

Response ID ANON-6TNE-VMCF-9

Submitted to Reviewing the designs framework: Call for views
Submitted on 2022-03-25 17:07:48

Introduction

1 What is your name?

Name:

[REDACTED]

2 What is your organisation?

Organisation:
British Brands Group

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?

Not Answered

If you have selected other please specify:

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

An industry body

If you selected other please specify:

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

Not Answered

If you selected other please specify:
Fast Moving Consumer Goods

8 How many people does your business employ?

0-1

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:

The question on whether to reintroduce novelty searching and examination on novelty and individual character comes down to the pros and cons of a strong examined right as against the speed and cost of registration. On balance, we come down in favour of fast, cost effective registration.

The ability to search registered designs on design databases and the internet, facilitated by AI, would be an advantage, particularly when deployed as an initial filter.

We would support the introduction of a pre-application AI tool.

Concern over a 2-tier registration system is based on it being a potential impediment to quick action, including holding up the injunction process where an injunction is sought on an urgent basis.

In relation to a bad faith provision, this would be useful although it would need to be coupled with guidance on what might constitute bad faith (for example, if the application involves an element of dishonesty or falls below the standards of accepted commercial behaviour or if there is no commercial justification for the application, and the extent to which the applicant's intention is relevant).

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

Use of AI tools, Bad faith and opposition periods

Please provide more detail below:

Simplifying the designs system

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

Please add your views here:

Our members use the available range of design protection and they have not highlighted the form of designs protection that works best.

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:

Our members have not identified any fundamental difficulties with the current system though unquestionably the system could be simplified to provide the same level of protection but with fewer rights. In that respect, we take the view that the present regime would be simplified by conflating the existing two unregistered design rights into one unregistered design right. Certain differences between the existing two unregistered rights would need to be reconciled, such as the duration of protection (we would propose a 10-year protection period). Having a single unregistered design right would, we believe, be easier to understand which in turn would encourage use of and reliance on the 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:

Designs, particularly packaging designs, provide a significant mechanism for shoppers to recognise products at speed, helping them make fast, accurate purchasing decisions using both conscious and subconscious mental processes. Colour and shape and the overall look and feel play a significant role, forming the heuristics that shoppers use in making their choices. Creating these heuristics requires marketing investment over time by the producer.

In the case of parasitic packaging (aka lookalikes), the heuristics can be hijacked by competitors, distorting shopper decision-making such that they buy the wrong product, make incorrect assumptions about the product and/or can end up paying more than they need. The UK has woefully inadequate tools to address the problem such that in many cases it goes unchallenged. For some competitors, it has allowed the practice to become a sustained business strategy.

Design rights form part of the protection mechanism against parasitic packaging but, as for other IP-based remedies, they have their shortcomings....

- showing that a design does not produce 'a different overall impression' arguably sets a higher bar for proof than 'a similar impression' or a 'bringing to mind';

- Courts focus on the 'informed user', not the person shopping at speed in a supermarket using fast-thinking, heuristics and conscious and subconscious processes on whom parasitic copies prey. The notional informed user is taken to have conducted a side-by-side comparison of the designs in question, which does not necessarily reflect real-life situations or how consumers are presented with choices;

- elements of get up may individually fail the 'new' and 'individual character' requirement needed for registration. If that novelty and individual character only lies in the specific combination, the scope of protection may be narrow. Also, as packaging designs evolve to keep them relevant and contemporary, protection may well not be afforded future packaging iterations which would no longer be novel, though they will trigger the same heuristic effects for the shopper.

While not a full solution, protection against misleadingly similar packaging designs would be strengthened were the reference to "get-up" (in s1(3) RDA 1949) properly defined to help inhibit such deception. Any new definition for "get-up" should be drafted with the challenges right holders face with parasitic packaging firmly in mind, noting that the central issue is packaging which 'brings to mind' the appearance of another product, even if different product names are used.

We urge the IPO to take this and additional steps to ensure that shoppers are not duped and misled into believing products have tangible and/or intangible values that they do not have and to prevent their buying decisions being distorted.

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:

We have not heard concerns from members in relation to the changes to disclosure requirements and in many respects these remain early days. It is an area in which we continue to be alert.

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:

N/A

Future technologies

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

Please add your views here:

Members have not alerted us to situations in the digital environment or in relation to future technologies where the current system is not working.

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

Please add your views here:

Today, the answer is 'yes'. The current system does seem to offer adequate protection, though we support ongoing monitoring to ensure this remains the case.

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:

We have not received input or views on these options.

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

Please add your views here:

Our members have not expressed views on this.

Better regulation

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

Please add your views here:

In light of the time it takes to bring new products to market, along with the significant investment and risk involved, a deferment provision is important. We believe a period of 6-12 months to be practical in the majority of circumstances, though would support aligning the period with the patents regime at 18 months. The 30-month period of the Hague Design System strikes us as unnecessarily long.

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

Please add your views here:

We would have no objection were basic information to be made available at filing for a deferred design. Such information should not reveal the design itself but might include the name and contact details of the applicant, the category in which the concealed design would fall and whether it is a 'priority' application.

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

Please add your views here:

Our members have not expressed a view on this.

Enforcement

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

Please add your views here:

The work of the Intellectual Property Enterprise Court has improved the effectiveness of the UK's enforcement framework which overall provides a balance between fairness, cost and timescales. If we have any concerns, it is for defendants faced with weak claims that they are compelled to defend, at

significant cost, without the prospect of recovering all of those costs in the event that they successfully defend the claims. This problem is particularly acute for smaller companies.

Under the current system, it is quite possible for a defendant to defend its case successfully and yet still be out of pocket. This strikes us as unjust. There is a case for allowing 100% of a defendant's costs to be recoverable.

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

Please add your views here:

Our concerns are more on the costs of defending rights against weak claims, rather than enforcement.

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

Please add your views here:

There is no experience that we have to share.

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:

Because of the uncertainties over the precise design protected by unregistered designs (a defendant will not know the design for which unregistered design right protection is claimed until the claimant actually articulates that when a claim is made), criminal sanctions are inherently problematic and potentially disproportionate.

Branded suppliers typically rely on a range of rights to protect their key marketing and other properties, including trade mark and copyright protection, such that the addition of criminal sanctions for unregistered designs is expected to bring no additional benefit. For example, we are aware of very few criminal prosecutions having been brought for registered design infringement and so there seems little reason for extending criminal sanctions to unregistered design rights, particularly given the inherent uncertainties associated with those rights.