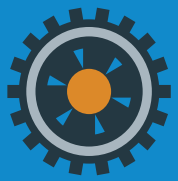
Bird & Bird & DesignWrites

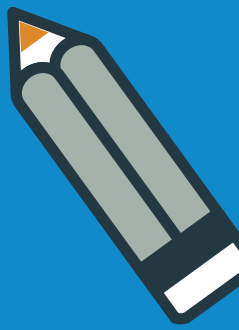
October 2013

Welcome to the second edition of DesignWrites

At Bird & Bird we're passionate about design. DesignWrites will unravel and explore the seemingly complex world of design protection, offering practical advice by looking at recent design cases, hearing from industry experts and sharing stories from the wider design community.

If you would like advice on how best to protect your designs or take action to stop copycats, please contact Ewan Grist via ewan.grist@twobirds.com for a complimentary consultation.





In this edition...

International design filing under the Hague System – an introduction

Belgium's recent decision to sign up to the Hague Agreement on the international registration of industrial designs and the anticipated participation of both the US and the UK demonstrates the growing strength and utility of this system to design owners.

By Domien Op de Beeck, Brussels

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The Hague System: what is it?

The Hague Agreement puts in place a system that allows a designer to obtain design protection in one or more 'Contracting States' via a single centralised application to the World Intellectual Property Office (WIPO), rather than needing to make separate national applications in each of those Contracting States.

Why is it useful?

By enabling multi-national design applications through a single procedure, the Hague system offers a simple, inexpensive procedure for design filing and post-grant management. Designers are only burdened with one application, at one office, in one language and upon payment of one set of fees. The system also allows for the filing of up to 100 different designs (provided all are in the same Locarno class) in a single application. Furthermore, since the system is operated by a single body, the WIPO, the design owner can, for instance, request renewal of the design or register changes to its details centrally.

The number of international design applications has steadily risen in the last few years and there are now 60 Contracting States participating in the Hague system. One of these Contracting States is the European Union, and as such, a design owner can obtain protection throughout the EU (having the same effect as a Registered Community Design) and in many non-EU states by way of a single international application. The expected entry of key territories such as the US will of course make the Hague system even more attractive to designers whose reach extends beyond the EU.

How does it work?

International design applications are filed, in paper or electronically, with the International Bureau of WIPO (or some national offices) in French, Spanish or English.

It is possible to claim priority for an international application from an earlier filing provided that the international application is filed within six months of the earlier filing. The advantage of claiming priority is to obtain the benefit of an earlier filing date at which the validity of the design will be assessed.

The publication of the international registration will take place six months after the filing date of the application unless the applicant requests that the publication be deferred. The maximum deferment period allowed is subject to the law of each Contracting Party. Not all territories allow deferment, such as Singapore. For international registrations designating the EU, however, deferment is permitted for up to thirty months from the filing date or, where priority is claimed, from the priority date. An applicant may wish to defer publication to, for example, allow more time for development and market research before launching its product, whilst still being assured of a secure filing date.

The term of protection granted to an international registration is five years but may be renewed for one or more additional terms of five years up to the expiry of the total term of protection allowed by law in the Contracting State in question (for instance, 25 years in the EU).

More information can be found on the website www.wipo.int/hague/en/

Protecting your designs in China – easier than you might think

By Alison Wong and Fanny Siu, Hong Kong

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Given China's position as the world's leading manufacturing nation, it is unsurprising that many counterfeit and copycat products on market throughout the world originate from China. There is a common misconception amongst design owners in Europe that there is little which can be done to stem the manufacture and flow of infringing products from China. However, that is not the case. In this article, we will look at how design patent protection in China plays a significant role in protecting innovative industrial designs and how it can be used as a cost-effective tool for stopping the flow of infringing designs onto the global market.

Registrable designs

Design patents are protected under the Patent Law of the People's Republic of China. New designs, shapes, patterns, or combinations of colours, shapes and patterns which have an aesthetic appeal and are fit for industrial application may be patentable. Such protection is available to both two-dimensional and three-dimensional designs. However, in the case of two-dimensional designs, a design patent will not be granted for a design which is used primarily for the identification of pattern, colour or a combination of the two (e.g. a label).

The term of a design patent is 10 years from the date of application.

Application process

The application process for a design patent is relatively fast and cost effective. Together with the application, the applicant must submit drawings or pictures and a brief description of the design, setting out the essential features of the design. The drawings or pictures of the design should clearly show the top, bottom, front, back, left and right view and a perspective view of the design. The specification of the design and the drawings will be used to define the scope of the protection by the courts and administrative enforcement authorities.

Similar to Community designs in the EU, design patents in China are not subject to any substantive examination. The State Intellectual Property Office will only examine the application to ascertain whether the design is protectable, formalities have been complied with and that the application fee has been paid. The application process will take approximately six to twelve months.

China adheres to the "first-to-file" principle. It has, since the amendments to the Patent Law in 2008, adopted an absolute worldwide novelty standard, which means that a design will no longer be patentable in China if it has been previously published or used anywhere in the world.

The cost of filing for a design patent in China is approximately USD$ 2,000.

Infringement

Once a design patent right is granted, no one else may manufacture, offer for sale, sell or import any products incorporating the patented design for production or business purposes, without the consent of the design owner. The design owner can seek an injunction, damages and other declaratory reliefs from the Court for infringement.

"...a design will no longer be patentable in China if it has been previously published or used anywhere in the world"

Safeguarding your innovative designs - get them patented and recorded with customs

It is important for rights owners to file for design protection in China as early as possible to prevent pirates from using the "first to file" principle to hijack designs. The invalidation of a design patent can be costly and can be best avoided by early filing in China (preferably during the early stage of the product development before the design is made public).

Another option for rights owners is to register the design patent with Chinese customs to stop the infringing designs leaving China to enter other markets. The Chinese Customs Law prohibits the export and import of goods to or from China that infringe intellectual property rights. Rights owners such as design patentees can register their design patents with the General Administration of Customs in Beijing. The recordal lasts for the term of the design patent and the recordal is placed on a central database accessible by all customs officials, making it easier for infringing products to be seized. The customs recordal process takes approximately 1 month and is another effective tool that rights owners should consider to tackle infringers.

Focus on 3D printing: new opportunities and new challenges

By Joe Berg,
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3D printing is set to revolutionise the way products, ranging from the everyday to highly specialist, are manufactured. In its recent report on disruptive technologies[1], the McKinsey Global Institute (MGI) identified 3D printing as one of the top 12 technology areas with the potential for massive impact on how people live and work, and on industries and economies.

In this article, Joe Berg of Prod Designs looks at what it is and how it might impact upon the world in which we live.

Introduction

3D printing has recently become a hot topic in design, and with a raft of patents in the technology due to expire in a few months, 2014 will no doubt see an even greater acceleration in the adoption and development of the technology. Some are already hailing it as the next Industrial Revolution. Its effects can certainly be felt in a growing number of industries, and even now in the consumer's home. But how does the technology work, what is it currently capable of and what effect will it have?

What is 3D printing and how does it work?

3D printing is a form of additive manufacturing, a process whereby models are built up, layer by layer. The process starts with a three dimensional digital file of the object created either using CAD (Computer Aided Design) software or by 3D scanning an existing object. The 3D printer software then divides the object in the file into hundreds or sometimes thousands of horizontal layers. The 3D printer then follows the build path, adding material where required until the layer is complete. The build then moves up a layer to repeat the process.

Common 3D printing processes include Fused Deposition Modelling, Selective Laser Sintering and Stereolithography, each using a slightly different method to deposit solid material in each layer of the build.

Fused Deposition Modelling extrudes a thin stream of molten plastic through the nozzle in its print head, which solidifies as it exits the model. Often FDM printers also extrude a support material where no permanent solid is required in the model, to support the printing of the next layer. This cellulose support material can then be removed after printing leaving just the solid object remaining.

Selective Laser Sintering covers the entire printer bed with a fine layer of powdered material. A laser beam then follows the build path, fusing the powder together where solid material is required. The bed is then coated with another layer of powder and the process is repeated, with the unfused powder acting as the support material.

[1] Disruptive technologies: Advances that will transform life, business, and the global economy", McKinsey Global Institute, May 2013 (see http://www.mckinsey.com/insights/business_technology/disruptive_technologies)

Stereolithography is similar to SLS printing, in that a laser is used to fuse the raw material into a solid. The main difference is that rather than using a powder as the raw material, SLS bonds a liquid (usually a resin) with the laser.

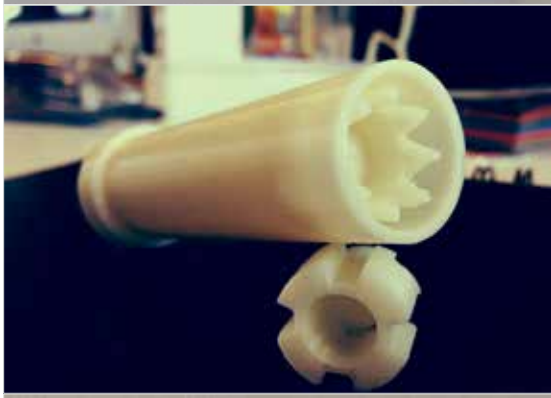
Currently 3D printers are capable of producing highly accurate objects in a range of materials, including a range of plastics, metals, ceramics, glass and even living tissues. This wide variety of materials, colours and properties allows a huge range of applications, expanding as the technology develops further.

Commercial use of 3D printing

In the commercial domain, 3D printing has in fact been around for over 30 years now. Its main use is the rapid prototyping of design ideas for evaluation and testing. Designers employing an evolutionary prototyping process can send a 3D model of a design to print in the afternoon and collect it for testing the next morning. The model can then be developed further based on the testing, and the next iteration sent to print. This greatly speeds up the development of a product by reducing the time spent waiting for a model to test each iteration, when compared to, say, hand-making prototypes or batch production. As the technology has improved and more materials become compatible with the process (thereby allowing prototypes to be produced in the intended production material), the fidelity of testing has also greatly increased, enabling structural, mechanical and aesthetic testing at a much earlier stage of the design process and without the need for more costly full scale production processes.

"The reduction in turnaround time has enabled Formula One teams to develop and manufacture updated parts for their cars quickly enough to have them deployed in time for the next race"

Recently with the advancement in the technology, 3D printing has become capable of being deployed as a commercial manufacturing process. It enables bespoke pieces to be produced without costly tooling or the need to be produced by hand, thereby reducing the cost of creating highly individual products. 3D printing also greatly reduces manufacture time, eliminating set up times for machines, and time consuming hand finishing. This reduction in turnaround time has, for instance, enabled Formula One teams to develop and manufacture updated parts for their cars quickly enough to have them deployed in time for the next race, allowing constant improvement throughout a racing season.



Examples of work by Prod Designs. Images reproduced with kind permission of Prod Designs.

3D printing has also made possible the manufacture of previously impossible features in products. Hollow items can be printed with complex internal structures, enabling reduction in material usage and therefore weight without comprising strength, which is ideal, for example, in aerospace applications. Natural hinges can be printed, as can movable ball and socket joints which are already connected (ideal for hip replacements). Previously impossible shapes are now popular amongst jewellery designers, with complex intricate patterns now achievable for manufacture even on a small scale.

3D printing at home

One of the fastest growing areas of 3D printing are the desktop machines aimed for use in small offices or at home. It is now possible to buy the most basic 3D printers for as little as a few hundred pounds, and desktop FDM and SLA printers are now retailing at between £2-3,000, capable of printing a number of plastics with relative accuracy.

With some hailing this as the next industrial revolution, there can be no doubt that there is a growing demand for domestic 3D printing, with hobbyists and makers rapidly adopting the technology.

Though the technology available at this end of the market is currently quite limited in its capabilities, improvements will continue to trickle down from more professional machines to the benefit of the domestic offering.

One previous imitation to this growing market was the access to and ease of use of the software required to create the 3D files for printing. However, online shops where one can purchase 3D files (in just the same way as you might buy an album from iTunes) are starting to become widespread.

3D printing - opportunities and risks

The commercial use of 3D printing for rapid prototyping is an established application and will continue to be employed with adoption steadily increasing as price of the equipment makes it more affordable for smaller firms to purchase their own 3D printers. However the most accelerated growth in the technology will be seen in the newer emerging markets.

3D printing will become more widely used as a manufacturing process, as the technology develops to allow increased accuracy of finish, faster printing, and wider range of materials. As this improves, it could become the standard method of production for low volume complex or

Examples of work by Prod Designs. Images reproduced with kind permission of Prod Designs.

customised products and is already being used as such in the motor, aerospace and other engineering industries.

The medical sector is greatly increasing its use of the technology and is pioneering the development and deployment of 3D printing in a number of fields. The printing of live tissue and cells may see the possibility of 3D printing replacement organs to order in the future, which will obviously have huge implications for transplants. A 3D printed jaw has already been successfully implanted into a patient during facial reconstruction surgery, complete with the complex hollow bone structures necessary to allow blood flow.

Consumer use of 3D printing technology is also set to see huge growth, triggered in part by the expiry of the patents in 2013 and 2014 which cover the technology. It is entirely possible that domestic 3D printers will become commonplace in the home in much the same way that inkjet printers have. 3D printing companies are already offering a 3D printing service where files can be uploaded to their site and the 3D printed object shipped out to the customer. One disruptive effect this may have is that consumers may expect a higher degree of customisation with products that they purchase, and mass produced items may now have to leverage 3D printing technology to meet this demand. An example of this was the Nokia Lumia SmartPhone, where the CAD files for the case were made public, thereby allowing customers to customise their case design and 3D print it themselves. Even selected Staples retailers have 3D printers where customers can come into store and 3D print their own items, in the same way they might with posters or fliers.

No doubt the rise of this consumer influence will also see a rise in 3D 'piracy' - the ability to cheaply produce your own copycat item at home rather than purchasing it in a shop. The already notorious file sharing site, ThePirateBay, has a section for 3D files, downloadable in the same way as music and film files. The accompanying technology of 3D scanning may also exacerbate this problem, making it easier to capture the information necessary to 3D print an object quickly and accurately. Desktop consumer products are already available that combine 3D scanning and printing, so an object can be placed inside, scanned and then a duplicate printed.

3D printing may also offer a disruption in traditional distribution channels, and the accompanying business models. If looking for a simple replacement part, it may be easier to purchase a file from a website, download it and print it at home, rather than having it sent by the original manufacturer. How companies such as Amazon and eBay (which already have a 3D printing sections on their sites) adapt to these changes and embrace the opportunities will be very interesting to follow.

Conclusion

3D printing looks set to explode in the next year and presents huge opportunities in new and emerging markets. For designers, the ability to quickly and cost-effectively produce accurate, high fidelity prototypes is an invaluable part of the design process. New materials and techniques are also enabling highly complex and innovative designs previously impossible to produce, and the technology enables designers a method of low volume production of highly bespoke items. These huge advantages for designers do not come without potential pitfalls however. The proliferation and mass adoption of the technology and its accompanying capabilities will invariably make it harder to protect a design from adaptation, copying and reproduction, both authorised and unauthorised.

Joe Berg is the founder of Prod Designs, an integrated design consultancy based in London

Prod Designs combines product and graphic design skills to create effective, innovative design solutions. They utilise a range of 3D printing technologies as an integral part of their product development process, as well as to produce architectural models, highly customised bespoke pieces and prototypes for testing and display. They have worked on a range of projects, from a Smart Home Technology project on the CISCO backed Raptor programme, to a project to develop and deliver affordable solar lights to rural Africa and India.

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DESIGNERS IN RESIDENCE
2013

Designer views: Gemma Curtin, Curator of the Designers in Residence 2013 programme at the Design Museum, London

The Design Museum's annual Designers in Residence programme provides a platform to celebrate new and emerging designers at an early stage in their career. The programme is now in its sixth year and is a core part of the exhibition programme demonstrating the Design Museum's commitment to support and encourage new design talent. The 2013 Designers in Residence are: Adam Nathaniel Furman, Eunhee Jo, Chloe Meineck and Thomas Thwaites. This year's Residents were selected through an open call in response to a brief to create a piece of work based on the theme of 'Identity'. The results will be displayed in the Design Museum until 12 January 2014.

Why did the Design Museum decide to set up the Designers in Residence programme? How did it come about?

About a quarter of our work at the Design Museum is with emerging designers. The Designers in Residence programme was first initiated in 2008 and became firmly established in 2011. It is for young designers who have left education for more than one year but have no more than five years' experience and who are at the start of their careers. The programme was established to offer young designers financial support to produce a piece of work for an exhibition and to provide practical mentoring advice. We identified a gap between young designers not receiving the level of support they needed in the early stages of their careers and saw this as an opportunity to support them from the outset.

What excites you about the Designers in Residence this year? Either the individual designers or the whole programme.

What has been interesting is working with the designers from the proposal and interview stage, right through to preparing the exhibition. They are all incredibly engaged, dedicated and talented young designers. They each have the tools to make our lives better through their designs and it is very uplifting to see young people make a difference in their fields. What I have also found fascinating is the different extremes between each of the designers despite the common theme of identity.

Chloe is focussing on the issue of fading identities and dementia, she uses music and objects, and her work is multi- sensory to trigger thoughts and memories from the viewer. Chloe has developed a memory box to be used by people suffering with dementia.

Music Memory Box by Chloe Meineck

Adam looks at using 3D printing techniques and plaster in his work, exploring the concept of identity through a cabinet of curiosities. The cabinet will contain products made entirely from 3D printing and Slip Casting.

Thomas will explore how the collating of personal information from the internet could, in addition to boosting consumer knowledge, also be used to inform people about themselves and their own identity. He has developed an interactive webpage that will act like a 'self-help book' and may aid people to make some choice changes about their personality and identity.

Eunhee Jo's research looks at the surface quality of things. During her residency Eunhee will develop new surfaces made of fabric or paper which will be embedded with technology. Eunhee will use this embedded material to create a light and Hi-Fi system that offer new possible encounters with what we regard as everyday items and in doing so creating new aesthetic possibilities.

I am excited by each of the designers because they are each open to the world and what is happening and actively thinking and responding to it. All four designers acknowledge that we are living in a technological age and incorporate this in this into their designs whilst exploring the theme of identity.

What do you view as the biggest challenge and/or opportunity facing young designers?

We have the Designers in Residence programme to bridge the gap between leaving education and establishing a career as a designer. We aim to provide a foundation and structure to support young designers at the early stages of their careers. Becoming a designer is not like any other profession with a clear path and it can be challenging to find an outlet for this talent. In the first few years when designers are on their way to establishing where their talent can be used, this can be very difficult both from a financial perspective and many young designers find there is a lack of support in making contacts and improving their commercial awareness.

We offer our young designers mentoring and support including legal advice on issues such as copyright, royalties and intellectual property. Often it is difficult to put a price on the individual designer's work, we work with them to offer guidance on how they can make a living from their designs. I believe there is a strong opportunity for designers and professional organisations to work together to learn and collaborate to achieve this.

As a curator at the Design Museum, what is your favourite design at the museum?

The joy of working at the Design Museum is that you get to work with so many fascinating designs. It is the scope and variety of designs that motivates you. Whatever you are working on at the time becomes your favourite as you learn so much about the project through investigation, research and the background and personal story associated with the work. Then you start a new piece of work and start the whole process begins again and that work soon becomes your favourite. I often feel it is quite indulgent to be allowed to research in such depth areas of design and feel very fortunate to be allowed to dedicate myself to this.

What is your favourite design of all time and why?

The B52 chair by Marcel Breuer, the 1930's Bauhaus architect. I am very fond of the design itself, the optimism and use of new materials. He produced strong designs that don't dominate, strong designs that are also discreet.

What are the main challenges facing curators?

One challenge facing curators is how to present ideas to the public in an engaging, memorable way. Often curators have a wealth of information that they have to distil into just an hour's visit for the public. It can be difficult to capture the essence of what objects and people are about and convey this into a short period of time without missing something significant.

When do applications open for the 2014 Designers in Residence programme? How do people apply?

Applications open in January 2014 and more information will be available on the Design Museum website. http://designmuseum.org/

Applications close at the end of February 2014 and the winners are announced in April 2014.

designmuseum.org
#DesignersInResidence

Images, clockwise from top left: Mememe Totem Poles by Adam Nathaniel Furman; Sarah Yantrelaction by Adam Nathaniel Furman; work by Thomas Thwaites; B52 chair by Marcel Breuer (Photo: Luke Hayes); work by Eunhee Jo; work by Eunhee Jo; work by Thomas Thwaites

Legal considerations throughout the lifecycle of a design

By Ewan Grist, London

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From a legal perspective, the lifecycle of a design following its creation can be divided into three closely related and equally important phases:

1. protecting the design;
2. exploiting the design; and
3. enforcing the design against infringements.

In each phase, it is critical for the design owner to work closely with its legal advisor to ensure that there is a co-ordinated and consistent strategy in place from the start.

In this article, we will look at the UK as an example but the principles are the same in all jurisdictions.

1. Protecting the design

Once a design has been conceived, the designer should turn their attention to the most appropriate means for protecting that design without delay, and in any event before the design is disclosed to the public.

All too often, designers neglect this fundamental step in a rush to get the design to market, only to realise, too late, that the design is inadequately protected. One factor in this unfortunate tendency to overlook the design protection may be the perception that obtaining design protection in the UK will be complex and time-consuming.

At first glance, this does appear to be the case. Designs can be protected in the UK by a patchwork of interlocking and overlapping regimes, each with its own set of rules for registrability, excluded matter, term, territory, validity and infringement. However, this apparent complexity also offers a great deal of flexibility by allowing designers to pick and choose the most appropriate and cost-effective means to protect their designs, depending on their particular commercial circumstances.

In simple terms, designs can be protected in the UK by one of more of the following rights:

- registered or unregistered Community designs (under Regulation 6/2002);
- registered or unregistered national designs (under the Registered Designs Act 1949 and the Copyright, Designs and Patents Act 1988 respectively); and
- copyright as artistic works (under the Copyright, Designs and Patents Act 1988).

	Design type	Registration	Requirement	Commences	Duration	Territory	Test for infringement	Cost
RCD	2D and 3D designs	Registration required at OHIM	New and individual character	Upon registration	25 years	EU	Same overall impression on informed user	€350 per design
UCD	2D and 3D designs	No registration required	New and individual character	Automatically upon first disclosure in EU	3 years	EU	Same overall impression on informed user, but must design copied	Free
UK RD	2D and 3D designs	Registration required at UK IPO	New and individual character	Upon registration	25 years	UK	Same overall impression on informed user	£60 per design
UK UDR	3D designs	No registration required	Original	Automatically upon first recordal in a design document or making of article	15 years	UK	Copying to create articles substantially to the protected design	Free
Copyright	Generally 2D designs (3D designs only if artistic)	No registration required	Original	Upon recordal	70 years + life[1]	UK	Substantial part copied	Free

[1] Amended by Enterprise and Regulatory Reform Act 2013

The table above set outs a high level overview of the key characteristics of each regime.

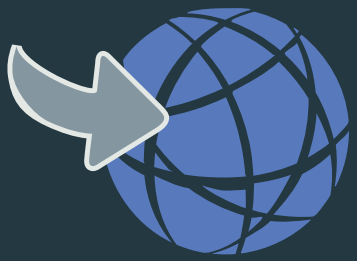
The decision as to which of these rights is the most suitable means for protecting a given design will depend on a number of factors, including:

- the territory in which protection is required. This will of course be determined by the current and anticipated geographical scope of the designer's commercial operations. Should it be anticipated that equivalent protection is also desirable outside of the EU, such protection should generally be sought at the same time as protection in the EU (so as to avoid disclosure in the EU being novelty-destroying to applications elsewhere).
- the duration of protection required. In fast moving sectors, such as fashion and electronics, designs may have only a relatively short useful life span and hence a relatively short period of protection, such as the 3 years offered by the unregistered Community right, may suffice; and
- the value of the design to the designer. Whilst it is of course cheaper and easier to rely on unregistered rights alone to protect a given design, the protection afforded by unregistered rights is less robust because such rights are shorter in duration and require proof of copying. Furthermore, the deterrent effect of possessing a formal registration cannot be underestimated. Depending on the commercial importance of the design, the designer may wish to seek registered rights, notwithstanding that the design may also be protected by unregistered rights.

It should be noted that the registered Community design in particular is becoming increasingly widely used for a number of reasons. Firstly, it is a single, unitary right, enforceable throughout all 28 EU Member States. Secondly, it is cheap and easy to obtain (OHIM does not substantively examine design

applications, unlike trade mark applications, and so a registration can be obtained in a matter of weeks). Thirdly, it subsists for a maximum of 25 years, often longer than the useful lifecycle of a given design. Fourthly, the Community design regime provides for a grace period of 12 months (allowing the design to be 'tested' on the market before deciding whether it is worth registering) and a deferral of publication of up to 30 months (allowing the designer to establish a filing date, but take more time to develop the product before publicly disclosing it). In light of these advantages, it is perhaps unsurprising that over 750,000 Community designs have been registered at OHIM to date, with approximately 80,000 new designs being added every year.

If however the designer is seeking to rely on their unregistered rights alone (as may well be appropriate in certain cases), it is critical that they are able to evidence how, when and by whom the design was created, so as to be able to establish title to the design should it become necessary for enforcement purposes. Detailed written records of the design process should be maintained as standard practice, together with details of the employment and commission agreements of all those who contributed to the design.



2. Exploiting the design

Once the designer has determined their best strategy for protecting their designs, they will then wish to commercialise the design to exploit its value.

Typically, this exploitation will simply be by the sale of products incorporating the protected design. However, just as with any other intellectual property right, designs (whether registered or unregistered) may also be licensed to third parties for exploitation and the normal considerations for such licensing arrangements will apply. Any exploratory discussions with third parties to this end should be expressly subject to a non-disclosure agreement.

3. Enforcing the design against infringements

The more commercially successful the design proves to be, the more likely it is that competitors may seek to mimic it for their own products. This tendency to copy successful designs is exacerbated by two factors in particular.

Firstly, the public's understanding of design law (and more particularly the concept that a design per se can be legally protected) is poor. Whilst everyone can be expected to know that, say, a counterfeit Rolex is unlawful, the same cannot be said for products which merely look like a famous product but not branded as such. The upshot is that many parties dealing in these 'knock off' products, either manufacturing them or putting them on the market, are often genuinely unaware that they might are infringing the designer's IP rights.

Secondly, a large proportion of these knock-off goods originate from the Far East, where design owners inevitably struggle to prevent the bulk manufacture of knock-off products, which then inevitably find their way to the UK market.

It is therefore extremely important for designers to have a co-ordinated and rigorous enforcement policy in place to take action against knock offs products quickly and efficiently.

(a) Court action against infringers

Prior to initiating court action, the design owner will typically wish to issue a cease and desist letter to potential infringers in an attempt to avoid the need for further action. Care must be taken when issuing cease and desist letters as such letters are likely to constitute an actionable threat to bring infringement proceedings. It is therefore important that the design owner is confident of its rights before taking such a step.

In the event that a cease and desist letter fails to achieve its objective, a designer may wish to bring an infringement action against a third party to obtain an injunction (which can be pan-European, if based on a Community design) to prevent further sale of the infringing product, as well as damages and/or an account of profits and ordered publication of the judgment. Interim injunctive relief is also available, with a decision typically issued in 6 - 8 weeks.

There has long been the concern that enforcing designs against infringers before the courts will be both costly and unpredictable in practice. However, in light of the recent spate of high profile design cases across the EU (such as the Apple v Samsung battles), courts throughout many EU member states are becoming increasingly comfortable with design law and now offer effective fora for disputes to be confidently resolved.

In the UK, infringement proceedings can be brought either in the High Court or the Patents County Court (the PCC, shortly to be renamed the Intellectual Property Enterprise Court). Whilst High Court proceedings remain relatively expensive, the PCC now offers an effective and relatively low cost forum for the resolution of lower value design cases, especially those involving SMEs or individuals. The PCC is staffed by a specialist judge and employs a more streamlined procedure to deal with, for example, disclosure of documents and cross-examination. Costs are limited such that the losing party will be liable for a maximum of £50,000 (based on a “scale costs” regime) and recoverable damages are limited at £500,000. A decision from the PCC can be expected within a year of proceedings being commenced.

(b) Customs enforcement

Under the EC Customs Regulation 1383/2003 (to be replaced by Regulation 608/2013 in 2014), the owner of a design right may apply to the Customs authority in one or more EU Member States requesting that Customs searches for and seizes suspected infringing products entering or exiting the EU. Whilst the practice varies from country to country, in general, if suspected goods are detained and the importer/exporter is unwilling to surrender the goods for destruction, Customs will continue the detention pending the outcome of infringement proceedings.

A Customs enforcement programme is an extremely effective means of prevent infringing goods from entering circulation in the EU. Whilst there is no fee payable for making the application to Customs, enforcement action must usually be taken soon after a detention is made and so the design owner should have resources in place to effect this.

(c) Other means of enforcement

Other means of monitoring for design infringements, such as attending the relevant trade fairs and monitoring online auction websites should also be considered as part of a comprehensive enforcement effort.

Case report: The battle of the tablets

Since early 2011, Apple and Samsung have been locked in multiple lawsuits all over the world to determine whether Samsung's Galaxy tablets infringe various of Apple's tablet designs.

By Manon Rieger-Jansen and Richella Soetens, The Hague

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This battle is not only being fought before various national courts, but also before the EU trade mark and designs registry, OHIM, where Samsung has contested the validity of a number of Apple's Community designs. OHIM has recently ruled on the validity of four of Apple's Community designs in particular.

The "cool" design valid over 50 prior designs

OHIM's latest decision of 5 July 2013 concerned a design (pictured below left) which was filed by Apple and registered in 2004.

This design has been the subject of various infringement proceedings around the EU. For instance, both the UK court (which famously concluded that Samsung's tablets were "not as cool" as the Apple design) and the Dutch court found that it was not infringed by Samsung's Galaxy tablets.

OHIM has now found this design to be valid over 50 alleged prior designs, over which Apple's design was found to have the necessary individual character.

OHIM also held a second Apple tablet design from 2010 (pictured below right) as valid in a decision of 15 May 2013.

Design 000181607-0001

Design 001222905-0002

The meaning of dotted lines

An important issue in the decision on the 2004 design was how one should construe the dotted lines used in design registrations (for instance the border on the screen). There was significant debate as to whether the features depicted in dotted lines formed part of the protected design or not. Apple took the view that the features depicted in dotted lines were still part of the design, whereas OHIM regarded features depicted by dotted lines to be in fact excluded from the scope of protection of the design (consistent with OHIM's published guidelines for Community design applications). Even disregarding such features however, OHIM nonetheless found that none of the prior designs cited by Samsung detracted from the design's individual character.

Later designs invalid despite abusive disclosures

Despite upholding the validity of certain designs, OHIM declared that others were in fact invalid. In particular, two tablet designs dating from 2011 (shown right), were found to be invalid over earlier 'mock up' designs shown on tech websites trying to second guess what the new Apple tablet design would look like when released.

According to Apple, the mock-ups only appeared on these websites due to leaks from within Apple and should therefore not be taken into consideration when considering the validity of Apple's registrations. OHIM however ruled in decisions dated 13 and 14 May 2013 that even in case of an allegation of abuse, a design application must still be filed within the 12 month grace period. The designs were eventually declared invalid due to lack of individual character in view of the mock-ups.

Technical function

In the various proceedings, Samsung tried to attack Apple's tablet designs by arguing that the designs were dictated by technical function, and hence excluded from registrability. OHIM rejected such arguments, holding that none of the features of the designs were dictated solely by technical function, but instead contributed to the overall look of the product. In this respect, OHIM stressed that portable electronic devices compete not only in their technical features, but also in their design and that design plays a significant role in the marketing of such products.

The battle continuous

Whilst OHIM has now ruled on the validity of four of Apple's Community designs, Samsung has appealed a number of decisions and yet further designs are still being contested. The "battle of the tablets" continues.

Design 001888454-0001

Design 00188454-0013

Mock-ups

Case report Germany: Proving ownership of unregistered designs

By Jana Bogatz, Munich

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In a recent German case[1], a fashion retailer selling a bolero jacket called "Amisu" (pictured below right) brought infringement proceedings against the seller of a similar bolero jacket, called the "LIVRE" (also below photo).

The claimant asserted that the defendant had infringed its unregistered Community design (UCD) which it said subsisted in the design of its Amisu jacket.

Where proceedings are brought on the basis of a UCD, the claimant must first show that it is the rightful owner of the claimed UCD. This is in contrast to the position in relation to registered Community design (RCD) infringement where there exists a presumption of ownership in favour of the party listed as being the registered owner.

Whilst the claimant did not itself create the design of the Amisu jacket (and nor was it the legal successor of the designer), it claimed that the design was created by its employees in the execution of their duties and/or following its instructions and so the claimant was the rightful owner (Article 14(3) CDR).

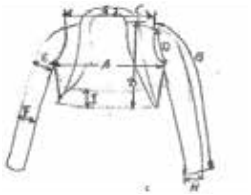
In order to prove this, the claimant mainly relied on two facts:
(1) the "Amisu" bolero jacket design was first made available to the public in the EU when sold by the claimant, and
(2) three of the claimant's employees had designed the bolero jacket shown in the design sketch below right.

The German Federal Supreme Court found however that the claimant had not proved that it owned the UCD in the Amisu jacket. The bolero jacket sold by the claimant was not the same as that shown in the design sketch - in particular, the essential features of the UCD, such as the circumferentially closed broad cuff running from the neck over the back and back to the back, could not be derived from the design sketch. Furthermore, the German Federal Supreme Court did accept that there was any basis for a legal presumption that the first party to disclose the design to the public is also the rightful owner of the UCD in that design.

The Amisu jacket

The allegedly infringing LIVRE jacket

Claimant's design sketch



Consequences for right holders

Given the burden of proving ownership of UCD, the enforcement of UCDs in Germany might become somewhat harder in the future. Therefore, designers (especially those in the fashion industry, which often rely on UCDs alone) must be sure that they carefully compile and save contemporaneous documentary evidence demonstrating how, when and by whom designs were created, so that they can prove UCD ownership when required to do so. We also recommend that designers carefully reconsider whether they would be better off seeking registrations of their key designs. In addition to avoiding the need to prove ownership, registered Community designs are inexpensive and quick to obtain, last for significantly longer than their unregistered counterparts and do not require proof of copying to establish infringement.

[1] German Federal Supreme Court decision of December 13, 2012 - Case I ZR 23/12 - Bolerojäckchen

Case report Spain: LINET succeeds in infringement case for its hospital bed design



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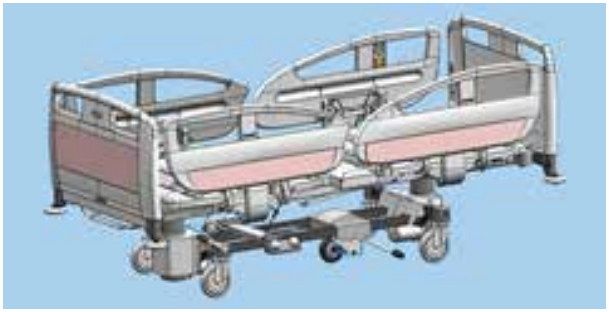
On 21 May 2013, a court in Spain[1] ruled that the Spanish bed manufacturer, Medical Ibérica - Medisa, had infringed a Registered Community Design (RCD) for a hospital bed owned by the Czech company LINET. LINET's RCD and one of the two models of infringing beds manufactured by Medisa are shown below.

In reaching its conclusion, the court decided that the informed user (through whose eyes infringement should be considered) was a person responsible for purchasing furniture for hospitals. As hospital beds have specific requirements, the informed user was taken to have a specific knowledge about design features necessary to satisfy these requirements. When considering the design freedom available to the designer, the Court took in account that hospital beds are required to have certain features by their inherent nature/function (e.g. lateral guard rails and elevating arms). As such, only features which were not so dictated would have an impact on the overall impression created on the informed user. Finally, the court stressed that the test for infringement was to be based on the overall impression created, rather than a close examination of individual differences. Taking this into account, the court concluded that the Medisa design would create the same overall impression on the informed user as the RCD.

[1] Supreme Court in Madrid

LINET RCD 001105118-0003



Medisa's infringing design

Case report UK: Magmatic succeeds in infringement case for its Trunki cases

In July 2013, the UK court held Magmatic's Registered Community Design ('RCD') (and certain unregistered UK design rights) relating to its 'Trunki' children's suitcases was infringed by PMS's 'Kiddee Case'[1].

By Rebecca O'Kelly, London

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Prior to registering the RCD, Magmatic had won a prestigious design award based on an earlier design of the Trunki, called the 'Rodeo', as shown below.

The court held that the relevant sector to be considered when determining whether the Rodeo design had been disclosed was the sector from which the prior design came, not the sector from which the RCD came. While the award had been for plastics design, the topic in the relevant year was for luggage design. Therefore, given the high repute of the award, it was likely that individuals from the relevant sector (i.e. luggage) would have attended the award. Despite the very limited publication of the Rodeo's design at the time of or since the award, it did not fall within the 'obscure designs' exception of Article 7(1) of the Community Designs Regulation. However, given its relative obscurity, the Rodeo design would not have formed part of the design corpus of which the informed user would have been aware.

The Court noted that the scope of protection for a 'strikingly novel' product was greater than the protection for a design which was only incrementally different from the prior art. Given the number of varying designs created by Magmatic since the design of the Rodeo and registration of the RCD, and the number of other different children's ride-on suitcases on the market, the Court held that Magmatic had had a wide degree of design freedom and the RCD was therefore entitled to a broad scope of protection.

The Court held that graphical designs representing different animals and insects on the surface of the Kiddee Case were not relevant when considering whether it gave the same overall impression to the informed user as the RCD. In making this finding, the Court distinguished Samsung v Apple [2012] EWHC 1882 (Pat) on the basis that Apple had specifically argued that part of its registered design was the lack of ornamentation on its tablets.

Despite the differences between the Kiddee Case and the RCD, the overall impression created by the Kiddee Case was found to share the slimmer, sculpted, sophisticated, modern appearance, prominent ridge and horn-like handles and clasps which were present in the RCD, but which were absent from the Rodeo. The Kiddee Case was therefore found to infringe.

The RCD

The Trunki product

The infringing Kiddee Case

The Rodeo

[1] Magmatic Ltd v PMS International Ltd* (Arnold J; [2013] EWHC 1925 (Pat); 11.07.13)

Case report UK: Manufacturer succeeds in bondage frame infringement action

By Zoe Grant, London

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The recent case of UWUG Ltd v Derek Ball t/a RED ([2013] EWPCC 35; 30 July 2013) related to infringement of UK registered and unregistered design rights in a sling and portable frame from which such a sling could be hung, for use during sexual activities involving bondage.

UWUG Ltd ("UWUG") was involved in the manufacture and sale of leather goods and Derek Ball, a mechanical engineer, was involved in producing metalwork for the fetish industry.

In 2009, Mr Haiss, a director of UWUG, and Mr Ball discussed the possibility that Mr Ball manufacture a frame suitable for use with one of UWUG's slings. The parties dispute what was said and agreed between them: UWUG argued that it had commissioned Mr Ball to design the frame whereas Mr Ball denied this, and in turn argued that he had designed the frame himself without a commission from UWUG.

Despite this disagreement, a design was made and a number of frames were ordered by UWUG from Mr Ball. The parties subsequently fell out in July 2010 and UWUG applied to register the frame design in August 2010 (pictured left).

In early 2011, Mr Ball designed his own sling for use with the frame design, which he was ready to market. UWUG then issued proceedings in the Patents County Court against Mr Ball for (1) infringement of its UK unregistered design right in its sling designs and (2) infringement of its UK registered design right in its frame design.

For UK unregistered design right to subsist in the sling designs, they must: (a) be original (i.e. not commonplace) and (b) not fall within the "must-fit" exception which protects the features of shape or configuration of the sling which enable it to be connected to, or placed in, around or against, another article so that either article may perform its function. The Court found that the shape and configuration of the relevant parts of the sling were original and not excluded by the "must-fit" exception since the angles at which the straps were attached to the body of the sling, the distances between them and other elements, were not dictated by the need to fit the user and did not connect with the user in any way. Despite finding that the UK unregistered design right subsisted in the sling designs, Mr Ball was not found to infringe that right. This was because UWUG was not able to prove that it owned the design right in the sling designs: there was no evidence that the designer of the slings had assigned its rights to UWUG.

With regard to the frame design, which UWUG had registered, the Court had to determine whether UWUG was the rightful owner of the registered design and, if so, whether Mr Ball had infringed it. On the evidence presented, the Court found that UWUG had commissioned Mr Ball to design the frame in accordance with Mr Haiss' pre-existing ideas in return for payment. Consequently, the design in the frame was owned by UWUG and Mr Ball was found to infringe that registered design.

(Currently, the commissioner of a UK registered or unregistered design is deemed to be the owner of the work. This is in stark contrast to the position under Community design and copyright regime, where the designer is the first owner of a work even if the work has been commissioned. Note that the Intellectual Property Bill, currently before Parliament, is set to bring the ownership provisions for UK registered and unregistered designs into line with those for copyright and Community designs.)

Poland: Criminal protection of designs is not so easy in Poland

A design owner may enforce their design rights in Poland via both civil and criminal proceedings. The decision whether to enforce using civil or criminal proceedings (or both) depends on the circumstances of the case and the design owner's ultimate goals. However, in practice, many design owners turn to civil proceedings over criminal proceedings for the following reasons.

By Izabela Kowalczuk, Warsaw

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- Civil proceedings are heard by a specialist court, wheras criminal proceedings are conducted by the prosecutor's office/court which is not specialised in design right protection;
- It is easier to seek damages in civil proceedings; and
- Provided the design owner has the proper evidence, the chances of success are higher in civil proceedings.

The greatest obstacle in pursuing criminal proceedings is proving that the design owner has suffered serious harm as a result of the design (registered or unregistered) of a product being copied and that the copied product has been used in a way that misleads customers, so as to constitute a criminal offence under the Act on Combating of Unfair Competition of 16 April 1993.

Although by law the burden of proof is on the criminal authorities, in fact it is the design owner who must show that serious harm has been caused to its operations, as it is best placed to know how much damage it has suffered.

'Serious harm' is construed broadly and can be:

- actual harm;
- loss of profits that the design holder would have achieved if the offender had not copied and/or put the copycat on the market; and/or
- damage to the design holder's reputation.

In order to successfully prove serious harm the design owner often has to disclose confidential financial information. The need to do so often discourages design owners from seeking to rely on criminal proceedings. Consequently, it may be more effective and less time-consuming to protect designs by way of civil, and not criminal, proceedings in Poland.

Thoughts on recent Community Designs applications

We've highlighted below some recent Community Design applications which may inspire or interest you.

RCD 2273003-0001

This design (for which there is just this single representation), is registered for 'concrete slabs'. It is arguably difficult to see how such a design could be said to be new and/or have individual character if challenged in invalidity proceedings.

RCD 2083261-0001

The trade mark 'Rabtrolley' has been prominently included in the protected design. However, in doing so, has the scope of protection afforded to this design been restricted in respect of similar products which do not reproduce the trade mark?

RCD 2285460-0001

Shows use of broken lines to exclude part of design from protection.

RCD 2287474-0001

Registration for packaging of Vesomni, Astellas' prostate drug. Possibly this has been registered to enhance protection against counterfeits?

By Ewan Grist,
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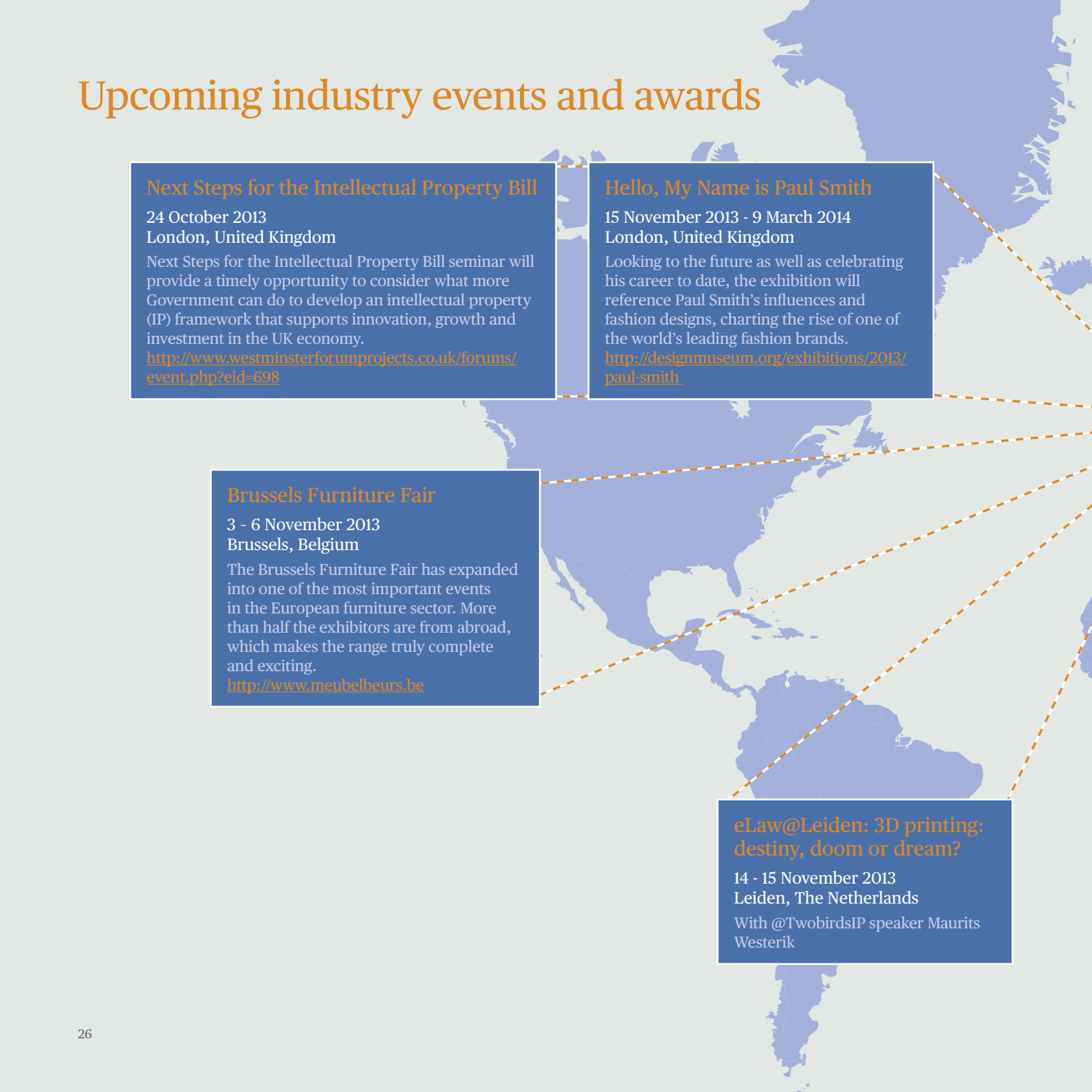
Upcoming industry events and awards



Next Steps for the Intellectual Property Bill

24 October 2013
London, United Kingdom

Next Steps for the Intellectual Property Bill seminar will provide a timely opportunity to consider what more Government can do to develop an intellectual property (IP) framework that supports innovation, growth and investment in the UK economy.
http://www.westminsterforumprojects.co.uk/forums/event.php?eid=698

Hello, My Name is Paul Smith

15 November 2013 - 9 March 2014
London, United Kingdom

Looking to the future as well as celebrating his career to date, the exhibition will reference Paul Smith's influences and fashion designs, charting the rise of one of the world's leading fashion brands.
http://designmuseum.org/exhibitions/2013/paul-smith

Brussels Furniture Fair

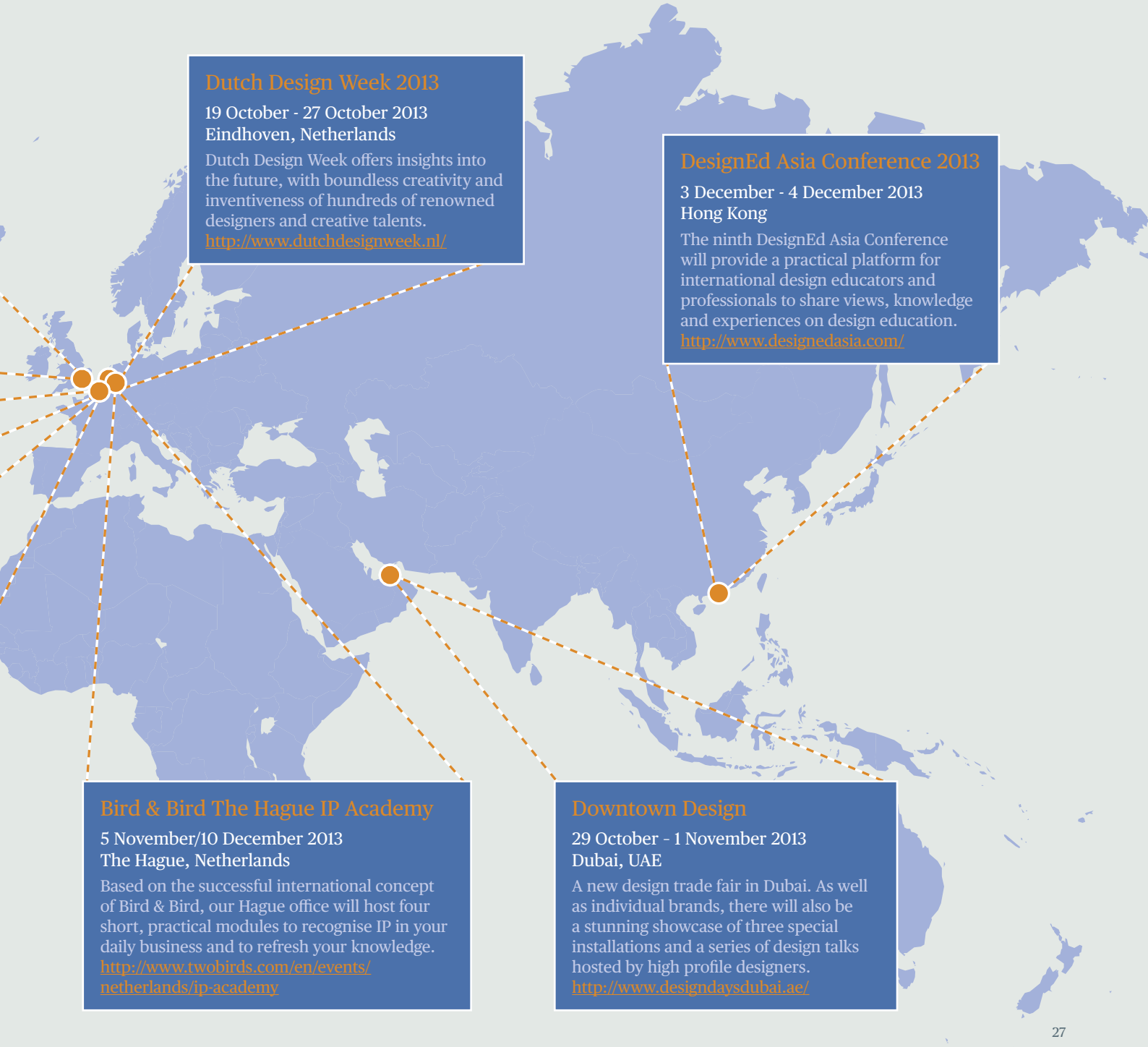
3 - 6 November 2013
Brussels, Belgium

The Brussels Furniture Fair has expanded into one of the most important events in the European furniture sector. More than half the exhibitors are from abroad, which makes the range truly complete and exciting.
http://www.meubelbeurs.be

eLaw@Leiden: 3D printing: destiny, doom or dream?

14 - 15 November 2013
Leiden, The Netherlands

With @TwobirdsIP speaker Maurits Westerik



Dutch Design Week 2013

19 October - 27 October 2013
Eindhoven, Netherlands

Dutch Design Week offers insights into the future, with boundless creativity and inventiveness of hundreds of renowned designers and creative talents.
http://www.dutchdesignweek.nl/

DesignEd Asia Conference 2013

3 December - 4 December 2013
Hong Kong

The ninth DesignEd Asia Conference will provide a practical platform for international design educators and professionals to share views, knowledge and experiences on design education.
http://www.designedasia.com/

Bird & Bird The Hague IP Academy

5 November/10 December 2013
The Hague, Netherlands

Based on the successful international concept of Bird & Bird, our Hague office will host four short, practical modules to recognise IP in your daily business and to refresh your knowledge.
http://www.twobirds.com/en/events/netherlands/ip-academy

Downtown Design

29 October - 1 November 2013
Dubai, UAE

A new design trade fair in Dubai. As well as individual brands, there will also be a stunning showcase of three special installations and a series of design talks hosted by high profile designers.
http://www.designdaysdubai.ae/

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If you would like advice on how best to protect your designs or take action to stop copycats, please contact Ewan Grist via ewan.grist@twobirds.com for a complimentary consultation.

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