

Study Guidelines

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2016 – Study Question (Designs)

Requirements for protection of designs

Introduction

- 1) This Study Question concerns the requirements for protection of designs. Around the world, there are varying definitions of (and names for) “designs” and varying requirements for any available protection. This Study Question aims to investigate those requirements, with a particular focus on the role of functionality.
- 2) AIPPI has no recent Resolutions on the requirements for and scope of design protection in general, nor for functional objects in particular. The scope of design protection, and the role of functionality in relation to eligibility for that protection, are current and important topics surrounded by considerable uncertainty. AIPPI is also regularly represented in fora (e.g. WIPO, the Office for Harmonization in the Internal Market (*OHIM*)) where it is desirable for AIPPI to be able to voice a position on the basis of a Resolution concerning these issues.
- 3) During the Rio Congress in September, 2015, there was a panel session titled “Industrial designs: form over function?” with speakers from the USA, China, Brazil and the United Kingdom. In this session, different definitions of and names for designs in the respective jurisdictions were discussed, and functionality issues were illustrated by way of examples.

Previous work of AIPPI

- 4) AIPPI has previously studied aspects of the subject matter of this Study Question and related topics.
- 5) In the Resolution on Q34 - “International protection of works of applied art, designs and models” (London, 1960; Salzburg, 1964; Tokyo, 1966), AIPPI first made a number of observations concerning a draft aimed at revising the Arrangement of The Hague concerning the international deposit of industrial designs and models, concluding that the question required further study. AIPPI resolved that the appearance of an industrial object may be protected as a design or model, which appearance may result from, among other things, an assembly of lines or colours, the

shape of the article itself, or its ornamentation. AIPPI also resolved that protection may be refused to a design or model that is exclusively dictated by a technical necessity.

- 6) In the Resolution on Q73 - "Legal and economic significance of design protection" (Moscow 1982; Paris 1983; Rio de Janeiro 1985), AIPPI first confirmed the definition of the object of protection of a design as stated in the Resolution on Q34. AIPPI resolved that a model of which the characteristics are dictated solely by its function (technical needs) should not be suitable for design protection.
- 7) In the Resolution on Q108 - "Improvements of international protection of designs and models" (Tokyo, 1992), AIPPI made several recommendations regarding the WIPO proposal for a new international system for the protection of designs. In the Resolution on Q108A - "Protection of designs and models in the EC" (Tokyo, 1992), AIPPI resolved that it approved of the system proposed in the Green Paper of the Commission of the European Communities on the Legal Protection of Industrial Design, including the adoption of a Directive to harmonise the laws of the member states on the legal protection of designs and the creation of a Community Design. However, AIPPI also resolved that novelty should be the only criterion for protection and that the requirement of "individual character" should not be a separate requirement (but rather a qualification of design novelty). AIPPI also resolved in favour of giving protection to all designs, excluding what in the shape is dictated exclusively by the technical function.
- 8) In the Resolution on Q148 - "Three-dimensional marks: the borderline between trademarks and industrial designs" (Sorrento, 2000), AIPPI resolved that to be protected as an industrial design, the 3D shape must be new, though the standard of novelty is not the same in every country or territory (for instance some jurisdictions require worldwide novelty and others require only local novelty). AIPPI also resolved that cumulative protection under trademark and design law is possible.
- 9) In Q231 - "The interplay between design and copyright protection for industrial products" (Seoul, 2012), AIPPI resolved that copyright protection should be available for industrial products and that cumulative protection under copyright and design rights should be available. Additionally, AIPPI resolved that copyright and design protection of industrial products may be excluded in so far as the shape or appearance of the product is dictated exclusively by functional considerations.

Scope of this question

- 10) This Study Question concerns the definition of and the requirements for the protection of designs, with a particular focus on the role of functionality. This Study Question regards only design rights and does not deal with other potential rights for protecting visual appearance (e.g. copyrights, trademarks, trade dress, unfair competition) or the interaction between design rights and those other rights. As noted in Paragraphs 8 and 9, the interplay between trademark and design protection, on the one hand, and copyright and design protection, on the other hand, were addressed in Q148 and Q231, respectively. In some jurisdictions, there may (also) be protection for unregistered designs. This Study Question only concerns registered or patented designs.

- 11) It is recognised that terminology may differ between jurisdictions (e.g. "design" versus "design patent"). As used in these Study Guidelines, the term **design** means a registered or patented intellectual property right that specifically protects the outward appearance or ornamentation of an object or article of manufacture. This is to be distinguished from an intellectual property right protecting technological innovation only, such as a "utility model" or a "utility patent". Also, it should be distinguished from trademarks (which mainly serve as a source indicator) and from copyrights (which, among other things, need not be tied to a specific object).
- 12) This Study Question aims to establish whether protection of designs within the meaning described in paragraph 11) above is available, what that protection is called and the requirements for such protection.
- 13) The propriety of "partial designs" (i.e. a portion or portions of a whole product (e.g., directing protection at just the handle of a pan, as opposed to requiring that protection be directed at the entire pan)) is outside the scope of this Study Question. Also outside the scope of this Study Question is the relevance, or otherwise, of the design being visible or invisible during the life of a product embodying such design.
- 14) This Study Question explores the role of functionality. As used in these Study Guidelines, **functionality** refers to technical functionality, not "aesthetic, functionality", which has its origins in trademark law¹. Notably, there may be specific rules for must fit/must match situations and/or for parts of modular systems, but such rules are outside the scope of this Study Question.

Discussion

Paris Convention and TRIPs

- 15) Pursuant to Article 5^{quinquies} of the Paris Convention, industrial designs shall be protected in all the countries of the Union.
- 16) Article 25 of the Agreement on Trade-related aspects of Intellectual Property Rights (**TRIPs**) requires members to provide for the protection of independently created industrial designs that are new or original. Members may provide that designs are not new or original if they do not significantly differ from known designs or combinations of known design features; also, they may provide that such protection shall not extend to designs dictated essentially by technical or functional considerations.

Requirements

- 17) In the European Union (**EU**) Council Regulation (EC) No 6/2002 of 12 December 2001 on Community designs (**Community Design Regulation**), Article 3(a)² defines a design as:

¹ The difference being that something is aesthetically functional if it is, in short, appealing to the eye, and technically functional if it has a specific practical application (a technical function).

² And see also Article 1(a) of the EU Directive No 98/71/EC of the European Parliament and of the Council 13 October 1998 on the legal protection of designs (**Design Directive**).

the appearance of the whole or a part of a product resulting from the features of, in particular, the lines, contours, colours, shape, texture and/or materials of the product itself and/or its ornamentation.

Article 4(1)³ provides that a design shall be protected by a Registered Community Design to the extent that it is new and has individual character.

- 18) In the United States of America (**US**), the statutory basis for "design patents" (as they are called) can be found in § 35 U.S.C. 171, which provides in relevant part:

Whoever invents any new, original and ornamental design for an article of manufacture may obtain a patent therefor (...).

Functionality

- 19) Generally, purely functional designs are excluded from design protection. However, the precise parameters of such exclusion are not clear. Potentially, protection could be available so long as functionally equivalent alternatives are available. Alternatively, it could mean that protection is not available at all. A further issue is how the presence of a functional feature of an otherwise valid design should be treated in the context of validity⁴ and infringement. For example, should that functional feature be left alone as it is part of the overall design, should it be disregarded, or should it somehow play a reduced role in an overall comparison? Should the same approach apply both to determining validity over prior art and to determining infringement?

- 20) Article 8(1) of the Community Design Regulation⁵ provides that a Community design:

shall not subsist in features of appearance of a product which are solely dictated by its technical function.

- 21) The OHIM guidelines state:

the design as a whole will be invalid only if all the essential features of the appearance of the product in question were solely dictated by its technical function (decision of 29/04/2010, R 211/2008-3 – 'Fluid distribution equipment', para. 36).⁶

The OHIM guidelines also state that Article 8(1) of the Community Design Regulation:

does not require that a given feature must be the only means by which the product's technical function can be achieved. Article 8(1) CDR applies where the need to achieve the product's technical function was the only relevant factor when the feature in question was selected (decision of 22/10/2009, R 690/2007-

³ See also Article 3(2) Design Directive.

⁴ In the US, the relevant protection is a design patent, so concepts of validity in the US context also encompass concepts of patentability, and should be read as such in these Study Guidelines.

⁵ See also Article 7(1) Design Directive.

⁶ *Guidelines for examination in the Office for Harmonization in the Internal Market (trade marks and designs) on registered Community Designs. Examination of design invalidity applications, version 01/02/2015, p. 25.*

3 – 'Chaff cutters', para. 31-32; decision of 10/06/2013, R 2466/2011-3 – 'Blades', para. 15-16). The examination of Article 8(1) CDR must be carried out by analysing the Community design, and not designs consisting of other shapes. (p. 27)

- 22) In the *Philips/Remington* case⁷, the Court of Justice of the European Union (**CJEU**) ruled with respect to trademarks that a sign consisting exclusively of the shape of a product is not a valid trademark if it is established that the essential functional features of that shape are attributable only to the technical result. This cannot be overcome by establishing that there are other shapes which allow the same technical result to be obtained. However, in its Advisory Opinion, with respect to designs, the Advocate General stated:

The wording used in the Designs Directive for expressing that ground for refusal does not entirely coincide with that used in the Trade Marks Directive. (...) 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. (para. 34) (emphasis added)

- 23) In the *LEGO* case⁸, which again concerned a trademark, the CJEU drew a comparison between trademark and design law (see para. 46), but did not explicitly state whether or not the same rule on functionality applies in trademark and design law. Interestingly, the court states:

any shape of goods is, to a certain extent, functional and (...) it would therefore be inappropriate to refuse to register a shape of goods as a trade mark solely on the ground that it has functional characteristics. (para. 48)

- 24) To date, the correct interpretation has not been confirmed by the CJEU, and national courts do not seem to take a uniform approach.

- 25) In the US, the “functionality” issue fairly breaks down into two separate distinct inquiries. The first issue is a matter of statutory compliance asking whether the claimed design is entitled to protection (i.e. whether the claimed design is “ornamental” as required by 35 U.S.C. § 171). If it is not compliant, the claimed design is not patentable/invalid. A design will be deemed to be “ornamental”, so long as the design is not dictated solely by its function⁹ (i.e. to achieve the design's function, the design can take no other appearance). The availability of alternatives is often decisive:

*[T]he design must not be governed solely by function, i.e., that this is not the only possible form of the article that could perform its function.*¹⁰

- 26) The second issue deals with what aspects of the design are protected. Generally speaking, the overall appearance of the claimed design, which is shown in solid lines, is what is protected. To disclaim a portion of a design, the portion must be shown in

⁷ CJEU 18 June 2002, C-299/99.

⁸ CJEU 14 September 2010, C-48/09.

⁹ See for example, *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*, 489 U.S. 141, (1989); *Motorola v. Alexander Mfg.*, 786 F.Supp. 808, N.D. Iowa (1991); *Best Lock Corp. v. Ilco Unican Corp.*, 94 F.3d 1563, Fed. Cir. (1996).

¹⁰ *Rosco, Inc. v. Mirror Lite Co.*, 304 F.3d 1373, 1378 (Fed. Cir. 2002); see also *L.A. Gear v. Thom McAn*, 988 F.2d 1123, 24 Fed. Cir. (1993) para. 19.

dotted lines. While the outward appearance of the design is protected, any underlying abstract functional qualities, concepts, or characteristics of the design are not protected (i.e. while the appearance of the hinge on a box is protectable (even if the hinge is purely functional), the swivability of the hinge (or lack of swivability) is not protected).

Questions

You are invited to submit a Report addressing the following questions. Please refer to the 'Protocol for the preparation of Reports'

I. Current law and practice

- 1) Does your Group's current law provide for an intellectual property right (registered or patented) that specifically protects the outward appearance or ornamentation of an object or article of manufacture?

As set out in the Study Guidelines, copyrights and trademarks are not such rights in the context of this Study Question.

- 2) If yes, what is this right called? (e.g. registered design, design patent, industrial design, industrial design patent)

*References to **design** below are to be read as references to this right, irrespective of what it is called in your jurisdiction.*

- 3) What are the statutory requirements for such right?

Please tick any relevant boxes and explain the basis and application of these requirements.

- a) novelty
 - b) non-obviousness
 - c) inventive step
 - d) individual character
 - e) originality
 - f) aesthetic
 - g) ornamental
 - h) other, namely
- 4) Does your Group's current law deny design protection to a design with an appearance that is dictated solely by its function?
- 5) If yes, what are the relevant factors to determine whether or not a design is deemed unprotectable as being functional?

Please tick any relevant boxes and explain as applicable.

- a) whether the overall appearance is dictated solely by its technical function
 - b) whether each portion of the overall appearance is dictated solely by its technical function
 - c) the availability of alternative appearances that can obtain the same functional result
 - d) the need to achieve the product's technical function was the only relevant factor when the design in question was selected
 - e) other, namely ...
- 6) Does your Group's current law deny design protection to any portions (e.g. a "feature", "element") of the overall design that are deemed functional?
- 7) If yes, what are the relevant factors to determine whether or not a portion is deemed functional?

Please tick any relevant boxes and explain as applicable.

- a) whether the overall appearance is dictated solely by its technical function
 - b) the availability of alternative appearances for the portion to obtain the same functional result
 - c) the need to achieve the product's technical function was the only relevant factor when the portion in question was selected
 - d) other, namely ...
- 8) What is the effect on the scope of protection of a design with one or more functional portions?

Please tick any relevant boxes and explain as applicable.

- a) any portions deemed functional will not be taken into account when assessing infringement
- b) any portions deemed functional will not be taken into account when assessing validity
- c) any portions deemed functional will not be taken into account separately when assessing infringement, but can play a role in the overall comparison
- d) any portions deemed functional will not be taken into account separately when assessing validity, but may play a role in the overall comparison

- e) no effect (e.g. so long as the overall appearance is not dictated solely by its technical function, all portions of the design are included in the scope of protection, irrespective as to whether any portions may be functional)
- f) the Group's current law is unsettled
- g) other, namely

II. Policy considerations and possible improvements to your current law

- 9) How can the following aspects of your Group's current law be improved, if at all?
 - a) the definition or meaning of a "design"
 - b) the requirements for protection of a design
 - c) the treatment of functionality in the sense described in paragraph 14) of the Study Guidelines or aspects of such functionality
- 10) Are there any other policy considerations and/or proposals for improvement to your current law falling within the scope of this Study Question?

III. Proposals for harmonisation

- 11) Does your Group consider that harmonisation in the three areas in question 9) above is desirable?

If yes to some but not all of those three areas, please state in relation to which of the areas your Group considers harmonisation is desirable.

If yes in relation to any of those areas, please respond to the following questions without regard to your Group's current law.

Even if no in relation to any of those areas, please address the following questions to the extent your Group considers your Group's current law could be improved.

- 12) Should there be harmonisation of the definition of an intellectual property right that specifically protects the outward appearance or ornamentation of an object or article of manufacture?
- 13) If so, what should that right be called?
- 14) What should the requirements for such right be?

Please tick any relevant boxes and explain the basis and application of these requirements.

- a) novelty
- b) non-obviousness

- c) inventive step
 - d) individual character
 - e) originality
 - f) aesthetic
 - g) ornamental
 - h) other, namely
- 15) Should design protection be denied to a design with an appearance that is dictated solely by its function?
- 16) If yes, what should the relevant factors be to determine whether or not a design is deemed unprotectable as being functional?

Please tick any relevant boxes and explain as applicable.

- a) whether the overall appearance is dictated solely by its technical function
 - b) whether each portion of the overall appearance is dictated solely by its technical function
 - c) the availability of alternative appearances that can obtain the same functional result
 - d) the need to achieve the product's technical function was the only relevant factor when the design in question was selected
 - e) other, namely ...
- 17) Should design protection be denied to any portions (e.g. a "feature", "element") of the overall design that are deemed functional?
- 18) If yes, what should the relevant factors be to determine whether a portion of a design is functional?

Please tick any relevant boxes and explain as applicable.

- a) whether the overall appearance is dictated solely by its technical function
- b) the availability of alternative appearances for the portion to obtain the same functional result
- c) the need to achieve the product's technical function was the only relevant factor when the portion in question was selected
- d) other, namely

- 19) What should the effect be on the scope of protection of a design with one or more functional portions?

Please tick any relevant boxes and explain as applicable.

- a) any portions deemed functional will not be taken into account when assessing infringement
 - b) any portions deemed functional will not be taken into account when assessing validity
 - c) any portions deemed functional will not be taken into account separately when assessing infringement, but can play a role in the overall comparison
 - d) any portions deemed functional will not be taken into account separately when assessing validity, but may play a role in the overall comparison
 - e) no effect (e.g. so long as the overall appearance is not dictated solely by its technical function, all portions of the design are included in the scope of protection, irrespective as to whether any portions may be functional)
 - f) the Group's current law is unsettled
 - g) other, namely
- 20) If your answer to question 11) is no, is it your Group's view that a (registered or patented) intellectual property right that specifically protects the outward appearance or ornamentation of an object or article of manufacture should not be available at all?
- 21) If yes, why?
- 22) If your answer to question 11) is no in relation to some but not all of the three areas set out in question 9) above, please state why your Group does not consider that harmonisation in that area(s) is desirable.
- 23) Please comment on any additional issues concerning any aspect of the definition and requirements for protection of designs, or the role of functionality, you consider relevant to this Study Question.