

Response ID ANON-6TNE-VM6Q-7

Submitted to Reviewing the designs framework: Call for views
Submitted on 2022-03-25 03:08:51

Introduction

1 What is your name?

Name:

[REDACTED]

2 What is your organisation?

Organisation:

International Trademark Association

3 What is your email address?

Email:

[REDACTED]

4 The Intellectual Property Office may wish to contact you to discuss your response. Would you be happy to be contacted to discuss your response?

Yes

Respondent information

5 If you are an individual, are you?

Other

If you have selected other please specify:

Not-for-profit Association

6 If you are responding on behalf of an organisation, are you?

Any other type of organisation

If you selected other please specify:

Not-for-profit Association

7 In which main industry do you or your business operate?

Other

If you selected other please specify:

All of the above

8 How many people does your business employ?

50-249

Registered designs - search and examination

9 Do you have views on whether the IPO should change examination practice for designs?

Please add your views here:

No specific recommendation is made by INTA regarding the selection of a deposit system as compared to a system of examination of designs for the purpose of registrability or a hybrid version of the two. All of these systems have been effectively used in countries throughout the world.

If the IPO conducts an absolute or relative grounds examination, a design applicant should be afforded the opportunity to respond, within a reasonable period of time, to any objection made. Specifically in relation to any possible ground for refusal based on technical function, it should be considered that the fact that a design includes one or more elements or features that serve a functional purpose should not be a bar to protection of the design unless the overall appearance of the design is solely dictated by its function. If the IPO conducts a relative grounds examination, the examination of the designs should include an analysis of actual conditions in which the public will encounter the designs rather than based solely on classification.

10 Do you think it would be useful to introduce any of the options outlined? (please select all that apply)

Bad faith and opposition periods, Other

Please provide more detail below:

Bad faith and opposition periods INTA considers that the ability to cancel designs on the basis that they were filed in bad faith would be a useful addition to the grounds of invalidity. If it were to be introduced, applicants could be required to certify that the design is new and has individual character. If opposition periods were to be introduced, INTA suggests publishing a periodic gazette of approved design applications. Other: Third party searching/Classification of designs In INTA's view, Industrial Property Offices should provide access to design rights for which publication is not deferred so applicants may search the records, on a free-of-charge basis. Furthermore, INTA strongly recommends that, in the interests of international harmonization, Industrial Property Offices use the Locarno Classification for the classification of goods. Currently, the UKIPO registered design application system does not require an applicant to indicate a classification of product on filing. The UKIPO website does not have a comprehensive search tool enabling third parties to search the UKIPO designs register, unless the design number or applicant is known. Classification-based searching is not possible. The UKIPO only directs users to the DesignView search tool for designs registered in the UK by WIPO/EUIPO. It would be preferred for the UKIPO to provide for more comprehensive and user-friendly searching of the UK design registry. Investment in AI tools freely available to users would be very welcome.

Simplifying the designs system

11 What form of designs protection works best for you at present?

Please add your views here:

INTA represents a large variety of members, across different sectors, with different design needs. Each of the current design options have advantages and disadvantages.

12 Do the different and overlapping ways of protecting the appearance of a product present any issues to creators and users of the system? If you think the system could be simplified, we would like your views on how to do this.

Please add your views here:

The protection of the appearance of a product in the UK is complex for two reasons. The first is the number of different overlapping designs rights which currently exist, and the second is the overlap between copyright and designs.

Designs

In the UK, there are currently 5 different designs regimes in place, as follows:

Registered UK designs

Re-registered Community designs

Continuing Community unregistered designs

UK unregistered design right

UK supplementary unregistered design right

This array of different types of protection increases the costs of clearing designs, as well as the costs of enforcing designs as each possible type of protection must be considered and the differences between them, particularly the scope of protection, term, and the applicable infringement test must be considered when choosing which right to rely on.

Some of this complexity will be removed through the passage of time, when all of the continuing Community registered designs expire, the last of which will expire on 31 December 2023, and then when all of the re-registered Community designs expire, the last of which will expire on 31 December 2045 (assuming they are renewed for the maximum 25-year period).

As Registered UK designs, Re-registered Community designs and Continuing Community unregistered designs are all harmonised (subject to the necessary differences between registered and unregistered rights), the real complexity is derived from the existence of two different UK national unregistered design rights.

INTA understands that the UK committed to introducing something akin to the UK Supplementary unregistered design right under the terms of the EU UK Trade and Cooperation Agreement. The agreement provides that each party must protect unregistered designs from unauthorised use by third parties where the use results from copying. 'Use' must cover offering for sale, putting on the market, importing or exporting the product.

The UK Supplementary unregistered design right was created by The Designs and International Trade Marks (Amendment etc.) (EU Exit) Regulations 2019 which modified the provisions of the Council Regulation (EC) 06/2002 of 12th December 2001 on Community Designs (the "Community Designs Regulation"). Accordingly, it largely mirrors the scope of protection of the Community unregistered design right and, in particular, has a term of 3 years and will only apply to designs which are first disclosed in the UK.

There are a number of differences between UK Supplementary unregistered design right and UK unregistered design right. INTA suggests considering whether it would be possible to merge the two different unregistered design rights, retaining the most advantageous features of each:

Term: UK Supplementary unregistered design right has a term of 3 years, whereas UK unregistered design right has a term of 15 years, with a 'licence of right' being available in the final 5 years. A term of 3 years is not always sufficient to enable action to be taken against infringers, as sometimes it takes more than three years for a product to become sufficiently commercially successful for it to attract imitators. Further, where the design that is copied is an iteration of any earlier design, it may be necessary to enforce the design rights in the first version of a design, which may have expired by the time the later iteration of a design is copied. Accordingly, it would be desirable for any unregistered design right to have a longer term of protection.

Scope of protection: UK Supplementary unregistered design right protects the overall appearance of a product whereas UK unregistered design right protects the shape of a product. Both types of protection can be extremely useful when it comes to enforcement, and so it would be desirable for both the overall appearance and the shape of a design to continue to be protected by unregistered design rights in the UK.

Infringement test: UK Supplementary unregistered design right is infringed by the unauthorised use of a design or a design which does not produce a different overall impression. UK unregistered design right is infringed by the making of an article exactly or substantially to the design for commercial purposes. Assessing whether an article has been made 'substantially to a design' is difficult as it is not clear what criteria should be used to assess whether something has been made substantially to a design. The test of 'overall impression' makes it clear that the focus is on the appearance of the design, which is preferable.

Qualification / first disclosure: It is the UK government's interpretation that UK Supplementary unregistered design right will only arise where the design is first disclosed in the UK. UKUDR will only arise if the design is a 'qualifying' design. The 'disclosure' requirement is discussed below. The qualification criteria for UKUDR are very complex, and require a detailed factual investigation into the circumstances of creation and first marketing which increases the costs and complexity of enforcing UKUDR. INTA questions whether the qualification criteria serve any useful purpose, when ultimately the goal should be providing a high-quality enforcement environment for any business with interests in the UK.

Copyright

INTA notes that in the UK there is currently considerable uncertainty regarding the scope of copyright protection for functional objects. Under English copyright law, a work must fall within the scope of one of a 'closed list' of categories of copyright work set out in legislation. If a work does not fall within any of those categories, under the traditional English approach, it will not be protected by copyright. However, there is case law of the Court of Justice of the EU (CJEU) which suggests that all original works should be protected, and that requiring works to fall within pre-determined categories is not correct.

This line of case law can be used by proprietors to argue that the traditional English definition of "sculpture" or "work of artistic craftsmanship" should be widened to cover a wider range of products, or possibly even that the 'closed list' approach should be abandoned in its entirety. There has been one case so far, decided before the end of the Brexit transition period, in which the English Courts used the case law of the CJEU to justify expanding the scope of the definition of "work of artistic craftsmanship" in order to find that a machine woven piece of fabric was protected.¹ The EU UK Trade and Cooperation Agreement provides that the UK must ensure that designs, including registered designs shall also be eligible for copyright protection. This may also encourage the opening up of the 'closed list' of categories of copyright work.

The effect of this case law is that it could significantly increase the number of functional objects which will be protected by copyright law. The term of copyright in the UK is the life of the author plus 70 years, which is considerably longer than the term of protection of any unregistered or registered design rights.

Currently, there are two provisions which address the overlap of copyright and design protection in English law. The first is section 51 of the Copyright, Designs and Patents Act 1988 which provides that a proprietor may not enforce the copyright in design documents and models recording or embodying a design, unless the relevant design is itself an artistic work. For section 51 to apply, the copyright work must be: (i) a design document or a model; and (ii) the design must not be for an artistic work.

As both works of sculpture and works of artistic craftsmanship fall within the definition of 'artistic work', if functional objects fall within these categories of copyright work, then section 51 will not apply and the proprietor will be able to enforce its copyright in the design drawings and models for the relevant design. The result will be that section 51 will apply in a diminishing number of cases. INTA wonders whether it remains fit for purpose.

The second provision is section 236 of the Copyright, Designs and Patents Act 1988. This provision states that where copyright subsists in a design, it is not an infringement of any UKUDR which may subsist in that design to do anything which would infringe the copyright that subsists in that design. Accordingly, where there is overlapping copyright and UKUDR in a design, a proprietor will only be able to take action for copyright infringement. INTA questions whether this position remains appropriate in the light of the potential expansion of the scope of copyright protection for functional objects which traditionally would have fallen within the scope of UKUDR rather than copyright. It may be appropriate to remove this provision to enable proprietors to choose whether to take action under copyright or UKUDR.

Finally, INTA believes that rights should be able to overlap: the bases, functions, purposes, and intents of these diverse intellectual property rights (including design rights, utility patents, copyright, and trademarks) are different and stand independent of one another. Therefore, in order to spur innovation and creativity, intellectual property rights owners should be free to pursue any and all available sources of protection, both limited-term protection in the form of designs, and unlimited-term protection in the form of trademark and other intellectual property rights.

13 Are there terms in the Registered Designs Act which would benefit from clarification or guidance e.g. "get up"?

Please add your views here:

INTA considers that there is no need to introduce a definition of “get-up” in design law. If a definition is required, it should include certain aspects usually covered under the concept of “trade dress”, such as the appearance of a product and its packaging, or the “look and feel” of a design concept. If the intention is to provide protection for a different concept, and notably designs of the interior/exterior of certain spaces such as shops, restaurants, etc, then we suggest a different term is added (preferably not having to be defined), whilst retaining the undefined term ‘get-up’.

We believe that it is a prerequisite to the drafting of a wording for a legal definition of “get-up” to first obtain sufficient clarity on the intended subject matter of protection.

14 Please share any issues you or your clients have experienced in relation to the changes to disclosure requirements for unregistered designs since the end of the transition period (31 December 2020).

Please add your views here:

Prior to the UK leaving the EU, the position under EU law was thought to be (based on a number of decisions of the German national courts) that a design had to be first disclosed in the EU in order to be protected by Community unregistered design right. However, the position had never been tested by the CJEU and many UK commentators thought that the location of first disclosure should not affect the availability of Community unregistered design right.

When the UK created Supplementary UK unregistered design right, having failed to agree with the EU to the reciprocal protection of Community unregistered designs and Supplementary UK unregistered designs, the UK provided that only designs which were first disclosed in the UK could be protected by Supplementary UK unregistered designs. This approach promotes a patch-work of design protection, and introduces a trap for the unwary – if a design is first disclosed in the EU, in order to obtain protection in the UK, a registered design would have to be filed within the first 12 months of the disclosure. The same applies in reverse where a design is first disclosed in the UK. The wording of the Trade and Cooperation Agreement does not help clarify this, since it requires the parties to provide for unregistered protection for a period of 3 years in their own jurisdiction – what happens if it had already been disclosed in the other beforehand? All of this gives rise to uncertainty for users, of both the UK and EU designs systems.

The system is currently complex. In INTA's view, removing the need for a design to be first disclosed in the UK to obtain Supplementary UK unregistered design protection would boost the protection available to designers who could then first disclose in the EU, or anywhere else in the world, and still obtain protection in the UK. Whether or not that would be beneficial to the UK economy by providing more rights which would be enforced in the UK courts or would in fact mean that UK designers would face greater threats from third parties with rights is unclear. INTA agrees that the impact of a change of policy would need to be assessed.

15 Would any of the options outlined, such as simultaneous disclosure, address this issue? Are there any other ways of addressing the lack of reciprocal recognition for unregistered designs in the UK and EU? If so, please provide details on how they may work in practice.

Please add your views here:

INTA agrees that simultaneous disclosure could offer a solution to the issue identified above that it is apparently not possible for a designer to obtain both Community unregistered design right protection and Supplementary UK unregistered design protection, and it would be useful if this were to be clarified in legislation as it would remove an element of uncertainty when it came to enforcing designs.

It is unclear whether permitting simultaneous disclosure would require some nexus with the UK, such as disclosure on a website or via a live stream which was specifically targeted at the UK, or if disclosure on a global platform which is merely accessible from the UK would be sufficient. This should also be clarified.

A question also arises as to how ‘simultaneous’ a ‘simultaneous disclosure’ would have to be, especially in the light of potential technical issues such as transmission delays etc. A possible solution could be to introduce a legal fiction which would deem a disclosure to be simultaneous if it were to be made within 24 hours or similar. However, the impact of any such legislative clarification on the grace period would have to be addressed.

As set out above, another solution would be to remove altogether the requirement for a design to be first disclosed in the UK in order to obtain Supplementary UK unregistered design protection.

Future technologies

16 How can the current system better meet the needs of a digital environment and future technologies?

Please add your views here:

INTA believes that UKIPO should ensure the registration system remains fit for purpose for receiving and registering digital designs of varying formats as technologies progress in the future. This includes ensuring the application system accepts representations of varying formats (discussed re: 3D digital/video files below).

INTA recognizes the commercial importance of graphical user interfaces (GUIs), icons, fonts and animations, as well as projected, holographic and/or virtual/augmented reality (PHVAR) designs, and accordingly recommends that these be capable of registration in and of themselves without requiring them to be placed on a physical article. Similarly, INTA recognizes the commercial importance of interior designs, whether real or virtual, and considers that they should also be capable of registration in and of themselves.

17 Are areas such as digital designs and 4D printed products adequately protected by the current system?

Please add your views here:

The current requirement to represent a design using a maximum of 12 views of a design (when filing digitally) does not adequately cater for designs with a complex shape or surface decoration, dynamic designs (i.e. designs which include an element of movement) or designs which have multiple positions such as open or closed. It should be possible to file as many representations as may reasonably be required to fully disclose the design.

INTA suggests broadening the scope of formats accepted by the UKIPO for representation of digital designs, and by reviewing and remaining flexible new/alternative representation formats to ensure the design registration system keeps pace with developments in digital design technology.

18 Do you think it would be useful to introduce any of the options outlined? These include extending supplementary unregistered design to cover computer generated designs, filing of digital representations and ceasing accepting physical specimens.

Please add your views here:

INTA welcomes the possibility of filing dynamic views (e.g. 3D digital representations and video files) as an optional representation tool. Search tools and databases should be updated accordingly to reflect these kinds of representations and make them searchable. INTA does not encourage the use of specimens.

19 What are your views on the protection of computer-generated designs?

Please add your views here:

INTA acknowledges that Section 2(4) Registered Designs Act 1949 and Section 214(2) Copyright, Designs and Patents Act 1988 specifically provide that the person who makes the arrangements for the creation of computer-generated designs shall be taken to be the author / designer and therefore the first owner of registered designs and UK unregistered designs, respectively.

In our view, the provisions which provide that the person who makes the arrangements for the creation of a computer-generated design will be the author/designer are sufficient to address the situation where AI is used to assist in the process of creating a design.

The existing provisions relating to computer-generated designs do not readily apply to designs that are created autonomously by AI, because there cannot be said to be any person who makes the preparation for their creation.

In INTA's view, the existing legislation should not be changed to allow AI systems to be recognised as the author of a registered design or designer of an unregistered design.

In INTA's view, only natural persons can be recognized as the author/designer of a design, and either natural or legal persons can be the owner of a design. As AI is neither a natural person nor possesses legal personality, it cannot be either the author/designer or the owner of a UK design.

AI (even AI which is capable of developing designs autonomously), does not do so due to the incentives on offer, nor does it have any intention or capability of exploiting those designs. Accordingly, whilst designs created autonomously by AI may make a material contribution to human knowledge, recognising AI as an author does not accord with the traditional justification for the grant of designs rights.

Better regulation

20 Should UK law have an express deferment provision and how long should it be?

Please add your views here:

In INTA's view, it should be possible to defer publication of a design application for a period not less than 12 months after the date of application. The permitted deferment period should be up to 30 months after the date of application. The existence of varying grace periods (or none) in different jurisdictions requires provisions allowing secrecy of a design, for at least 12 months (many jurisdictions already provide in excess of this). The applicant may be required to pay a fee for deferment of publication along with the application.

Deferment periods are useful to enable designers to obtain a filing date and thereby preserve the novelty of a design whilst giving the designer a period of time in which to further develop and refine the design. If necessary, such as where a design changes significantly during the development process, deferred designs can be allowed to lapse and further designs filed without destroying the novelty of those later filed designs.

The differences between the lengths of deferment periods in different territories introduces unnecessary complexity into design filing programs, as the order in which designs are filed will be crucial to when they are first disclosed and therefore novelty is destroyed. Ideally, the length of deferment periods would be harmonised.

21 What information, if any, should be published in relation to a deferred design?

Please add your views here:

N/A

22 Is there a need for specific provisions for prior use or to deal with co-pending applications?

Please add your views here:

N/A

Enforcement

23 What are your views on the effectiveness of the UK's enforcement framework?

Please add your views here:

INTA considers the UK's enforcement framework, as it applies to designs, to be very effective. The UK's enforcement framework consists of a number of different fora and bodies, including: (i) trading standards; (ii) PIPCU; (iii) Intellectual Property Enterprise Court (IPEC), which is specifically designed for use by small and medium sized enterprises; (iv) Shorter Trials Scheme of the High Court; and (v) the general list of the High Court. The number of options means that proprietors can pick and choose how they enforce their design rights according to the nature of the parties and the nature and scale of the infringement in question.

One anomaly is the fact that it is only possible to bring claims relating to unregistered designs before the small claims track of the IPEC; it is not possible to bring claims relating to registered designs. As both registered and unregistered designs are unexamined rights, and therefore the validity of both types of right is likely to be tested, it is not clear why this distinction has been drawn. This is one area which could be reconsidered by the UK government.

The Courts have given significant guidance encouraging parties to conduct cases concerning registered and unregistered designs in a streamlined and cost-efficient manner. In particular, the Courts have given guidance to the effect that it should be possible to decide registered design cases in a few hours, and that evidence from the designer about his or her subject intention is irrelevant, and evidence from experts is unlikely to be of assistance. Whilst it has not always been the case that trials have taken no more than a matter of hours, it certainly is possible as a recent trial in the IPEC concerning a claim for infringement of two registered designs was conducted in a little over an hour.

This guidance helps to ensure that even those design cases that take place in the High Court, which has the most onerous procedural rules of the options outlined above, are run in a relatively streamlined way, with limited disclosure and without the need for a large number of witnesses.

A full range of preliminary and final relief is available to the proprietors of designs who successfully bring infringement actions before the UK courts, including: injunctions, damages inquiries / accounts of profit, orders for delivery up / destruction, declarations of infringement, publication and dissemination of judgments, and recovery of legal costs.

24 How could it be improved to help small businesses and individual designers enforce their rights?

Please add your views here:

Among the ways to help small businesses and individuals enforce their rights, INTA favours Alternative Dispute Resolution (ADR) services, provided that the ADR service is not offered within IP Offices. ADR services should fall outside the scope of IP Offices. This is essential to ensure the full independence of the ADR Service.

We take the opportunity to provide the key success factors for mediation, according to INTA:

A Genuine Desire to Resolve the Conflict and thus full willingness to cooperate

Full Authority (i.e. the decision makers must attend the session)

Full independence of the Mediators

Creativity (for disputes may be resolved in ways that may not have been considered by the parties prior to the mediation).

Confidentiality (both regarding communications between the parties and communications to the mediator).

Knowledge (i.e. all parties in the mediation – mediator included – must have both an understanding of the facts of the case and of the governing laws).

Time and cost – mediation must be fast and flexible.

Any mediation service, like the one currently offered by UKIPO for the resolution of disputes, including questions of infringement, should be kept independent from UKIPO.

The UK could consider introducing an opinion service as the one under section 28A of the Registered Designs Act 1949. Section 28A provides for the UKIPO to provide an opinion service where it would give a non-binding opinion on questions of validity and/or infringement. The introduction of this service would assist parties to evaluate the strength of their claims or defences to enable the parties to settle the dispute without the need to incur the costs and time associated with contested legal proceedings. In INTA's view, if introduced, the opinion service should not be offered within UKIPO and it should be independent from UKIPO.

Finally, the small claims track of the IPEC offers a very low-cost way to enforce unregistered designs. See our comments above as regards whether claims relating to registered designs should also fall within the ambit of the small claims track.

25 What has been your experience of the introduction of criminal sanctions for registered designs?

Please add your views here:

INTA does not have sufficient information as to the impact of the introduction of criminal sanctions for registered designs to draw clear conclusions. The publication of data and tracking of design infringement activity over time would help assess the effectiveness of the sanctions. INTA does support criminal sanctions for counterfeiting cases.

26 What are your thoughts on extending criminal sanctions to unregistered designs and what economic evidence do you have to support your view?

Please add your views here:

N/A