

HINDLES

Patent & Trade Mark Attorneys

INTRODUCTION TO THE PROTECTION OF DESIGNS

Design can have a great impact on the commercial success of a product. For some products, design may be the only distinguishing feature. Therefore, it is important for businesses that depend upon design to ensure that they have legal protection for the appearance of their products.

There are two types of intellectual property rights that protect designs: registered rights which are obtained through an application procedure, and unregistered rights which can arise automatically once a design has been recorded but generally provide weaker protection.

Design Protection in the European Union

It is possible to protection for designs by way of an application for registered Community design right. This is a single cost-effective right covering the entire EU.

There is also an unregistered Community design right. This is also a single right covering the whole of the European Union. It arises automatically and applies to the same type of designs that can be protected by registered Community designs. However, it provides more limited protection in that (1) it only affords protection against copies of a design, not designs created independently, without copying, (2) it can be more difficult and expensive to enforce and (3) it lasts for a shorter length of time.

As well as these EU-wide rights, member states still have their own national protection for designs. In the UK, relevant national rights include UK registered designs and two unregistered rights, UK design right and copyright.

In practice, national registered and unregistered rights can coexist with registered and unregistered Community rights, and so a design may be protected by a number of different rights. We can advise on which rights will be relevant to a particular product or design.

In the following sections, we provide some introductory information about registered Community designs and, as UK registered design law has been harmonised with Community design law, discuss key differences between registered UK and Community designs. We also briefly discuss registered design protection outside the EU, unregistered Community designs, UK design right and artistic copyright.

What can be protected by a registered Community design?

A registered Community design right may provide protection for the appearance of a product or part of a product. The appearance can result from the shape, lines, contours, ornamentation, colours, texture or materials of the product. In this context, a product means any industrial or handicraft item except a computer program, and includes parts intended to be assembled into a complex product, packaging, “get-up”, graphic symbols or typefaces.

Accordingly, a very wide range of designs are capable of being protected by a registered Community design. Potentially protectable designs can include two dimensional designs (e.g. the pattern on a computer mouse mat), three dimensional designs (e.g. the shape of a computer mouse), designs comprising two and three dimensional elements (e.g. the overall design of a mobile phone). Designs for components of complex products that are visible in use (e.g. the wing mirrors of a car), and for industrial products whose aesthetics are irrelevant, may also be protectable.

In addition, designs capable of protection can include logos, stylised word, labels and the appearance of packaging, that have traditionally been protected by trade marks and/or copyright. In fact, registered Community designs may be a useful supplement or alternative to trade mark protection where trade mark protection may be difficult to obtain or cannot be secured without extensive use, for example, where protection is sought for the shape of goods/packaging.

In order for a design to be protected by way of a registered Community design, it must not only fall within the category of protectable designs described above, but must also fulfil certain other requirements:

(1) It must be new

A design will be regarded as new unless the same design, or a design whose features differ in only immaterial details, has been made available to the public at either the filing date or the “priority date” of the Community design application. (The priority date is the filing date of an earlier first application for the same design, filed no more than six months earlier, from which “priority” has been validly claimed).

(2) It must have “individual character”

A design is regarded as having “individual character” if it produces a different overall impression on an informed user to that produced by any previous design. The degree of freedom the designer has in developing the design is taken into consideration when assessing individual character. For example, a person designing a computer mouse has less freedom to make a creative variation than, say, a fashion designer.

(3) It must not be contrary to public policy or accepted principles of morality.

For example, a design containing racist elements would not be protected.

Even if a design fulfils all the requirements for protection, certain features of the design are still excluded from protection. Subject to minor exceptions, there is no protection for features of a design which (i) are solely dictated by technical function, (ii) component parts of a complex product, unless those component parts are visible during normal use, or (iii) must be reproduced exactly to enable the product to fit with another product so that either product can fulfil its function. For example, a design for a new bottle with a standard screw cap fitting will not receive protection for the screw fitting part.

In practice, when the European Union Intellectual Property Office (EU IPO) examines a registered Community design application, it will not consider whether a design is new or has individual character, or whether some or all of its features are excluded from protection. Because of the limited examination, it is possible that some registrations will be granted for designs that are not entitled to protection or are only partially entitled. Such registrations will be wholly or partially invalid. However, as the onus is on a third party to challenge validity, and it may not always be clear to what extent a design is protected (particularly since Community design law is relatively new and there is limited guidance as to how it will be interpreted), a potentially invalid registration can still have deterrent value. We can advise on whether a design is suitable for registration and comment on the scope of protection which a registration may provide.

What is the procedure for obtaining a registered Community design?

In order to obtain a registered Community design it is necessary to make an application, either directly to the EU IPO or via a national office in an EU member state, who will forward the application to the EU IPO. The application should include information about the applicant, representations of the design to be registered and specify the product to which the design is to be applied. An official fee must also be paid. There are no nationality restrictions as to whom may apply for, or own, a registered Community design.

It is possible to include more than one design in a single application. Applications covering more than one design are known as multiple applications. Multiple applications can only include designs which fall within the same class of the International Classification for Industrial Designs (Locarno Classification) unless the designs are for ornamentation only. For example, it is possible to include several different designs for bottle stoppers in one application but it is not possible to include designs for bottle stoppers and bottle openers in the same application. Where multiple applications are available, they can substantially reduce the cost of securing protection for several designs.

We advise our clients which specific design(s) they should register in order to maximise protection for the appearance of a product. We also advise how a specific design should best be represented in an application form and can arrange for formal drawings to be prepared, where necessary.

After filing, the EU IPO considers whether an application meets the formal filing requirements and carries out a limited examination.

The only issues of substance that are considered during examination are (i) whether the subject matter of the application falls within the definition of a protectable design and (ii) whether the design is contrary to public policy or accepted principles of morality. For the majority of applications, no objections are raised. However, if any objections are made, there is an opportunity to respond to the objections before a final decision is issued.

Once an application has been accepted for registration, details of the application are normally published in the Community Design Bulletin and a certificate of registration is issued. However, it is possible to request that publication is deferred for up to thirty months provided that a request for deferral is made when the application is filed. Where an application is a multiple application, publication can be deferred for some or all of the designs. You may wish to request deferred publication if it is still important to keep your design secret, for example because your product has not yet been launched.

What is the duration of a registered Community design?

A registered Community design will last for an initial period of five years from the date of filing. Provided that renewal fees are paid every five years, the duration can be extended up to a maximum of twenty-five years.

Who is the first owner of the right to apply for a registered Community design?

In general, the first owner of the right to apply for a registered Community design is the designer. However, where a design is created by an employee in the course of employment, the designer's employer will be the first owner of the right to apply, unless the employer and employee have agreed otherwise or relevant national laws state otherwise.

The rights in a design, including the right to apply for a registered Community design, or the Community design application or registration itself, may be transferred from one party to another. Where a design is being created for you by someone other than an employee carrying out his normal duties (for example, when you have commissioned a designer to create a design for you), it is advisable to obtain a written agreement that clarifies the issue of ownership before the design is made.

What rights does the proprietor of a registered Community design have?

Subject to limited exceptions, the proprietor of a registered Community design has the exclusive right, within the European Union, to prevent unauthorised parties making, marketing, selling, importing, exporting, using or stocking products in which the design (or a design which does not produce a different overall impression on an informed user) has been incorporated, or to which it has been applied.

This right extends to any type of product, not just a product specified in a registered Community design application. For example, a registered Community design that specifies a toothbrush holder should be infringed by selling an umbrella stand which incorporates the design that has been registered. In contrast, a trade mark registration is generally infringed only where the trade mark has

been used in relation to identical or similar goods or services to those covered by the registration. Accordingly, a registered Community design may offer useful protection in respect of a design that is incorporated into or applied to a wide variety of merchandise.

The rights granted by a registered Community design are limited by the principle of exhaustion of rights. Once a product has been placed on the market anywhere in the European Economic Area (EEA), by or with the consent of the proprietor of a registered Community design, the proprietor cannot generally rely on the registration to prevent subsequent dealings in the product within the EEA. For example, if the proprietor manufactures sunglasses incorporating the registered design and sells them in France, he cannot normally rely on the registered Community design to prevent another company purchasing the sunglasses in France, importing them into the UK and reselling them in the UK at a higher price.

Since October 2014, it has also been a criminal offence in the UK to intentionally copy a Community registered design without the consent of the proprietor whilst knowing that the design is registered. This is similar to the level of criminal protection given to copyright and trade marks in the UK.

How are registered Community designs enforced?

Infringement proceedings to enforce a registered Community design will take place in a Community Design court of an EU member state that has jurisdiction to hear the matter. In England and Wales, proceedings regarding registered Community designs may be heard at the High Court or, for cases involving limited claims of up to £500,000, at the Intellectual Property Enterprise Court (IPEC). In Scotland, proceedings regarding designs may be heard at the Court of Session.

The remedies available against an infringer include an injunction (known as an interdict in Scotland) to prevent continued infringement of a registered Community design, seizure of infringing products, or materials or implements used in their manufacture, and damages for past infringements. Interim injunctions may be available to restrain use of a design before the matter has been decided at full trial. In fact, many cases in which interim injunctions are granted never reach full trial. The courts in Scotland tend to be more disposed to granting interim relief than the English courts. This can be a relevant factor in assessing whether to bring an action in Scotland, where a choice of forum exists. If an action is heard in a member state which is the domicile of either the defendant (defender in Scotland) or the claimant (pursuer in Scotland), then the court may grant a Europe-wide injunction.

In addition, criminal proceedings regarding intentional copying of Community registered designs may be initiated by Trading Standards Officers or by the proprietor. Penalties for intentional copying include fines and/or a prison sentence of up to ten years.

How can a registered Community design be exploited?

Registered Community designs are property rights. As well as, or instead of, exploiting a design himself, the proprietor of a registered Community design can license the registered Community design to generate revenue. A registered Community design can also be sold or used as security. Where a registered Community design covers more than one design, the designs can be licensed separately. It is also possible to grant a licence in respect of a specific range of products.

As a registered Community design is a unitary right, it can only be assigned in respect of the whole of the European Union. In contrast, licences may be granted on a country by country basis, subject to competition law and provisions governing the free movement of goods.

In order to avoid loss of rights, an assignment should be recorded with the EU IPO in a timely manner. It is also advisable to record licences.

When can a registered Community design be declared invalid?

A registered Community design may be declared wholly or partially invalid on the following grounds: (1) the design does not meet the requirements for protection (see *What can be protected by a registered Community design?*); (2) a court has ruled that the proprietor is not entitled to the design; (3) the design conflicts with an earlier right such as copyright, a national design right or a right to prohibit the use of a sign under national or Community law; (4) the design constitutes improper use of a protected symbol.

An application for a declaration of invalidity will be heard before the EU IPO unless invalidity is raised as a counterclaim in infringement proceedings, in which case the matter will be heard before the relevant Community design court.

As a registered Community design is a unitary right covering the whole of the European Union, it will be declared invalid across all twenty-eight EU member states even if grounds for invalidity only exist for one or some member states. Unlike for European Union Trade Marks, there is no procedure to convert a registered Community design into national design applications in countries where there are no grounds for invalidity.

Design Protection in the UK: Unregistered Design Rights

Unregistered design rights are inherent rights in the protection of a design, beginning from the time the design is first recorded in either a design document or an article is made to the design. For a design to be eligible for protection under UK unregistered design, it must be an original design. This means that the design must originate from the designer, not be a copy or commonplace in the design field in question and that more than a trivial degree of skill, labour and judgement was involved in the creation of the design.

UK unregistered design right only protects the design right holder from third parties copying the design. Therefore, if the alleged infringer can show that they arrived at the design independently, they will not be held to infringe.

UK unregistered design right protects a design for a period of fifteen years beginning from the end of the calendar month in which the design was first recorded in a design document or an article was first made to the design, or if articles are made available for sale or hire within five years from the end of that calendar year, ten years from the end of the calendar year in which that first occurred.

It is worth noting that a licence is available from the design right holder as of right in the last five years of the design right term.

The first owner of unregistered design right in a design is the designer, unless the design is created during the course of employment, in which case the first owner is the employer. For designs created on or after 1 October 2014 and during the course of a commission, the first owner is the designer, unless a contract which says otherwise is in place.

In addition, the first owner of the design must be a qualifying person. That is, the first owner must be a citizen or resident of a qualifying country (including the UK and the European Union), or must be a corporate body formed under UK law, or that of another qualifying country, and has a place of business at which substantial business activity occurs in a qualified country.

Unregistered design rights are excluded for (i) designs that embody a principle of construction, (ii) features of shape and configuration of an article which enable the article to be connected to, or placed in, around or against another article so that either article may perform its function (“must fit” exclusion), (iii) features of shape and configuration of an article which are dependent upon the appearance of another article of which an article is intended by the designer to form an integral part (“must match” exclusion) and (iv) surface decoration.

UK Registered Designs

UK registered designs afford protection in the United Kingdom. Due to the harmonisation of design law across the EU, many important features of UK registered design law are now the same as those of registered Community design law. For example, a UK registered design can protect the same type of designs as a registered Community design, give rise to approximately the same type of rights and remedies, and last for the same length of time. Further information about these aspects of protection can be obtained by following the relevant links for registered Community designs. In this section, we concentrate on the major differences between UK and Community registered designs.

In order to obtain a UK registered design, an application must be made to the UK Design Registry (part of the UK Intellectual Property Office). A UK application is subject to more stringent examination than a corresponding registered Community design application. However, the UK examination procedure is still fairly cursory. Whilst an examiner is obliged to raise objections if he has reasonable grounds to believe that a design is not new or that it lacks individual character, a routine search will not be carried out in respect of every application. In practice, this means that objections will only be raised against designs that are self-evidently not new, or lacking in individual character.

If objections are raised by the Design Registry, an applicant has the right to file written submissions or request a Hearing to try to persuade the Registry to waive the objections. If no objections are raised, an application may be granted and a registration certificate issued in as little as six to eight weeks from filing.

Similar to registered Community designs, it is possible to file “multiple applications” covering more than one design in a single application.

It is possible to request that the publication of a design is deferred for up to thirty months for registered Community design applications. In contrast, it is only possible to request that publication of the design is deferred for up to 12 months for UK applications.

In addition to Community registered designs, it has been a criminal offence since 2014 in the UK to intentionally copy a UK registered design without the consent of the proprietor whilst knowing that the design is registered. This is similar to the level of criminal protection given to copyright and trade marks in the UK.

How can I obtain registered design protection internationally?

Registered designs, or similar rights such as design patents, are available in most countries in the world. We obtain foreign registered designs and design patents for our clients through our network of associates abroad. Although a single registered Community design right can give registered protection for the whole of the European Union, if protection is sought outside the EU, it will generally be necessary to file separate applications in each country of interest. There is an international scheme ("the Hague Agreement") which allows applicants to obtain protection in signatory countries via an initial, single international application.

If you are considering protecting your design in a number of jurisdictions, then it may be possible, in some circumstances, to file initially in a single jurisdiction and to delay deciding whether to file in other jurisdictions for up to six months after the first application has been filed, without loss of rights.

When can I disclose my design if I want to obtain registered design protection?

In many countries of the world, a design must be new to be validly registered, and will not be regarded as new if it has been disclosed, other than in confidence, before the filing date (or priority date, if relevant) of an application to register the design. However, UK and Community registered design law allow for a grace period of twelve months. This means that disclosures made by, or emanating from, a designer, or his successor in title, in the twelve month period prior to the filing of a registered design application are ignored for the purpose of assessing whether the design is new.

The grace period may be useful if you wish to market a design before deciding whether to incur the cost of a registered UK or Community design application. Similarly, it may enable you to secure a registration even if there has been an accidental disclosure. However, it is important to appreciate that there are risks involved in making use of the grace period and that, generally, the best advice from a legal standpoint is not to make a pre-filing, non-confidential disclosure. For example, as many other jurisdictions do not have a grace period, a pre-filing, non-confidential disclosure may prevent you from obtaining valid registrations in these countries even if you can still secure a registered UK or Community design by relying on the grace period. Even using confidentiality agreements to make disclosures in confidence entails a certain level of risk.

Under registered UK and Community design law, a disclosure which could not reasonably have become known to persons carrying out business in the relevant specialised sector within the European Economic Area will also be ignored for the purpose of determining whether a design is new. However, you should never seek to rely on this provision which is only intended to exclude very remote disclosures.

For more information:

- ❖ Visit our website
- ❖ Contact one of our attorneys directly
- ❖ Call 0131 243 0660

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