

UK Government Issues Consultation on Design Law Reform

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Attorney Articles

The Intellectual Property Office has published a consultation paper putting forward proposals for an important set of reforms in the laws governing design rights in the UK. The consultation will close on 2 October 2012. Until then, any interested parties can make submissions in response to the consultation paper.

The main objectives of the proposed reforms are:

- to bring the laws in the UK to closer harmony with the laws governing designs throughout the European Union ("EU")
- to simplify design law in the UK
- to update the law and address some weaknesses in the current system of design law

The complex system of design protection in the UK

The laws protecting designs in the UK are unusually complex. Putting aside the Common Law action of passing off, copyright in artistic work and the laws of patents and trade marks (which are often relevant to the protection of designs), even where it comes to protecting designs as such, there are four different design rights effective and enforceable in the UK:

- the UK Registered Design (under the Registered Design Act 1949 ("RDA"))
- The unregistered "design right" under Part III (sections 213-264) of the Copyright, Designs and Patents Act 1988 ("CDPA")
- the Registered Community Design (under Council Regulation 6/2002/EC on the Community design ("CDR")), and
- the Unregistered Community Design, also established under the CDR.

The former two forms of protection are UK specific rights. The latter two are EU-wide rights (the Registered Community Design being registered with OHIM, the Community trade marks and design registry in Alicante, Spain).

The UK Registered Design system today largely mirrors the Community Registered Design system, and the UK legislation (the RDA) tracks much of the language of the Community design legislation (the CDR).

By contrast, the UK design right governed by the CDPA is a wholly original and independent legal system for design protection based on different definitions and different rules than those governing the Community design regime. Importantly,

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while Unregistered Community Designs (under the CDR) are only enforceable for a limited period of 3 years, therefore having a limited commercial significance, the UK design right under the CDPA lasts for a period of 15 years from the date of creation or 10 years from the first date of commercialisation of articles made to the design (whichever is the shorter).

Accordingly, whilst the longest forms of design protection are available by registration (both UK and Community Registered Designs being extendable up to a term of 25 years), the fairly long period of protection afforded without registration by the UK design right makes it a particularly important and useful form of protection for designers. Indeed, the design right under the CDPA is usually considered as the most important form of protection for designs in the UK and is almost always asserted in the event of a dispute.

Proposals for reform of the UK design right under the CDPA

The UK Government recognises the importance of the design right to the creative industry in the UK and does not propose to cut down the period of protection for the UK design right, however, it does propose some reforms that would bring the design right somewhat closer to its Community equivalent. Further, the proposals include a significant relaxation in the qualifying conditions for 'design right' protection, which would make design right protection relevant to a much wider community.

The design right definition and substantive requirements for protection

The current definition of a design under the CDPA is very wide, covering "*any aspect of the shape or configuration (whether internal or external) of the whole or part of an article*". Unlike the Community design definition, the UK design right extends to design features which are not visible in the normal use of a product. On the other hand, the design right under the CDPA does not apply to surface decoration (whilst the Community design rights do).

To some extent, the UK design right can extend to functional features, although the legislation excludes "a method or principle of construction" and there are specific 'must fit' and 'must match' exclusions.

Unlike the Community design, there is no "novelty" requirement as such for the UK design right, but to be protected the design has to be "original" and accordingly it must not be "commonplace in the design field in question at the time of its creation".

A number of reforms are proposed in this context:

- a proposal to remove the concept that "any aspect of" the design can be the subject of protection. As demonstrated by a long history of case law, the words have the effect of considerably expanding the scope of protection afforded to designs. A design right infringement can relate to a particular curve, angle or shape forming only one aspect of the design, even if, taken as a whole, the defendant's design does not appear too close to the claimant's. The Government suggests that protection should probably be more focused, although it will still apply to "the whole or part of an article".
- a proposal to widen the originality test by requiring that at the time of its creation a design should not be commonplace in view of the design field anywhere the

EU. Current case law indicates that the originality requirement under the CDPA is limited to the design field in the UK. By contrast, Community legislation defines novelty (and individual character - a notion similar to originality) by reference to designs available to the market in the EU. The proposal will bring the UK design right more in line with novelty and originality concepts under Community design law.

- Under current legislation, a design right does not subsist in “a method or principle of construction”. This is meant to ensure that design rights cannot be used to obtain a monopoly in technical solutions or inventions (which should only be protected by patents). It is proposed to widen the exclusion to cover any general ideas or concepts that allow different (albeit possibly related) appearances for the article in question. This is more a clarification reflecting current case law underlines by the policy that design law should not protect broad design concepts but only specific designs, so as not to unnecessarily hamper competition and creativity.

Design right ownership and qualification:

The UK unregistered design right under the CDPA is a very useful form of protection to those who can benefit from its. However, due to the unique scope of protection that the UK design right offers (which is not reflected in the design laws of most other countries) and due to the lack of reciprocity, the design right is subject to strict qualification criteria. The requirements are complex but in essence the design right is available to designers who are citizens or residents of the UK or another EU country or, where the design is created pursuant to a commission or in the course of employment, where the commissioner or employer is a qualifying person or a legal entity established in the UK or elsewhere in the EU or an entity that has a place of business in the UK or elsewhere in the EU with substantial business activities. A connection with a small number of other territories can also provide a basis for qualifying for design right protection.

In terms of ownership, the design right and the UK registered design are different from their Community counterparts in that where a design is made pursuant to a commission for money or money’s worth, the original owner of the design is the commissioner. This is in addition to the more usual rule that the design rights in a design work created in the course of employment belongs to the employer.

The Government proposes to abolish the rule as to original ownership by a commissioner of a design, with a view to harmonising the law with Community legislation. Accordingly, a design will be owned by the designer unless it is created in the course of employment.

In terms of qualification for (unregistered) design right protection, the Government proposes to extend design right protection under the CDPA on two broad basis:

- where either the designer is a resident of an EU country or the person employing the designer has a real and effective place of business in the EU, or
- where the articles made to the design were first marketed in the EU.

Again, a small number of other territories will also qualify.

This proposed reform would significantly relax the rules, although design rights will remain subject to territorial qualification requirements. A design created outside the EU by designers who are not EU residents will only qualify if the

articles themselves are first marketed in the EU.

Defences to design right infringement:

The Government proposes to introduce a number of defences that are already recognised under Community design legislation. These will include a defence of 'prior use' to registered UK designs and defences of private non-commercial and experimental use (which already exist in relation to registered designs and patents) to be extended to unregistered UK design rights.

Other proposals

The consultation paper proposes a number of potential additional proposals, some of a technical nature but some will be of real practical significance, including:

- the possible accession of the UK to the Hague Agreement for international design registration;
- the introduction of criminal sanctions for deliberate copying of registered UK or registered Community designs (currently criminal sanctions apply only to trade marks and copyright infringements in the UK). This would allow more effective enforcement through customs and trading standards authorities;
- the possible re-introduction of a substantive prior art examination to registered design applications. The UK followed in the footsteps of OHIM is dropping the substantive examination of prior art some years ago. The Government expressed concern that the re-introduction of a substantive examination could drive applicants to register Community designs at OHIM instead of UK designs. On the other hand, it suggests that a substantive examination might give the registered right more credibility; and
- possibly extending the period during which the publication of a registered design can be deferred after the filing date (currently 12 months) in order to allow filing of a patent or to protect the confidentiality of designs for products which are not yet launched on the market. This will help prevent the appearance on the market of copycat products before the designer's product is launched.

The proposed reforms will not necessarily transform the system for design protection in the UK into a simple one, but they may remove some anomalies and could make the system more user-friendly and balanced. It remains to be seen what views the creative industries and other stakeholders may express in their submissions to the Government in response to the consultation. The consultation paper includes a questionnaire inviting comments on the proposed reforms. Responses can be filed with the Intellectual Property Office by 2nd October 2012.

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