



Copyright Law for Trademark Lawyers: U.S. Copyright Protection for Logos, Packaging, and Products

by

**Lisa Pearson, Andrew Pequignot,
and Ashford Tucker**

Kilpatrick Townsend & Stockton LLP
The Grace Building 1114 Avenue of the Americas
New York, NY 10036-7703
212 775 8700
www.kilpatricktownsend.com

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Brand owners take note: the United States Copyright Act can enhance your ability to protect your logos, packaging, and product designs. A copyright registration, when available, is far easier and less expensive to obtain than a registered trademark or patent. Copyright protection remains in force far longer than a patent and, unlike a trademark, requires neither use in commerce of the protected work nor periodic maintenance to sustain it. Copyright infringement is often easier to prove than trademark or patent infringement, and the remedies available under the Copyright Act, including statutory damages and attorney fee awards (without any showing that the case was “exceptional”), expand the scope of relief that may otherwise be available. What’s more, copyright registrations can be a useful tool in fighting counterfeits, and the U.S. Supreme Court is poised to decide whether they can also help brand owners keep gray market goods manufactured abroad out of the U.S. in situations where trademark law offers no protection.

For all of these reasons, brand owners should routinely consider whether their logos, packaging, and product designs contain copyrightable elements. If so, they can secure substantial benefits by registering their copyrights with the United States Copyright Office at relatively little expense.

I. Comparison of U.S. Copyright, Trademark, and Patent Regimes.

Smart companies will take a look at their logos and products from all angles in order to formulate an appropriate strategy for maximizing their intellectual property protection.

The elements of a given commercial product and its packaging may qualify for protection under U.S. copyright, trademark, and patent law, all at the same time. For example, a company launching a revolutionary new toothpaste might be able to protect the product formulation by securing a utility patent; an ornamental, non-functional cap on the product’s tube through a design patent, copyright or trademark; other source identifiers (such as brand and product names and logos, and the non-functional trade dress of the product configuration and packaging) through trademark or copyright law; and other ornamental elements through copyright law.

In our experience, companies rarely take advantage of copyright law in this context. They should. As summarized in Appendix A (Comparison of U.S. Copyright, Trademark and Patent Prosecution), copyright law offers many advantages over other forms of intellectual property protection.

We turn next to the elements of product and packaging design that may qualify for U.S. copyright protection. In Point III below, we discuss in greater detail the benefits of copyright registration, the test of copyright infringement, and the remedies afforded by U.S. copyright law.

II. Potentially Copyrightable Elements of Product Packaging and Products.

U.S. copyright law protects original works of authorship, including literary, pictorial, graphic, and sculptural works. Among the elements of product and packaging design that may qualify for copyright protection are: (a) logos, (b) the artwork and text on labels, hangtags, and packaging, (c) warnings and instructions, and (d) ornamental product design. We provide examples of each below.

A. Logos.

U.S. copyright protection is available for logo artwork that contains sufficient originality and expressive elements, known as “authorship.” The threshold for originality is low; only a “minimal degree of creativity” is required.¹ “Words and short phrases such as names, titles, and slogans; familiar symbols or designs; mere variations of typographic ornamentation, lettering or coloring” do not meet this standard.² Nevertheless, an original arrangement of these non-protectible components may well be entitled to copyright protection.³

For example, in *Jada Toys, Inc. v. Mattel, Inc.*,⁴ the Court of Appeals for the Ninth Circuit recognized the copyrightability of Mattel’s HOT WHEELS logo in a trademark and copyright infringement case involving Jada’s HOT RIGZ logo. Both logos are depicted in Figure 1 below.

Fig. 1:



Analyzing Mattel’s Hot Wheels logo, the court stated that “the combination of the words used, the stylization of the flame graphic, and the colors chosen, suggest that elements of the flame logo are protectable for the purposes of a copyright infringement action.”⁵ Thus, while the idea of using a flame in a logo and the phrases “Hot Wheels” and “Beat That” would not qualify,

¹ *Feist Publ’ns, Inc. v. Rural Tel. Serv. Co.*, 499 U.S. 340, 345 (1991).

² 37 C.F.R. § 202.1.

³ *Feist*, 499 U.S. at 348.

⁴ 518 F.3d 628, 636 n.6 (9th Cir. 2008).

⁵ *Id.*

the combination of features in this HOT WHEELS logo was sufficiently original and creative to merit copyright protection.

In *Bouchat v. Baltimore Ravens, Inc.*,⁶ the Fourth Circuit heard an appeal in an infringement action brought by amateur artist Frederick Bouchat against the National Football League's Baltimore Ravens based on Bouchat's assertion that the Ravens copied his drawing and used it as their team logo, both shown in Figure 2 below.

Fig. 2



Plaintiff's Drawing



The Accused Work

The court ultimately held that the public domain elements present in the Bouchat's drawing – the letter B, a cross, and a shield – were “selected, coordinated, and arranged in such a way as to render the work original” and thus ultimately copyrightable.⁷ And, ultimately, Bouchat won a jury verdict on the issue of copyright infringement, which the Fourth Circuit affirmed.

The *Baltimore Ravens* case is a cautionary tale about the importance of timely registration. Unfortunately for Bouchat, because he had not timely registered the copyright in his drawing, he could not sue for statutory damages. Based upon the Baltimore Ravens' proof that its profits were not attributable to its infringement of the drawing, a jury awarded Bouchat nothing and the Fourth Circuit affirmed.⁸

In *Starbucks Corp. v. Morgan*,⁹ the court enforced Starbucks' copyright in its Siren Logo, depicted in Figure 3, against defendants who sold shirts featuring the logo but replacing the phrase “Starbucks Coffee” with an obscenity.

⁶ 241 F.3d 350 (4th Cir. 2001).

⁷ *Id.* at 356.

⁸ *Bouchat v. Balt. Ravens Football Club Inc.*, 346 F.3d 514 (4th Cir. 2003).

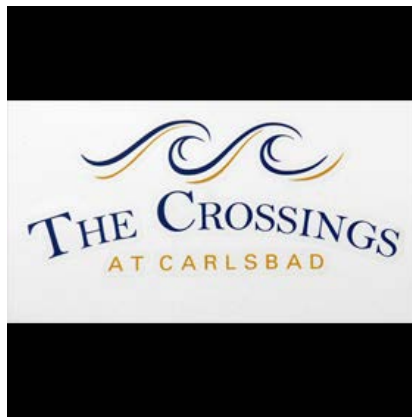
⁹ 2000 WL 949665 (S.D.N.Y. July 11, 2000).

Fig. 3



Similarly, in *City of Carlsbad v. Shah*,¹⁰ the court awarded statutory damages to the plaintiff for infringement of its registered copyright in its THE CROSSINGS AT CARLSBAD logo, depicted in Figure 4. The infringing logo contained the word “Marbrisa” in place of “Carlsbad” but was otherwise identical.

Fig. 4

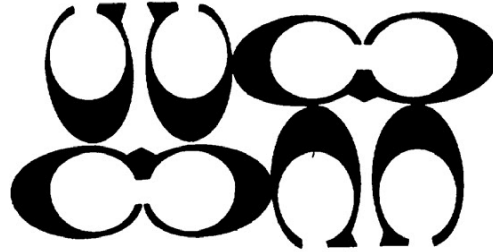


It is not always easy to predict where the Copyright Office and the courts will draw the line between copyrightable and uncopyrightable expression. For example, both Coach and Louis Vuitton use monograms as design elements on their hand bags. In *Coach, Inc. v. Peters*,¹¹ after the Copyright Office refused to register Coach’s “signature CC” design, shown below in Figure 5, Coach brought an action in federal court against the Copyright Office to compel registration of the designs. The court upheld the Copyright Office’s finding that the mere arrangement of the letter “C” did not contain sufficient amount of original and creative authorship to be copyrightable.

¹⁰ 2012 WL 424418 at 9 (S.D. Cal. 2012).

¹¹ 386 F. Supp. 2d 495, 499 (S.D.N.Y. 2005).

Fig. 5



By contrast, however, Louis Vuitton owns copyright registrations for its Multicolore Monogram, depicted below in Figure 6, and has brought suit in federal court on multiple occasions to enforce its rights.¹²

Fig. 6



In short, logos featuring artwork or graphic design components may well be copyrightable. Because so many trademarks incorporate such components, brand owners and their counsel are well advised to consider the availability of copyright registration as a complement to trademark registration when seeking to maximize protection of their logos.

B. Copyrightable Packaging, Hangtags, and Labels.

Original logos, artwork, or photographs on product packaging labels, with or without the surrounding text, may well be protected by copyright.¹³ In some cases, the textual material may be protected by copyright as well.

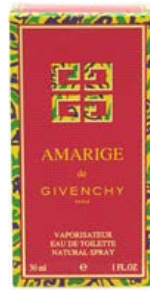
In *Parfums Givenchy, Inc. v. C & C Beauty Sales, Inc.*,¹⁴ the court observed “[i]t is well established that an artistic packaging design ... is entitled to copyright protection,” and held that the packaging design for GIVENCHY AMARIGE perfume shown in Figure 7 was entitled to copyright protection.

¹² See, e.g., *Louis Vuitton Malletier, S.A. v. Mido Trading, Inc.*, CV 08-04405 DDP (C.D. Cal. April 22, 2010); *Louis Vuitton Malletier, S.A. v. Akanoc Solutions, Inc.*, 2009 WL 1636914 (N.D. Cal. June 10, 2009).

¹³ 1 MELVILLE B. NIMMER & DAVID NIMMER, NIMMER ON COPYRIGHT § 2.08[G][2] (2010).

¹⁴ 832 F. Supp. 1378, 1391 (C.D. Cal. 1993).

Fig. 7



The package design need not be a thing of artistic beauty to qualify for copyright protection, as shown by the decidedly non-luxury goods shown in Figures 8 through 10 below:

Fig. 8



EZ-Prep Bowl Cleaning System¹⁵
Ladder¹⁷

Fig. 9



XXTRA Clean Detoxifier¹⁶

Fig. 10



X-IT Emergency

By the same token, copyright law also protects certain textual material on labels, packaging and package inserts – even if the text does not qualify as fine literature. In *Tienshan, Inc. v. C.C.A. International (N.J.), Inc.*,¹⁸ a case involving kitchenware packaging, the court explained that even prosaic, highly descriptive text on packaging may qualify for protection:

[The] text simply states the contents of the box, and the fact that the product may be washed in a dishwasher and used in a microwave oven. Such simple statements of factual matters, in themselves, are not protectible subject matter. After all, there are only a limited number of ways to convey the idea “dinner plate.”

¹⁵ *C.B. Fleet Co. v. Unico Holdings, Inc.*, 510 F. Supp. 2d 1078, 1081 (S.D. Fla. 2007) (“C.B. Fleet’s package design and patient instruction sheet possess the requisite creativity to be protected under the Copyright Act.”).

¹⁶ *Royal Source, Inc. v. New Tradition Pipe Co.*, 140 F. Supp. 2d 915, 916 (N.D. Ill. 2001).

¹⁷ *X-IT Prods., LLC v. Walter Kidde Portable Equip., Inc.*, 155 F. Supp. 2d 577, 610 (E.D. Va. 2001).

¹⁸ 895 F. Supp. 651, 659 (S.D.N.Y. 1995).

However, the way these facts are selected and arranged is a proper subject for copyright protection, as long as the facts are selected and arranged with even a spark of originality. The *selection* of which product characteristics to print on the side of the Kitchen Basics box arguably was dictated largely by utilitarian concerns – for example, the consumer would like to know from reading the box what it contains. However, there appear to be no similar instrumental concerns driving the *arrangement* of the factual matter. For example, there is no reason why “Mugs” must be listed last, directly after “Soup/Cereal Bowls,” or why “Dishwasher Safe” must come before “Microwave Compatible.”¹⁹

The same rules apply to labels and hangtags. In *Derek Andrew, Inc. v. Poof Apparel Corp.*,²⁰ for example, a court issuing a default judgment recognized the copyrightability of a clothing designer’s copyrighted Twisted Heart hangtag depicted in Figure 11, and held that a competitor infringed on the label.

Fig. 11



Similarly, in *Graphic Design Marketing, Inc. v. Xtreme Enters., Inc.*,²¹ a court found a strong likelihood of success on the merits of a copyright infringement case based on a STICKERS tag, depicted in Figure 12.

Fig. 12



¹⁹ *Id.* at 659 (internal citations omitted; emphasis in original).

²⁰ 2006 WL 3791371 (W.D. Wash. Dec. 22, 2006), *rev'd on issue of statutory damages*, 528 F.3d 696 (9th Cir. 2008); *see also*, *Sweet People Apparel, Inc. v. Fame of NY, Inc.*, 2011 WL 2937360 (D. N.J. 2011) (court granted motion for preliminary injunction based partially on the likelihood of success on the merits of Plaintiff’s claim of copyright infringement of hangtags and pocket designs on its jeans).

²¹ 772 F. Supp. 2d 1029, 1033 (E.D. Wis. 2011).

Courts have also protected the copyrighted Pledge²² and Bead-a-Pattern²³ labels shown in Figures 13 and 14 below:

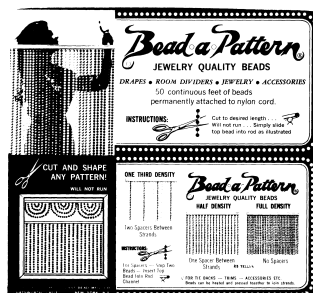
Fig. 13

Pledge Label



Fig. 14

Bead-a-Pattern's Label



In short, copyright may protect both the pictorial and textual components of the so-called “trade dress” of a product.

C. Warnings and Instructions.

Copyright protection also extends to certain warnings and instructions appearing on package inserts and other product packaging.

For example, in *Innovation Ventures, LLC v. N2G Distributing, Inc.*,²⁴ the court held that the following medical caution label on 5-Hour Energy drink was protectible under U.S. copyright law:

Contains about as much caffeine as a cup of coffee. Limit caffeine products to avoid nervousness, sleeplessness, and occasionally rapid heartbeat. You may experience a Niacin Flush (hot feeling, skin redness) that lasts a few minutes. This is caused by Niacin (Vitamin B3) increasing blood flow near the skin.

The court explained:

[E]ach manufacturer [of an energy drink] has chosen different language and word order to emphasize or de-emphasize various aspects of the medical warning. In other words, the medical caution statement is a narrative. Because the medical caution statements appearing on the

²² *S.C. Johnson & Son, Inc. v. Turtle Wax, Inc.*, 1989 WL 134802 (N.D. Ill. Oct. 17, 1989); see also *Drop Dead Co. v. S.C. Johnson & Son, Inc.*, 326 F.2d 87 (9th Cir. 1963).

²³ *Abli, Inc. v. Standard Brands Paint Co.*, 323 F. Supp. 1400 (C.D. Cal. 1970).

²⁴ 635 F. Supp. 2d 632, 638 (E.D. Mich. 2008).

energy shots have appreciable differences, and stylistic flourishes may be inserted in the statement, the medical caution label has the minimum level of originality necessary to warrant copyright protection as a matter of law.²⁵

The following instructions for hair products were held copyrightable in *Sebastian International, Inc. v. Consumer Contact Ltd.*²⁶:

Hair stays wet-looking as long as you like. Brushes out to full-bodied dry look. WET 4 is one step-four choice (finishing) in Sebastian's four step program for a healthy scalp and head of hair. WET is not oily, won't flake and keeps hair wet-looking for hours, allowing you to sculpture, contour, wave or curl. It stays looking wet until it's brushed out. When brushed, hair looks and feels thicker, extra full. Try brushing partly, leaving some parts wet for a different look.

The court reasoned that the "language is more than simply a list of ingredients, directions, or a catchy phrase" and "[n]o one can seriously dispute that if plaintiff were to discover that a competitor's package utilized the exact language as above with the exception of the product's name, plaintiff would be entitled to protection." While commenting that "this text tries the limits of the modicum of creativity necessary for a work to be copyrightable," the court ultimately held that "taken as a whole [the set of instructions] comes within the purview of the Copyright Act."²⁷

In a less glamorous example, the district court in *C.B. Fleet Co., v. Unico Holdings, Inc.*²⁸ expressed no similar reservations in holding that a patient instruction sheet for a bowel-cleansing kit clearly met the originality requirement and was therefore copyrightable. Despite the defendant's arguments that applicable Food and Drug Administration guidelines left no room for creative expression in the area of patient instructions, the court held:

C.B. Fleet's patient instruction sheet was created through substantial research, testing and development to ensure patient comprehension. C.B. Fleet's copyrighted material possesses the creativity required for originality and are the product of original selections and arrangements that are protectable by copyright.

Because generic drug manufacturers and others seeking to exploit market trends frequently take shortcuts in getting their products to market, a brand owner with the foresight to secure copyright registrations for its packaging and inserts may have additional ammunition against unfair competition.

²⁵ *Id.* at 640.

²⁶ 664 F. Supp. 909, 913 (D.N.J. 1987), *rev'd on other grounds*, 847 F.2d 1093 (3d Cir. 1988).

²⁷ *Id.*

²⁸ 510 F. Supp. 2d 1078, 1081 (S.D. Fla. 2007).

D. Copyrightable Product Designs.

Copyright law does not protect functional aspects of objects, an area of protection explicitly reserved for patent law. But the Copyright Act does grant protection to certain ornamental elements of useful articles, and in so doing expands the zone of copyright protection into the realm of product design.

Consumer products with an intrinsic utilitarian function receive unique treatment under U.S. copyright law. Such works are protectible “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.”²⁹ So, for example, in the leading case of *Mazer v. Stein*,³⁰ the U.S. Supreme Court held that a statue portraying a dancer is copyrightable even when it has been included as the base of a lamp, which is utilitarian.

There are reams of legal literature on this topic, but one prominent commentator succinctly summarizes the test as follows:

The inquiry . . . is simply whether the pictorial, graphic, or sculptural features are dictated by the form or function of the utilitarian aspects of the useful article. If they are, they are not capable of existing independently of those aspects. If the pictorial, graphic, or sculptural features are not dictated by the form or function of the utilitarian aspects of the useful article, they can be said to be capable of existing independently of those aspects and hence are protectible.³¹

Despite the apparent simplicity of this summation, the courts often struggle with the “conceptual separability” rule, applying a variety of slightly differing, nuanced tests. As noted by another prominent commentator: “Of the many fine lines that run through the Copyright Act, none is more troublesome than the line between protectible pictorial, graphic and sculptural works and unprotectible utilitarian elements of industrial design.”³² Therefore, in presenting the following examples of copyrightable product designs, we note that there also exists a robust line of cases deeming various product designs uncopyrightable due to a lack of separability between their respective functional and expressive aspects.

In the leading case *Kieselstein-Cord v. Accessories by Pearl, Inc.*,³³ fashion designer Barry Kieselstein-Cord sued to stop an accessories company from making inexpensive knockoffs of his original Vaquero and Winchester belt buckles, the latter of which is shown in Figure 15:

²⁹ 17 U.S.C. § 101.

³⁰ 347 U.S. 201, 205 (1954).

³¹ 2 WILLIAM F. PATRY, PATRY ON COPYRIGHT § 3:146 (2010).

³² 1 PAUL GOLDSTEIN, GOLDSTEIN ON COPYRIGHT § 2.5.3, at 2:56 (2d ed. 2004).

³³ 632 F.2d 989 (2d Cir. 1980).

Fig. 15



Reversing the lower court’s summary judgment ruling that the buckles were not copyrightable, the Second Circuit granted copyright protection to the buckles because “[t]he primary ornamental aspect of the Vaquero and Winchester buckles is conceptually separable from their subsidiary utilitarian function.”³⁴ The court explained that the focus of inquiry should be on “whether ... there is a physically or conceptually separable artistic sculpture or carving capable of existing independently as a work of art.”³⁵

In *Pivot Point International, Inc. v. Charlene Products, Inc.*,³⁶ the court considered the copyrightability of “Mara,” a mannequin with a face evoking the “hungry look” of fashion models, depicted below in Figure 16.

Fig. 16



³⁴ *Id.* at 993.

³⁵ *Id.* at 994.

³⁶ 372 F.3d 913 (7th Cir. 2004).

The court performed a thorough analysis of the various tests courts apply to determine the existence of conceptual separability, which it synthesized as follows:

Conceptual separability exists . . . when the artistic aspects of an article can be conceptualized as existing independently of their utilitarian function. This independence is necessarily informed by whether the design elements can be identified as reflecting the designer’s artistic judgment exercised independently of functional influences. If the elements do reflect the independent, artistic judgment of the designer, conceptual separability exists. Conversely, when the design of a useful article is as much the result of utilitarian pressures as aesthetic choices, the useful and aesthetic elements are not conceptually separable.³⁷

Focusing on the fact that Mara’s designer took no functional considerations into account in creating the mannequin, the court held that Mara “therefore meets the requirements for conceptual separability and is subject to copyright protection.”³⁸

In *Universal Furniture International, Inc. v. Collezione Europa USA, Inc.*,³⁹ a case litigated by the authors’ firm, the Fourth Circuit found copyrightable a variety of ornamental features of traditional furniture designs, including Universal’s English Manor Collection shown in Figure 17.

Fig. 17



The court affirmed the district court’s holding that “the shape of the furniture cannot be the subject of a copyright, no matter how aesthetically pleasing it may be, but the decorative elements that are separable from the furniture can be.”⁴⁰ Focusing on the fact that the furniture’s designer completed all of the functional aspects of the furniture’s design prior to adding ornamentation, the court affirmed the copyrightability of “superfluous nonfunctional adornments

³⁷ *Id.* at 931 (quotations and citations omitted).

³⁸ *Id.* at 932.

³⁹ 618 F.3d 417 (4th Cir. 2010) (per curiam).

⁴⁰ *Id.* at 433.

for which the shape of the furniture (which is not copyrightable) serves as the vehicle.”⁴¹ This does not bode well for designers who subscribe to Mies van der Rohe’s “Less is More” dictate, but should bring joy to the hearts of those who prefer rococo ornamentation.

Additional examples of copyrightable product designs drawn from different industries are shown in Figures 18 through 21:

Fig. 18 Picture Frame Design⁴²



Fig. 19 Gucci Watch Design⁴³



Fig. 20 Decorative Red Plate Design⁴⁴



Fig. 21 Bear Paw Slipper Design⁴⁵



Copyright law and functional products are not a match made in heaven. The existing state of the law clearly favors ornate rather than minimal designs and those who subscribe to the “form follows function” school of design will probably have to look to patent law to try to protect their designs. Nevertheless, for many products, copyright may protect certain key features against copyists.

⁴¹ *Id.* at 434; see also *Lanard Toys, Ltd. V. Novelty, Inc.*, 375 Fed. Appx. 705 (9th Cir. 2010) (court upheld a jury verdict of infringement of copyright in the design of a toy helicopter, citing evidence that the helicopter could have been made in numerous different ways without harming its usefulness as a toy).

⁴² *Stanislawski v. Jordan*, 337 F. Supp. 2d 1103 (E.D. Wis. 2004).

⁴³ *Severin Montres Ltd. v. Yidah Watch Co.*, 997 F. Supp. 1262 (C.D. Cal. 1997). After this case, the Copyright Office cancelled the copyright registration for the Gucci Watch Design. The court again addressed the issue of copyrightability after the copyright registration was cancelled, and found the design copyrightable. *Gucci Timepieces Am., Inc. v. Yidah Watch Co.*, 1998 WL 650078 (C.D. Cal. Aug. 4, 1998).

⁴⁴ *McCulloch v. Albert E. Price, Inc.*, 823 F.2d 316 (9th Cir. 1987), *disagreed with on other grounds by Fogerty v. Fantasy, Inc.*, 510 U.S. 517, 525-26 (1994).

⁴⁵ *Animal Fair, Inc. v. Amfesco Indus., Inc.*, 620 F. Supp. 175 (D. Minn. 1985).

III. The Nuts and Bolts of U.S. Copyright Law.

The beauty of U.S. copyright law is that the mere act of reducing a copyrightable work to a tangible medium of expression – putting pen to paper, so to speak – triggers protection. The copyright automatically springs into existence, without further formalities. Nevertheless, the formalities of obtaining registration and affixing a copyright notice to the work dramatically enhance the protection accorded to it and remedies available for infringement, and so are generally worth the modest investment.

A. Timely Registration – Ownership and Validity Presumed.

Although registration is not necessary for U.S. copyright protection, it is generally recommended. If a copyright application is filed within five years of publication, the registration certificate will be *prima facie* evidence in court of the validity of the copyright and of the facts stated in the certificate, including the copyright owner. Registration prior to infringement of the work, or within three months of the work's publication, entitles the copyright owner to seek statutory damages and attorneys' fees. Absent timely registration, the copyright owner can only recover actual damages and/or the infringer's profits, which can be difficult to prove in many cases. In addition, registration is a requirement for bringing a suit for infringement of a "United States work."⁴⁶

B. Copyright Notice.

For works published on or after March 1, 1989, it is no longer necessary to affix a copyright notice to the work. But providing proper notice precludes an infringer from asserting an "innocent infringement defense" to evade a substantial damages award. Thus, it is advisable to include a copyright notice on all copyrightable works upon publication. Generally, proper copyright notice must include: (i) the © symbol, the word "Copyright", or the abbreviation "Copr."; (ii) the year of first publication; and (iii) the name of the owner of the copyrighted work. Example: © 2010 John Doe.

C. Test of Copyright Infringement.

Copyright infringement may be easier to prove than trademark or patent infringement in many cases. The elements are: (i) ownership of a valid copyright,⁴⁷ (ii) copying by the defendant; and (iii) sufficient copying to constitute improper appropriation.

With respect to the first element, ownership of a valid copyright is often presumed based on a timely registration.⁴⁸ Alternatively, the plaintiff can prove that the work at issue was created before the infringement.

⁴⁶ Generally speaking, a "United States work" is a work first published (i.e., distributed to the public) in the United States. 17 U.S.C. § 101.

⁴⁷ An owner or exclusive licensee of any exclusive right under the Copyright Act is entitled to bring an infringement claim.

⁴⁸ While ownership and validity are subject to attack by the defendant, a timely registration shifts the burden of proof on these issues to the defendant.

The test of copyright infringement then focuses on the similarity between the works at issue. The plaintiff must demonstrate (i) the defendant actually copied the plaintiff's work, a showing often made with circumstantial evidence that the defendant had access to the infringed work and that the similarities between the works at issue are probative of copying, and (ii) the defendant copied enough of the original elements of the infringed work that the defendant's work is deemed "substantially similar" to the protectible expression of the infringed work.

Notably, while liability for copyright infringement typically turns on the "substantial similarity" of the works at issue, liability for trademark infringement typically turns on the likelihood of consumer confusion, a fact-intensive inquiry that weighs many factors in addition to the similarity of the marks, including the similarity of the parties' products and channels of trade, the commercial context in which the marks are presented, price points, sophistication of consumers, quality of the goods, and the defendant's bad faith. So, for example, a look-alike fragrance manufacturer may evade trademark liability by using its own house mark, a different product name, selling for a lower price to different channels of trade than the trademark owner, and employing a prominent disclaimer. These differences would be immaterial to copyright infringement analysis.

Additionally, courts have recognized that copyrights enjoy broader protection from contributory infringement than do trademarks.⁴⁹ Like trademarks and patents, copyrights are protected against secondary forms of infringement, including contributory infringement by intermediaries such as flea market operators and online auction sites. To establish contributory copyright infringement, a plaintiff must demonstrate that the defendant (1) had knowledge of and (2) induced, caused, or materially contributed to the infringing behavior.⁵⁰ By contrast, in *Inwood Labs. Inc. v. Ives Labs., Inc.*, the Supreme Court articulated the standard for contributory trademark infringement as follows: "if a manufacturer or distributor intentionally induces another to infringe a trademark, or if it continues to supply its product to one whom it *knows or has reason to know* is engaging in trademark infringement, the manufacturer or distributor is contributorily responsible for any harm done as a result of the deceit."⁵¹

Recently, jeweler Tiffany sued online marketplace eBay alleging, among other things, that eBay contributorily infringed Tiffany's trademarks by turning a blind eye to counterfeit goods sold through eBay auctions.⁵² In that case, the Southern District of New York expressly noted that "the law of contributory trademark infringement sets a high[er] burden for knowledge" of specific infringement than the law of contributory copyright infringement.⁵³ The district court and Second Circuit agreed that "[f]or contributory trademark infringement liability to lie, a service provider must have more than a general knowledge or reason to know that its service is being used to sell counterfeit goods. Some contemporary knowledge of which particular listings

⁴⁹ See, e.g., *Sony Corp. of Am. v. Universal City Studios, Inc.*, 464 U.S. 417, 439 n. 19 (1984) (characterizing as too narrow and thus refusing to apply the trademark standard for contributory infringement in a copyright case).

⁵⁰ *Fonovisa, Inc. v. Cherry Auction, Inc.*, 76 F.3d 259, 264 (9th Cir. 1996).

⁵¹ 456 U.S. 844, 854 (1982) (emphasis added).

⁵² *Tiffany (NJ) Inc. v. eBay, Inc.*, 576 F. Supp. 2d 463 (S.D.N.Y. 2008), *rev'd in part, aff'd in part*, 600 F.3d 93 (2d Cir. 2010).

⁵³ *Id.* at 510 n.37 (S.D.N.Y. 2008), *rev'd on other grounds*, 600 F.3d 93 (2d Cir. 2010).

are infringing or will infringe in the future is necessary.”⁵⁴ Ultimately, the Second Circuit held on appeal that “Tiffany’s general allegations of counterfeiting failed to provide eBay with the knowledge required” to be deemed a contributory trademark infringer under the stricter *Inwood Labs.* test.⁵⁵ The case may have turned out differently under the looser “material contribution” standard for contributory copyright infringement, applied in *Fonovisa*, because eBay had knowledge of the widespread sale of counterfeits on its sites and facilitated those sales, even if it did not continue to provide its services to known sellers of counterfeits. With the multitude of new distribution models spawned by the Internet in recent years, contributory infringement has become and continues to be of great concern to intellectual property owners. Accordingly, trademark owners who have the option of obtaining a copyright may benefit from copyright law’s comparatively broad protection against contributory infringement.

D. Remedies Available for Copyright Infringement.

Provided there has been a timely registration of copyright, a copyright owner can elect to recover statutory damages for infringement. The amount may range from as little as \$200 per work for innocent infringements to as much as \$150,000 per work for willful infringement. Absent a timely registration, the successful copyright owner is limited to recovery of actual damages suffered and the non-duplicative profits of the infringer, all of which must be proven in court.

Where registration is timely, a copyright owner who prevails in an infringement suit can obtain an award of attorneys’ fees. Finally, a copyright owner may secure an injunction against further infringements and, in certain cases, an order confiscating and directing the destruction of infringing copies and the articles used to produce them.

E. A Note on Gray Market and Anticounterfeiting Protection.

Like trademark registrations, copyright registrations can be used to fight counterfeits – at Customs and in civil and criminal actions. In situations where a trademark registration has not yet been secured or where the copy does not appear on the same goods covered by trademark registrations (among others), a copyright registration can fill the hole in an anticounterfeiting program.

Further, courts recently have held that importing copyrighted goods manufactured and sold overseas into the United States without the authorization of the copyright owner infringes the owner’s rights under the Copyright Act.⁵⁶ The U.S. Supreme Court has granted certiorari to review the issue in *John Wiley & Sons, Inc. v. Kirtsaeng*. If this precedent is upheld, it provides copyright owners with a powerful tool for preventing gray market importation of copyrighted goods in some situations where trademark law provides no remedy, because as a general rule,

⁵⁴ *Tiffany (NJ) Inc. v. eBay Inc.*, 600 F.3d 93, 107 (2d Cir. 2010).

⁵⁵ *Id.* at 109.

⁵⁶ See *John Wiley & Sons, Inc. v. Kirtsaeng*, 654 F.3d 210, 222 (2d Cir. 2011), *cert. granted*, No. 11-697 (U.S. Apr. 16, 2012); *Omega S.A. v. Costco Wholesale Corp.*, 541 F.3d 982, 990 (9th Cir. 2008), *aff’d by an equally divided court*, 131 S. Ct. 565 (2010).

U.S. trademark law only prevents the sale of parallel imports that are “materially different” from the products authorized for sale under the mark in the U.S.

IV. A Trap for the Unwary.

Under U.S. copyright law, copyright vests initially in the author or authors of the work.⁵⁷ In the case of a “work made for hire,” the employer or other person for whom the work was prepared is considered the author.

A work made for hire arises where: (i) the work is created by an employee within the scope of his or her employment; or (ii) the work is specially ordered or commissioned, fits in one of nine categories enumerated in the statute,⁵⁸ and the parties agree in a signed writing that the work is a work made for hire. Logos, labels, packaging, and product designs could conceivably qualify for the “contribution to a collective work” category.⁵⁹ For example, if a logo were created in connection with the design of a website, an argument could be made that the logo was a contribution to a collective work. Similarly, although the case law is not developed on this point, there is a potential argument that a work created in connection with an overall branding concept could be treated as a “contribution to a collective work,” particularly if the concept is incorporated into, for example, a website or a brand book.

Even if the copyright vests initially in the individual creator of the work, an individual or company may acquire the copyright by assignment, which must be in writing and signed by the copyright owner. From the standpoint of the transferee, a work made for hire agreement is preferable to an assignment because, unlike a work made for hire agreement, an assignment may be terminated and the copyright rights transferred by the assignment may revert back to the original author after 35 years.⁶⁰ In cases where the original author complies with the statutory procedure for terminating the assignment, the transferee can continue to use derivative works based on the copyrighted work under the terms of the original transfer but cannot create new derivative works. This could pose a big problem for a company that has built its brand identity on a particular logo. For example, if a company has commissioned a logo design and secured copyright in the logo by assignment, it will probably have the right to continue to use the same

⁵⁷ If a work is prepared “by two or more authors with the intention that their contributions be merged into inseparable or interdependent parts of a unitary whole,” those authors have equal right to use the copyrighted work, subject to accounting. See 17 U.S.C. § 101 (definition of “joint work”). Copyright ownership is generally determined by the law in the country of origin. See *Itar-Tass Russian News Agency v. Russian Kurier, Inc.*, 153 F.3d 82, 90 (2d Cir. 1998). Accordingly, these rules apply to works created in the United States.

⁵⁸ The nine categories are as follows: contribution to a collective work, part of a motion picture or other audiovisual work, a translation, a supplementary work, a compilation, an instructional text, a test, answer material for a test, and an atlas.

⁵⁹ A “collective work” is defined as a work, such as “a periodical issue, anthology, or encyclopedia, in which a number of contributions, constituting separate and independent works in themselves, are assembled into a collective whole.” 17 USC § 101.

⁶⁰ For transfers or licenses executed after January 1, 1978, the transferor may terminate the grant at any time during a five-year window that opens at the end of thirty-five years from the date of execution of the grant. For transfers or licenses executed before January 1, 1978, the transferor may terminate the grant at any time during a five-year window that opens at the end of fifty-six years from the date the copyright was originally secured, or January 1, 1978, whichever is later.

packaging (assuming the packaging is a derivative work) but might encounter issues if it expands or changes its use. Accordingly, companies are well advised to secure a work made for hire agreement with independent contractors creating copyrightable works whenever appropriate, with a written assignment as a fall-back. There are also strategies to avoid the harsh results of the Copyright Act's termination provisions, but most have yet to be tested in the courts.

V. Conclusion.

Companies should routinely take stock of the expressive elements in their logos, labels, hangtags, packaging, warnings and instructions, and product designs to assess whether any of those elements are copyrightable. When working with independent contractors on potentially copyrightable materials, companies should also be sure to obtain all necessary rights in the creations. While registration is not necessary to obtain copyright protection the evidentiary presumptions and access to statutory remedies and attorneys' fees provided by timely registration are frequently worth the modest investment. A registered copyright can be a powerful weapon in negotiating with or litigating against those who copy logos, packaging and product designs, supplementing other forms of intellectual property protection.

APPENDIX A

COMPARISON OF U.S. COPYRIGHT, TRADEMARK, AND PATENT LAW PROTECTION

	Copyright	Trademark	Patent
Protectible Subject Matter	Copyright law protects original works of authorship. A copyright protects only the particular expression of an idea, not the idea itself, and is generally not available for words, symbols, slogans or familiar designs.	Trademark law protects words, symbols, slogans, designs, and other source identifying devices used in connection with the promotion, distribution, and sale of goods and services.	A patent grants its owner the right to exclude others from making, using, selling, offering for sale, or importing into the U.S. the invention covered by the patent. There are two types of patents: Design patents cover products having the same ornamental appearance as the design shown in the figures of the patent. Utility patents cover products embodying the inventions covered by the claims of the patent.
Registration Requirement	No registration is required (although a registration is required to file a lawsuit for "United States works" and to recover statutory damages and/or attorneys' fees).	No registration is required, but common law trademark rights arise from use, and protection of unregistered marks may be limited to a small geographic area.	Registration is required.
Application Process	The application process is inexpensive and non-contentious; the Copyright Office does not conduct the same kind of rigorous examination of applications as conducted by the U.S. Patent and Trademark Office ("PTO").	Trademark applications are examined by an examining attorney at the PTO, and interested parties have an opportunity to oppose.	Patent applications are also examined by the PTO and often undergo the longest and most expensive examination process.

	Copyright	Trademark	Patent
Inception and Duration of Protection	Copyright in a work created on or after January 1, 1978, subsists from the work's creation and, except as indicated below, endures for the life of the author plus 70 years after the author's death. For a work made for hire, the duration of copyright is for a term of 95 years from the year of first publication, or 120 years from the year of creation, whichever expires first.	Trademark protection is theoretically perpetual, as long as the mark remains in use.	Design patents have a term of protection of 14 years from the date the PTO issues the design patent. Utility patents filed after June 8, 1995, confer rights for 20 years from the date of filing, beginning on the date of grant. .
Maintenance Required for Registration	No maintenance is required for works created on or after January 1, 1978.	Use, periodic statements of use and maintenance fees are required to maintain a registration. Failure to police a mark may diminish or extinguish protection.	Utility patents require periodic maintenance fees after issuance, although design patents do not.
Infringement Test	Copying of original expressive elements of the work, which may be established by showing (1) the defendant had access to the plaintiff's work, and (2) there is a substantial similarity between the protectible expression of the works at issue.	The test for trademark infringement focuses on whether a "likelihood of confusion" exists between the goods or services at issue. Courts weigh a variety of factors, including the strength and similarity of the marks, the similarity of goods or services, evidence of actual confusion, sophistication of the consumer, and marketing channels used, among others.	The test for design patent infringement is whether an ordinary observer, familiar with the prior art, would be deceived into thinking that the accused design was the same as the patented design. <i>See Egyptian Goddess, Inc. v. Swisa, Inc.</i>, 543 F.3d 665, 676-677 (Fed. Cir. 2008); <i>Gorham Co. v. White</i>, 81 U.S. 511 (1871). For utility patents: infringement occurs when another makes, uses, imports, or sells a product, process, or composition that satisfies each and every element of at least one claim of a patent.

	Copyright	Trademark	Patent
Remedies	With a timely registration, a copyright owner “may elect ... to recover ... an award of statutory damages for all infringements involved in the action ... in a sum of not less than \$750 or more than \$30,000 as the court considers just.” 17 U.S.C. § 504. In cases of willful infringement, the court has discretion to increase the award of statutory damages up to \$150,000.	In cases “involving the use of a counterfeit mark” only, statutory damages of between \$1,000 and \$200,000 per counterfeit mark per type of goods or services sold are available. “If the court finds that the use of the counterfeit mark was willful,” statutory damages increase to up to \$2,000,000 per counterfeit mark per type of goods or services sold. 15 U.S.C. § 1117.	No statutory damages available.
	With a timely registration, a copyright owner can seek attorneys’ fees. 17 U.S.C. §§ 412, 505.	Attorneys’ fees recoverable in “exceptional cases”. 15 U.S.C. § 1117.	Attorneys’ fees recoverable in “exceptional cases”. 35 U.S.C. § 285.
	Plaintiff is not required to establish willfulness or bad faith to recover statutory damages or attorney’s fees, although proof of the same supports a higher award as indicated above.	Treble damages and attorneys’ fees are available where the defendant “intentionally us[es] a mark or designation [in commerce, in connection with goods or services], knowing such mark or designation is a counterfeit mark”, or provides the goods or services necessary to commit such an infringement with the intention that the infringement is committed. 15 U.S.C. § 1117.	Enhanced damages are generally recoverable in cases of willful infringement in the exercise of the court’s discretion.

Kilpatrick Townsend & Stockton LLP
The Grace Building 1114 Avenue of the Americas
New York, NY 10036-7703
212 775 8700
www.kilpatricktownsend.com

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