



Reviewing the designs framework: Call for views Response from the Alliance for Intellectual Property

About the Alliance

The Alliance for Intellectual Property is a unique association of 19 organisations representing IP rich businesses and creators – sectors that continue to grow and outperform the wider economy. Our members include representatives of the audio visual, music, toy and games, business software, sports rights, branded manufactured goods, publishing, retailing, image, art and design sectors. They share a collective interest in ensuring that Intellectual Property (IP) rights are valued in the UK and around the world and that legislative regimes exist that enable the value and contribution of those rights to be fully realised.

Design

Design is vital to the UK economy and has a positive impact on our everyday lives from the alarm that wakes us up in the morning, the chair we sit on to have our morning coffee, the car or train we use to get to work, the offices or factories we work in, the TV set we watch in the evening and the lifesaving equipment that we employed to tackle the COVID-19 pandemic.

In 2018, the Design Council published a report that found the design economy contributed £85.2bn of value to the UK economy, employing 1.69m people in both design-intensive firms but importantly across every sector of the economy, with nearly one third of design roles being outside of the creative economy. However, recent data indicates that these figures have grown to £97.4bn, making up 66% of the Financial Services sector, and employing 1.97m in design and design skills. Design, clearly punches well above its weight. Many of those design jobs are based in small and micro companies, based in every region of the UK, with designers using their creativity to find new solutions to our everyday problems.

Tinkering with small inconsistencies might simplify the system but overall would not have the significant and positive impact on most designers that is needed. With the UK departure from the EU, there is a once in a generation opportunity to look at IP design rights from scratch and create a strong IP framework that grants effective, enforceable rights and provides rights holders with sufficient remedies against infringement.

Members: Anti-Copying in Design, Anti-Counterfeiting Group, Association of Authors' Agents, Arena Racing & Leisure Group, British Association of Picture Libraries and Agencies, British Association for Screen Entertainment, British Brands Group, British Toy and Hobby Association, BPI, Design and Artists Copyright Society, English Football League, Entertainment Retailers Association, Film Distributors Association, Genius Sports, Motion Picture Association, Premier League, Professional Publishers Association, Publishers Association, UK Interactive Entertainment

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Intellectual Property Rights

Despite the economic and societal benefits of design, the protection afforded to them through the intellectual property framework is less than those for other IP rights such as copyright, patents and trademarks. The IP system for designs is complex and difficult to navigate and even where rights exist, they are difficult and costly to enforce, particularly given the micro size scale of many design businesses. Furthermore, design right owners have been severely impacted following the UK's departure from the EU. A lack of reciprocity for unregistered designs in the EU and question marks over simultaneous publication of designs in the UK and EU has left many designers in limbo in relation to what rights they even hold.

The Alliance for Intellectual Property and many others in the design sector have raised these issues of complexity, lack of equivalence and costs of enforcement for many years and we are pleased that the Intellectual Property Office (IPO) has recognised that, ten years after the previous Calls for Views in 2012, reform of the design framework is timely.

1) Do you have views on whether the IPO should change examination practice for designs? Do you think it would be useful to introduce any of the options outlined? These include prior art searching, a two-tier system, use of AI tools, bad faith and opposition periods. Are there other options not outlined

If the aim of the call for views is to simplify the design framework then making the examination process more complex or time consuming would appear to run counter to that objective. Design as a creative process is very different to that of invention and patents. Given most designers rely on unregistered design rights, any greater process of examination would also seem to create a wider gulf between registered and unregistered designs which would be unhelpful for designers and lead to wider confusion.

2) 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.

Designers are rarely knowledgeable about how their designs might be protected until they are infringed and they then seek advice as to which IP right might have been infringed. It might be possible to look at functional versus aesthetic rights but clearly the most important challenge is increasing overall protection for design and therefore simplification should not, and cannot, lead to lower levels of protection.

3) Are there inconsistencies between the design rights that need to be addressed e.g. qualification requirements, spare parts exemption? Are there terms in the Registered Designs Act which would benefit from clarification or guidance e.g. "get up"?

There are clearly anomalies that exist within the framework, not least the protection offered against infringement of registered and unregistered design rights. In the case of packaging design, colour and shape play a significant role in creating a specific overall impression that helps shoppers identify and understand products at speed and inform their choices. For parasitic packaging, i.e. lookalikes, the copying of these identifiers is prevalent and all too often cases go unchallenged due to the

ineffectiveness of available remedies. The UK's current tools must be strengthened in this area, for the benefit of shoppers and brand-led innovating companies of all sizes throughout the country.

The Alliance would support a definition for “get-up” that reflects the challenges of tackling misleadingly similar packaging, noting that the issue concerns packaging that ‘brings to mind’ the appearance of another product, even though different brand names may be used.

4) 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).

5) 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.

Designers have faced uncertainty as to the protection offered in the EU since the end of the transition period. Until the UK and EU clarify the interpretation of the UK/EU Trade and Co-operation agreement with regards to simultaneous disclosure then that uncertainty will continue, or until the relevant legal authorities make a precedent decision. We would urge the UK Government and EU to make this clarification a priority in its discussions.

6) How can the current system better meet the needs of a digital environment and future technologies? Are areas such as digital designs and 4D printed products adequately protected by the current system?

The current law is inadequate generally without considering the impact of new technologies. If there is little deterrent against the 3D copying of designs then there will be the same lack of protection against 4D printed products. Rather than look at individual technologies, the priority should be making the system fit for purpose for today and then looking at whether that new and improved framework offers protection against potential future technologies.

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

8) What information, if any, should be published in relation to a deferred design? Is there a need for specific provisions for prior use or to deal with co-pending applications?

The UK should have an express deferment provision. For very practical reasons, designers will often have a reason for not publishing their design, for example awaiting a major trade event or because the design is part of a wider portfolio that takes time to prepare. The Alliance is very keen to ensure the UK is a leader in supporting international norms in relation to the global framework and therefore we would support aligning with the 30 months within the Hague Agreement.

9) What are your views on the effectiveness of the UK's enforcement framework? How could it be improved to help small businesses and individual designers enforce their rights?

The current UK enforcement framework for designers is complex and difficult to access and when rights are enforced it is expensive. We would argue that reform of the framework would offer greater clarification for users and enforcement would be required less as there would be greater deterrent against infringement. A lack of consistency across design rights enables exploitation of the system by those deliberately copying designs for their own economic benefit, knowing that many designers will not have the financial resources to challenge that copying. There also remain inconsistencies in the legal process. For example, we have mentioned on multiple occasions the anomaly that holders of

registered design rights cannot take cases through the IPEC Small Claims Track, leading to a disincentive to register designs.

10) What has been your experience of the introduction of criminal revision for registered designs? What are your thoughts on extending criminal sanctions to unregistered designs and what economic evidence do you have to support your view?

Designers, designer makers, artists, and brand-builders play an integral role to the UK's economy, innovation, output and trade, across regions and all sizes of organisation. The Design Economy currently supports 1.97 million jobs according to latest 2021 figures from the Design Council and the burden of protecting IP rights frequently falls on lone, micro, SME and freelance designers/artists. The enforcement mechanisms currently available are often difficult and protracted, as well as cost prohibitive for most. Any additional protection that can be granted is therefore helpful to the position of those right holders affected. The Alliance considers that effective, enforceable rights and providing right holders with sufficient remedies against infringement are a crucial tenet of a strong IP framework.

