

THE DOUBLE REGIME OF INDUSTRIAL DESIGN IN E.U.: AN APPROPRIATE PARADIGM?



PROFESSOR UMA SUTHERSANEN

**PROFESSOR IN INTERNATIONAL INTELLECTUAL
PROPERTY LAW**

**CENTRE FOR COMMERCIAL LAW STUDIES,
QUEEN MARY, UNIVERSITY OF LONDON**

DOUBLE REGIMES AND PARADOXES



- Is it **FUNCTIONAL**?
- Is it about **AESTHETICS**?
- Or **EYE APPEAL**?
- Is it **ART**?
- Is it **COPYRIGHT**?
- Is it a **SIGN**?
- Should we **REGISTER**?

PARADOX 1: INDIVIDUAL CHARACTER OR FUNCTIONAL?



- In its first attempt at drafting the definition of design, the European Commission concentrated on the marketing role of the design input. Design was considered to be a **holistic** concept which was the symbiosis of three elements:
 - functional improvement or technical innovation in the product;
 - creative contribution of an aesthetic nature by the designer;
 - investment by the manufacturer to develop the two preceding elements.

DESIGN IS APPEARANCE



- This initial expansive view of a design, however, had been thought to be too anti-competitive as it may encompass bare concepts or principles of construction or purely functional elements. Thus, the current stance within the CDR is that the definition of a design is firmly anchored to one factor — the appearance of the whole or part of the product.

FUNCTIONALITY



- **Community design protection is denied to :**
 - features which are “solely dictated by its technical function” – Article 8(1), CDR;
 - features which “must necessarily be reproduced in their exact form and dimensions in order to permit the product in which the design is incorporated or to which it is applied to be mechanically connected to or placed in, around or against another product so that either product may perform its function” – Article 8(2), CDR

FUNCTIONALITY



- **A theoretical perspective**

- is there a technical function being achieved by the features of the design at hand? If so,
- are these features being “solely dictated” by this technical function?

- **The *Amp* approach**

- UK House of Lords - *Amp Inc v Utilux Pty Ltd.* (1979). The test was whether every single feature of the shape of the product in question was dictated by the function “in the sense of being attributable to or caused by or prompted by” the terminal’s function. In deciding whether a design was dictated by functional considerations, it was the designer’s motivation which counted.

FUNCTIONALITY



- **The *multiplicity of forms* approach (pre-*Lindner*)**
 - The second approach is to exclude technical features only if the technical function cannot be achieved by any other configuration; if the designer has a choice between two or more configurations, the conclusion is that the appearance of the design is not solely dictated by its technical function. This is known as the multiplicity of forms theory, and is the current approach in most EU member states and the traditional OHIM approach.
- ***Koninklijke Philips Electronics NV v Remington Consumer Products Ltd*** According to the Advocate General Colomer, the trade mark exclusion should be contrasted to the EU design directive exclusion which refused protection to external features “which are solely dictated by its technical function”. From this difference, he concluded that
 - “the level of functionality must be greater in order to be able to assess the ground for refusal in the context of designs; the feature concerned must not only be necessary but essential in order to achieve a particular technical result: form follows function. This means that a functional design may, none the less, be eligible for protection if it can be shown that the same technical function could be achieved by another different form.”

FUNCTIONALITY



- The multiplicity of forms approach was followed by the
 - ✦ UK Court of Appeal in *Landor & Hawa International Ltd v Azure Designs Ltd.* , relying on Advocate-General Colomer's suggestion;
 - ✦ French Commercial Tribunal in *Procter & Gamble v Reckitt Benckiser* where the Court held that the shape of the cap used in Procter & Gamble's Fébrèze air freshener product was not a result of a technical function as there were many different sprays on the market that performed the same function with different caps;
 - ✦ Spanish First Instance Court in *Silverlit Toys v Ditro Ocio* where the Court had to consider if a registered Community Design of a toy helicopter rotor was invalid under Article 8(1), CDR. The court held that there were alternative designs available in this case which could carry out the same technical function. Therefore, the design could not be considered to be "solely dictated by its technical function".

FUNCTIONAL = EYE APPEAL



- ***Lindner Recyclingtech GmbH v Franssons Verkstäder AB* (3RD Board of Appeal, OHIM)**
 - Declared a Community design invalid because it was found to be solely dictated by the technical function of the product in which it was incorporated.
 - Important decision as it does not follow Advocate General's suggestion in *Philips* nor the current approach of national courts.
 - Instead, the Board adopts the alternative *Amp* approach, and thereby aligns the technical result exclusion in design law to that adopted by the Court of Justice in relation to trade marks, despite the different wording of the two EU regulations.

THE NEW FUNCTIONAL



- “As long as functionality is not the only relevant factor, the design is in principle eligible for protection. It is only when aesthetic considerations are completely irrelevant that the features of the design are solely dictated by the need to achieve a technical solution. *This is not, it must be stressed, tantamount to introducing a requirement of aesthetic merit into the legislation. It is simply recognition of the obvious fact that when aesthetics are totally irrelevant, in the sense that no one cares whether the product looks good, bad, ugly or pretty, and all that matters is that the product functions well, there is nothing to protect under the law of designs.*”

IS IT ART?



- **Two Schools of Thought**
- **Marcel Duchamp Theory**
- **Star Wars Theory**

MARCEL DUCHAMP THEORY



STAR WARS THEORY



Lucasfilm Ltd v Ainsworth (2010, UK CA)



- **Jacob, L.J.:**
 - The primary function of the helmet and armour was utilitarian and lacking in artistic purpose. The same argument applied to the toy stormtroopers.
 - Artistic and accurate reproductions of soldiers could qualify notwithstanding that some children might wish to play with them; but in most modern cases toy soldiers, whether real or fictional, will not be works of art.
 - These were not highly crafted models designed to appeal to the collector but which might be played with by the collector's children.
 - These are mass-produced plastic toys.

ISN'T STAR WARS ART?



- In Suthersanen's view, this is an odd result.
- A full-sized stormtrooper replica helmet costs approximately £259; moreover, an Ainsworth made unfinished Stormtrooper helmet sold at a Christies auction in 2005 for £960.
- Should not the market price for an object be part of the evaluation of whether the work is a mere utilitarian article or has come to symbolise an iconic work of sculpture and art?

PARADOX NO. 2: FREEDOM OF CHOICE



- **Multi-faceted protection regime is possible (see recitals 16, 31-32, CDR)**
 - Nothing within the CDR or Design Directive which will prevent the co-existence of parallel protection under copyright, design, patent, utility model, trade mark or unfair competition laws (whether under national or Community regimes) save instances where the novelty of the design is threatened if the design anticipates itself;
 - Depending on the nature of one's design, and subject to the fulfillment of varying criteria, a design proprietor may choose protection under national or Community design or trade mark laws, or national copyright law

WHICH RIGHT? WHAT'S THE DIFFERENCE?



PATENT OR UTILITY MODEL RIGHT?

TRADEMARK?

COPYRIGHT?

DESIGN RIGHT?

- ✦ **COMMUNITY REGISTERED?**
- ✦ **COMMUNITY UNREGISTERED?**
- ✦ **NATIONAL REGISTERED?**

WHY?



- **The CDR creates a unitary protection system within the European Union by creating two forms of protection**
 - the first is the stronger, exclusive, 25-year right—the registered Community design right;
 - the second is the anti-copying right which offers a less extensive, automatic, 3-year right—the unregistered Community design right.
 - Irrespective of the form of protection, the Community design right, will have equal effect throughout the European Union, and would not normally be subject to transfer, surrender or invalidity declarations, except in respect of the whole EU region.

WHY?



- In *Laufendes Auge*, the German Federal Constitutional Court declared that the Community design right exists in parallel with the national copyright and design law
 - “This ensures that the designer of utilitarian or consumer goods of artistic form as well as those who derive their rights of use from them can use the results of artistic activity to an extent that meets the requirements of Article 14(1) German Constitution (on protection of property).”

WHY?



- **Why would a proprietor opt for the unregistered CDR with its short term of protection, and weaker scope of protection?**
- **Official stance is as follows:**
 - Some industrial sectors produce large numbers of designs for products with a short market life where protection without the burden of registration formalities is required;
 - Some industries want quick protection without a longer duration of protection as the market life of the design is short
 - Other industries which value the registration for the greater legal certainty it provides
 - Other industries may wish a longer term of protection corresponding to the market life of their products
 - Moreover, a design proprietor has 12 months to market test the products before deciding whether to continue with the unregistered right, or whether to register the design.

WHY?



- This official tract concludes years of debate as to whether designs should be protected under a patent approach or a copyright approach. Under the EU third approach, proprietors can now opt for the cheaper, and shorter right if this is suitable for the product.
- Was it so important to end the debate?
- Do we now have an even more excruciating mix of choices as to the nature of protection?
- Or is more always better?

PENULTIMATE CONCLUSION



- **WHAT IF WE DELETED THE UNREGISTERED DESIGN RIGHT FROM EU LEGISLATION?**
- **WHAT WOULD HAPPEN?**

ANOTHER PENULTIMATE CONCLUSION



- **WHAT IF WE SAID CONCLUSIVELY THAT DESIGNERS CAN ONLY HAVE DESIGN PROTECTION**
- **NO MORE COPYRIGHT OR TRADE MARK OR OTHER RIGHTS**
- **NO MORE CHOICES**

AN EFFICIENT CONCLUSION



- **WHAT WOULD REALLY HAPPEN IF WE DELETED ALL DESIGN RIGHTS FROM**
 - EU LEGISLATION
 - NATIONAL LAWS
 - BERNE/PARIS CONVENTIONS
 - TRIPS AGREEMENT?

INNOVATION AND INTELLECTUAL PROPERTY?



- **WOULD DESIGNERS STOP CREATING?**
- **WOULD PRODUCT CHOICE PLUMMET?**
- **WOULD THERE BE TOTAL MISAPPROPRIATION AND ANARCHY IN THE DESIGN INDUSTRY (OF COURSE, THERE IS NO STEALING OF DESIGNS NOW...)**

THE CONCLUSION



WHAT WOULD HAPPEN?

NOWT MUCH....



- *Except I would not have to write a 3rd edition of “Design Law in the European Union and United States” (Sweet & Maxwell, 2010)*