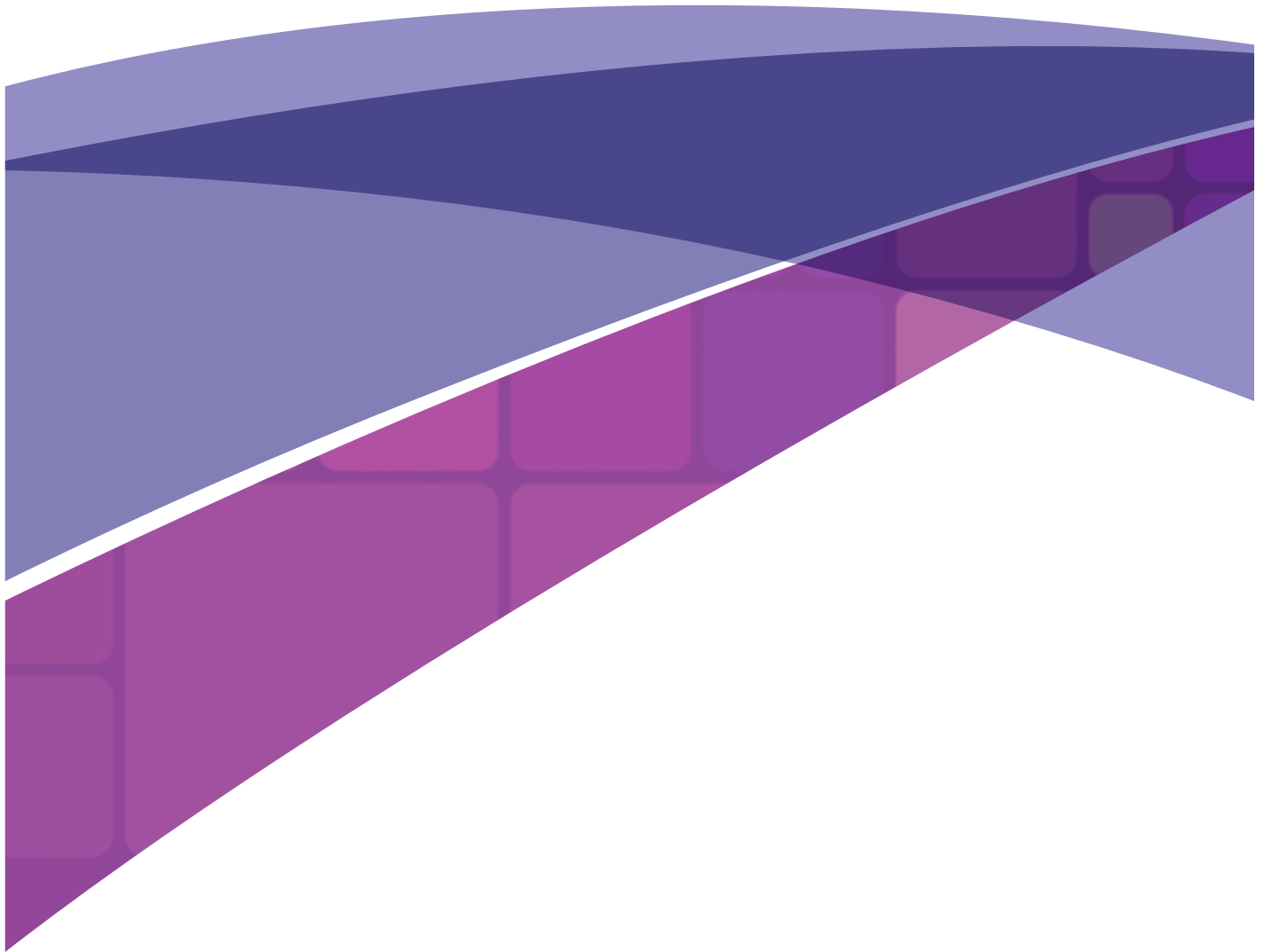




Intellectual
Property
Office

Proposal for changes in Registered Design Fees





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Be Original, Be Creative, Be Protected

Want to find out more or be involved?

Designers Helping Creatives know their rights, protect and champion their products. Part of @The_IPO



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Minister's foreword



Design matters. It can be the look of a product that captures the imagination of consumers and makes it stand apart from the competition. It can be the innovation that makes a product easier to use and meets the needs of consumers. Design is a significant contributor to the UK economy – generating,

according to recent figures from the Design Council, £71.7bn in gross value added (7.2% of total UK GVA).

This government's ambition is that the UK should be the best place in Europe to innovate, patent new ideas and set up and expand a business. The UK is home to some of the world's best designers and design-led businesses. The intellectual property system needs to help existing and new designers and businesses flourish.

The legal framework and the systems that designers use must be accessible and relevant to their needs. This government has made changes to the legal system, for example through the Intellectual Property

Act 2014, and recently consulted on introducing web marking for registered designs and on acceding to the Hague Agreement. The IPO has also been developing a new digital service for registering designs, which was launched on 30 September 2015. I was delighted to have the opportunity to test the new online application service and to hear how quickly it has been taken up by users. After just three weeks, 67% of applications were being filed online.

This move to digital will result in significant cost savings and these should be passed on to users of the system. Therefore, the Government is consulting on making changes to the fee structure for registered designs. Coming from a business background, I am aware how important costs and time are to business, particularly individual designers and small start-ups. Providing a fee structure that helps with these costs should make it easier for designers make the right decisions for them on how and where to protect their designs.

I look forward to hearing your views

Lucy Neville-Rolfe

Baroness Neville-Rolfe, DBE, CMG
Minister for Intellectual Property

“Providing a fee structure that helps with these costs should make it easier for designers make the right decisions for them on how and where to protect their designs.”



Introduction

The government made a manifesto commitment to help businesses create jobs by making the UK the best place in Europe to innovate, patent new ideas and set up and expand a business. Intellectual property rights (IPRs) exist to promote innovation, which leads to the creation of new products and services, and to better methods of production. Economies that are more innovative have higher productivity – a key driver for growth.

Design is hugely important to the UK economy. Recent figures published by the Design Council show that in 2013 the design economy generated £71.7bn in gross value added (GVA), which is 7.2% of total GVA. Design industry turnover increased by 19.7% between 2009 and 2013 and design-influenced exports grew by 51.4%. On an individual firm level, the productivity of businesses that invest in design and use it strategically is higher than average for their sector¹. By giving businesses exclusive rights to their design, registered design rights help encourage business creativity, drive investment in new products and innovation, and sustain growth.

An accessible legal framework for designs is therefore an important part of the IP system. As Ian Hargreaves highlighted in his 2011 review, this framework needs to be adaptable to a changing world, particularly to reflect

the growing use of digital technologies. The review also stressed that much more needed to be done to understand the role of the IP system in supporting the design industry.²

Following the publication of the Hargreaves Review, the Intellectual Property Office (IPO) commissioned a number of research reports on the design industry. The government also consulted extensively with the design community on how to improve the system so that it more effectively meets the needs of the designers now and in the future.

In response, the UK government is developing a new digital service for designs, to streamline the registration process and make it easier for businesses to use, as part of a programme of modernisation for design rights and in accordance with the government's 'digital by default' agenda. As a result of the expected improvements and efficiencies gained by implementation of the new digital registration service, our costs will be reduced. We are now looking at how to pass on these reductions to our customers through the fees charged for using the registered design service.

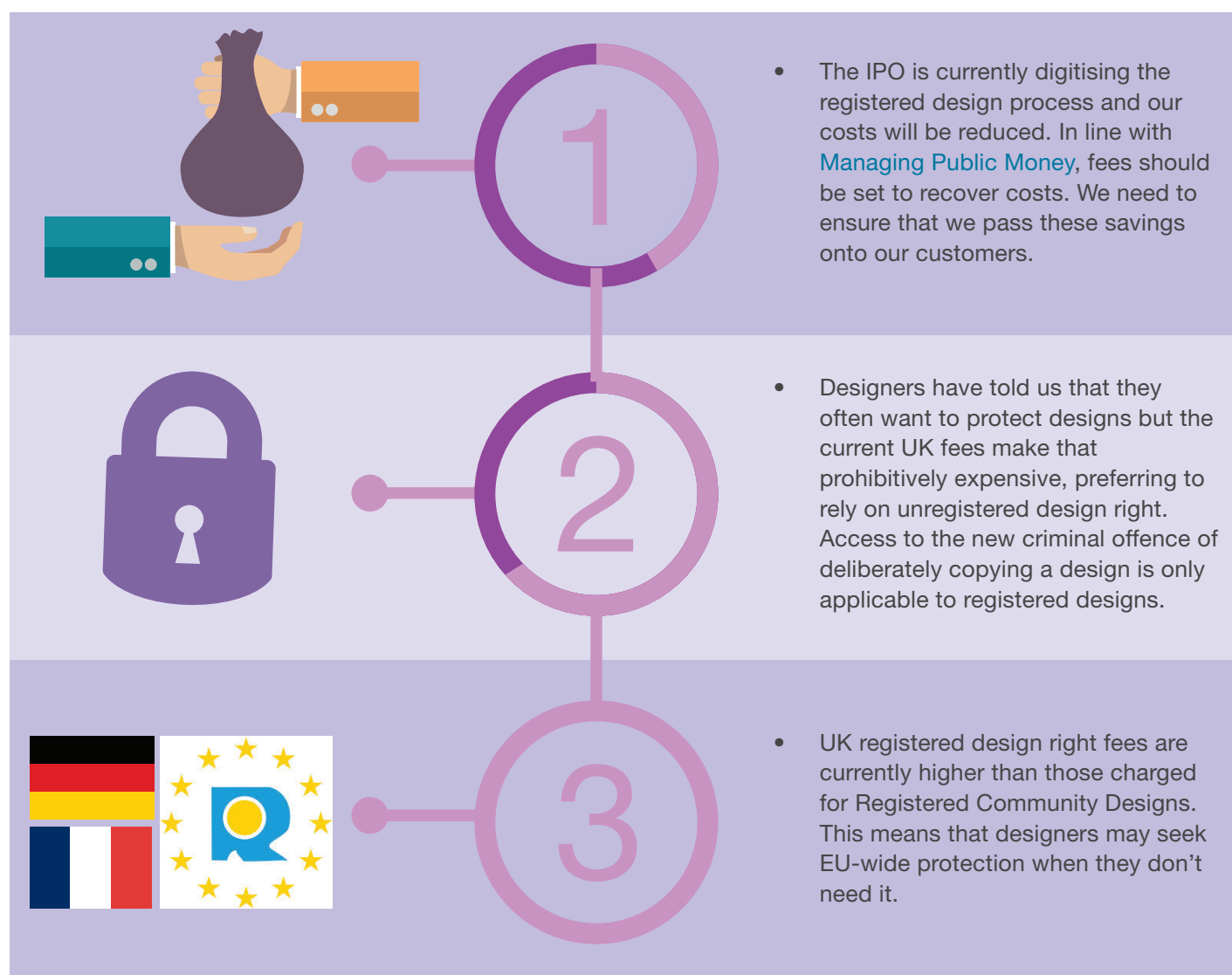
“For every £100 a business spends on design, it increases their turnover by £225”

1 Design Council (2015), The Design Economy. The value of design to the UK.

2 https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/32563/ipreview-finalreport.pdf

Proposal in detail

The current fees for registered designs were last amended in 2006 and are based on the use of the current, outmoded, paper-based processing system. When conducting this year's review of the fees for registered designs, we have considered the following:



Our proposed fee model covers the cost of providing the design service through the application and renewal fees. This allows the government to promote access to designs at a low upfront cost – allowing innovative business to protect their early investment in ideas – while recouping the whole costs of these services through renewal fees over the life of the product.

The increased cost of renewal fees, for each 5 year period, also acts to encourage designers to think about renewing their design and to consider whether their design is still economically viable. If it is not, they will allow their design registration to lapse, and so the design will become free for other companies to use and so build on their earlier design and innovation. If

renewal fees are set too low designers might renew unused and uneconomical designs, cluttering the register and acting as a barrier to the potential for further innovation and growth.

We consider that the proposed fees for multiple online applications, in particular, provides designers with a cost-effective way of registering and protecting numerous designs in the UK.

There are some elements to the registered design service that will not benefit from efficiencies delivered by the digital service. Included in our proposal is an increase in the cost of ‘certified office copies’, which are certificates detailing an application or entry in the official register of designs. The current fee does not cover the cost of the service and the proposed fee increase reflects this.

We are proposing;

Online services
<ul style="list-style-type: none"> • The cost of a single online application will be £50 • Multiple online designs will cost £70 for up to 10 designs • To introduce a fee of £20 for every 10 online thereafter (i.e. 11-20) • No reduction for deferred publication
Paper-based services
<ul style="list-style-type: none"> • The current fee of £60 for 1 design will remain • For multiple applications the fee of £60 for 1st plus £40 for each design thereafter will remain. • No additional discounts for multiple paper filed applications will be offered • No reduction for deferred publication
Renewals
<ul style="list-style-type: none"> • A significant reduction in fees for the 4 renewal periods <ul style="list-style-type: none"> • First renewal will be £70 • Second renewal will be £90 • Third renewal will be £110 • Fourth renewal will be £140
Application for a declaration of invalidity
<ul style="list-style-type: none"> • Reduction in the cost for applying for a declaration of invalidity to £48
A request for information
<ul style="list-style-type: none"> • Reduction in the cost for applying for a request for information to £24
Deferred Publication
<ul style="list-style-type: none"> • Retain the current fee for deferring publication of £40 per design
Certified Office Copies
<ul style="list-style-type: none"> • Increase the cost for providing ‘certified office copies’ to £30

To provide an idea of the benefits to users some examples are provided.

For a designer wishing to:



Apply for 3 designs online, the cost will be reduced from £140 to £70,
Saving £70



Apply for 14 designs online, the cost will be reduced from £580 to £90.
Saving £490



Renew a design for 25 years, the cost will be reduced from £1100 to £410.
Saving £690



Questions

1

Do you have any comments on the proposed changes? Please detail the reasons behind your view, providing evidence if possible.

We are aware that designers have registered their designs in the UK but have restricted the number of designs in their application or chose not to renew their designs.

2

If you do not currently register your designs, would you consider registering them in the UK as a result of the proposed fee changes?

We are particularly interested in views from designers and businesses that have not registered their design in the UK in the past.

3

Would you consider registering more designs in the UK as a result of the proposed fee changes? If so, how many?

4

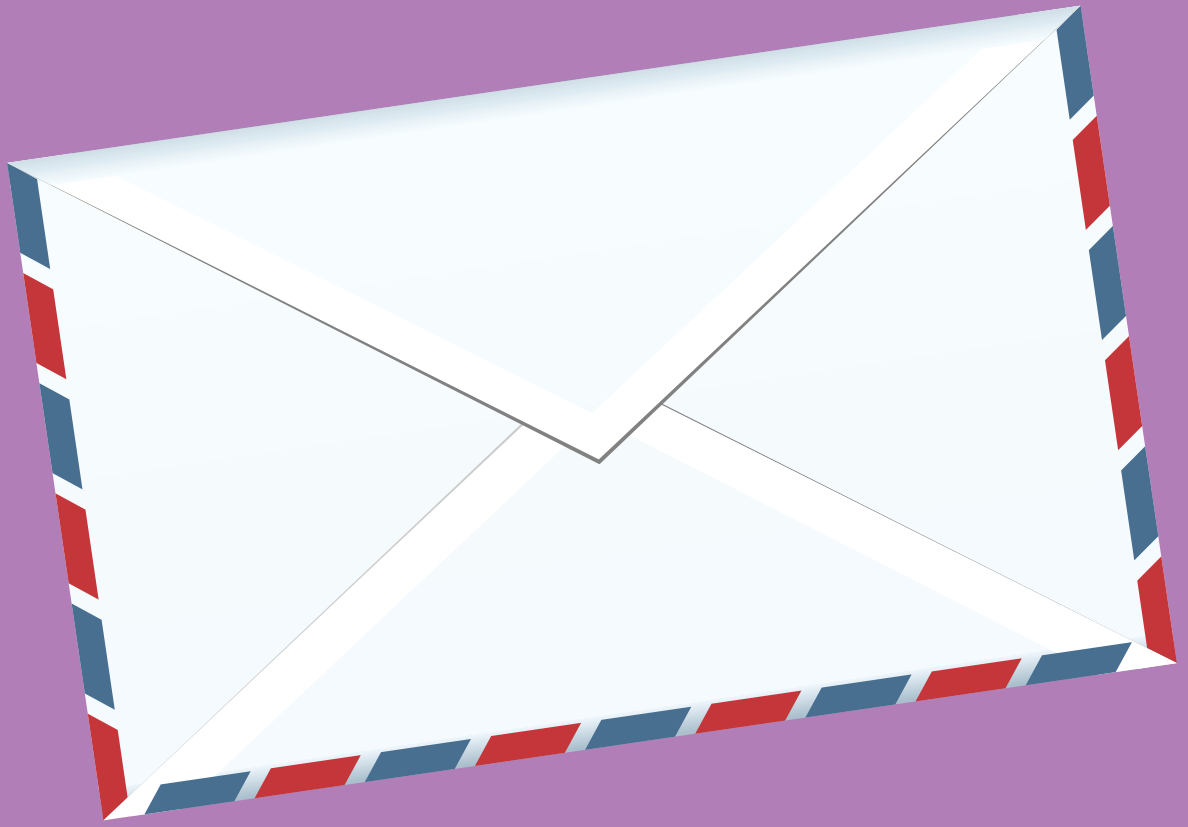
Would you be more likely to renew your designs as a result of the proposed fee changes?

We are particularly interested in estimates of financial impact of users of the system and/or third parties, but please feel free to offer case studies or comment more generally.

The intention is that the fee changes will only affect the fees due after entry into force.

Regulatory Impact

The regulatory impact will be assessed and published, should the Government decide to proceed with the proposed changes.



Responding to
the Consultation

Responding to the Consultation

Please email your responses, including any answers to the above questions and any other views you may have to: RegisteredDesignFees@ipo.gov.uk

Alternatively, please use the following postal address:

Trade Marks and Designs Policy
Intellectual Property Office
Concept House
Cardiff Road
Newport
NP10 8QQ
Tel: 01633 814030
Fax: 01633 813777

Please let us have your comments by the end of 29 January 2016.

Responses are welcomed from any individual, organisation or company. Copies of this document, including large print versions, are available from the contact address given above.

It is also available on the Intellectual Property Office website [here](#).

Complaints

Any comments or complaints about the way this consultation has been conducted should be sent to:

Angela Rabess
Consultation Coordinator
Better Regulations Team
Department for Business, Innovation and Skills
1 Victoria Street
London
S1H 0ET
Email: angela.rabess@bis.gsi.gov.uk
Tel: 020 7215 1661



Confidentiality

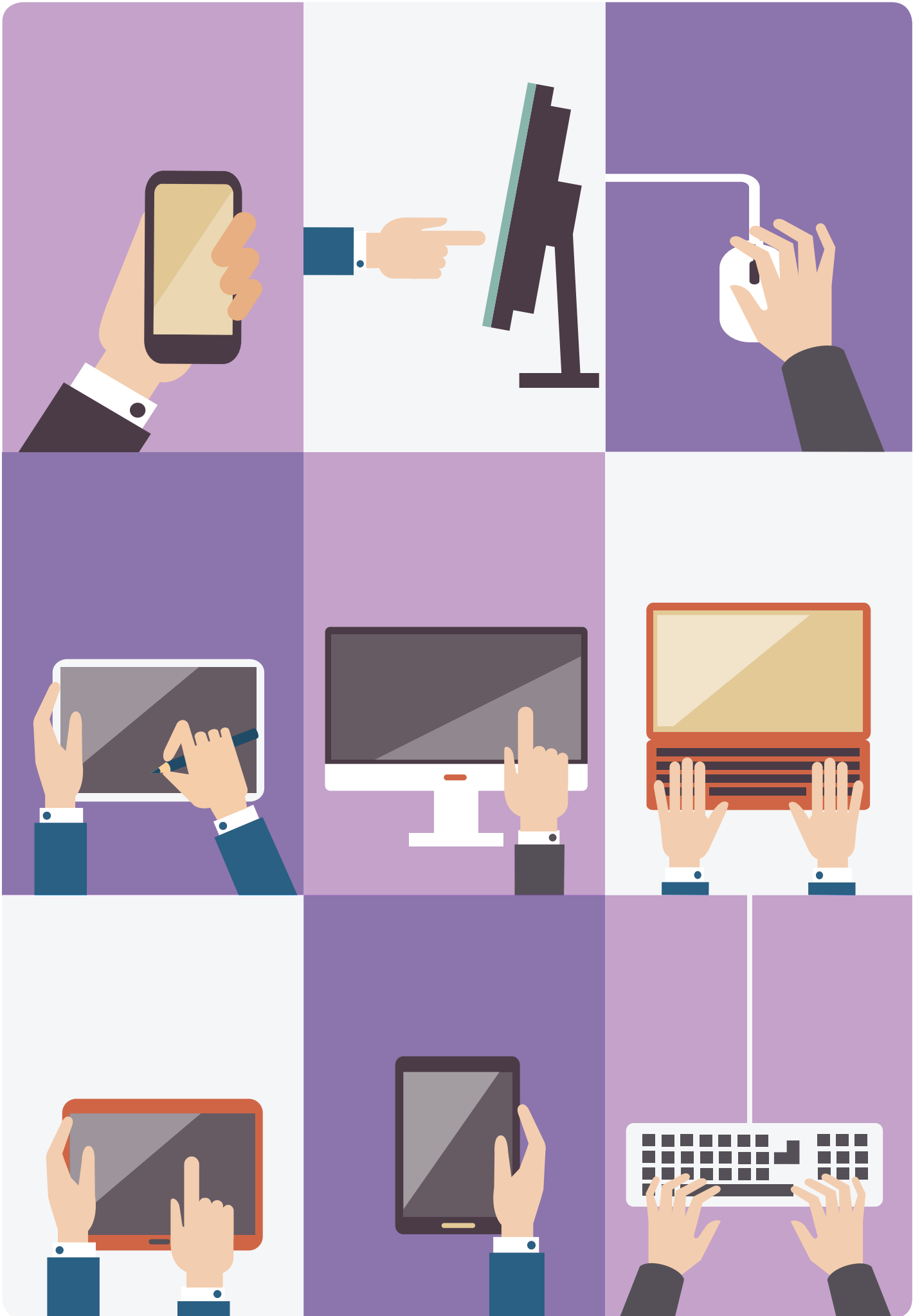
Openness and confidentiality

The results or conclusions of this consultation may be published. As such, your response may be made public. If you do not want all or part of your response or name made public, please state this clearly in the response. Any confidentiality disclaimer that may be generated by your organisation's IT system or included as a general statement in your fax cover sheet will be taken to apply only to information in your response for which confidentiality has been requested.

Information provided in response to this call for evidence, including personal information, may be subject to publication or disclosure in accordance with the access to information regimes (these are primarily, the Freedom of Information Act 2000 ("FOIA"), the Data Protection Act 1998 ("DPA") and the Environmental Information Regulations 2004). If you want other information that you request to be treated as confidential, please be aware that, under the FOIA, there is a statutory Code of Practice with which public authorities must comply and which deals, amongst others things, with obligations of confidence.

In view of this, it would be helpful if you could explain to us why you regard the information you have provided as confidential. If we receive a request for disclosure of the information we will take full account of your explanation, but we cannot give an assurance that confidentiality can be maintained in all circumstances. The IPO will process your personal data in accordance with DPA and in the majority of circumstances this will mean that your personal data will not be disclosed to third parties.

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Notes

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Designers Helping Creatives know their rights, protect and champion their products. Part of @The_IPO



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