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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:

Japanese law provides for a design right as an intellectual property right to specifically protect designs.

- 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.

Under the Japanese Design Act, a design for which a design registration has been granted is called a "registered design" (Article 2, paragraph (4) of the Design Act).

- 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

a) Novelty (Article 3, paragraph (1), items (i) to (iii) of the Design Act)

In Japan, Article 3, paragraph (1), items (i) to (iii) of the Design Act specify that "Designs that were publicly known in Japan or a foreign country, prior to the filing of the application for design registration," "Designs that were described in a distributed publication, or designs that were made publicly available through an electric telecommunication line in Japan or a foreign country, prior to the filing of the application for design registration," and "Designs similar to" those mentioned above are not registrable as designs.

b) non-obviousness

c) inventive step

d) individual character

e) originality

f) aesthetic

f) Aesthetic impression (Article 2, paragraph (1) of the Design Act)

Article 2, paragraph (1) of the Design Act defines "design" as "the shape, patterns or colors, or any combination thereof, of an article (omitted), which creates an aesthetic impression through the eye."

The Examination Guidelines present examples that do not create an aesthetic impression through the eye as follows: (i) Subject matter mainly for achieving a function or a working effect which hardly creates an aesthetic impression and (ii) Subject matter which is not coordinated as a design, and which only creates a complicated impression and hardly creates any aesthetic impression.

g) ornamental

h) other, namely ...

h) Difficulty in creation (Article 3, paragraph (2) of the Design Act)

Article 3, paragraph (2) of the Design Act specifies that, if a person ordinarily skilled in the art could easily create a design based on any design that is publicly known in Japan or a foreign country, a design registration shall not be granted for such design.

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

yes

Please explain:

Article 5, item (iii) of the Design Act of Japan specifies that a design solely consisting of a shape that is indispensable for the function of an article shall not be registered.

- 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

The relevant factors are a) and c). Further information is provided below.

First of all, despite our research, we were unable to find any court judgments that specifically stated the criteria for determining the applicability of Article 5, item (iii) of the Design Act.

However, in some of the JPO trials for design invalidation, the JPO made a decision with reference to Article 5, item (iii) of the Design Act. For example, in the JPO decision for a trial for invalidation of the registered design titled "manhole cover" (Case No.2004-35078), the JPO presented a general theory that "the applicability of Article 5, item (iii) of the Design Act should be determined carefully in consideration of 'whether there is any other alternative shape that can secure the function' (omitted) since it is natural for the shape of an article chosen to satisfy the functional requirements to have an effect as a design." The JPO denied the applicability of Article 5, item (iii) of the Design Act by further stating that "the shape of the opening part of the registered design cannot be considered to be a shape that is indispensable for the function of the article" on the grounds that there is an alternative shape. Moreover, the JPO stated that "It is not essential for the configuration of the convex part to be an approximately square prism shape. There are alternatives in terms of the size and the composition ratio of the configuration. Therefore, the configuration of the convex part cannot be considered to be a shape that is indispensable for the technical functions of the article." Furthermore, in the JPO decision for a trial for invalidation of the registered design titled "flat roof tile" (Case No.2007-880005), the JPO denied the applicability of Article 5, item (iii) of the Design Act by stating that "since it is possible to choose a shape that is different from the registered design, the registered design cannot be considered to consist solely of a shape indispensable for the functions of the article."

The Examination Guidelines of the JPO listed, as "examples of designs that consist solely of a shape indispensable for the functions of the article," "(1) Design consisting of a shape that is inevitably chosen to secure the technical functions of the article (inevitable shape)" and "(2) Design consisting of a shape that is chosen by a standardized specification for securing the compatibility of the article (quasi-inevitable shape). Regarding the design specified in (1) above, the Examination Guidelines stated that the following points should be taken into consideration: (i) Whether or not there exists any other alternative shape that can secure the functions and (ii) Whether or not the design includes any shape that should be taken into consideration in evaluating the design, other than the inevitably chosen shape.

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

Please see (a) above.

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:

Even if any portion of a design is functional, the design registration would not be denied. Japanese law does not deny design protection for a design just because a portion of the design is considered to be functional. In our answer to Question 8, we will explain the case where a design right is exercised.

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

Our answer is c) and d).

For example, there was a design infringement lawsuit (IP High Court decision dated 28 March 2011, 2010 (ne) No.10014) where the court determined the applicability of Article 5, item (iii) of the Design Act. This was a case concerning alleged infringement of a partial design for an article titled "manhole cover receiving frame" (in conclusion, the court denied infringement). The court held that "Due in part to the rule that any design consisting of a shape indispensable for the functions of an article shall not be registered (Article 5, item (iii) of the Design Act), the appellant's claim emphasizing that Registered Design P and Defendant's Design P share functional features is unreasonable and unacceptable from the viewpoint of the court, which is in the process of determining whether the two designs are similar not."

Meanwhile, in the "rack cover" case (Tokyo District Court decision dated 30 August 2001, Hanrei Jihou No.1762, page 140), the court examined the registered design for "rack cover," which is designed to be attached to a rack for refrigerant pipes installed outside and denied infringement by holding that the approximate L-shape contained in the registered design is essential for the functions of an article and is therefore not an essential feature of the design.

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

Please see (c) above.

- 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"

None.

- b) the requirements for protection of a design

None.

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

As mentioned in our answers to Questions 4 and 5, regarding the treatment of functionality and aspects of such functionality, the criteria presented in the current laws, the JPO Examination Guidelines, and judicial precedents are widely accepted in Japan. Therefore, no particular improvement needs to be made to our legal system (please refer to Questions 4 and 5).

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

no

Please explain:

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.

no

Please explain:

Our answer is "no" for all of the three areas. Harmonization should be promoted in consideration of the specific situation of each country. It is necessary to examine and analyze the causes of the current situation in each country before pursuing harmonization.

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?

no

Please explain:

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

N/A

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?

yes

Please explain:

- 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

In Japanese design practice, (a) if the overall appearance is dictated solely by its technical function and (c) availability of alternative appearances that can obtain the same functional result does not exist, a design is considered to be unprotectable as being functional.

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

Please see (a) above.

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?

yes

Please explain:

Design protection should be denied to a design if only the functional portions of the design are claimed (a design in which only the functional portions are indicated in solid lines).

Also, design protection should not be provided specifically to the functional portions of a design. As mentioned in our answer to Questions 5) and 6), it is considered in Japan that "it is natural for the shape of an article chosen to satisfy the functional requirements to have an effect as a design." Therefore, we do not identify the functional portions of a design and exclude such portions from design protection, even though the design value of such portions is extremely low (it is difficult to answer this question because this question does not offer specifics).

Design protection should be denied to a design if only the functional portions of the design are claimed (a design in which only the functional portions are indicated in solid lines).

Also, design protection should not be provided specifically to the functional portions of a design. As we mentioned in our answer to Questions 5) and 6), it is considered in Japan that "it is natural for the shape of an article chosen to satisfy the functional requirements to have an effect as a design." Therefore, a functional portion in a design is not taken into consideration and thus the design value of the functional portion in the design is likely to be very low.

- 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

In Japanese design practice, (a) if the overall appearance is dictated solely by its technical function and (b) availability of alternative appearances for the portion to obtain the same functional result does not exist, a portion of a design is considered to be functional.

b) the availability of alternative appearances for the portion to obtain the same functional result

Please see (a) above.

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

In examining the scope of protection of a design with one or more functional portions, (c) any portions deemed functional will not be taken into account separately when assessing infringement, but can play a role in the overall comparison. Also, (d) any portions deemed functional will not be taken into account separately when assessing validity, but may 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

Please see (c) above.

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?

no

21) If yes, why?

N/A

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.

N/A

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.

None.

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

Regarding Q20, there is no space to enter our explanation. Therefore, we would like to show it in this box.

[Q20 Explanation]

See our answer to Question 11) above.

Summary

When introducing the protection of “partial designs” in 1998, the Design Act established a clause, Article 5.1.3 of the Design Act denying the registration of a design which consists of a shape that is indispensable for securing the function of the article (so-called “functional design”) because there is a high possibility that partial designs cover functional designs. Before establishing such a clause, functional designs had been rejected because of no esthetic impression under Article 2.1 of the Design Act although there are very few cases at the Appeal and Trial Board of the Japan Patent Office. There are also no court cases.

As interpretation of functional designs is difficult, examiners generally reject design applications on the ground of lack of novelty or creativity. However, a third party may then file an Invalidation Trial against the registered design because the said design is functional, especially, when there is no good evidence proving a lack of novelty or creativity. The Appeal and Trial Board of the Japan Patent Office concluded that registered designs are not functional if there is any other alternative shape that can secure the function. According to our research, there is no decision at the Appeal and Trial Board of the Japan Patent Office that has rejected design applications because of functionality. There are also no court decisions with respect to the registrability of functional designs.

In judging design right infringement, if the essential features of a registered design are the same or similar to the features of a third party design, there is a high possibility that a decision will be issued

ruling in favor of design right infringement. However, if a court deems that the common features of the registered design and the third party design are functional and other features of both designs are different, it is unlikely that a decision will be issued ruling in favor of design right infringement.

In order to adopt a resolution that provides consistency in judging the functionality of designs, it will be necessary to consider a formula that makes it easy to prove functionality.