



# PROTECTING YOUR DESIGNS

## Introduction

Design protection gives the design owner a monopoly in the visual features of shape, configuration, pattern and ornamentation of the design.

The visual features of shape, three dimensional configuration, two dimensional pattern or ornamentation of a product are a "design". Two regimes of intellectual property rights can potentially be used to protect designs, namely the:

- copyright regime; and
- design regime.

Creators need to decide which regime is most suitable to protect their design. This decision depends on the intended use of the design. In particular, creators considering mass-producing their artistic work or design in relation to a product must understand when they can rely on copyright protection, when they should register their work as a design, and when they have the option of both copyright protection and design registration.

Some of the differences between design and copyright protection are as follows:

- Design registration requires a formal application for registration of the design before rights are
  obtained. Further, the design must be examined and certified by the Registrar (see below,
  Enforcing rights as a registered owner of a design) before rights can be enforced. By
  contrast, acquiring and enforcing copyright does not involve a formal registration or certification
  process;
- Design registration requires the payment of a fee whereas copyright protection is automatic and free;
- Design protection lasts for up to 10 years from the date the application for registration is lodged.
   Copyright protection generally lasts for the author's lifetime plus 70 years;
- Design registration provides protection against someone else applying or embodying in a product the identical design or a design substantially similar in overall impression to the registered design;

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 Design protection gives the design owner a monopoly in the visual features of shape, configuration, pattern and ornamentation of the design. By contrast, copyright only provides protection against somebody copying the work; it requires the copyright owner to show that copying has actually taken place. Therefore, unlike design protection, copyright does not provide protection against someone independently arriving at the same work.

This information sheet is based on the <u>Designs Act 2003 (Cth)</u>, which commenced on 17 June 2004. Designs registered under the old legislation (the <u>Designs Act 1906 (Cth)</u>) are largely unaffected by the <u>Designs Act 2003</u>; validity and infringement of these designs will continue to be assessed using the old Act.

# **Copyright protection**

The following elements must be satisfied for a work to be protected by copyright:

- There must be a work as recognised by the <u>Copyright Act 1968 (Cth)</u>. "Work" means a literary, dramatic, musical or artistic work. In the case of designs, the work in question will be an artistic work:
- The work must be in material form, not be merely an idea or theory; and
- The work must be original. This means that the work must not be copied from another person and must originate from the person who claims copyright in the work.

Copyright arises once these elements are satisfied; there is no requirement for registration.

Copyright protection generally lasts for the author's lifetime plus 70 years.

Copyright is infringed if:

- there is direct or indirect copying of the work in which copyright subsists; and
- the infringement is in relation to a "substantial part" of the copyright work.

Therefore, copyright does not provide protection against someone independently arriving at the same piece of work, but requires some element of copying instead.

For more information on copyright, see Arts Law's information sheet on Copyright.

# **Design protection**

Generally, people seek to register designs that have some industrial or commercial use. If a creator plans on making multiple copies of his/her work, for example furniture, jewellery, printed textiles or ceramics with an applied motif, the creator should consider the option of registering it as a design carefully.

Design registration protects the appearance of a product, not its function. The function of a product may be protected by **patent** (see Arts Law's information sheet on <u>Patents</u> for more information). The fact that a visual feature is associated with the function of a product does not disqualify it from registration. Unique shapes for cutlery handles or the backrest of a chair are examples of manufactured products where the design may also enhance the product's function.

## Registrable designs

Registered design rights are concerned with protecting the visual appearance of manufactured products. Registrable designs are designs that consist of **new** and **distinctive** visual features of shape, configuration (3D), pattern or ornamentation (2D) of a product.

For a particular design to be **new** it must not be identical to:

- a design publicly used in Australia, or published in a document anywhere, before the application to register the particular design was filed; or
- a design disclosed in an earlier registered design application.

For a design to be "distinctive" it must not be substantially similar in overall impression to:

- a design publicly used in Australia, or published in a document anywhere, before the application to register the particular design was filed; or.
- a design disclosed in an earlier registered design application.

## Applying for design protection

### **Application**

To obtain protection for a design under the Designs Act, the designer must lodge a design application with the Designs Office at the Federal Government agency <a href="#">IP Australia</a> (www.ipaustralia.gov.au).

A design application must be in the prescribed form available from IP Australia and accompanied by representations of the design (drawings or photographs). One application can be made in relation to register multiple designs for one product or for multiple products if the design is a common design or if the products are in the same class under the Locarno Agreement. The Locarno Agreement is an international treaty establishing an international classification for industrial designs. The classification encompasses 32 classes and 219 subclasses, such as "foodstuffs", "means of transport", "articles of clothing" and "musical instruments".

Upon receipt of a design application, the Registrar checks that it meets the minimum filing requirements before registration or publication can occur.

#### Registration

If the design application includes a request for registration, the Registrar will perform a formalities check to ensure the application contains the necessary information and representations. The design will be registered if the application complies with prescribed formalities The Registrar, however, will not assess the design in substance..

The process of initial registration is intended to be relatively inexpensive and straightforward. It enables the applicant to reserve multiple designs without being sure of their commercial success. There is no requirement for the Registrar of Designs to undertake substantive examination before registering a design. This means, for example, that a fashion designer with several designs produced for a seasonal range could register a number of designs but only have the commercially successful designs examined (see below, **Substantive examination**), if needed, to enforce the design rights (see below, **Enforcing rights as a registered owner of a design**).

#### **Publication**

The Design Act allows publication instead of registration of a design. Once published, the design is no longer new - which prevents a later registration as a design must be new to be registered (see above, **Registrable designs).** The decision to publish rather than register is a commercial one that might be taken if the applicant is unsure the registered design will be certified at substantive examination (see below, **Substantive examination**). Unlike registration, publication doesn't give the applicant any enforceable design rights, in particular any monopoly over the design (see below, **Rights of a registered owner of a design**). It does, however, prevent others from gaining such rights to the design. Publishing a design requires that a request for publication is filed with <a href="IP Australia">IP Australia</a> (www.ipaustralia.gov.au). Request forms for registration and publication can be found on <a href="IP Australia">IP Australia</a> website. If your application complies with the formalities, the design will be published in the Australian Official Journal of Designs and on the Australian Designs Data Searching (**ADDS**) system.

## Rights of a registered owner of a design

Once a design is registered, the person who registered the design has ownership of it. Details of the registered owner(s) are entered on the Register of Designs. The owner of a registered design has a monopoly over that design for a maximum period of 10 years.

The registered owner of a design has exclusive rights in respect of that design, including the right to:

- make a product that embodies the design;
- import, sell, hire or dispose of a product that embodies the design; and
- authorise others to do any of these things.

Further, the owner can assign (i.e. sell) or license (i.e. permit use of) the right to exploit the design.

#### Enforcing rights as a registered owner of a design

A registered design is infringed if, without licence or authority of its owner, a person makes, sells, hires or imports a product, or uses for trade or business a product, embodying a design that is identical or substantially similar in overall impression to the registered design, or authorises a third party to do any of those acts.

#### **Substantive examination**

As mentioned above, the process of initial registration does not involve any substantive examination of the design; To enforce design rights against someone infringing a design, however, the registered owner of the design must request the Registrar of Designs to examine the design and certify its validity by issuing a **certificate of examination**.

The Registrar carries out a substantive examination of a registered design by comparing it to designs that existed before the design application was lodged. If the Registrar finds the design to be new and distinctive, a certificate of examination will be issued. The Registrar will remove the design from the Register if it is found to be invalid because it is not new and distinctive.

#### No action without examination

The registered owner of a design can only act against an infringer once a certificate of examination has been issued. Therefore, the registered owner ought to arrange for examination of the design as early as possible, in particular if the design would seem to be commercially valuable and successful. Otherwise, the owner may not be able to threaten or commence infringement proceedings against an alleged infringer immediately upon becoming aware of the allegedly infringing behaviour. Instead, the registered owner will need to wait until the design has been examined and found valid.

#### Statement of newness and distinctiveness

Enforcement of a registered owner's rights is facilitated if a statement of newness and distinctiveness is filed when registering a design. This statement must be furnished by the applicant himself or herself. The statement should systematically highlight those features of the design that constitute its newness and distinctiveness. The Court may pay particular attention to the features identified in the statement, rather than having their impact diluted by an assessment of the substantial similarity of the overall article covered by the design registration.

## Defence to design infringement

Under the Design Act, a complete defence, known as the "spare parts" or "right to repair" defence, can be raised against an infringement claim when parts that are registered as designs are used (including manufacture and supply) for repair purposes. Under the Designs Act, "repair" broadly means restoring or replacing a decayed or damaged component part of a product. To satisfy the defence the product needs to be repaired and have its overall appearance restored in whole or in part.

The use of design-registered parts for non-repair purposes is still an infringement of the registered design. The registered owner of the design must prove that the person knew or ought to have known that the use or authorisation of use was not for the purpose of repair.

## Losing copyright and/or design protection

As mentioned in the introduction, the copyright and design regimes can potentially protect designs. However, the interplay between both regimes means that copyright protection or design protection (and sometimes both) may be lost in a number of ways:

- Unless dual protection is possible, copyright protection is lost upon design registration (conferring design protection);
- Upon industrial application of an unregistered design, copyright protection is lost and it is no longer possible to register the design.

## Design registration and loss of copyright protection

Generally, a creator loses copyright protection in an artistic work when the artistic work (eg. drawings for a cabinet or sketches for a coat) is registered as a design. The registered owner of a design must then rely on the owner's rights under the Designs Act.

Design protection is only enforceable if the design is new and distinctive. Therefore, to obtain designs protection, creators must register their designs before industrial application and commercial dealing with products embodying the designs, or use of the designs publicly in Australia, or publication of the designs in a document anywhere.

If copyright subsists in an artistic work and an application is made for registration of a design that corresponds with that artistic work by, or with the consent of, the owner of the copyright in the artistic work, previous use of that artistic work other than industrial application and commercial dealing with articles embodying the design, does not destroy the novelty of a design. For example, you exhibit a painting in a gallery and then choose to weave this painting in a rug and register this as a design. If before registration as a design the rugs were not sold or let for hire of offered for sale or hire, then the fact that you had exhibited the painting in the gallery does not prevent your design from being regarded as new.

## Industrial application and loss of copyright protection

### **Industrial application**

An important concept in this area is "industrial application". Industrial application generally occurs where a design is applied to more than 50 articles, or to one or more articles manufactured in lengths or pieces. Whether there has been industrial application of the design is a question of fact and depends on the circumstances. Therefore, the circumstances will determine whether industrial application has occurred if the design has been applied to fewer than 50 articles. As soon as a design is applied to more than 50 articles, it is regarded as applied industrially by law.

The publication in Australia of a patent specification or design representation relating to an application to obtain patent or design rights for a product is also considered to be industrial application.

### Loss of copyright protection upon industrial application

If:

- 1. copyright subsists in an artistic work that is embodied in a design; and
- 2. that design is applied industrially; and
- 3. the resulting products are sold or let for hire, or exposed for sale or hire in Australia or anywhere,

a creator loses copyright protection in the artistic work on the products being first sold, let for hire or offered for sale or hire.

For example, a chair moulded to exhibit particular visual features of shape, such as a pair of lips, would normally be protected by copyright for the lifetime of the original designer plus 70 years. During that time, nobody can reproduce the chair without the permission of the copyright owner. If more than 50 of these chairs are produced with the copyright owner's permission, the design may be considered applied industrially and the designer will lose copyright protection in relation to the chair once it is sold, let for hire or offered or exposed for sale or hire whether in Australia or elsewhere (unless it falls within the category of works exempted; See below, **Works of artistic workmanship**).

Copyright protection will, however, not be lost if dual protection is possible (see below, **Dual protection**).

### Works of artistic craftsmanship

A work of artistic craftsmanship applied industrially retains copyright protection unless it has been registered as a design. The Copyright Act contains no definition of works of artistic craftsmanship and a

precise definition of the term has not been settled by case law. It is clear, however, that the work must be of **artistic quality** and involve **craftsmanship**.

- Artistic quality: An artistic work such as a sculpture may also be considered as a work of
  artistic craftsmanship. To possess artistic or aesthetic quality, a work need not be one of fine art
  but must have more than mere visual appeal. It can also be functional such as a chair or a quilt.
  - Whether a work has sufficient aesthetic quality to be a "work of artistic craftsmanship" is determined objectively and is a question of fact. Expert evidence can be used to show the existence of artistic quality. The subjective intention of the creator has also been held to play an important though not essential part in resolving this question. The courts cannot rely solely on their own personal aesthetic judgment.
- Craftsmanship: The requirement of craftsmanship demands that the work reflects pride in sound workmanship and displays an exercise of skill by its creator in using materials to create the work and devices to transform the materials into the work. The concept of craftsmanship is not necessarily limited to handmade products. Products produced by machines qualify as works of craftsmanship when they result from the creator's skill or involvement with the machinery, knowledge of the materials and pride in the workmanship. The more skill and involvement the creators show in the making of the work, the better chance it will qualify as a work of craftsmanship.

Creators have the choice about whether their work of artistic craftsmanship should be protected by copyright or design law. The choice of one regime or the other must, however, be made at an early stage: Once a work of artistic craftsmanship is registered as a design, copyright protection is lost; Similarly, copyright protection is lost once the creator starts selling products that apply a design industrially, and only registration as a design remains possible – provided the design is still new and distinctive.

# **Dual protection**

Some designs may be eligible for dual protection, i.e. protection under both the Copyright Act and the Designs Act. Dual protection is possible for designs of two-dimensional pattern or ornamentation that result in the reproduction of an artistic work when applied to the surface of an article. For example, a painting printed on a T-shirt or a motif repeated as a pattern for bed linen. If, however, a work has already been industrially applied and sold anywhere, it may not be registrable as a design as it would not be new and distinctive. Copyright protection alone may apply.

# Relying on copyright protection

Creators wishing to exploit their design commercially should be cautious about relying solely on copyright to protect their artistic work as copyright protection may be lost as soon as the artistic work is applied industrially.

Losing copyright in this way can be very problematic. The creator who has already put together the three-dimensional version of the artistic work and started to manufacture and sell it will not be able to register it as it is unlikely to be considered new, and will be left without protection. Therefore, creators should consider registering a work as a design before starting to apply it industrially. Though copyright protection will be lost upon design registration, the creator will enjoy the rights under the Designs Act rather than no rights at all.

## Points to remember

- 1. Designs can be protected under two regimes:
  - The copyright regime; or
  - The design regime.
- 2. A creator wishing to protect a design needs to decide which regime is most suitable, based on the intended use of the design.
- 3. A design must be new and distinctive to be registered under the Designs Act.
- 4. The registered owner of a design must obtain a certificate of examination from the Registrar of Designs confirming that the design is valid in order to enforce design rights.
- 5. Copyright protection or design protection (or both) may be lost in a number of ways:
  - Unless dual protection is possible, the creator loses copyright protection (but gains design protection) once a design is registered
  - The creator relying on copyright protection solely might lose that protection (and be precluded from design registration) when the design is applied industrially and the resulting products are sold or let for hire, or offered for sale or hire.

### **Further information**

- Arts Law Centre of Australia (www.artslaw.com.au), tel. (02) 9356 2566 or toll-free outside Sydney on 1800 221 457
- <u>IP Australia</u> (www.ipaustralia.gov.au), tel. 1300 651 010 for further information on design protection, including "A Guide to Designs"
- <u>Australian Copyright Council</u> (www.copyright.org.au), tel. (02) 8815 9777, for free information sheets:
  - Fashion & Costume Designers
  - Designs for Functional Articles
  - o Craftworkers & Copyright
  - Graphic Designers & Copyright
  - Sewing & Knitting Patterns
  - T-shirts & Copyright

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