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2016 – Study Question (Designs)

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Requirements for protection of designs

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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.

yes

Please explain:

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.

Registered design

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

Yes ("newness"). Under Australian law a "design is new unless it is identical to a design that forms part of the prior art base for the design".

b) non-obviousness

c) inventive step

d) individual character

e) originality

f) aesthetic

g) ornamental

h) other, namely ...

Yes. Under Australian law a “design is distinctive unless it is substantially similar in overall impression to a design that forms part of the prior art base for the design (see section 19)”

4) Does your Group's current law deny design protection to a design with an appearance that is dictated solely by its function?

no

Please explain:

No. A “visual feature [of a design] may, but need not, serve a functional purpose.”

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?

no

Please explain:

No. (see answer to 4) above)

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

Yes. When determining whether an infringing design is substantially similar in overall impression to another design, “the person making the decision is to give more weight to similarities between the designs than to differences between them.” However, in making the comparison, the person must “have regard to the state of development of the prior art base for the design” and must “apply the standard of a person who is familiar with the product to which the design relates”. In other words, there is scope when making the comparison for purely functional features to be identified, and for the effect of these features to be assessed (e.g. disregarded) as part of the 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

Yes. As per the answer to 8) c), because the comparison test for infringement is the same as the comparison test for validity.

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"

The current definition of a "design" in Australia is "in relation to a product" – a design means "the overall appearance of the product resulting from one or more visual features of the product." A "product" is defined as a "thing that is manufactured or hand made". The effect is that designs such as App icons, graphical user interface layouts, typefaces, etc are, in effect, excluded from design protection. The Group is of the opinion that this exclusion is outdated in the modern digital economy. The Group is of the opinion that either the definition of product should be changed, or the requirement for a design to be "in relation to a product" should be removed.

b) the requirements for protection of a design

The Group is of the opinion that the current requirements for protection of a design in Australia (i.e. *newness* and *distinctiveness*) are appropriate. The factors for determining whether a design is *distinctive* provide a court with ample scope for a broad and reasonable interpretation to be applied in light of the prevailing circumstances of a given case.

c) the treatment of functionality in the sense described in paragraph 14) of the Study Guidelines or aspects of such functionality

The Group is of the opinion that the current "non-exclusion" from protection of "technical" functional designs in Australia is appropriate. In this regard, notwithstanding that a design comprising solely technical functional features can be registered, an Australian court or the Australian Designs Office still has scope to remove such a functional design from the Register for lack of newness or distinctiveness, and/or to interpret the design narrowly in the case of third party infringement.

10) Are there any other policy considerations and/or proposals for improvement to your current law falling within the scope of this Study Question?

yes

Please explain:

Paragraph 14) of the Study Guidelines exclude from this Study Question must fit/must match situations and parts of modular systems. Both of these situations have been expressly dealt with under Australian Designs Law, and the Group believes that each warrants further consideration in light of efforts towards harmonisation. Aside from these two areas, there are no other areas that the Group is aware of.

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.

yes

Please explain:

Yes. The Group is of the opinion that harmonisation as to the *definition of a design* and the requirement for *non-obviousness/inventiveness/individual character/ distinctiveness/originality* is desirable. The Group is of the further opinion that harmonisation in relation to *functionality* may be desirable, but notes that Australian Designs Law is able to provide flexibility in dealing with solely functional designs without requiring that they be excluded from protection. This has the advantage of avoiding arbitrary determinations being made by an examiner during examination of an application for a design that comprises technical functional features.

- 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?

yes

Please explain:

- 13) If so, what should that right be called?

Registered Design or Design Right (preferably not Design *Patent* – the use of the word *patent* gives rise to much confusion).

- 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

yes (could also be called newness – meaning not identical to a prior design).

- b) non-obviousness

no, as this is a requirement for utility/standard patents (unless this means “having no individual character or distinctive features or distinctiveness or unique features”).

- c) inventive step

no, as this is a requirement for utility/standard patents (unless this means “having no individual character or distinctive features or distinctiveness or unique features”).

- d) individual character

yes (assuming this means “having distinctive features or distinctiveness or unique features”)

- e) originality

yes (assuming this means “having distinctive features or distinctiveness or unique features”).

f) aesthetic

no (assuming this is intended to exclude functional designs, or unless this means “having distinctive features or distinctiveness or unique features”).

g) ornamental

no (the Australian Group does not believe that there should be a requirement that a design possess intrinsic decorative/creative/artistic character).

h) other, namely ...

distinctiveness – in Australia a design is considered to be “distinctive unless it is substantially similar in overall impression” to another (e.g. prior) design.

15) Should design protection be denied to a design with an appearance that is dictated solely by its function?

no

Please explain:

No. See comments above under 9) c) and 11).

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?

no

Please explain:

No. For example, a *combination* of features that are each functional on their own, can result in a design that has uniqueness/distinctiveness/individual character. Consider e.g. some of the great industrial sculptures and public works. In addition, functional features can take on a different appearance when combined with non-functional (aesthetic) features. In addition, the Group sees potential problems in

identifying portions of a more complex design as functional, when it is frequently difficult to separate form from function.

- 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.

The Group sees significant problems with the refusal to register so-called *solely functional* designs, as such designs are likely to be quite rare in practice and also not easy to determine. In the Group's opinion, the determination of whether a design is solely functional (i.e. such as by an examiner asking whether a design is entitled to protection) is problematic and should be avoided at the level of examination/registration. Rather, in the Group's opinion, the determination should be a matter left to the Court with access to experts/expert evidence.

The Group also sees significant problems with any requirement to identify and separate out functional features (for e.g. the reasons given in answer to 17) above. In this regard, any number of industrial articles and products comprise a combination of mainly functional and some aesthetic features, and yet are found in in a given context/market to, overall, be aesthetic and distinctive.

However, assuming harmonisation is sought to exclude protection of solely functional designs, then the Group favours an approach to such determination as embodied by the Multiplicity-of-Forms theory (i.e. where the designer has a choice between two or more configurations, then the appearance of the product is not solely dictated by its technical function).

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.

It is the Group's opinion that it is somewhat artificial to exclude 'must fit' and 'must match' issues from this Study Question, because they are very closely related to the 'solely functional' consideration. Consider, for example, a plug and an associated socket shape by way of example of both 'must fit' and 'must match' issues. Having agreement on an effective harmonised approach to 'must fit' and 'must match' provisions will deal with many (if not all) of the theoretical issues that pertain to solely functional designs.

Please indicate which industry sector views are included in part "**III. Proposals for harmonization**" of this form:

no industry sector views are included

Summary

Australian Design Law provides protection for a design with an appearance that is dictated solely by its function (i.e. there is no bar to the registration and enforcement of purely functional designs). However, Australian Design Law provides a court with discretion to take account of functional features when assessing both validity and infringement (for example, to give such features less weight). The Group favours harmonisation in the definition of a design and in respect of validity requirements. The Group is of the opinion that harmonisation in relation to functionality may be desirable, but notes that Australian Design Law is able to provide flexibility in dealing with solely functional designs without requiring that they be excluded from protection.