

MODEL DESIGN LAW GUIDELINES

A REPORT ON CONSENSUS POINTS FOR DESIGN RIGHTS LAWS

**International Trademark Association
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All information provided by the International Trademark Association in this document is provided to the public as a source of general information on design rights and related intellectual property issues. In legal matters, no publication whether in written or electronic form can take the place of professional advice given with full knowledge of the specific circumstances of each case and proficiency in the laws of the relevant country. While efforts have been made to ensure the accuracy of the information in this document, it should not be treated as the basis for formulating business decisions without professional advice. We emphasize that design rights and related intellectual property laws vary from country to country, and between jurisdictions within some countries. The information included in this document will not be relevant or accurate for all countries or states.

1. Introduction

In order to have a minimum set of baseline standards by which INTA can evaluate and comment on new designs legislation, treaties, or regulations, the International Design Harmonization Subcommittee of the Designs Committee developed Model Design Law Guidelines (the “Guidelines”). This project was based heavily on INTA’s Model Law Guidelines for trademarks. It also drew on both existing and proposed design rights treaties and legislation and the expertise of INTA members worldwide.

In 2017, Designs Committee members from North America, Europe, and Asia reviewed the following documents, which were perceived as providing possible bases for international consensus on key points for the protection of designs:

- The Hague Agreement Concerning the International Registration of Industrial Designs of 2013 (Hague)
- World Intellectual Property Organization Standing Committee on the Law of Trademarks, Industrial Designs and Geographical Indications Industrial Design Law and Practice – Draft Regulations April 25 to 27, 2016 (WIPO)
- Legal review on industrial design protection in Europe (European Commission Ref. (2016)2582936)
- The EU Designs Directive 98/71/EC
- Community Design Regulation (EC) No 6/2002
- Community Design Implementing Regulation (EC) No 2245/2002
- The United States Design Patent Regime (35 U.S.C. 171-173, 289)

Making use of these materials and such other national laws or international conventions, as well as additional relevant INTA positions, the Designs Committee identified a set of consensus points (the “Consensus Points”) and commentary outlining the rationale for each point. 2016/2017 International Design Harmonization Subcommittee members provided comments on a draft report on the Guidelines. Members were asked to identify any recommendations which would be unworkable or unacceptable in their respective jurisdictions and to consult as widely as they thought appropriate. The first version of the Guidelines was adopted by INTA’s Board of Directors on November 7, 2017.

It is intended to supplement the Guidelines from time to time to reflect new positions taken by INTA in furthering standards for protection of designs. The following version of the Guidelines, approved by INTA’s Board of Directors in November 2019, corresponds to the first of such updates and results from the work of the 2018-2019 International Design Harmonization Subcommittee. The update is based on positions taken and several submissions made by INTA, in the field of designs, since the first version of the Guidelines was adopted, in 2017.

2. Deposit v. Examination System

Proposal:

No recommendation is made regarding the selection of a deposit system as compared to a system of examination of designs for the purpose of registrability or a hybrid version of the two. All of these systems have been effectively used in countries throughout the world.

Rationale:

There are three main types of systems for protecting design rights by registration: (1) deposit systems; (2) examination systems; and (3) hybrid systems.

In a deposit system, an application is reviewed primarily for completeness and procedural requirements. This may also include a consideration of whether the design for which registration is sought corresponds to the definition of design under applicable law. Countries including China, Mexico, South Africa, Switzerland, and the European Union use a deposit system. Obtaining registration in these types of systems is generally quicker and less costly.

In an examination system, such as the United States, Japan, India, and Taiwan, a design application is reviewed both procedurally and for novelty, obviousness, and/or originality. Typically, obtaining protection in an examination system takes longer and has higher fees. Additionally, an examination system will have higher implementation costs for the implementing country.

In a hybrid system, as is used by Brazil and Australia, a design can be registered without substantive novelty examination. However, it cannot be enforced until after it has been submitted for examination and certified. South Korea has a non-substantive examination process for certain types of designs that have a short lifecycle (such as food products, clothing, accessories, print materials, computers, and screen icons), but other types of designs require substantive examination.

3. Protection of Partial Designs

Proposal:

A part of a product should be able to be registered as a design provided that it otherwise meets the requirements for registration. This could include either: (a) the registration of a part of a product where the complete design is represented; or (b) part of a product where the whole product is represented but the part or parts in which protection is not claimed are identified by the use of visual disclaimers which may be broken lines, blurring, color shading or by the use of added boundaries.

Rationale:

Some products may include portions that have appearances that by themselves are not new. Therefore it should be possible to register only the design of the part of the product that is new. Examples of design portions that might not be new include: the blade of a knife; the neck or the bottom of a bottle; and the handle or the brush of a toothbrush. Efforts made in relation to improvement of parts of designs should be protectable and the rights should be enforceable in addition to the design of the product in its entirety if the registrant so chooses. To accomplish this, the rules should permit applicants to show, by way of a visual disclaimer, parts of the design for which protection is not sought. The visual

disclaimer must be clear and obvious, meaning the claimed and disclaimed elements of the design should be clearly differentiated. INTA recommends that visual disclaimers be achieved by indicating with broken lines the features of the design for which protection is not sought. The disclaimer may be achieved by other means such as blurring the features of the design for which protection is not sought, and/or including within a boundary the features of the design for which protection is sought. INTA also considers that, as an alternative, it may be permissible to file an application for a part of the product as a complete design where the whole product is not represented in the application.

3A. Multiple Design Applications

Proposal:

Applications for multiple designs should be able to be included in a single application even if the designs look different and even if the Locarno classes of each design are different.

Rationale:

The general interest in design protection has been exponentially growing over the years. Therefore, access to design protection should be facilitated, especially for SMEs and multiple design applications are beneficial, particularly, in terms of cost/benefit. In view of the aforesaid, INTA considers that substantial cost and administrative savings can be made to users through the filing of multiple designs in a single application (“multiple application”) and therefore recommends that Intellectual Property (IP) Offices allow the filing of such multiple applications even if the designs will be individually examined and granted. This has the potential to decrease the administrative burden and costs for applicants, such as the ability to file a single Power of Attorney or Assignment of all designs in the same application. INTA further recommends that IP Offices not require that the designs within a multiple application need to be in the same class.

3B. Designs Incorporating Functional Features

Proposal:

Design registrations protect the overall ornamental appearance of a design, not an aggregation of separable features. The fact that a design includes one or more elements or features that serve a functional purpose should not be a bar to protection of the design unless the overall appearance of the design is solely dictated by its function.

Rationale:

Many countries allow protection for designs having features whose appearance is essentially (and even solely) dictated by the technical function, while others deny protection for features of appearance of a product which are solely dictated by its technical function. Features of a design should rarely be excluded from protection for being solely dictated by technical function. And it should be rare for whole design to be invalidated because the overall appearance of that design is dictated by function. Any exclusion for features of a design solely dictated by technical function should be narrowly construed and the threshold of “solely dictated by technical function” is not met in the case of mere functionality of a design or some of its features. Design protection should be afforded unless the appearance of the design as a whole is solely dictated by its technical function, even if individual features of the design or the design as a whole serves a function. A design applicant should be afforded

the opportunity to respond to any objection made on the ground that the appearance of the design itself, or that the appearance of elements of the design, is dictated by their technical function.

3C. Visibility

Proposal:

A product or part of a product should be protectable regardless of whether the design is visible at any time, provided there is some period in the life of the product or part thereof when its appearance is a matter of concern to a purchaser.

Rationale:

Design law protects the appearance of a product or part of a product, but the design does not need to be visible at any particular point in time or in any particular situation. INTA recognizes that in some jurisdictions, including the European Union, there is an exception that the design of a component part of a complex product, such as complex machinery, must be visible while the product is in normal use in order to be protected by design law. In such cases, INTA encourages that such exception be limited to the spare parts market for complex machinery.

3D. Protection of Icons and Graphical User Interfaces

Proposal:

Icons and graphical user interfaces (GUI) should be able to be registered as a design provided that they otherwise meet the requirements for registration.

Rationale:

In many instances, GUIs and icons have become a key aspect of a company's overall brand. They should therefore be considered an important part of the company's overall IP portfolio. INTA considers that design protection of the visual appearance of GUIs and icons should be provided, independently from any other form of protection available, regardless of the technical means of creating it, and whether or not they are projected onto a screen or otherwise only appear when technology is activated. Because the lifespan of such designs can be very short, to the extent that GUIs and icons may be eligible for overlapping protection, INTA believes that design law is a good tool to provide short-term protection. Also, this should be without prejudice to protection appropriately provided under other laws, such as copyright, trademark, or the law of unfair competition/passing off.

4. Novelty

Proposal:

A design should not be protected if an identical design was disclosed to the public earlier, subject to the grace period set out below.

Rationale:

Design law protects designs that are new. Novelty can be assessed against prior designs on a local, regional or global basis. Many systems currently require global novelty, so as not to enable re-monopolization of existing designs.

5. Grace Period

Proposal:

There should be a 12 month grace period that allows registration of a design within 12 months of an initial use or disclosure of the design by the proprietor or as a result of information obtained from the proprietor (including as a result of an abuse).

Rationale:

Many jurisdictions provide a grace period whereby if an applicant files to protect a design within a certain time after already disclosing or publicly using the design, then the earlier disclosure is not considered to be novelty destroying. For example, the European Union allows a 12 month grace period with respect to Registered Community Designs. This proposal is also consistent with the Hague agreement which provides for recognition of the grace period provided for in the national law of Contracting Parties. A harmonized grace period of 12 months assists designers, and particularly individual designers and SMEs, by avoiding inadvertent loss of rights.

6. Term of Protection

Proposal:

The term of protection shall be at least 15 years from application. The term may be made up of renewals after multiple shorter periods (for example, three terms of five years).

Rationale:

A minimum 15-year term of protection is consistent with the Hague System for the International Registration of Industrial Designs.

7. No Impact on Trademark or Other Intellectual Property Rights

Proposal:

The grant or expiration of design rights should not preclude or alter trademark or other intellectual property rights, so long as the requirements for enforceable trademark or such other intellectual property rights are satisfied.

Rationale:

A range of intellectual property protections may be available for a single product including utility patents for functional innovations, registered designs for aesthetic innovations, copyrights for artistic creations, and trademarks for signs which distinguish products sold in commerce. Trademark rights may accrue on such features as they are recognized by the public as distinguishing the goods or services of one entity from another.

The bases, functions, purposes, and intents of these diverse intellectual property rights (including design rights, utility patents, copyright, and trademarks) are different and stand independent of one another. Therefore, in order to spur innovation and creativity, intellectual property rights owners should be free to pursue any and all available sources of protection, both limited-term protection in the form of designs, and unlimited-term protection in the form of trademark and other intellectual property rights.

8. Deferral of Publication

Proposal:

It should be possible to defer publication of a design application for a period not less than 12 months after the date of application.

Rationale:

Designers often wish to retain secrecy of their designs until the product is ready to launch. The existence of varying grace periods (or none) in different jurisdictions requires provisions allowing secrecy of a design, for at least 12 months (many jurisdictions already provide in excess of this).

9. Requirements for Registration

Proposal:

As a minimum, an applicant for design registration should be required to provide the following:

- (a) an express or implicit request for registration;*
- (b) indications allowing the applicant to be identified;*
- (c) a sufficiently clear representation of the design; and*
- (d) indications allowing the applicant or the applicant's representative (if any) to be contacted.*

Rationale:

If a design application is rejected for failure to comply with administrative requirements, rights may be lost forever. Therefore, requirements to obtain a filing date should be kept to a minimum, to avoid inadvertent loss of rights.

10. Declarations of invalidity

Proposal:

Administrative proceedings should be available to enable third parties to apply to have a registered design declared invalid.

Rationale:

Regardless of whether an examination or deposit system is in force in a jurisdiction, there will inevitably be designs on the register that are invalid. Therefore, to enable third parties to “clear the way” before launching a product which might otherwise infringe the design, inexpensive, swift administrative proceedings should be available, rather than third parties having to commence court proceedings.

11. Grounds for Infringement**Proposal:**

Infringement shall be found where an unauthorized third party makes, sells, offers for sale, uses, imports or exports articles bearing or embodying the protected design.

Rationale:

This formulation adopts the language of the Community Design Directive. However, it is also substantively similar to tests for infringement elsewhere in the world, including in the United States which applies an ordinary observer test asking whether an ordinary observer would think that the accused design is substantially the same as the patented design when the two designs are compared in the context of that which existed previously.

12. Standing for Action**Proposal:**

Apart from the registered owner/assignee, there should be a presumption that exclusive licensees may sue infringers, but subject to contrary agreement with the owner/assignee.

Rationale:

An exclusive licensee has a substantial interest and investment to protect and therefore it should be able to enforce the relevant design if the owner/assignee elects not to do so. Exclusive in this context means to the exclusion of the design owner/assignee and all third parties. Subject to an agreement to the contrary, both the registered owner/assignee and the exclusive licensee should have standing to sue infringers.

13. Remedies**Proposal:**

At a minimum, provisional and final civil remedies should be provided for including one or more of damages and/or restitution for unfair profits. Border control and criminal sanctions should also be considered.

Rationale:

In most jurisdictions, remedies for design infringement include civil remedies and criminal remedies.

Civil remedies include potential to seek an injunctive order against the infringement, demand damages, or demand the restitution for unfair profits.

Criminal remedies involve imprisonment or fines.

Additionally, relief can also be sought through customs seizure in various countries, though enforcement approaches varies considerably.

14. Licensing and Assignment

Proposal:

Licensing, including sublicensing, and assignment of registered designs should (but compulsory licensing should not) be permitted.

Rationale:

The laws of most countries provide for the ability to assign and license designs. Given the short term of design rights, compulsory sub-licensing is not considered appropriate.

15. Recordation of Assignment

Proposal:

There should be optional (but not mandatory) registration for security interests and assignments. There should be no mandatory requirement to register licenses of designs. Registration should give notice to the world of the interest or transaction, but should not be the determinant date from which the interest or transaction takes effect.

Rationale:

Given the value of design rights and the importance of establishing who owns them and what encumbrances may exist over them, for example, in relation to the taking of security, a system for registering those interests is desirable. A non-mandatory system is preferred, as a mandatory system could unfairly penalize inadvertent or delayed noncompliance.