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Outline.

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Why is this important?

900 BILLION DOLLARS

1.25 TRILLION DOLLARS

ESSENTIAL EXPENSE

Global fashion and apparel

market current worth

Expected growth of the apparel market by 2024

The average Canadian household spends just under

\$3,500 per year

HOWEVER, THE INDUSTRY CONTINUES TO CHANGE...



Why is this important?

GROWING ONLINE MARKET



Image: Tuesday Bassen

NEW TECHNOLOGIES



Image: Iris Van Herpen

SHIFTING CONSUMER PREFERENCES



Image: Celine



Terminology

FASHION PRODUCTS

Broad – apparel, footwear, jewellery, personal accessories etc.

DESIGN

Broad – visual designs (graphics, lines, patterns, logos) or overall look of the item (shape, cut)

COUNTERFEIT PRODUCTS VS. FASHION DESIGN "PIRACY" OR FASHION "DUPES"

Counterfeiting confuses consumers as to the source. Under fashion design "piracy", the design is sold by an entirely different company.



DUPE vs. LUXURY BAG

Images: The Purse Blog



Rebecca Minkoff



Givenchy



Rebecca Minkoff



Chanel

VARIED CONSUMER OPINIONS



6 years ago

I like the fact that they make "inspired" bags, at a lower price point, but I just can't un-see the horrible stitching on the bags, even Michael Michael Kors has better stitching than that. (It's more noticeable on the clutch).



6 years ago

Rebecca Minkoff is a great 'contemporary' brand, and a great alternative to designer handbags.

However, her designs are a little too inspired....borderline knockoff. She has a team of designers and unlimited potential, c'mon have an original design!!! #disappointing



Market Analysis

Canada's Fashion Industry

IS FASHION ART OR NECESSITY?





Image: The Fashion Studies Journal

Image: CBC News

Pyrrha Design Inc v 623735 Saskatchewan Ltd, 247 DLR (4th) 485, 2004 FCA 423

- Copyright infringement case
- Paragraph 14: The mere fact that jewellery is worn does not make it ipso facto a "useful article"



Market Analysis

Categories of Fashion

Functional Artistic



Basic Retailer High Street or Fast Fashion

i.e. Wal-Mart i.e. H&M, Zara

Functional Artistic + functional

Haute Couture or High Fashion

i.e. Chanel

Artistic Elements



Image: Variety



- CANADIAN IP PROTECTION

PRIMARY FORMS OF PROTECTION

Trade Secrets & Confidential Information

TRADE SECRET

Any valuable business information that derives its value from the secrecy [1]

CONFIDENTIAL INFORMATION

Protectable information usually includes any artistic, technical, commercial, or financial information that is:

- not publicly available [2], and
- has value because of such confidentiality [3]

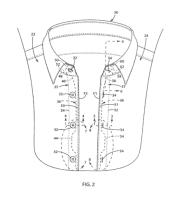
[1] Cadbury Schweppes Inc v FBI Foods Ltd, [1999] 1 SCR 142; [2] Sabre Inc v International Air Transport Association, 2011 ONCA 747; [3] Cooperheat of Canada Ltd v Slater, (1973), 13 CPR (2d) 25.



"INVENTION" CRITERIA

New, useful (s 2), non-obvious (s 28.3)

EXAMPLES IN FASHION



"Placket Stiffener Arrangement for a Garment Such as a Shirt" granted to Million Dollar Collar LLC

NOT APPLICABLE TO MANY FASHION PRODUCTS



Overview, Patents Act



BENEFITS

- Cost efficient
- Can be renewed indefinitely

TRADEMARK

Protects the branding of fashion products against a misrepresentation as to source

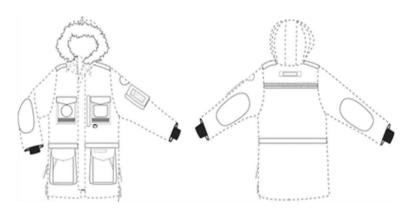
TRADE DRESS

General term – visual characteristics of a product or its packaging that identify to consumers the product's source

Trademark & Trade Dress

Overview





Canada Goose Inc.'s "Snow Matra"



Hermes International's "Dessin Du Sac Birkin"

Trademark & Trade Dress

"Distinguishing Guise"



OLD DEFINITION (section 2, TMA)

A mark that is used by a person for the purpose of distinguishing goods and services, a certification mark, a distinguishing guise or a proposed mark

NEW (EXPANDED) DEFINITION

A sign or combination of signs (word, name, design, letter, numeral, colour, figurative element, **3D shape**, hologram, moving image, mode of packaging goods, sound, scent, taste, texture or positioning of sign), or a certification mark

NEW DISTINCTIVENESS OBJECTION

Trademark & Trade Dress

Changes to Trademarks Act (TMA)



SECTION 7, TMA

A plaintiff must prove goodwill (that a distinctive element of a product has become recognized by the Canadian public as indicative of a particular source), public deception due to misrepresentation, and that they have suffered actual or potential damage

Trademark & Trade Dress

Passing Off



- CANADIAN IP PROTECTION

ALTERNATIVE FORMS OF PROTECTION

Copyright

Overview

FOUNDATIONAL TESTS

- Original (skill + judgment)
 CCH Canadian Ltd v Law Society of Upper Canada, 2004
 SCC 13
- Fixed

 Gould Estate v Stoddart Publishing Co Ltd, 39 OR 55
- Idea versus expression
 Nichols v Universal Pictures Corporation, 45 F 2d 119
- Subject matter tests (artistic work)
 Section 2, Copyright Act

BENEFITS

- Arises automatically
- Term is significantly longer than other types of intellectual property
- Moral rights



URBAN PLANET FOOTED PJ

Registered on CIPO:

Registration No. 1127087



PYRRHA DESIGN JEWELLERY

Recent decision: *Pyrrha Design Inc v Plum and Posey Inc,* 2019 FC 129

- No copyright infringement
- Decision appealed

Pyrrha Design



Plum and Posey





Copyright

Section 64 of the Copyright Act (CRA)

SECTION 64, CRA

 Copyright is not enforceable against the designs of useful articles that are reproduced more than fifty times

SECTION 64(3) EXCEPTIONS









SECTION 7, IDA

- Novel
 - Section 8.2, IDA: Limited grace period of one year
- Created by the applicant
- Does not consist only of features that are dictated by utilitarian function of the finished article
- Not contrary to public morality

CONSIDERATIONS

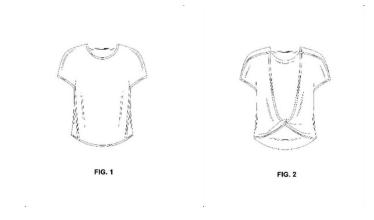
- Time and financial cost
- Must be registered (not indefinite and cannot be renewed, s 10(1)(b))
- Limited time to apply once disclosed

Industrial Designs

Overview, Industrial Designs Act (IDA)



Example: Lululemon Athletica



CIPO Registration No. 189513

FOUNDED IN 1998

WENT PUBLIC IN 2007

INDUSTRIAL DESIGN REGISTRATION IN 2010



GLOBAL IP PROTECTION

UNITED STATES AND EUROPE

Copyright in the US

Overview of the Protection of Useful Articles

USEFUL ARTICLE

Similar to Canada, clothing in the US has historically been considered a "useful article"

SEPARABILITY TEST MAZER v STEIN, 347 US 201

Rooted in both the ideas of **physical** and **conceptual** separability

APPLICATION OF TEST PROBLEMATIC

Outside influences impacted interpretation of the test (i.e. intent, marketability)



Copyright in the US

Separability Test Post-Star Athletica Case

Star Athletica LLC v Varsity Brands Inc et al, 37 S Ct 1002

Features incorporated into the design of a useful article are eligible for copyright protection if:

- a. they can be perceived as a work of art separate from the useful article and
- b. would qualify as a protectable work either on its own or fixed in some other tangible medium of expression if imagined separately from the useful article



Varsity Brands



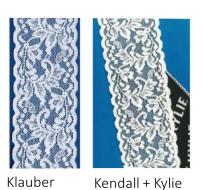
Star Athletica



Copyright in the US

Interpretation of Separability Test







ASAT











Fashion Nova

Versace



Design Protection in Europe

A Progressive Legislative Framework

EU DESIGNS PROTECTION DIRECTIVE

A uniform, EU-wide protection that protects designs by **registration**

Directive 98/71/EC

EU UNREGISTERED COMMUNITY DESIGN REG

Extends protection to include both registered (5 years + renewal possibility for up to 25 years) and unregistered rights (3 years)

Regulation 6/2002

Karen Millen v Dunnes Stores, C-345/13

NATIONAL DESIGN PROTECTION

France: French Intellectual
Property Code
United Kingdom: Copyright,

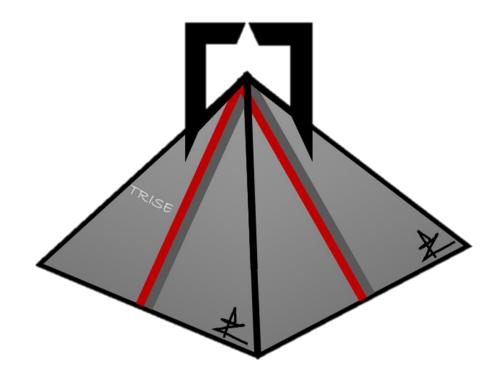
Designs, and Patents Act of 1988





- CASE STUDY

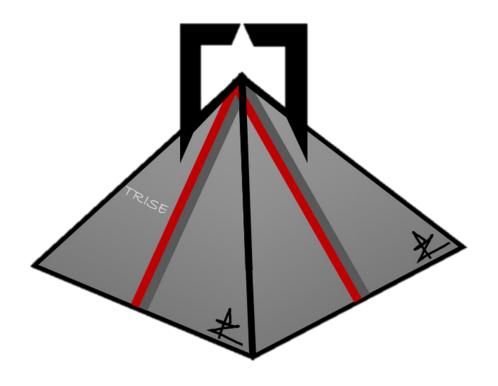
TRISE LUXURY HANDBAG



- Each internal flap of the bag contains an original motivational saying
- The handbag has a built-in storage pocket which charges your phone when placed in the pocket. Currently, this aspect of the bag seems to be novel, useful, and non-obvious.

What are <u>all the possible</u> forms of IP protection available for this bag?





Trademarks:

- Design mark for logo
- TRISE word mark
- Design mark for coloured stripes
 - Colour combination mark for red + dark grey
- Single colour mark for grey shade
- Positioning mark for: (a) the coloured stripes and (b) the logo
- Shape of the bag and handles (3D shape)

Copyright:

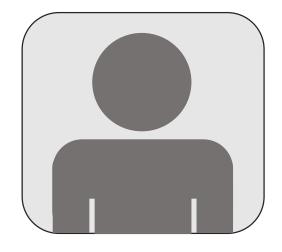
- Motivational sayings inside flaps
- Shape of bag

Industrial Design – handles of bag and shape of bag

Patent – built in storage pocket that charges phone



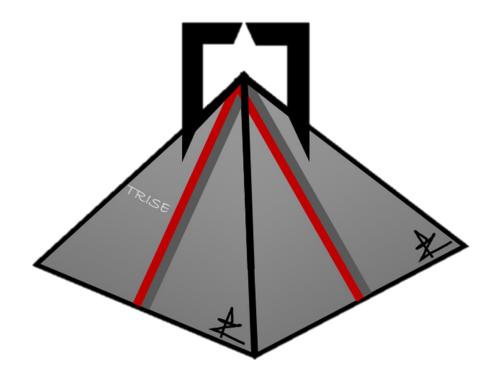
Meet the Creator – Amanda Bell



Amanda first created the TRISE handbag in 2017. Amanda kept the fashion product confidential while working on it. In February 2018, Amanda decided to showcase the bag at Toronto Fashion Week. Amanda worked with an IP lawyer to file a patent application for the interior charging pocket a month prior to the show. The show was attended by over 5000 people. Amanda planned to release the bag in fall of 2018.

However, due to production issues, Amanda was unable to release the bag until September 2019. She opened up a small shop on Queen Street West to sell the handbag and has sold 74 bags to date.



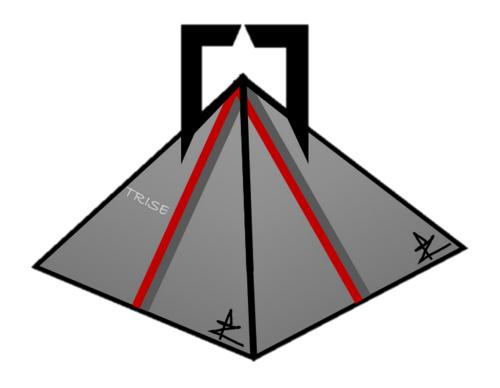


Taking these factors into consideration, and being realistic regarding factors such as distinctiveness and costs, what forms of IP protection are <u>currently</u> available to Amanda?

Remember:

- Each internal flap of the bag contains an original motivational saying
- The handbag has a built-in storage pocket which charges your phone when placed in the pocket.
 Currently, this aspect of the bag seems to be novel, useful, and non-obvious.





Trademarks:

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- Shape of bag

Industrial Design – handles of bag and shape of bag

Patent – built in storage pocket that charges phone



Wrap as much IP **protection** around the product as possible

Inform or advocate for continued and efficient IP protection of fashion designs in Canada

- Industry: Toronto Fashion
 Incubator, Fashion Group
 International of Toronto, Ryerson
 Fashion Zone
- Legal: IPIC, Copyright Policy Committee

Key Takeaways





Questions?

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DWW.com

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