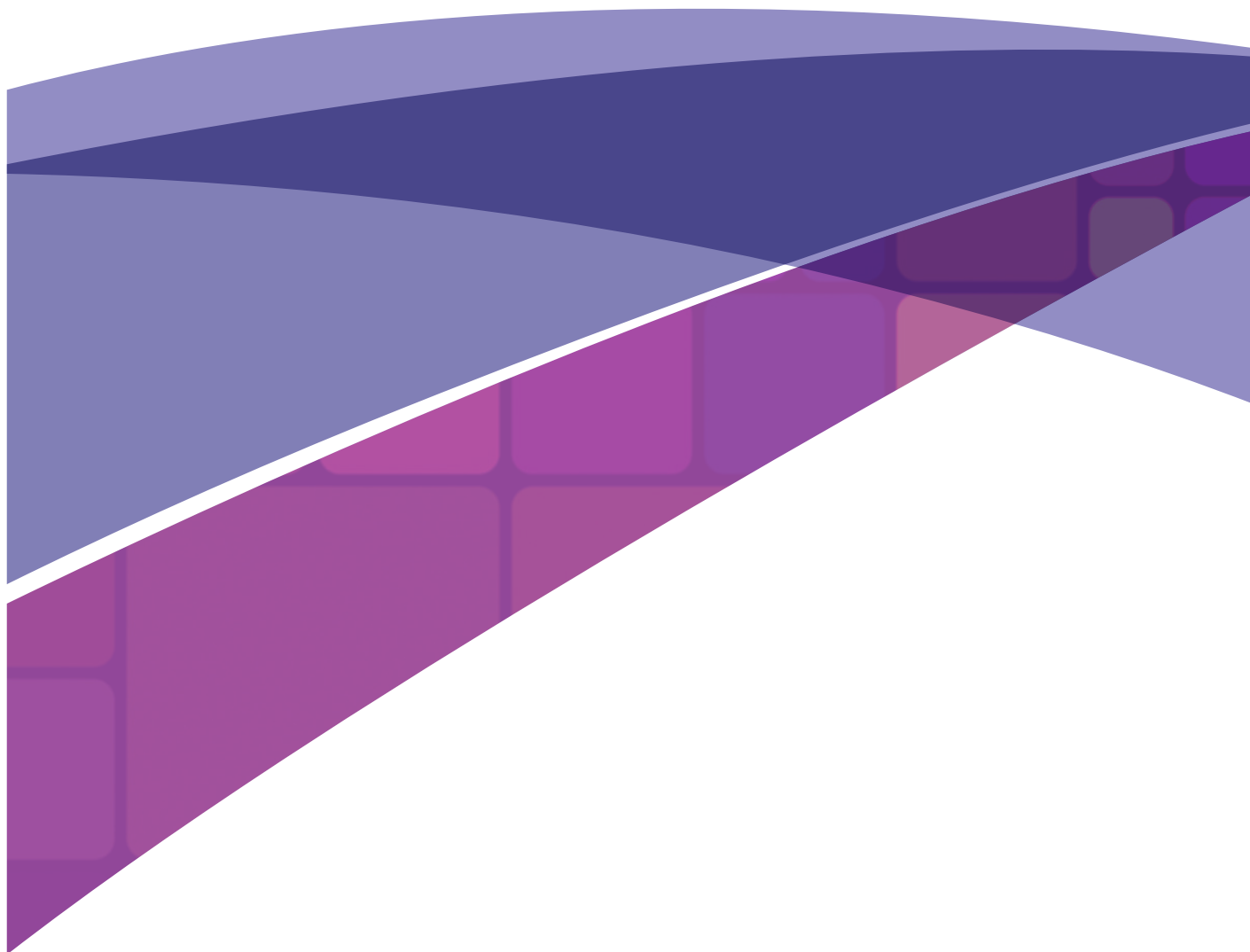




Intellectual
Property
Office

UK's Accession to the Hague Agreement for Industrial Designs

Government response to the consultation on the UK's proposed accession to the Hague Agreement for industrial designs





Contents

Ministerial Foreword	1
Executive Summary	2
Background	2
Responses	4
Conclusions and Next Steps:	9
Annex A: List of Respondents	10

Ministerial Foreword



As Minister for Intellectual Property (IP), I am aware of the importance that a strong IP regime has for innovative businesses that wish to compete and exploit their IP rights, both domestically and internationally.

The UK is known across the world as being home to some of the world's strongest designers and design-led businesses. The industry plays a leading role in supporting economic growth, creating quality jobs and services and providing consumers with innovative and attractive products. It is, therefore, of the utmost importance that we have a modern designs system that is fit for purpose.

In the recent consultation, the government sought views on whether the UK should join the Hague Agreement in our own right. I believe membership will provide UK designers with greater choice and flexibility when using the international system for protecting rights abroad.

Having considered carefully the views you expressed in your responses to the consultation, I am pleased to announce that there was strong support for the proposal. Respondents agreed that UK accession to the Hague Agreement would result in a greater flexibility for users and will provide real, tangible economic benefit.

I believe that this is a good outcome. As more countries accede to the Hague Agreement there is enhanced benefit in the UK also doing so. In the Conservative Manifesto, the government committed to making Britain the best place in Europe to innovate, patent new ideas and set up and expand a business. I am pleased that our businesses will soon have access to an enhanced set of tools to allow them to conduct their business across borders in an increasingly globalised world.

A handwritten signature in black ink that reads "Lucy Neville-Rolfe". The signature is written in a cursive style.

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

Executive Summary

This document sets out government policy in light of the recent consultation on the UK's accession to the Hague Agreement for the international registration of industrial designs. It indicates the government's intention to accede to the Hague Agreement, based on the broad agreement and support received from respondents to the consultation.

The document further addresses specific responses to the questions asked around process. A revised Statutory Instrument will be finalised for the planned accession and will be made available later this year.


Background

The Hague Agreement is a system that makes it possible to obtain protection for industrial designs in multiple countries (or with intergovernmental organisations) by filing a single application with the International Bureau (IB) of the World Intellectual Property Organisation (WIPO).

The Hague registration system was established under the Hague Agreement which is itself constituted by three different Acts: the London Act 1934, the Hague Act 1960 and the Geneva Act 1999.

The Agreement establishes general provisions that regulate the registration system, including entitlement to file an international application, fees and procedures for the correction of irregularities, maintenance of registration and invalidation, etc. It further allows an applicant to register designs in any Contracting Party, through one application, in one language, using one currency (Swiss Francs). The system also simplifies the management of applications as all administration is handled by one agency: the IB at WIPO.

There are currently 49 members of the Geneva Act of the Hague Agreement, including 14 EU Member States. In addition to these 14 EU States, the European Union is a member in its own right. UK businesses have been able to access the Hague system since January 2008 by virtue of the EU's accession. At present, the UK is not a member in its own national capacity.



In practice this means that if an EU-wide designation is not required, but UK businesses want to trade at home and overseas, they must file a separate domestic application in each country where they want to protect their design. For an international business, under the current Hague system, the UK can only be designated as part of a whole EU application, even if the applicant has no desire, or intention of making use of the registration in any other EU Member State.

This creates additional expense for businesses (such as translation, notary and legal fees) and may be a disincentive for those considering protection in the UK. This is, therefore, a barrier to business, especially for SMEs, who are more likely to need protection in fewer markets and who are less likely to have significant funds or resources to invest in design registration. They are more likely to require protection restricted to the specific countries where they carry out business.

The objective of the UK joining in a national capacity is therefore to enable designers to take full advantage of the flexibilities and economies of using the Hague registration system. UK businesses, especially SMEs, who wish to have designs registered across multiple countries can also have a simpler, more cost effective method for managing their rights. As a result, businesses should be able to save money on design registrations and be able to protect their IP with greater administrative ease. UK accession to the Hague will also make the UK a more accessible place to register designs by providing overseas companies with a direct route to gain UK designs protection through this international mechanism; making the UK a more attractive place to innovate.

The Intellectual Property Act 2014 (which amended the Registered Designs Act 1949) contained provisions to modernise the designs legal framework and provided the necessary legislative framework to implement the Geneva Act of the Hague Agreement.

The government published a consultation on 15 September 2015, seeking views on the UK's proposed accession to the Geneva Act of the Hague Agreement. The consultation closed on 10 November 2015.

Responses

We received 10 responses to the consultation. Responses were received from design right and IP owners (3), lawyers (2), and company and industry representatives (5). Some respondents answered the specific questions whereas others responded to the proposal in its entirety.

This document summarises the responses received to the proposal, alongside details of our conclusions and next steps. We have taken all individual points into account when reaching our conclusions.

Question 1:

We propose to restrict the filing of applications to direct applications through WIPO. Do you have any views on this? Please detail the reasons behind your view, providing evidence if possible.

Respondents had split views on this question. Some agreed with the proposal and stated that direct filing through WIPO was likely to eliminate delays resulting from the IPO being used as an intermediary and reduce any uncertainty arising from any delay of receipt from the IPO and first communication from WIPO. One respondent outlined that Hague applications designating the EU are currently filed directly at WIPO and this does not cause any problems in practice. They continued to state that WIPO's application form is comprehensive and user-friendly.

Others stated that restricting filing to WIPO is undesirable as it is possible that WIPO's e-filing system may become unavailable for technical reasons which could result in lost filing and priority dates. Further, unrepresented applicants, particularly SMEs, who may be familiar with the IPO system, may make mistakes when completing the application.

The respondents who were hesitant about restricting the filing of applications recommended that, if the decision is taken to restrict filing through WIPO, there should be strong warnings on the IPO website to ensure that applicants are aware. They noted that the present system which allows users to file a design application in person at the IPO offices is useful for situations where obtaining an immediate filing date is important and that there should, therefore, be a limited contingency facility, which is maintained for emergencies, under which designs could be registered with the IPO to obtain an immediate UK filing date.

Government Response:

We have considered comments and have decided that, on balance, our original proposal will stand: the IPO will not act as a receiving office for applications filed under the Hague Agreement. Users will instead need to file their applications directly with WIPO.

This approach will be in line with the approach taken by OHIM in respect of Hague applications of EU level design designations.

WIPO have a high quality e-filing system and they have assured us that there are safeguards and procedures in place in the event of their electronic systems becoming unexpectedly unavailable. Remedies in the case of a failure to meet a time limit for communication addressed to the International Bureau are provided in Rule 5 of the Common Regulations under the Geneva Act 1999 Act. These are currently only available for postal and delivery services, however, new provisions to safeguard communications sent electronically have been tabled for discussion in the upcoming Hague Working Group meetings. We have further been informed that Rule 4(4) of the Common Regulations covers claims for priority where the IB has been unavailable to the public, which would include situations where the Bureau had faced a significant electronic outage period.

We have also taken on board comments relating to applicants, particularly unrepresented applicants and SMEs, sending their completed forms to the IPO in error. We realise that this is a valid concern. To seek to address this concern, we will ensure users of the system are given appropriate guidance in how to file a Hague application. We will also put in place a process whereby, in cases where an international application form under Hague has been sent to the IPO in error, the form will be returned to the sender, with guidance on submitting an international application. Further, we will monitor the error rate with WIPO and consider taking additional steps, if necessary.

Question 2:

We have no plan to exercise the possible discretion and make a declaration allowing for the 12 month period in which to notify a refusal. Applicants will be notified within the standard 6 months, if their application is refused. Do you foresee any adverse impacts?

All respondents welcomed the proposal for notification of refusals to be issued within six months of the publication of the international design; no suggestion of negative impact was offered.

Government Response:

All international applications designating the UK will receive an initial formalities examination undertaken by WIPO before being passed to the IPO for examination. Examination will be conducted on the same basis as a domestic application. If a decision is taken to refuse the registration, notification of refusal will be sent not more than six months from the publication of the international registration.

Question 3:

We do not currently hold a register of International Registrations where the UK has been designated as part of the EU and have no plans to publish a register following accession to the Hague Agreement in our own right. We believe that details of Hague registrations are made sufficiently public via the Hague Express database. Please let us know if you foresee any issues with this approach.

Again, there were split views in response to this question. Some respondents stated that, as the IPO does not publish a register of international registrations designating the EU, it makes sense to not publish a register for UK designations. Further, OHIM does not publish a register of international designs designating the EU. The proposed approach is therefore consistent with EU practice.

Other respondents stated that the proposed approach was inconsistent with the IPO's practice regarding trade marks, where UK, EU and international registrations can be searched together. They continued to say that the approach could be confusing for users, particularly SMEs, who may not have legal expertise, as they will have to look in a number of places to ensure they have conducted a thorough search.

Respondents further highlighted that the current wording on the IPO's website may confuse users of the system. The IPO search tool states that it is for "designs registered in the UK". Whilst Registered Community Designs and international registrations are not registered in the UK, they do cover the UK and users need to be aware of them for searching purposes. Therefore, the scope of the tool should be clarified.

There was consensus that messaging on the IPO website about the limitations of the current search tool should be clarified and users should be navigated to other search tools that they will need to use to carry out a comprehensive investigation, for example the Hague Express database and OHIM's Design View.

Government Response:

We will not re-publish existing registers. However, we have listened to the responses and acknowledge that there is a need to make it easier for businesses to see all registered designs that have effect in the UK.

The UK has recently signed up to the DesignView database hosted by OHIM. This means that UK users are now able to access centralised data from all EU national offices, OHIM and WIPO to search for all registered designs that have protection in the UK. Access to this database should alleviate concerns around the scope of the search tools on the IPO's website and will allow business to use one tool to search for relevant designs, simplifying the procedure and saving them time and money.

Question 4:

A draft legal instrument has been provided. This captures the broad principles and is indicative of what is likely to be contained in a more final version, however, this instrument may be subject to change. Do you have any specific comments on the drafting that you would like us to take into account when compiling any subsequent version?

A number of respondents did not make any comments on the draft Statutory Instrument (SI). Some respondents did provide some drafting suggestions on the SI. One suggested that it would be preferable to amend directly the Registered Designs Act 1949, as this would result in a single consolidated instrument dealing with national registered designs and international registrations designating the UK, avoiding the need for practitioners to refer to multiple instruments going forward.

Government Response:

We have listened to the comments on amending the Registered Designs Act directly, but the SI would be a quicker and more efficient method to ensure implementation takes place as early as possible.

The approach we will take, in producing a Statutory Instrument (SI), will require the reader to consult the RDA and the Hague SI; this approach does have certain advantages. Firstly, the RDA was already amended in 2014; secondly our approach is consistent to the approach taken in relation to trade marks in respect of the Madrid Protocol; and thirdly, it does not clutter the RDA with detailed references to the Hague international system, which may not be of interest to most users of the domestic regime.

Conclusions and Next Steps:

All respondents expressed support for the UK joining the Hague Agreement and believed that the simplified process of obtaining rights in different countries, particularly non EU countries would be beneficial for users. Respondents agreed that accession would bring cost savings to UK designers and design-led businesses, particularly in light of the US and Japan having recently joined the Hague system.

Our aim is to provide UK businesses with efficient, competitive channels through which to protect their rights. In light of the positive feedback to the consultation we will now proceed with our accession plans with a view to joining the Agreement towards the end of 2016.

Annex A: List of Respondents

- Barbara Cookson
- Chartered Institute of Patent Attorneys
- Design Council
- Howard Almond
- Institute of Trademark Attorneys
- Marco Soldo
- Marks & Clerks LLP
- MARQUES
- Potter Clarkson LLP
- The Law Society

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