

Design Briefing Paper: *Community Design*

COMMUNITY DESIGN LAW

Community registered and unregistered design rights were introduced by **EC Regulation no. 6/2002**. Designs can be registered and protected by a single unitary right which applies to all member states of the EU. In addition, qualifying designs are automatically protected throughout the EU by an unregistered Community design right. These rights may have far reaching implications for companies which have interests across Europe and are seeking to protect goods which incorporate a design element.

We strongly recommend that all businesses consider protecting their design investments by registration. This briefing note outlines the criteria which a design must meet in order to be registrable, and in particular, the procedures and costs involved in obtaining Community-wide design protection.

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1. INTRODUCTION

The Community Design Regulation (EC) No. 6/2002 of 12 December 2001 came into force on 6 March 2002. The Regulation will work alongside the Directive 98/71/EC of the European Parliament and of the Council to ensure that Community-wide and National laws are harmonised. The Community Regulation has introduced both a Community Registered Design and a Community Unregistered Design right. The criteria to qualify for each form of protection are the same. However, the unregistered right is a limited monopoly lasting 3 years from first disclosure in Europe. Designs created after 6 March 2002 are protected.

The parts of the Regulation dealing with Community *Registered* Designs came into effect on 1 April 2003 and provide for a maximum duration of 25 years from filing the application for registration.

2. WHAT CONSTITUTES A REGISTRABLE DESIGN?

2.1 PROTECTABLE DESIGNS

“Design” is defined in the Community Regulation as meaning “the appearance of the whole or a part of a product resulting from the features of, in particular, the lines, contours, colours, shape, texture or materials of the product or its ornamentation”. A design does not have to be associated with any particular article, nor does it have to exist in an industrial context. A “product” in the above definition can be “any industrial or handicraft item other than a computer program; and, in particular, includes packaging, get-up, graphic symbols, typographic type-faces and parts intended to be assembled into a complex product”. It is worth noting that, for example, “graphic symbols” appear to be regarded as products in themselves, wholly independent of any article to which they might be applied. Consequently, screen icons and displays, which so far have been refused protection in the UK and other EC countries, are now registrable.

The Regulation increases the overlap between what is protectable by design registration and what is protectable by trade mark registration. In general, trade mark registration remains appropriate for logos and other marks which serve to identify the origin of goods or services, since a registered trade mark can last indefinitely. In some circumstances, for example if a trade mark is of doubtful registrability owing to lack of distinctiveness, design registration might be useful to prevent unauthorized use of the trade mark while distinctiveness is acquired through use. Also, in circumstances where trade marks are used as badges of loyalty, rather than to signify the origin of goods (for example the names or insignia of football teams, motor vehicle manufacturers or pop groups), registration as designs may provide protection against activities by traders marketing goods bearing the trade mark in a manner which would not be regarded as trade mark infringement.

2.2 NOVELTY AND INDIVIDUAL CHARACTER

To be registrable under the Community Regulation, a design must be new and have an individual character. A design is new if it differs in more than immaterial details from a design previously made available to the public anywhere in the world.

“Individual character” is to be judged in terms of the overall impression produced on a user by the design. It is this overall impression that must differ from known designs. Since “individual character” clearly means something more than “new” (i.e. differing in no more than immaterial details), it seems that quite substantial differences in detail may not make a new design registrable over a known one if, despite those differences, the overall impression produced on a user is the same.

However, the Regulation states that individual character must be judged in relation to the design author’s degree of freedom. A designer’s freedom may be curtailed in several ways, for example by a detailed specification given by a client. Most probably, however, the degree of freedom intended is that imposed by the nature of the product. For example, the degree of freedom of a designer of a computer keyboard can be regarded as less than the degree of freedom of a designer of a fashion handbag.

For component parts, only those features that are visible in normal use of the product to which they are fitted can be considered to be new and to have individual character.

“Normal use” does not include any maintenance, servicing or repair work. The extent of this exclusion is not clear. For example, filling a car with petrol would not normally be regarded as “maintenance, servicing or repair”. It is part of the “normal use” of the car, and so the design of a filler cap which is concealed by a flap, when not refueling, should be registrable.

2.3 AVAILABLE PRIOR ART

To be considered new, a design must not have been disclosed anywhere in the world, before the filing or priority date. There are various exceptions to this general rule, including disclosures in confidence, and disclosures which breach confidentiality or otherwise result from an abuse in relation to the designer. Also, the Regulation provides a “grace period”. A disclosure cannot be used to invalidate a registered design if it was made by the designer, or anyone who obtained the information from the designer, within the twelve months preceding the filing or priority date of the registered design. Despite the existence of this grace period, it would not be wise to defer filing of a design application for longer than necessary, since the grace period will not protect against a third party who is first to register a similar design. An interesting further exception is that a disclosure will be discounted if “it could not reasonably have become known ... in the normal course of

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business in the European Economic Area and specialising in the sector concerned". The purpose of this exception is to avoid invalidity of designs which reproduce obscure artifacts.

2.4 TECHNICAL FUNCTION

Registration will not be available for features of a design which are dictated by the technical function of the product. Also, the new law includes a "must-fit" exclusion, under which it is not possible to obtain registration for features which are dictated by the need for the product to fit another product. An exception to this general rule is that modular products, i.e. products made up of several components that can be fitted together in different ways, are protectable.

Despite the continuing unregistrability of purely functional features, the new law does not include any specific rigorous requirement that a design, to be registrable, must have an aesthetic quality. Consequently, designs with a borderline aesthetic quality will be allowed to proceed to registration.

The Regulation does not have a "must-match" exclusion, with the result that components such as car repair panels and fittings appear to be registrable, although the resulting registrations may not be enforceable (4.2 *Exceptions to Infringement*).

2.5 PUBLIC POLICY OR MORALITY

The Regulation prohibits registered design protection for designs which are contrary to public policy or accepted principles of morality.

2.6 EMBLEMS AND OTHER INSIGNIA

There are restrictions on the registrability of designs that constitute improper use of any protected badges, emblems and escutcheons which are of a particular public interest in a member state e.g. the Olympic symbol. An international body or a national body such as the UK Designs Registry can object as appropriate.

3 THE APPLICATION PROCEDURE

3.1 REPRESENTATION

Applications for a Registered Community Design may be filed at OHIM, or at the National Patent Office of an EU member state, by any person. However, natural or legal persons not having either their domicile or their principal place of business or a real and effective industrial or commercial establishment in the Community, must be represented before OHIM by a professional representative in all other matters to do with the application.

OHIM keeps a list of professional representatives which include trade mark and patent professionals. If the applicant has its domicile or principal place of business or a real and effective industrial or commercial establishment in the Community, it may be represented by one of its employees, but a signed authorisation must be deposited at OHIM to that effect.

3.2 SEARCH

OHIM will not conduct any searches of the prior art to confirm whether a design satisfies the novelty requirement for registration. The register of designs will simply be a depository.

3.3 THE EURO-LOCARNO CLASSIFICATION

OHIM has prepared a list of the products classified according to the International Locarno Agreement, in the 11 languages of the EU, called the Euro Locarno list. This can be easily scanned on the internet http://oami.eu.int/pdf/design/eurolocarno_en.pdf in order to find the appropriate term for the class and product to which design is to be applied.

3.4 LANGUAGES

An application may be filed at OHIM in any of the official languages of the EC. However, the applicant must also indicate a second language which must be chosen from one of the five languages of OHIM (English, French, German, Spanish or Italian) and which must be different from the first language. If the first language is one of the five official languages of OHIM, the applicant can be guaranteed that all proceedings, including any invalidity proceedings, will be conducted in that language.

3.5 MULTIPLE DESIGN APPLICATIONS

One of the great advantages of the Community Registered design is that applications may comprise multiple designs and will be accepted as one registration as long as all of the designs are in the same Euro-Locarno class. There is a straightforward fee structure for applications comprising 1, 2-10, and in excess of 11 designs. This feature provides large cost savings compared with a single design/single registration system as in the United Kingdom and many other European countries. Where an application is filed in respect of several designs which are held to fall in different Euro-Locarno classes, it will be permissible to divide the application, with the resulting divisional application or applications retaining the filing date of the parent.

3.6 AMENDMENT

Modification of a design submitted for registration is possible only in response to objections from OHIM. Such modifications can be made without losing the original filing date, provided that the modifications do not change the "identity" of the design. If the modifications change the identity of the design, then OHIM is entitled to require the application to be post-dated to the date of the modification.

3.7 DATE OF REGISTRATION

A design is treated as registered on the date of filing. Where the registration is based on a divisional application, the date of registration is the date of filing of the original application.

3.8 DEFERRED PUBLICATION

A Registered Community Design will normally be published on registration. However, when filing an application for a Registered Community

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Design, the applicant may request that the publication of the design be deferred by up to 30 months from the date of filing or, if appropriate, the priority date. This does not delay the actual date of registration of the design. This provision allows designers in certain rapidly changing fields, such as fashion design, to keep their designs confidential until their release sometime after their conception.

Deferred publication also allows the payment of the publication fee to be postponed; only a much reduced deferment fee is payable on filing until publication is requested. In the case of multiple design applications, the applicant may choose to defer publication of some designs and not others.

The deferred designs can be published later en masse or at different times. Deferment of publication also gives a modest cost saving on filing the application. However, unless deferment is required for specific commercial purposes, we recommend that deferral is not requested for the following reasons:

- *any cost saving on filing is small, and the overall cost is higher owing to the need to pay the publication fee later, in addition to the deferment fee paid on filing.*
- *accidental failure to pay the publication fee by the end of the deferral period can result in total loss of the registration.*
- *infringement of the registration while publication is deferred will be actionable only if the infringement results from copying.*

3.9 DESIGN INDEPENDENT OF PRODUCT

A Registered Community Design protects a design independently of any particular product. Although the application form requires the applicant to indicate the product to which the design is applied, this has no limiting effect on the scope of protection given by registration. Consequently, design proprietors who apply a common design to a range of products will be able to achieve significant cost savings. Also, they will be able to control unauthorised use of the design over the full range of possible products, even those which they do not themselves manufacture. This will be of particular value to designers of two-dimensional decorative patterns that can be applied to a wide variety of different products.

4. SCOPE OF PROTECTION

4.1 INFRINGEMENT

Protection under the Community Regulation extends beyond precise reproduction of the design. The scope of a registration also extends to designs which do not produce on the informed user a different overall impression.

In defining the scope of protection given by registration, the Regulation reflects two concepts introduced by the European Designs Directive, the "informed user" and "a different overall impression". The Courts have interpreted the "informed user" as a user who has experience of enough similar articles and who is reasonably discriminate. The informed user is considered able to appreciate enough detail to

decide whether a design creates an overall impression which has individual character and whether an alleged infringement produces a different overall impression.

As to whether or not two designs convey different overall impressions, it remains difficult to indicate exactly how much difference will be sufficient for infringement to be avoided. This is a matter of impression to be determined in the circumstances of a particular case. As when considering individual character, the overall impression given by a design must be judged in relation to the degree of freedom of the author.

4.2 EXCEPTIONS TO INFRINGEMENT

Some acts, done for private, experimental or teaching purposes, are not regarded as infringements of a registered design under the Regulation. Also, designs incorporated in equipment on, or spare parts for, ships or aircraft which are registered in another country and are temporarily in the European Community will not infringe.

The new law expressly provides for the exhaustion of the rights in the registered design in relation to products placed on the market in the European Community with the consent of the registered proprietor. Such products can be brought into the United Kingdom or any other EU member state without infringing any Registered Community Design.

An important exclusion, particularly in connection with motor vehicles, is that a registered design cannot be used to prevent the repair of a complex product by restoring its original appearance. The new law allows registration of such components, but restricts the enforcement of the resulting registration. Registration may nevertheless still have value in some circumstances. For example, while registration of a rear light unit for a car will not be enforceable to prevent the supply of similar light units for repair purposes, it will be effective to prevent another car manufacturer from adopting a light unit of similar appearance. It should also be borne in mind that a registered design can last for twenty-five years, during which time arguments concerning the protection to be afforded to spare parts will no doubt continue, and might possibly be resolved in favour of allowing enforceable protection of spare parts.

Some manufactures may, therefore, wish to register the design of spare parts (and in particular motor vehicle body panels and other components, such as light fittings, which are prone to damage), in the hope that the law may change so as to enable them to enforce their rights against infringers.

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4.3 CONTRIBUTORY INFRINGEMENT

There is no provision in the Regulation which expressly enables a registered design to be enforced against, for example, the manufacturer of a mould for a product made to the design, or a kit of parts for assembly into a product incorporating the design. Consequently it will prove to be difficult to use a Community design registration to curtail the activities of those who initiate the infringement of the registration, but do not make the eventually infringing product. It may be possible to prevent such activities by invoking common law principles relating to conspiracy or inducement or, in some EU countries, laws relating to unfair competition. The experience of decided cases will be needed to clarify the extent to which these possibilities can be used successfully.

5. MISCELLANEOUS

5.1 CLAIMING PRIORITY

The EU is not a party to the Paris Convention. However, Article 41 of the Regulation permits priority claims from Paris Convention members, World Trade Organisation (WTO) countries and countries which offer reciprocal priority rights.

5.2 CANCELLATION AND INVALIDITY OF REGISTRATION

Under the Regulation, a registered design can be cancelled only at the request of the proprietor. Any person interested, however, may apply for a declaration of invalidity. Such an application may be based, generally speaking, on any of the grounds on which registration could have been refused. Some grounds are available only to those directly affected, for example in the case of improper use of armorial bearings. Interestingly, a declaration of invalidity may be obtained for a design which involves the use of a "distinctive sign" if that sign is the subject of enforceable rights in the Community or any member state. Thus, the owner of a registered trade mark (or even an unregistered trade mark), may seek a declaration of invalidity on a registered design which embodies or includes that trade mark. This may have particular relevance to trade marks consisting of the shapes of products. The proprietor of the registration may apply to modify the registration in order to avoid the grounds specified in the application for invalidity. Even a successful application for a declaration of invalidity will not cause cancellation of the design. Instead, the registration will simply be declared invalid. This declaration will normally have effect ab initio, but OHIM has discretion to allow the declaration to have effect from some other date.

5.3 RENEWAL FEES

The renewal fee due date for a Community Registered Design will fall

on the fifth, tenth, fifteenth and twentieth anniversaries of the filing date of the application, even if priority is claimed.

6. UNREGISTERED COMMUNITY DESIGN RIGHT

As mentioned previously, the unregistered Community Design Right applies to designs created and disclosed after 6 March 2002. To qualify for unregistered design right protection, a design must be new and have individual character as for registered designs. However, unregistered design right lasts only for three years and provides only a limited monopoly in that it can only be used to prevent or stop unauthorised copying of a design; independent creation cannot be precluded. As with any unregistered rights, the burden of proof of copying can be onerous and expensive to show in Court and therefore we would always advise a client to obtain registered rights where possible.

7. COSTS

The cost of filing an application for registration of a Community Design, including official fees and attorney fees is of the order of £600-750, assuming the application covers a single design and no deferment of publication is required. Additional costs will arise if drawings or photographs need to be prepared. Additional designs covered in the same application will increase the cost by approximately £200 for each of the first nine additional designs, and approximately £135 for each subsequent design.

8. THE ADVANTAGES OF THE COMMUNITY DESIGN SYSTEM

The Community design has unitary character and therefore has equal effect throughout the EU. This means that one application leads to a registration having effect in all member states of the EU. The registration, transfer, surrender, invalidity or prohibited use will always be for the entire EU. Although a Community design right can only be assigned as a whole, the right may be licensed for part or all of the Community. The cost savings are an obvious advantage; a Community Registered Design will be far cheaper than obtaining independent national rights.