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AIPPI UK: Call for views on Designs

Thank you for allowing us some extra time to submit a response to your Call for Views on Designs.

We are the UK National Group of AIPPI. AIPPI is a non-profit organisation which unites practitioners, academics and owners of intellectual property. More information and a list of UK Council members can be found at <https://www.aippi.org.uk/about>. AIPPI is the leading non-government organisation for research into, and formulation of policy for, the law relating to the protection of intellectual property, including designs.

Our membership includes patent and trade mark attorneys, solicitors and barristers, both working in private practice and in house, and academics. AIPPI UK represents a broad cross-section of the IP profession and industry. As a matter of principle, AIPPI UK cannot take sides in contentious areas.

This letter reflects the views and experience of AIPPI UK's members of Council, and not necessarily those of our employers, or law firms or the clients that we represent.

Introductory remarks: the omission of copyright from this Call for Views

The questions in this **Call for Views on Designs** focus on four different types of overlapping design protection in the UK:

- (1) **registered designs**,
- (2) **supplementary unregistered design (SUD)**,
- (3) **continuing unregistered design (CUD)**, and
- (4) **UK unregistered design right (UKUDR)**.

It mentions **Copyright** merely in passing, by flagging for example that the extent to which copyright protects designs is not completely clear and that where copyright applies to a design it will be protected for the life of its author plus 70 years, which is a long time. However, the Call for Views does not grapple with the policy issue which is at the heart of any overlap between different types of designs law protection on the one hand and the law of copyright on the other. In AIPPI UK's view,

whilst the questions asked in this Call for Views on Designs may elicit some useful comments regarding some points of detail regarding some specifics of designs law, the trickier question of in what circumstances copyright in a three dimensional design should be enforceable deserves a consultation of its own. We consider such a consultation, focussing on the overlap between copyright and designs, is properly within the remit of designs policy.

The UK Government's 1988 solution to this copyright conundrum – section numbers are references to the CDPA unless otherwise stated

There is no doubt that design drawings are protected as artistic works under the CDPA and therefore enjoy copyright protection for life of the author plus 70 years, and the legislation is clear that the making of a copy in three dimensions of a two dimensional work (and vice versa) shall amount to copyright infringement (section 17), unless section 51 is engaged, without which copyright in designs for articles of all types, including those which are functional and liable to be mass produced, could prevent third parties from copying those designs for the life of the author plus 70 years.

At the time of the CDPA the UK Government made a policy decision that the enforceability of copyright in 'functional' designs for life plus 70 years was undesirable, and:-

- introduced section 51 (regarding design documents and models) so as to prevent the enforceability of such copyright against any three dimensional copy of a design for anything other than an artistic work or typeface, and
- retained section 52 (limiting the duration of enforceable protection to 25 years in the case of artistic works which had been exploited by making copies by an industrial process and marketing those articles) (since repealed).
- By the same legislation, the UK Government created a completely new right, UKUDR, to protect three dimensional designs, with a considerably shorter duration (typically just ten years from the end of the calendar year in which the design is first made available for sale or hire).
- To sidestep the limiting effect of section 51, a copyright owner needs to establish that the design is **for** something which is itself an artistic work or a typeface in its own right, hence the various attempts over the years for designers to squeeze their particular products into the definition of one of a "*work of artistic craftsmanship*", a "*sculpture*" or an "*etching*" (for example, the Lucasfilm Stormtrooper helmet itself).
- Meanwhile section 236 states that "*where copyright subsists in a work which consists of or includes a design [covered by UKUDR] it is not an infringement of [UKUDR] to do anything which is an infringement of the copyright in that work*". Whilst trickily worded, this appears to mean that where there is enforceable copyright in a design which is also protected by UKUDR, the copyright claim prevails.
- At the same time as these legislation changes, the duration of registered designs was extended (to up to 25 years), and at that stage to be 'registrable' a design still required "*eye appeal*".

Accordingly, at that stage, whilst certainly far from perfect, the UK appeared to have a package of design protection which at least made sense (whether the UK Government got the balance right in 1988 is a different point; arguably it went too far):

- copyright was enforceable in designs for works of artistic craftsmanship and sculptures for life of the author plus 70 years, unless the copyright had been exploited in a manner falling with section 52 (which limited the enforceability of that copyright to 25 years);

- a design with 'eye appeal' could be registered and protected for up to 25 years;
- and more functional designs which were not registrable (e.g.: lacking 'eye appeal') could be protected by UKUDR for (typically) ~ten years, with licenses of right available in the last five years of protection.

This 'package' of legislative reforms sought to implement a deliberate policy decision by the UK Government at that time to recalibrate the protection available to designs used to create functional and mass-produced products.

Subsequent changes to UK law, as a result of EU law:

- UK registered designs law was harmonised in 2001. Amongst the changes was the removal of any requirement for "eye appeal" for registrability.
- The Community Designs Regulation 6/2002 introduced the Community Unregistered Design. The UK was relatively unusual at the time in already having an unregistered design right, most EU countries relying on copyright instead (in a manner the UK had already deliberately moved away from), and UKUDR survived without any harmonisation, co-existing with Community Unregistered Design.
- Section 52 was repealed (as a result of the Government's interpretation of the CJEU decision in *Flos*).

The pressures to increase copyright protection for non-artistic/functional and mass-produced articles:

EU law and EU case law recognises a need for balance. Recital 32 of the Designs Regulation, 6/2002, recognised in the CJEU decision in *Cofemel*, states:

'In the absence of the complete harmonisation of copyright law, it is important to establish the principle of cumulation of protection under the Community design and under copyright law, whilst leaving Member States free to establish the extent of copyright protection and the conditions under which such protection is conferred.'

Article 96(2) of the Community Designs Regulation 6/2002 (also quoted in *Cofemel*), headed 'Relationship to other forms of protection under national law', provides:

'A design protected by a Community design shall also be eligible for protection under the law of copyright of Member States as from the date on which the design was created or fixed in any form. The extent to which, and the conditions under which, such a protection is conferred, including the level of originality required, shall be determined by each Member State.'

Given the combination of the CDPA's 'closed list' of copyright works (section 4), the operation of section 51, the restrictive qualification requirements for UKUDR, and the shorter (relative to copyright) duration of UKUDR (where it subsists), the exceptionally short (3 year) period of protection for CUDs/SUDs, in the wake of the CJEU decisions in *Cofemel* and *Brompton* (which represent retained EU law) there is real pressure from designers of three dimensional articles to stretch the definition of works of artistic craftsmanship and or sculpture so as to give to three dimensional designs unfettered copyright protection for life plus 70 years, particularly for designs for products which are mass produced, but ranging from the largely functional on the one hand, the largely aesthetic on the other, and anything and everything in between. Since *Cofemel* we believe there has been (and will continue to be) a significant increase in cases in the English courts relying on *Cofemel* to expand the scope of copyright protection. Save for one decided case, *Response Clothing v The Edinburgh Woollen Mill* [2020] EWHC 148 (IPEC), none have yet reached trial, but other cases are in the pipeline. In our experience, many of these cases are settling. As such, *Cofemel* is already having a significant impact in the marketplace, albeit one that would not be evident from public judgments.

The following are examples where copyright is claimed in a product (rather than the design for it) (and any design right there may have been has already lapsed):

- (1) Claim no. IP-2022-000001, in respect of the 'Water Rower'. An image of the product in which copyright is claimed can be found here: <https://www.waterrower.co.uk/waterrower-oak>; and
- (2) Claim no. IP-2021-000057, in respect of the Chambord coffee press. An image of the product in which copyright is claimed can be found here: <https://www.bodum.com/gb/en/1923-16-chambord>

In both of these examples (which are not unique) the claim being made is that these products are protected by copyright either as a work (ignoring the 'closed list' categories of copyright work in section 4) or as 'works of artistic craftsmanship'. Please note, AIPPI UK does not express any opinion on whether these particular products should or should not be protectable by copyright.

AIPPI UK is concerned that the Government should consult specifically on copyright, its section 4 closed list, on artistic works (works of artistic craftsmanship and sculpture), and on section 51 and possible alternative schemes. It may wish to do so before making any substantive changes to designs law. The Government needs to make a policy decision as to what copyright protection it wants to give, or not give, to different types of product, including both aesthetic and functional, and mass-produced.

Reversion to the 1988 scheme is not necessarily the answer, as arguably the 1988 scheme went too far. For example, the number of cases in which a three dimensional work has historically been held to be a 'work of artistic craftsmanship' or a 'sculpture' since section 51 was introduced can probably be counted almost on the fingers of one hand (subject to the outcome of any cases going through the courts at the moment), and yet the type of copyright work being litigated pre-1988 which had caused the Government to recalibrate this area of copyright law concerned 'industrial copyright' – specifically the enforcing of artistic copyright in design drawings for car spare parts, such as exhaust pipes. That problem could arguably have been solved by implementing some exceptions to the enforceability of copyright in the case of spare parts. Exhaust pipes on the one hand, and works of artistic craftsmanship/sculptures on the other, are very much at the extremes, and there are many products somewhere between the two, some very functional, some very artistic, and many very much involving both functional and aesthetic considerations.

Modifying designs law without grappling head on with its overlap with copyright so far as the design of three dimensional articles is concerned risks perpetuating the current muddle, and AIPPI UK considers that the tricky question of in what circumstances copyright in a design for a three dimensional product should be enforceable deserves a consultation of its own. We consider such a consultation, focussing on the overlap between copyright and designs, is properly within the remit of designs policy.

The questions

- 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?**

Design registrations are easy to obtain but whether those registrations are valid is a very different question.

We support the introduction of better search tools, and would welcome the use of robust AI systems to assist.

However, there is no easy way of searching for registered designs. That has two consequences. Those wishing to apply for new designs who choose to search, and those wishing to avoid infringement, cannot be sure they have found all the relevant registrations. And those wishing to test the validity of a design cannot easily find all relevant disclosures. Most importantly, many relevant disclosures are unregistered and not readily found.

However, we question the value of obligatory pre-registration examination novelty searches. That would add delay, without necessarily increasing certainty. For example, such a search would not find a novelty destroying unregistered design. Moreover, a design is rarely invalidated for not being new, and validity is more likely to turn on individual character, judged through the eyes of a notional informed user. Whilst the current arrangement (registration without examination) no doubt results in the registration of many designs which are of suspect validity, a party seeking to invalidate a registration (whether in invalidity proceedings or by way of counterclaim to an infringement action) – who has a vested interest in invalidating the registration – can usually be relied upon to find the closest and most relevant prior designs. So we do not favour introducing a pre-registration search phase, or an opposition period, either of which would add delay without reducing uncertainty. A third party interested in invalidating a design may bring an action in the courts or the UKIPO to do so.

However, there is an inherent difficulty with the existing registered designs scheme which purports to protect designs *per se*, as a registration confers on its owner the exclusive right to “use” the “design”, rather than the product to which the design has been applied. The scope of protection of a registered design is supposed to be determined by the representations included in the registration unless in the case of a UK national design a limitation/disclaimer has been included, in which case that can be taken into account; but otherwise the scope of protection is supposed to be determined only by the images in the design. The UK register also now includes thousands of Community designs none of which will include any words of limitation/disclaimer at all, as doing so is not possible under the EUIPO application process. Whilst in both the UK and EU systems a description is possible, it does not have any impact on the scope of protection of the design (and is not publicly available information in any event).

In practice, the representations (and any limitation/disclaimer) may not be sufficient, and it is often necessary to look at other clues in a registration in order to work out what the design is for, such as the indication of product type, and who the owner is or the name of the designer (and of course in the event of an invalidity action or infringement action, the names of the parties and the knowledge of what product any alleged infringement is, will also be information available to the Tribunal). If a protected design is to be ‘independent’ from the product type to which it has been or is intended to be applied, then the question of whether (for example) any features are dictated solely by technical function cannot be resolved. To consider individual character it is necessary to consider the nature of the product to which the design is applied or in which it is incorporated, identify the industrial sector to which the design belongs, and the degree of freedom of the designer developing the design, so that the design and any prior designs can be viewed through the eyes of an informed user of the design. In practical terms, that means identifying the product. In a recent decision of the EU General court (T-209/18 *Porsche*) , the General Court appeared to take into account the Locarno classification of the design in considering the validity of the registration (whilst apparently purporting not to do so). The informed user is equally important in the assessment of infringement.

AIPPI UK looked at this problem in 2016 in the context of an AIPPI study question (Requirements for the Protection of Designs). Whilst the AIPPI UK study question working group acknowledged

that these problems could be solved by having an examined application system, the AIPPI UK working group considered that the speed and low cost of an unexamined streamlined application system was very valuable and so AIPPI UK did not consider that switching to an examined system was appropriate. That remains AIPPI UK's view.

However, AIPPI UK did consider that it may be appropriate for an applicant to be given the opportunity (as an option, not a requirement) to include in its application a description which forms part of the registered design, as originally envisaged (although not implemented). (At the time of the Green Paper for the Designs Regulation, it was acknowledged that *"sometimes there might be a need to explain the features which constitute the design and which might not easily be perceived simply by looking at the reproduction. This should be made possible by joining a description to the application"*).

Giving the applicant the option to include a description which is taken into account when considering the scope of protection could assist with interpreting the images in the registration, and clarify the comparison that needs to be made with prior designs when assessing validity.

AIPPI UK is also of the view that the very short character limit for the wording of any limitation/disclaimer is inadequate.

AIPPI UK's 2016 study question working group also considered that an applicant could be given the option (again, as an option, not necessarily a requirement), perhaps by way of a simple 'tick box' on the application form, to limit the scope of protection of the design to the product indication included in the application. The 'novelty' and 'individual character' requirements for registration would then be adjusted to reflect the relevant product indication claimed. This would also help when identifying any feature solely dictated by technical function, because the product, and therefore its function, would be known. This would be easy to implement administratively - the application form could include a simple tick box to indicate that the scope of protection is to be defined by the design representations alone, or to indicate that the design be interpreted by reference to a combination of the design representations and any limitation/disclaimer, and/or any description, and/or the product indication.

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.

The overlap with copyright is covered above. AIPPI UK is concerned that the Government should consult specifically on copyright, its closed list (section 4), artistic works (works of artistic craftsmanship and sculpture), on section 51 and alternatives. It may wish to do so before making any substantive changes to designs law. The Government needs to make a policy decision as to what copyright protection it wants to give, or not give, to different types of products, including both aesthetic and functional, and mass-produced. Modifying designs law without grappling head on with its overlap with copyright so far as the design of three dimensional product is concerned risks perpetuating the current muddle, and AIPPI UK considers that the tricky question of in what circumstances copyright in a design for a three dimensional product should be enforceable deserves a consultation of its own. We consider such a consultation, focussing on the overlap between copyright and designs, is properly within the remit of designs policy.

In the case of unregistered rights, AIPPI UK understands that by the Future Trade and Cooperation Agreement the UK is obliged to provide designs protection in line with that of Community unregistered design, and to provide some degree of cumulative copyright protection.

This leaves UKUDR. However, UKUDR is often the most useful and flexible of the various unregistered rights available to a designer who failed to apply for an appropriate registration. Whilst the overlapping unregistered design rights can be complex for the uninitiated to understand, they provide a flexible patchwork of protection which proves useful in practice.

Whilst in an ideal world it might appear simpler if there was just one form of unregistered design right, we are concerned to ensure that any such amalgamation step manages to harness the best of the existing forms of unregistered design protection currently in place. Of particular note:

- Duration:

In our experience community unregistered design (and thereby SUD) is too short for almost all types of design, with the potential exception of novelty toys and fashion (and even in the case of fashion, protection for only three years from first making available to the public is a very short period, especially considering the timescale when copies are likely to appear on the market and how long infringement litigation is likely to take – by the time of trial (and any appeal) the injunction is no longer available).

The duration of UKUDR (typically ten years from the end of the calendar year in which articles made to the design are first made available for sale or hire) is more appropriate.

- Qualification:

In our experience, the qualification requirements for UKUDR are fiendishly complicated and unnecessarily restrictive.

Under copyright law, by virtue of various international treaties, copyright works created by most non-UK authors will still enjoy UK copyright. But this is not the case with UKUDR. There is a protectionist flavour to these qualification provisions, which seem inconsistent with the spirit of the modern trend towards international harmonisation, and inconsistent with the UK Government's wish, post-Brexit, to have a *"more open and outward looking [UK] than ever before"*. The Introduction to the Intellectual Property Act 2014, which made some changes to designs law, states that *"it is important that there is some control over who is able to claim unregistered design right; if there is not, designers in countries around the world would gain this protection for their original designs with no reciprocal protection for UK designers"*. In the case of the new SUD which has been created post Brexit to mirror the Community unregistered design right, it is clear that the intention was for this new right to only subsist when a design has been first made available to the public in the UK. (Whether the SUD is in fact limited in the way the UKIPO guidance suggests, to designs first made available to the public in the UK, is not clear - the provision which the German courts have relied on to justify Community unregistered design only subsisting when a design is first made available to the public within the territory of the EU has not been carried across in the legislation by which the new SUD has been created). Whilst the Government may choose to change that, we are not immediately convinced there is a need for there to be (quoting the Introduction to the 2014 Act) *"some control"* over who benefits from UKUDR protection in the absence of reciprocity. Nor are we immediately sure why limiting SUD protection to designs first disclosed in the UK benefits the UK economy.

If the UK Government wants innovative designs, no matter where developed, to be available to UK consumers, and wants their non-UK creators to do business in the UK, then any concern there may be over the lack of reciprocity for like designs elsewhere should perhaps be outweighed by the attractive force of innovators knowing they can protect their designs in the UK.

However, in the event the Government chooses to keep the existing qualification provisions for UKUDR, the ‘commissioning’ provision which was removed by the IP Act 2014 should be reintroduced. This is because the commissioning provision reflects reality – an individual or company which has commissioned a design expects to own it, but the provision does not only go to ownership, but also to whether UKUDR subsists at all. If UKUDR does not subsist, no assignment can cure that – there is nothing to assign.

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”?

We have addressed the UKUDR qualification requirements above.

We agree that a spare parts/repair clause should be included in both the registered and the unregistered design rights legislation. The must match provisions would then probably be redundant.

We do not consider the term “get up” to be problematic.

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). Would any of the options outlined, such as simultaneous disclosure, address the 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.

The explanation in the Call for Views and the question presuppose that if first disclosure occurs outside the UK the consequence is that SUD can never subsist; whilst that may have been the Government’s intention in the case of SUD, as explained above the legislation is not clear. It also presupposes that if first disclosure occurs outside the territory of the EU the consequence is that Community unregistered design can never subsist; whilst that may ultimately be the route the EU chooses, in the absence of EU legislative change making that clear, the point has never been decided by the CJEU.

As covered above, a more international, outward approach would give rights to designs first disclosed abroad, if disclosed in such a way that, in the normal course of business, these events could reasonably have become known to the circles specialised in the sector concerned, operating in the UK. That could stimulate investment in the UK and the need for simultaneous disclosure would be redundant.

However, if first disclosure in the UK were considered a necessary condition, it could be achieved by a simultaneous disclosure provision in mirror terms to those in section 155 of the CDPA, i.e.: disclosure in the UK within 30 days of disclosure elsewhere.

5. 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 definitions of “design” and “product” are probably sufficiently broad and flexible to cover the types of future developments flagged in the Call for Views.

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

AIPPI UK considers the UKIPO should cease accepting physical specimens. They cannot be searched.

AIPPI UK considers applicants should be able to submit digital files enabling designs to be seen in virtual 3D and dynamically.

As stated in our response to the *UK Government Open Consultation – Artificial Intelligence and Intellectual Property*, 13 November 2020, we do not consider that an AI system should be recognised as the author of a registered design or designer of an unregistered design.

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

Yes, the UK should have an express deferment provision.

As indicated in the Call for Views, a deferment period of 18 months would align the position with the UK patent position.

However, the Hague system and the Community design system allow for deferment for up to 30 months. It would presumably be more logical to harmonise the period with the Hague and EUIPO (rather than the UK patent position), so that rights holders are not juggling different deferment periods for their designs.

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?

It would be preferable to publish something. In the Community design system it is possible to see that a design has been applied for, and who has made that application (similar to the UK patent position).

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?

AIPPI UK is concerned by the proposal to include design matters in the IPEC small claims track. An infringement action will often involve a counterclaim for invalidity but without it there is a presumption of validity. Given registered designs are unexamined monopoly rights, many are likely invalid, and designs law remains relatively complex, AIPPI UK is concerned whether justice can be done in a designs claim in the Small Claims track. It is possible an alleged infringer cannot properly defend itself without incurring legal costs it cannot recover.

The IPEC is able to express a preliminary and non-binding opinion on the merits of any case, although typically will only do so with all parties' consent. It is possible that parties could be assisted by such early neutral evaluation by the court more frequently if this could be requested by just one party, or undertaken by the court at its own volition, rather than needing the consent of both.

10. What has been your experience of the introduction of criminal revision [sic] [provision] 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?

Registered designs are unexamined monopoly rights, which are difficult to search. AIPPI UK did not support the introduction of criminal sanctions for registered designs, and the writers are not aware of the provisions being used in practice. In our view, criminal sanctions are unsuitable for design infringement.

AIPPI UK strongly opposes extending criminal sanctions to unregistered designs. Whilst unregistered designs are only infringed by copying, they are never defined until they are enforced and the law is complex. They are a wholly inappropriate candidate for criminal sanctions.

Yours sincerely,

