



THE DEVIL WEARS INTELLECTUAL PROPERTY – AN OVERVIEW OF IPR IN FASHION

SUPRIYA NAIR

ABSTRACT

The growth of fashion industry is increasing every day. Globalisation and access to internet have made it easier for designers to show case their works with unprecedented and wide spread reach. On one hand, the fashion industry is booming with creative works; on the other hand, the industry is plagued by piracy and infringement of Intellectual Property (IP) rights. Fashion industry has been established as a beacon of artistic expression with intellectual processes of originality and innovation. Therefore, fashion designs deserve to be protected under the IP laws. This article aims to give a panoramic view of the IP regime and rights available to the fashion industry supported by judicial precedents and recommendations for efficient implementation of the IP laws in a succinct manner.

Keywords: Intellectual Property Laws, Fashion, Design, Copyright, Trademark, Fast fashion, Piracy, IP Infringement, Trade secret, GI.





INTRODUCTION

The fashion industry is one of the most fast paced and dynamic industries. With the onset of greater access to the internet, fashion has become a global industry, having customers from all around the world seeking the innovative and fresh designs. The growth in the industry is further bolstered by social media websites and its influencers who help in setting trends. This rise in popularity helps the designers to reap the benefits of their risks and intellectual pursuit, however, it also opens a myriad of infringements and violations of their rights with little room for application and implementation of remedy owing to the fast-paced nature of a fashion trend cycle i.e., the time from the of introduction and popularity to the ultimate decline in the interest in the product and the tendency of fast fashion retailers to imitate the same.

The aim of this article is to look into the various Intellectual Property Rights (IPR) available to Indian Fashion conglomerates and how they protect the creative products and designs made by them.

BACKGROUND OF THE ISSUE

The need for proper Intellectual Property (IP) Laws owing to the following reasons:

PIRACY

It is one of the common practices in the world of the fashion industry¹. The term Piracy is the unauthorized copying of a protected original work or imitating the original work to produce a closely similar work. It is further classified under two heads i.e.

- (i) Knockoffs – it refers to the close copying or imitation of design where it might not be similar or exactly identical². It is generally sold under a different brand label from that of the original designer and is priced cheaper than its original counterpart. It may not necessarily be illegal work; however, action can be brought against it if the imitated work is similar to his registered work. Simply put, knockoffs are copies of another designer's style without the infringing trademarks. Knockoffs essentially aim to copy the design

¹ James Surowiecki, "The Piracy Paradox - Fashion Copyright" *The New Yorker*. Sept.24, 2007, available at <https://www.newyorker.com/magazine/2007/09/24/the-piracy-paradox> (last visited on 10 Feb, 2022)

² Ha, S., & Lennon, S. "Purchase intent for fashion counterfeit products: Ethical ideologies, ethical judgements, and perceived risks". 24 (4), *Clothing and Textiles Research Journal*, p. 297-315 (2006).

elements of an original work precisely in order to make it difficult to distinguish the original from the knockoff.

- (ii) Counterfeit – Refers to an identical imitation of the same design with an intention to copy³ and it's sold at a cheaper cost than the original design. An action can be brought against it as it is illegal. Counterfeits goods are passed off as the originals that they copy. These are unauthorised, deceptively close copies with logos, labels, or other distinctive markings – like 'Mikael Kors' (Michael Kors) bags or 'Channel' (Chanel) scarves. Counterfeits are made to be confusingly similar to the authentic goods and infringe on the genuine good's trademarks.

RISE OF FAST FASHION

Fast Fashion is the mass production of garments in response to the latest and current trends⁴ that are usually of poor quality and end up in the landfill relatively soon after distribution because of the short life span of a "fashion trend".⁵ Thus, Fast fashion garments are either largely influenced by or are an exact replica of luxury and high-end fashion trends, often made at the expense of the quality of the garment. In the past, fast fashion retailers merely created 'knock-offs', however, now they offer an exact stitch-for-stitch replica owing to advances in technology, quick manufacturing, and supply chain control⁶. Additionally, the traditional model of a fashion trend would be cycle of 12-30 weeks⁷ but with the advent of social media platforms like Instagram and TikTok which popularises an item or 'aesthetic' and then quickly abandons it in pursuit of the next trend, the cycle has shortened to the point where they become "micro-fashion trends", thereby paving the way for "ultra-fast fashion"⁸. The current intellectual property laws have minimal effect on preventing the duplication or blatant theft of original works by fast fashion garment manufacturers. There are primarily three main legislations which are used to protect original works in the fashion industry, namely The Designs Act,

³ Kay, H., "Fake's progress", *Management Today*, July, p. 54-58, (1990)

⁴ Shreya Agrawal, "Fast fashion: From environmental damage to poor wages, the dangers of this rising industry", *The Indian Express*, Dec. 20, 2021, India, available at: <https://indianexpress.com/article/lifestyle/fashion/fast-fashion-dangers-atacama-desert-environment-pollution-workers-7670721/> (last visited on 10 Feb, 2022)

⁵ Cline, E. L., "Overdressed: The shockingly high cost of cheap fashion". *Penguin Books*, New York, USA (2013).

⁶ Ozdamar Ertekin, Z., & Atik, D. "Sustainable markets: Motivating factors, barriers, and remedies for mobilization of slow fashion". 35, 1, *Journal of Macromarketing*, p. 53-69 (2015).

⁷ MasterClass Staff, "Understanding the 5 Stages of the Fashion Cycle". *MasterClass*, Feb. 09, 2022, available at: <https://www.masterclass.com/articles/fashion-cycle-explained#what-is-a-fashion-trend> (last visited on 10 Feb, 2022)

⁸ Rebecca Jennings, "Fashion is just TikTok now", *Vox*, Feb 1, 2022, USA available at: <https://www.vox.com/the-goods/22911116/tiktok-couture-fashion-trends> (last visited on 10 Feb, 2022)

2000, The Trademarks Act, 1999, The Indian Copyright Act, 1957, and Geographical Indications Act, 1999.

The question then remains how does fast fashion still exist despite the existence of laws to counter them? This is largely owing to a lack of globally accepted and synchronised Intellectual Property (IP) Law for the fashion industry and the loopholes and shortcomings in the existing laws. To combat this, the scope of the IP laws in the industry needs to be expanded with much attention given to relevant aspects. This is needed because of the Piracy Paradox i.e., the faster the cycle of fashion, greater will be the incentive for top tier fashion designers to innovate, only to be copied yet again, thus, ensuring the continuity of the fast fashion industry.⁹ This creates a vicious cycle in which the common man is not only a part but a major contributor as well. Apart from policy reasons, fast fashion also creates negative externalities such as growth of water-intensive cotton, to the release of untreated chemical and dyes into local water sources affecting both human and local marine ecosystems, to worker's low wages and poor working conditions.¹⁰ Hence, the need for better laws is of the utmost importance.

DESIGNS ACT, 2000¹¹

DEFINITION

- (i) The term “design” is defined under Sections 2(d) and 4 of the Designs Act, 2000 (“DA”). DA only provides protection for designs that are already registered; unregistered designs are not protected by the act and no one can claim damages for their unregistered designs.
- (ii) DA is so drafted to permit protection of the non-functional aspects of an object, having visual appeal and judged solely by the human eye, such that the designs include the features of shape configuration, pattern, ornament, or composition of lines, or colours applied to any two dimensional or three dimensional or on both forms.

⁹ Raustiala, Kal, and Christopher Sprigman. “The Piracy and Paradox: Innovation and Intellectual Property in Fashion Design.” *Virginia Law Review*, vol. 92, no. 8, December 2006, p. 1687-1778.

¹⁰ Bick, R., Halsey, E., *et.al*, “The global environmental injustice of fast fashion”. 17, *Environ Health*, p.92 (2018).

¹¹ The Designs Act, 2000 (No. 16 of 2000)

PERIOD OF PROTECTION

(i) Such a design right grants monopoly to the owner of the design, for a period of 10 years, extendable subject to conditions, for a total period of 15 years (10 + 5 years).¹² The extension may be made on an application under Form-3 with a fee of INR 2,000, to the Controller before the expiry of the said initial period of Copyright. The rights holder may also choose to apply for the extension immediately after such registration. After the lapse of 15 years, no further protection is granted.

(ii) Restoration of the lapsed design ¹³due to non-payment of extension fee within a prescribed time. The Application for restoration is to be filed under Form - 4 along with a fee of INR 1,000/- is filed within one year from the date of lapse stating the ground for such non-payment of extension fee with sufficient reasons. If the application for restoration is allowed, the proprietor is required to pay the extension fee of INR 2,000/- plus an additional fee of INR 1,000/- and finally the lapsed registration is restored.

UNREGISTERED DESIGNS

The Designs Act protects only those designs which have been registered. Fashion designers who have not registered their respective design may not use the protection granted under this law. Consequently, any claim for damages for unauthorized duplication of their designs and an injunction against such repetition will not be successful in the court.

CRITERIA

The Criteria to register a work under DA, is that it must be new without any prior publication and the novelty of the artist must reflect from design to getting it registered.

For a design to get registration and protection it must satisfy these conditions:

(i) It must be new or original ¹⁵

- In *Gammeter vs Controller of Patents*¹⁶, the Calcutta High Court held that the design does not essentially have to be created newly, instead, it can also be used in a unique manner on an old or

¹² The Designs Act, 2000 (No. 16 of 2000), s.11

¹³ The Designs Act, 2000 (No. 16 of 2000), s.14, r.24

¹⁵ The Designs Act, 2000 (No. 16 of 2000), s. 2(g)

¹⁶ A.I.R.1919 Cal.887

pre-existing design so long as such usage of the new design on the existing product has not been already found and repeated earlier.

- In the case of *Haji Sayed Sikander Shah v. Mian Rahim Bakhsh Mian Fakir Mohd.*¹⁷, the Peshawar Court cancelled the registration of an embroidery design on a cap stating that such a design was used long before the registration for such caps and has a stronger foundation, although the cap had applied it in a new manner. However, the registration was no as it was found to have no significant difference between the pre-existing design and the new design of the cap.

(ii) It must not be disclosed to the public anywhere within India or in abroad by publication in tangible form or by use or in any other manner prior to the date of filing for such registration.¹⁸

- In *Steelbird Hi-Tech India Ltd. v. Gambhir*¹⁹, the High Court of Delhi observed that in order to know its newness or originality it is necessary that a design identical with or even with material similarity to that relevant design should not have been published or registered previously. Accordingly, the court vacated an ad-interim injunction granted in favour of the petitioner since a third-party seller already had a similar design available in the market.
- In *Dabur India Ltd. Vs. Amit Jain & Anr.*,²⁰ the court held that a mere fact of publication (of similar bottles and caps) abroad by existence of the design in the records of the Registrar of designs which is open for public inspection cannot be said to be “prior publication” as found under Sections 4(b) and 19(1)(b) of the Designs Act, 2000.

(iii) It must be significantly distinctive from known designs or a combination of such known designs.

- In *Dart Industries Inc. & Ors. vs. Polyset Plastics Pvt. Ltd. & Ors.*,²¹ The High Court of Delhi confirmed the ex-parte injunction granted to the Plaintiff, who had alleged that the Defendant’s infringed its bottle and cap’s design as it. The Defendant contended that the shape and configuration of the bottles of the plaintiff is “what is registered”, and not the service pattern. The court while rejecting this stated that ‘configuration’ included features which constitute a part of the fabrication of the article itself as opposed to something (eg: pattern) which is embossed on an article. Depending on the method of usage, the terms ‘pattern’ and ‘configuration’ could be used interchangeably.

¹⁷ AIR 1940 Pesh 38

¹⁸ The Designs Act, 2000 (No. 16 of 2000), ss. 4, 6, 21

¹⁹ (2014) 58 PTC 428 [¶20]

²⁰ 2009 (39) PTC 104 (Del) (DB)

²¹ 2018 (75) PTC 495 (Del)

Furthermore, the Defendant's claim that the Plaintiff's design which was registered in 2009, is not "novel", was also rejected as the Defendant had started selling their infringing product in 2013.

- In *Relaxo Footwears Limited vs Aqualite Industries Pvt Limited*,²² The High court at Delhi used the following principles in order to determine design infringement; (i) that a design need not be exactly same or identical and is to be judged solely by the eye to see if the essential features of the conflicting designs are similar. (ii) where a registered design is made up of a pattern without one single striking feature instead it appeals to the eye as a whole, it may be that infringing design is an imitation of it save for some additional details. (iii) the court is required to ascertain whether the infringing design is substantially different from the impugned design. Upon comparing the designs of Relaxo and Aqualite, the Court held that there is a striking resemblance in the "teeth like structure" which is an essential feature of Relaxo's product. As the Balance of convenience laid in favour of the plaintiff, the defendant was restrained from using Relaxo's registered designs or anything deceptively similar to it.
- In *Phillips v. Harbro Rubber Co.*,²³ the crux was that a manufacturer cannot bring one or more important leading features of different articles already present in a market and merely by assembling a combination without any mental activity or application of mind for its production and acquire registration of design.

(iv) It must not comprise or contain scandalous or obscene matter/contrary to public morality²⁴ – Additionally, under s.35, a controller can refuse to register a design if it is against the public order and morality.

CLASS

Using the Locarno Class Index²⁵, registrations for fashion industry-based designs usually fall under:

(i) Class 2: Articles of clothing and haberdashery - undergarments, lingerie, corsets, reducing garments, clasps for garments, for headwear - kepis and for footwear, hand sewing, pins, laces, embroidery and knitting equipment and clothing accessories such as bow ties, belts, dickies, suspenders, braces etc.

²² CS(COMM) 190/2021

²³ (1920) 37 RPC 233

²⁴ The Designs Act, 2000 (No. 16 of 2000), ss.5 (1), 35(1)

²⁵ Locarno Agreement Establishing an International Classification for Industrial Designs (as amended on September 28, 1979)

- (ii) Class 3: Travel goods, parasols, cases and personal belongings, not specified elsewhere – coin holders, trunks, sewing kit cases, umbrellas, ferrules, parasols, sunshades and walking sticks; fans; back racks, luggage wheels etc.
- (iii) Class 5: Textile piece-goods, artificial and natural sheet material – lace, tulle, purls, embroidery; ribbons, braids, adhesive tapes and other decorative trimmings; yarns, textile fabrics etc.
- (iv) Class 10: Clocks and watches and other measuring instruments, checking and signalling instruments - watches and wrist watches etc.
- (v) Class 11: Articles of adornment – jewellery etc.

PROCESS

Design registrations in India fall into two categories, namely; Ordinary application i.e., which does not claim priority and Reciprocity application where priority of foreign application is to be claimed within six months of filing the foreign application. When such an application is filed in India, it is called a reciprocal application. There is no extension granted on the period of six months.

The whole process of design registration in India (i.e., from the filing of application till the grant of certificate of registration) takes approximately one year (12 months).

CANCELLATION

A Registered design can be cancelled²⁶ any time after its registration, under a petition for cancellation as prescribed in form 8, with a fee of INR 1,500 submitted to the Controller of Designs, on the following grounds that such a Design:

- (i) Has been previously registered in India or;
- (ii) Has been published in India or abroad prior to the date of filing for registration or;
- (iii) Is not novel or original or;
- (iv) Is not registrable or;
- (v) Does not fall under Clause (d) of Section 2 of the Designs Act.

²⁶ The Designs Act, 2000 (No. 16 of 2000), s.19

PIRACY

Piracy is defined in the DA as the design which is proposed to be registered or used otherwise for the purpose of sale should not have a “fraudulent or obvious imitation” with a registered design, and such proposed design shall not be imported or published, unless a written permission has been acquired from the rights holder of the registered design.²⁷

"Fraudulent imitation" is determined on the basis of the registered design and is an imitation of it, which is less ostensive than an obvious imitation. Fraudulent imitation is distinct in certain aspects from the original, and in other respect, render it not obviously an imitation but may yet be an imitation perceptible when the two designs are juxtaposed and closely scrutinized.

"Obvious imitation" is one that strikes something as being so alike the original registered design, rendering it as almost unmistakable. Essentially, an obvious imitation is something which bears a very close resemblance to the original design which is immediately apparent to the eye when looking at the two.

- In *Alert India v. Naveen Plastics*²⁸, it was held that in order to determine whether two or more designs are identical, it is not imperative that the said designs should be exactly the same. The prime considerations are to be applied on the broad features of the pattern, configuration, ornamentations etc., and if found to be the same or substantially same, then it will fall under the category of imitation of design of one by another.
- In *Veeplast Houseware vs Bonjour International Anr*²⁹, the Delhi High Court considered a particular method of testing to be confirmed from the point of view of the customer who possesses an average amount of knowledge and has imperfect recollection. Thus, instead of juxtaposing the items to discover the similarities in the plan, it was more practical to inspect the product from the standpoint of a consumer with common information and not a sharp memory.

²⁷ The Designs Act, 2000 (No. 16 of 2000), s.22

²⁸ 1997 PTC (17)

²⁹ (2011) ILR 5 (DEL)

TEST OF PIRACY

- In *Britannia Industries Ltd vs Sara Lee Bakery*³⁰ (famously known as the Smiley face biscuit case) in which the infringement of the design was judged by matching the pre-existing design with the recently registered or proposed design. In the event substantial similarities exist, there shall also be substantial differences in the design which is proposed to be registered and the design which has been already registered. Furthermore, the court opined that the products would be looked at from a customer's viewpoint, a child, in the instant case, in order to determine if the newly registered product would be misleading.

From this judgement, the test of piracy was laid down, as follows:

- (a) Test Of Obvious Fraudulent Imitation: In the first test of obvious fraudulent imitation, the court shall check the differences and/or similarities using the eyes only, and upon application of the design on the product, the court shall compare and contrast the products through the eyes of the customer.
- (b) Test Of Substantial Difference: The court, while checking for the similarity or differences, shall also check whether the designs in dispute are fraudulent or obvious imitations.

REMEDIES

Civil remedies available in case of infringement of registered designs, are (i) an injunction; and (ii) damages or compensation. Section 22 of the Designs Act states that, in the case of piracy of the registered design;

- (i) Recovery of infringement, the infringing party shall pay an amount (not exceeding) INR 25,000/- (Rupees Twenty-five thousand only) for every breach contravened. The total amount shall sum up to but not exceed INR 50,000/- (Rupees Fifty thousand only).³¹
- (ii) The owner of the registered Design has certain rights vested in him wherein it can call for recovery of damages and hold the infringing party liable.³²

Additionally, the courts have the power to broaden the remedies available including the following: -

³⁰ AIR 2000 Mad 497

³¹ The Designs Act, 2000 (No. 16 of 2000), s. 22(2)(a)

³² The Designs Act, 2000 (No. 16 of 2000), s. 22(2)(b)

- For Limitation on pecuniary claims - In *Steelbird Hi-Tech India Ltd. v. S.P.S. Gambhir*³³, The court granted damages up to Rs.96 lakhs to the plaintiff. The limit to claim INR 50,000 for design infringement is applicable only when the claim for relief under Section 22(2)(a). However, no such bar to claim pecuniary damages exists for a suit filed under Section 22(2)(b). The power to award damages and compensations lies with the Court of competent jurisdiction and is solely based on evidence on record with the court.
- For Repeated violation and infringement - In *Astral Polytechnik limited vs. Ashirvad Pipes Private Limited*³⁴– The court held that against such repetition, the registered owner is also entitled to initiate a suit to recover damages and obtain an injunction.
- For a claim to statement of accounts - In *Tobu Enterprises Private Limited vs. Joginder Metalworks*³⁵,the court held that the plaintiff will also be entitled to claim a copy of accounts or profit and call for the delivery of infringing or pirated materials and the subsequent destruction of the disputed materials.
- When can Temporary Injunction be granted? –
 - (i) In *Smith vs. Grigg Limited*³⁶, the court held the applicability of principles under Patent law to be valid upon application for designs. A prima facie case has to be made by the petitioner that his design is valid and has been infringed by the defendant. Mere possession of a registered design or patent would not by itself amount to prima facie evidence of validity. At the same time, where the design has only recently been registered, and it appears that a substantial issue is to be tried, an interlocutory injunction shall not be granted.
 - (ii) In *M/S. Kemp & Company & Another vs M/S. Prima Plastics Ltd.*,³⁷ It was held that if damages claimed would be an adequate remedy and the defendant is in a financial position to pay them, in such cases, no interlocutory injunction should normally be granted regardless of the strength of the plaintiff's claim at that stage.

³³ *Supra* note 4 at 3

³⁴ 2008 SCC ONLINE KAR

³⁵ AIR 1985 Delhi 244

³⁶ (1924) 41 RPC (149) (3)

³⁷ (1999 (1) BomCR 239)

PASSING OFF

An action for passing off can be instituted when a party misrepresents by using the Plaintiff's trademark which results in damage to the reputation and hard-earned goodwill of the Plaintiff and its products. Previously, this was available only under the Trademark Act but with the expansion of the scope of the Designs Act, the same has been included.

(i) In *Cello Household Products vs. Modware India*³⁸, the Bombay High Court while restraining the Defendant from using same shape of bottles on the ground of infringement of design and passing off held that it is not a requirement in law that for infringement or passing off vis a vis a design, every single aspect must be entirely newly created and shall be unknown to the history of humankind. If that were the case, it would be nearly impossible for a new design to ever be made. Here, as in any passing off action, a plaintiff must satisfy all three probabilities of the so-called Classical Trinity: (a) reputation and goodwill in the goods; (b) misrepresentation by the Defendants; and (c) damage.

(ii) In *Carlsberg Breweries v Som Distilleries and Breweries Ltd*³⁹, The Court held that a plaintiff can join two causes of action and upheld the maintainability of a composite suit for design infringement and passing off by the defendant of the larger trade dress of the plaintiff's goods or articles. The judgment declared where a design is not functioning as a trademark and the claim is for trade-dress infringement or any other similar infringement, a remedy shall lie under passing off. The court in order to avoid multiplicity of suits, can review the facts and evidence, and can decide whether prima facie a claim for passing off requires interim relief. The court also noted that when the claim for design infringement is prima facie weak, the court can grant aid to the plaintiff in the manner of passing-off action. It is imperative to note that this judgement did not overrule either explicitly or implicitly the judgements of *Mohan Lal*⁴⁰ and *Micolube*⁴¹, as this case dealt with a different issue at hand, i.e., "Whether a composite suit comprising for passing off and infringement of a registered design maintainable in law?".

³⁸ 2017 SCC ONLINE BOM 394

³⁹ 256 (2019) DLT 1

⁴⁰ *Mohan Lal and Ors. V. Sona Paint & Hardwares and Ors* AIR 2013 Delhi 143

⁴¹ *Micolube India Limited and Others versus Rakesh Kumar and Others* 199 (2013) DLT 740

COPYRIGHT ACT, 1957 ⁴²

DEFINITION

The Copyright Act, 1957 (“CA”) protects original works of artistic design; it refers to a painting, drawing, sculpture, or any other work of artistic craftsmanship. A fashion designer seeking to protect their creations ⁴³under the CA, need to prove that:

- (i) their creation is an “original artistic work” within the meaning of CA, and is not a “design” within the meaning of the DA; and
- (ii) the article (eg: garment), to which the design derived from the creation has been applied, has not been reproduced more than fifty times by an industrial process by the owner of the copyright or by any other person with a license

DESIGNS ACT OR COPYRIGHT ACT?

Certain aspects of the Designs Act and Copyrights Act overlap with each other. A fashion designer may get copyright protection, under the following requirements;

- (i) A fashion design which is capable of being registered as “design” under the DA and registered as per the provisions of the Act will get copyright protection only under the DA and nowhere else. The CA states that the protection under it is not applicable to designs which are registered under the DA⁴⁴. In this scenario, copyright in registered fashion design will subsist for a maximum period of 15 years.
 - (ii) Further, a fashion design, which is capable of being registered as “design” under the DA, but not so registered will get copyright protection under CA. Copyright in fashion design, will subsist up till the 50th (fiftieth) reproduction by an industrial process to which design has been applied. ⁴⁵.
- In *Ritika Pvt. Ltd. vs Biba Apparels Pvt. Ltd.*⁴⁶, a distinction between designs eligible for copyright protection under Copyright Act, 1957, and Designs Act, 2000 was made. The defendant won the suit using the principle under Section 15(2) of CA, which states that if a creation that can be protected under the design law has not been registered (sketches, drawings, patterns etc.) with the design authorities and has

⁴² The Copyright Act, 1957 (14 of 1957)

⁴³ The Copyright Act, 1957 (14 of 1957) s. 2(c)

⁴⁴ The Copyright Act, 1957 (14 of 1957) s. 15(1)

⁴⁵ The Copyright Act, 1957 (14 of 1957) s. 15(2)

⁴⁶ (2016) 230 DLT 109

been reproduced more than fifty (50) number of times, then it will be considered that the copyright in the same product has been lost forever. Accordingly, the suit was dismissed as the plaintiff could not ask for an injunction on the infringing activity.

- In *Tahiliani Design Pvt. Ltd. vs Rajesh Masrani*⁴⁷, the Plaintiff contended that “artistic works” under Section 2(c) of the CA would include the drawings made during the course of developing accessories and garments. Apart from the final garment design, the embroidered and patterns printed on the fabric were also contended to be included under the term “artistic works”. The plaintiff also alleged infringement of copyright in these various artistic works by the defendant. A Single Judge, Delhi HC, issued an interim injunction in the Plaintiff’s favour.

(iii) Fashion design which is an original artistic work and hence not capable of being registered as “design” under DA will get copyright protection in the form of copyright in original artistic work under the CA. Copyright in an original artistic work automatically subsists as soon as the work comes into existence, and is granted protection throughout the lifetime of the owner, and 60 years thereafter, when published during the lifetime of the author.⁴⁸

- In *Microfibres, Inc v. Girdhar*⁴⁹, the court in order to harmonize the legislative intent of the Designs act and Copyright Act, held that arrangement of shapes, motifs, leaves and flowers in a particular manner would not be applicable for Copyright as ‘labour and skill’, as such type of work is not included in the definition of “Artistic works” under Section 2(c) of the Copyright Act. The court further expounded that section 15(1) of the Copyright Act merely extinguishes the copyright in the design which was applied to an article but not the copyright in the artistic work itself. The protection under the Act would continue to be vested with the author of the original artistic work. Once the design in the artistic work is registered under the Designs Act, then the copyright protection would be lost in the design. Moreover, unregistered designs would also be protected under Copyright Act subject to the limitation on reproduction by industrial process for more than fifty times, after which the unregistered design will not be protected under either of the acts.

(iv) Fashion designs, however, get only partial protection under the copyright laws, insofar as only the two-dimensional sketch of a design is protected by copyright as a pictorial right, and not the three-dimensional model nor the textile/apparel product (viz. the cut of the cloth or the design of the

⁴⁷ 2008 PTC (38) 251 (Del.)

⁴⁸ The Copyright Act, 1957 (14 of 1957) s. 22

⁴⁹ 2009 (40) PTC 519 (Del.) (DB)

skirt or jacket as a whole). Partial protection was given due to the rule of denying copyright protection to the class of “useful articles” (protection against copying similar to that granted for patent protection). The copyright law is applicable only when an expressive component of the article is physically “separable” from its useful function. Since, ideas are not copyrightable, a copyright cannot be infringed just because a new work is based on the same idea as an earlier work; thus, infringement of copyright for “similar” or “copies” of Fashion designs are not easy to establish in a court of law.

- Separability: In *Star Athletica V. Varsity Brands*⁵⁰ - The question arose regarding the applicability of protection of a series of sizes and shapes on an article of clothing, specifically cheerleading uniforms. A former employee who created the majority of the designs left the job to work for a new company abroad. Consequently, the new company was then sued for Copyright infringement. The Sixth Circuit reversed the finding of District court, stating that the pictorial, graphic, or sculptural (“PGS”) could be identified separately and were capable of existing independently from the cheerleading uniforms. The Supreme Court while admitting the finding of the Sixth Circuit, used a test to determine the eligibility of copyright protection to a design on a useful article; if (a) it can be viewed as a two-dimensional or three-dimensional work separate from a useful article; and (b) the PGS would be eligible as a protectable work if it can be imagined separately from the useful article into which it was incorporated. The roots of this reasoning can also be found under section 101 of the Copyright Act of 1976 (USA).

IN THE INDIAN CONTEXT

- (i) An exception to copyright protection (Fair use)⁵¹- It deals with a three-dimensional object that is based on a two-dimensional work, for instance a technical drawing, this two-dimensional drawing is protected from copyright infringement if the object is made for industrial application of ‘any purely functional part of a useful device’. The underlying reasoning being that a two-dimensional drawing, although eligible for protection as an ‘artistic work’, will not be protected under copyright law in the event it has been used in a patent application for the demonstration of the three-dimensional object.
- In *IPEG Inc. v. Kay Bee Engineers*⁵², the Gujarat HC held that if any part of a technical drawing is purely functional, such part would not be eligible for copyright protection. Additionally, aesthetic features which are embedded in a useful article would be treated in a different manner. Due to the absence of judicial

⁵⁰ 2017 U.S. LEXIS 2026

⁵¹ Copyright (Amendment) Act, 2012 s. 52(1)(w),

⁵² (2016) AIR Gujarat 104

precedents pertaining to this issue in India, it is unclear as to what comes under the ambit of ‘functional part of a useful device’. The intention behind Section 52(1)(w) seems to be to avoid those articles under copyright law which do not exclusively contain works eligible for copyright protection.

- Protection of jewellery – In *Pranda Jewellery Pvt. Ltd. And Ors. v. Aarya 24 kt and Ors*⁵³, the Bombay High Court held that drawings and its reproduction in gold plate in a three-dimensional form could be granted protection under the Copyright Act. The logic behind the reasoning was that the final article produced was the artistic work itself. Thus, any copy or imitation of the images in gold plates would be in clear violation of the copyright protection vested in the Plaintiff’s article.
- In *A. Sirkar v. B. Sirkar Johuree Pvt. Ltd*⁵⁴, The court granted an interim injunction for passing off and copyright infringement of the Plaintiff’s jewellery. The court stated that registration is not necessary to seek protection against copyright infringement. While re-iterating that ‘concept’ or ‘ideas’ cannot be copyrighted, any copyrightable works based off those concepts or ideas are bound to have similarities, therefore, determining factor would be how much of the work has been copied based on the variations between the two works and if the subsequent work has been changed to the point where it is distinguishable from the original work, no copyright violation will subsist. The court compared the plaintiff and defendant’s works keeping in mind, the mentality of a common man with imperfect recollection and found that the Plaintiff had used labour, skill, intelligence to prepare their own design and would suffer irreparable loss and injury without this intervention.

TRADEMARKS ACT, 1999⁵⁵

Trade mark is a mark which is capable of being represented graphically and distinguishing the goods and services of one entity from another and may include the shape, packaging and combination of colours of the goods. ⁵⁶To protect the brand or image of a product, the owner has to register their goods under the trademark law. TMA also protects by way of distinguishing it as trade dresses i.e., size, shape, colour, packaging, or even sales technique, for this the product must have distinctiveness or inherent distinctiveness.

⁵³ Suit no. 2477 of 2011

⁵⁴ Title Suit 29/2019 (CNR no. WBSP18-000090-2020)

⁵⁵ The Trade Marks (Amendment) Act, 2010 (No. 40 Of 2010)

⁵⁶ The Trade Marks (Amendment) Act, 2010 (No. 40 Of 2010) s. 2(1) (zb)

- In *Christian Louboutin SAS vs Abu Baker & Ors*⁵⁷, the popular “Red sole” of the Applicant’s shoes was alleged to be infringed by the Respondent. The applicant moved to the court stating that its well-known mark with a particular red colour and placed in a unique and whimsical manner, was imitated by the Respondent. The Division Bench (DB) of the Delhi High Court allowed an appeal filed by Christian Louboutin which sought monopoly on its Red Sole trademark. The DB observed that the impugned Judgment passed was contrary to the other orders passed in favour of Christian Louboutin by coordinate Single Benches of the same High Court, especially referring to one judgment wherein the Red Sole was considered a well-known trademark. This judgement however leaves a few issues open such as denial of registration of colour trademarks because they are not a combination of colours, whether the particular placement of the red colour in the product be considered as application of colour and is that good enough to subserve the “functionality” limitation under the act and what is the middle ground for any other proprietor seeking the same relief and the consequent monopoly rights over such claim.

A trademark is useful where it is visibly incorporated into a design to a degree, where it becomes a distinct or independent element of the design. A growing tendency prevalent amongst fashion designers is to incorporate a trademarked logo on the outside of the garment at the time of creation of clothing and accessory designs. Here, the logo becomes part of the design; thus, trademark provides significant protection against design copying. Additionally, the brand name also gets protected under the subject matter.

- In *Micolube India Ltd. Vs. Rakesh Kumar*⁵⁸, the question of whether a remedy would lie in a suit for infringement of a design against a defendant, who was also a rightsholder of the registered design. The court while citing section 22 of the Designs Act held that the plaintiff being a subsequent registrant would not be excluded from its ambit and thus, would be entitled to institute a claim for design infringement and passing off provided the action contains the necessary ingredients to maintain the claim. The court also found that it is not necessary for the suit to be instituted only after the expiration of the statutory period as mentioned under section 11 of Designs Act as the plaintiff may have begun the usage of the design as a trademark post its registration. Additionally, the use of the design as a trademark subsequent to its registration will not qualify it for cancellation under Section 19 of the Designs Act.
- In *M/S Sabyasachi Couture v. Anil Kumar Batra & Ors*⁵⁹, The defendant was a founder of a popular South Delhi store, which sold replicas of the garments designed by the Plaintiff, Sabyasachi, the store also

⁵⁷ RFA (OS)(COMM) 13/2018 & CM 29064/2018.

⁵⁸ 199 (2013) DLT 740

⁵⁹ CS(COMM)1543/2016

used the name ‘Sabyasachi’ in their couture line. The court ordered the defendant to not have in their possession any replicas of the plaintiff’s subject design and to not to misuse their trademark ‘Sabyasachi’ in any manner whatsoever.

Infringement of trademark can lead to imprisonment⁶⁰ not less than 6 years and which may extend up to 3 years, including fine not less than INR 50,000 which may extend up to INR 2 lakhs, when a case of false application of trademark and sale of goods to which a false trademark has been applied.

Trademark infringement can also occur by way of domain names provided they meet all the requirements under the TM Act. Domain names act as a reliable source of a business’ goods and services. It must be unique and should not mislead or deceive customers of competitors. Presently, Domain Names that are registered trademarks are universally protected primarily by the Internet Corporation for Assigned Names and Numbers (ICANN). Disputes regarding Domain names can be resolved using various mechanisms such as proceedings before the Uniform Domain Name Dispute Resolution Policy (UDRP) or .IN Domain Name Dispute Resolution Policy (INDRP) which are governed by arbitral proceedings.

- In *Satyam Infoway Ltd. V. Sifynet Solutions Pvt. Ltd.*,⁶² which was the first case decided by the Supreme Court of India on the issue of protecting domain names, the Supreme Court held that a domain name would be regulated by the principles under the TradeMarks Act as a domain name could have all the features of a TradeMark. It stated that the original purpose of a domain name was to provide an address for computers but now it also acts as a business identifier which distinguishes specific websites from one another and specific goods or services of different businesses. Hence, it called for unique business domain names which grants it exclusive identity to avoid the growing number of websites which had the potential to create disputes.
- In *Khadi & Village Industries Commission (KVIC) vs. Om Soft Solution*⁶³, The Administrative Panel of the Mediation and Arbitration Centre at the World Intellectual Property Organisation has restrained a Delhi based firm from using the domain name www.urbankhadi.com, as it infringes KVIC’s trademark “Khadi”. The defendant was found to have used the infringed trademark in bad faith and to gain unfair advantage including misleading customers about its association with KVIC and benefit from the goodwill of the KVIC.

⁶⁰ The Trade Marks (Amendment) Act, 2010 (No. 40 Of 2010) ss. 103, 104

⁶² (2004) 6 SCC 145

⁶³ Vinod K. Agarwal, World Intellectual Property Organisation – Arbitration and Mediation Centre, Case No. D2021-1373, June 24, 2021.

GEOGRAPHICAL INDICATION OF GOODS ACT, 1999 ⁶⁴

A geographical indication (GI) is defined in the TRIPS Agreement as an indication which identifies a good as originating in the territory of a member, or a regional locality in that territory, where a given quality, reputation or other characteristic of the good is essentially attributable to its geographical origin.⁶⁵ The Fourth schedule of the GIA provides for a classification of goods protectable under the Act. Till now about 15 kinds of GIs have been registered in respect of textiles in India like Kasuti Embroidery from Karnataka, Kanchipuram Silk from Tamil Nadu, Santiniketan Leather Goods and Baluchari Sarees from West Bengal etc. Indian designers have relied on indigenous and ancient traditional designs to create apparels and have understood the need for preservation of the same in the international market from Fashion Piracy.

VALIDITY –

The Registration is valid for a period of ten years with further a renewable period of ten years. On failure of renewal, the registration will lapse but will be deemed to be geographical indication for a period of two years. Since the user's registration expires with the termination of owner's registration both should be kept alive so long as there exists such users of the Geographical indication.

- ***Ikat design of Pochampally***⁶⁶: From the district of Nalgonda and part of Warangal in the state of Andhra Pradesh, Ikat design became the first Indian traditional craft to be registered as a GI in December 2003, nearly forty villages have their livelihood dependent on handlooms. The famous Pochampally ikat tie-and-dye sari has received IPR protection of GI. The plaintiffs filed a suit against defendants for injunction restraining infringement of GI, passing off, unfair competition. The court said 'the adoption of the mark HYCO POCHAMPALLI by the defendant is blatantly dishonest and a *mala fide* attempt to derive unfair advantage. Finally, the suit was decreed in favour of plaintiff.

TRADE SECRETS

A trade secret is any information that is not generally or widely known and gives a business a competitive edge over the others. Currently, India has no specific legislation governing Trade secrets

⁶⁴ The Geographical Indications of Goods (Registration and Protection) Act, 1999 (No.48 of 1999)

⁶⁵ The Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS Agreement) Section 3 of Part II, Art. 22

⁶⁶ Reddy G B, *Intellectual Property Rights and Law*, Gogia Law Agency, Hyderabad, 1st Edition, 2001

and as such, parties are bound by the contracts they enter into such as the Confidentiality Agreement/Non-Disclosure Agreement.

- ***Nike v Adidas***⁶⁷- Nike alleged that three designers who left their employment to work for Adidas copied sensitive design and business documents from their computers, including drawings for an unreleased and upcoming shoe made for one of Nike’s sponsored athletes. Nike further argued that it had been able to trace the incriminating text messages and emails from the accused-former employees from their work-issued laptops and mobile phones. Nike was able to follow the “cyber-trail” to support its accusations on the conduct of the accused persons who not only stole the secret information but also hid their tracks, miserably so. Here, cybersecurity was helpful in showing misappropriation. Yet again, it is stressed that the access to protection in terms of cost and knowledge is bound to be more with the big retail giants, in case a small business owner was in the position of Nike, it would have been difficult for them to claim relief.
- In ***Bombay Dyeing and Manufacturing Co. Ltd. v. Mehar Karan Singh***,⁶⁸ the Defendant was found to have divulged the Plaintiff’s confidential information which he acquired during the course of his employment with them. The Bombay High Court held that proprietary software and software manuals were considered to be Trade Secrets, however boardroom discussions and strategic business plans are not eligible for protection. The Bombay High Court used the following to ascertain whether information in question would be qualified for trade secret protection:⁶⁹
 - i. The extent to which the information is known outside the business
 - ii. The extent to which the information is known inside the business i.e., the employees
 - iii. The precautions taken by the holder of trade secret to guard the secrecy
 - iv. The savings effected and the value to the holder in having the information as against the competitors
 - v. The amount of effort or money spent in obtaining and developing the information.
 - vi. The amount of time and exercise it would take others to acquire and duplicate the information.

PATENTS ACT, 1970⁶⁹–

Patent protection for the fashion industry pertaining to clothes and garments is currently unavailable in India. Under the Patent Act, 1970 (“PA”), technical and innovative inventions may be granted protection, even though till date, design patent protection is unavailable.

⁶⁷ Andrew Chung, “Nike settles with designers it accused of stealing secrets”, *Reuters*, 10 June, 2015, available at <https://www.reuters.com/article/us-nike-adidas-settlement-idUSKBN0OP2GL20150609> (last visited on 17 Oct, 2021)

⁶⁸ 2010 (112) BOM LR 3759

⁶⁹ The Patents Act, 1970 (No. 39 of 1970)

SUGGESTIONS

Increase IP literacy - It is imperative for mass dissemination of information on the availability and benefits of getting articles protected under IP laws.

This can be done by conducting workshops and seminars and inviting key players in the industry right from the artisans and craftsmen to the fashion retail organisations.

Introducing IP rights in fashion as a part of the curriculum for design and management institutions.

Advertisement campaigns on social media platforms and television should be introduced for the widest possible outreach.

Ease in Registration process – Currently the registration process is not difficult but the endeavour still remains to ensure the least possible number of hindrances for attaining the maximum benefit.

This can be gained by way of:

Cost for registering a design should be reduced for all or in the alternative creating a mechanism for deciding the amount based on the capital proposed to be invested should be devised.

More IP offices should be created with their own legal guidance counsellors who can assist entrepreneurs and small businesses in the process for a minimal or no fee.

Timeline of the registration should be drastically reduced; the prevalent conditions of micro-trend cycles leave little time for designers to get protection and at the same time not be left behind in freely showcasing their designs.

Stricter complementary laws – As seen from the introductory part of this article, the fashion industry does not operate in total isolation from other laws. The need for strict legislations should be implemented to combat the entire multi-faceted issue which the fashion industry is marred with.

Introducing better labour laws which protect the unskilled and skilled craftsmen and artisans from being exploited by way of poor working conditions, unfair wage and inhumane treatment. The fashion industry is also no stranger to child labour who are met with the same working horrible conditions; therefore, a serious need arises to create better laws against child labour which can be implemented properly. Additionally, regular inspection of factories should be conducted especially those leased or owned by multinational corporations devoid of corruption and red-tapeism.



Devising quality control laws on the production of articles, including restricting the use of plastics and other non-recyclable raw materials, toxic dyes and other harmful chemicals which get drained into the seas and oceans and eventually find a way in our internal consumption. Promoting the usage of locally sourced raw materials with a justified price floor should be introduced so as to benefit even the regional cultivators and artisans.

Implementing stringent climate change laws, the fashion industry has a ripple effect leading to overflowing landfills and burning of excess inventory. It also poses a major threat to the marine life, deforestation and ultimately has the worst effect on humans.

CONCLUSION

IP protection for an upcoming designer is a serious and daily effort. It is part of the process of reaching greater heights and building a brand empire worthy of exclusivity, respect and acknowledgment. Experienced designers and retail businesses with deep pockets will not worry about their IP rights being infringed as much as a small player would. Businesses and Individuals alike will assert influence and perhaps even attempt to monopolise the market to their benefit. Despite various laws set in place to protect them, the fashion industry is plagued by the epidemic of piracy. While this enables the common and poor man to afford what was once a rich man's dress, this creates a major problem of human rights violations and has a severe impact on climate change. It further also de-incentivises the creators who find all their hard work futile since it gets replicated almost instantly without being rightfully paid. All these issues must be cohesively addressed in a committee created specifically for targeting these problems and the grassroots. The fashion industry still remains one of the strongest pillars in the art field and would deeply benefit from a more conscious and specific set of legislations.