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New copyright protection test for designs of useful articles

[Baker Donelson - USA](#)
[Grady Garrison](#)

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On May 2 2016 the Supreme Court granted a petition for *certiorari* in *Star Athletica, LLC v Varsity Brands, Inc* in order to establish an appropriate test to determine when a feature of the design of a useful article is protectable under Section 101 of the Copyright Act.

On March 22 2017 the court determined that a feature incorporated into the design of a useful article is eligible for copyright protection only if the feature:

- can be perceived as a two-dimensional (2D) or three-dimensional (3D) work of art which is separate from the useful article; and
- would qualify as a protectable pictorial, graphic or sculptural work either on its own or fixed in some other tangible medium of expression if it were imagined separately from the useful article into which it is incorporated.

Conceptual separability statutory framework

Section 102(a)(5) of the Copyright Act provides that protectable works include pictorial, graphic and sculptural works, which are defined as follows:

"[2D] and [3D] works of fine, graphic, and applied art, photographs, prints and art reproductions, maps, globes, charts, diagrams, models, and technical drawings, including architectural plans. Such works shall include works of artistic craftsmanship insofar as their form but not their mechanical or utilitarian aspects are concerned."

The Copyright Act further provides that the design of a useful article:

"shall be considered a pictorial, graphic, or sculptural work only if, and only to the extent that, such 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."

A 'useful article' is defined as one having an "intrinsic utilitarian function that is not merely to portray the appearance of the article or to convey information". Under this definition, a lamp (for example) is a useful article, whereas a painting is not.

Lower court rulings

Varsity filed suit against Star Athletica in the Western District of Tennessee for copyright infringement of five of its 2D designs appearing on the surface of its cheerleading uniforms. The district court granted summary judgment to Star Athletica, holding that the designs were inseparable from the cheerleading uniforms on which they appeared. The court engaged in what it characterised as an exercise in 'classical philosophy' (citing Plato's *The Republic* and its concept of *treeness*) and concluded that the designs were too closely associated with the "ideal [of] cheerleading-uniform-ness" to be protected under copyright law. The court held that it was "not possible to either physically or conceptually sever Varsity's designs from the utilitarian function of the resulting cheerleading uniforms".

In a two-to-one decision, the Sixth Circuit Court of Appeals reversed the district court's decision, while finding on an issue of first impression that the arrangements of stripes, chevrons, colour blocks and zigzags on the surface of the uniforms were conceptually separable from the uniforms themselves and therefore copyrightable graphic works (799 F.3d 468).

Supreme Court opinion

In a six-to-two decision, the Supreme Court affirmed the Sixth Circuit's ruling that the designs at issue (which are displayed in the appendix to the ruling) were separable, and formulated a new test for conceptual separability. The first part of the test is the separate identification requirement, which is met "if the decision-maker is able to look at the useful article and spot some [2D] or [3D] element that appears to have pictorial, graphic, or sculptural qualities". The second part of the test is the independent existence requirement, which is satisfied if the design can exist as its own pictorial, graphic or sculptural work once it is imagined apart from the useful article (508 US *missing reference?* (2017)).



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Varsity argued that its designs satisfied conceptual separability analysis under Section 101, and alternatively that 2D designs are always separable without such analysis as they are designs 'on' a useful article as opposed to designs 'of' a useful article. A five-member majority of the court considered Varsity's alternative argument to be inconsistent with Section 101. Justice Ginsburg, while concurring in the judgment, agreed with Varsity that the analysis was unnecessary.

Star Athletica focused on the plain white uniform that would remain if the designs were physically removed from the cheerleading uniforms. However, the court ruled that the inquiry must focus on the extracted elements and not on any aspects of the useful article remaining after the imaginary extraction. The statute does not require the imagined remainder to be a fully functioning useful article, and a feature eligible for protection on its own does not lose its protection because it was created as a feature of the design of a useful article, even if it makes the article more useful (citing *Mazer v Stein* (347 US 201(1954))).

The court necessarily held that the physical separability test has no basis in the Copyright Act and is no longer needed, notwithstanding that the lower courts and the Copyright Office had consistently applied a physical-conceptual separability test. Section 924.2(A) of the Compendium of US Copyright Office Practices sets out the Copyright Office standard which has been applied for determining whether physical separability exists:

"The useful elements of a useful article will be considered separable from the copyrightable elements if the copyrightable elements could be physically removed without altering the useful aspects of the article. This is known as the physical separability test. Physical separability means that the useful article contains pictorial, graphic, or sculptural features that can be physically separated from the article by ordinary means while leaving the utilitarian aspects of the article completely intact. If the Copyright Office determines that the useful article contains pictorial, graphic, or sculptural features that cannot be physically separated from that article, then the Copyright Office applies the conceptual separability test. (Compendium III, Section 924.2(B))."

In addition to rejecting the physical separability test, the court declined Star Athletica's invitation to incorporate objective components into the conceptual separability test – the feature's marketability and the creator's design methods, purposes and reasons – as neither was grounded in the statutory text.

The court clarified that the copyright held for the designs incorporated into the cheerleading uniforms did not convey the right to prevent anyone from manufacturing cheerleading uniforms that were identical in shape, cut or dimensions to the uniforms at issue.

The first case to apply the court's new test was *Jetmax Ltd v Big Lots, Inc* (2017 WL 3726756 (SDNY August 28 2017)). The work at issue was Jetmax's Tear Drop Light Set (lightbulbs with a teardrop design). The parties filed competing motions for summary judgment. Both motions were denied and the case is set to proceed to trial.

For further information please contact:

Grady Garrison
Baker Donelson
www.bakerdonelson.com
Email: ggarrison@bakerdonelson.com
Tel: +1 901 526 2000

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