will be when challenged before a court by a competitor. There is a risk that the design patent could be declared invalid and cancelled by the judges.

Fashion houses should thus be extremely careful when applying for design patent protection in order to obtain a strong protection right which will be useful in case of litigation.

Other IP rights that can be used strategically by fashion companies

Utility patents

The protection granted by a design patent can be complemented by the registration of utility patents in order to establish a stronger bond between the fashion brand and its customers.

While utility patents may not immediately come to mind when considering the fashion industry, they can be valuable IP assets that put a fashion business ahead of its competitors.

Unlike design patents, a utility patent covers the functional aspects of an invention. In Europe, utility patents are granted for inventions that are new, involve an inventive step and are susceptible of industrial application. An invention can belong to any field of technology. Thus, a utility patent can cover a functional feature of clothing or accessories if it fulfils the above-mentioned criteria. A portfolio of patents may, for example, cover new fabrics that do not crease, or are softer or more weather-resistant than other fabrics on the market.

The first example of utility patents being used in the fashion industry is Levi Strauss, which obtained a patent for the rivets securing its pocket openings. This prevented competitors from using this method to create pocket openings on clothes for the period covered by the patent, unless they obtained a licence from Levi Strauss.

A more recent example is that of fashion designer Alexander Wang, who filed a utility patent for the studs that adorn the bottom

Feature: How design patents complement trademarks

of his famed Rocco bag by emphasising the specific grooves and circular channels on them. He was granted a utility patent for 20 years for exclusive use of these specific studs, suggesting that Wang intends for them to form part of his brand's DNA.

Thanks to utility patent registrations, designers can prevent competitors from replicating their patented product across the entire market. This helps them to carve out a specific niche in the market and to attract new business partners, as well as to create strong bonds with customers.

3D trademarks

Fashion houses can also strengthen their IP strategy by applying for 3D trademarks for some of their products' shapes.

In Europe, 3D shapes are protectable as trademarks and can be registered as such if they meet the necessary legal requirements, and especially if they enable consumers to identify the product's origin. Thus, 3D shapes will be accepted as trademarks only if the shape is very different from the standard shape used in the fashion industry, in order to be immediately recognised by consumers as an indication of the origin of the goods.

For example, the shape of a perfume bottle can be registered as a 3D mark, such as the famous perfume bottle of Jean-Paul Gaultier's *Le Mâle*. This trademark is highly distinctive, as the bottle's shape is unique and cannot be found easily in the market. This allows the trademark to create a strong impression on consumers, who can immediately identify the product's origin.

Thus, the design of a perfume bottle and other fashion accessories can be protected by a design patent and by a 3D trademark simultaneously.

In fact, in this case the French fashion house has also obtained a registered design covering the shape of the perfume bottle.

Conclusion

Developing a comprehensive and effective IP strategy to protect a fashion line requires time and money. Registering design patents, utility patents or trademarks involves a significant cost.

However, by protecting intellectual capital in the form of IP assets, fashion companies can improve their position on the market and boost their income. Designers can create new revenue streams through licensing and sales by strategically employing utility patents and design patents.

Moreover, the IP system also allows fashion companies to combat counterfeiting and reduce the risk of their IP rights being infringed. When used together, design patents, utility patents and trademarks can form complete and holistic cover to ensure strong protection for valuable fashion designs.

Consequently, fashion houses should balance the level of protection offered by different IP rights with their business goals and budgets. [WTE](#)

Véronique Dahan is counsel at August & Debouzy (Paris)
vdahan@augdeb.com