

Summary Report

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2016 – Study Question (Designs)

Requirements for protection of designs

This Study Question concerns the definition of and the requirements for the protection of designs, with a particular focus on the role of functionality. This Study Question deals with design rights only and not with other potential rights for protecting visual appearance (e.g. copyrights, trademarks, trade dress, unfair competition) or the interaction between design rights and those other rights. In some jurisdictions, there may (also) be protection for unregistered designs. This Study Question only concerns registered or patented designs.

It is recognised that terminology may differ between jurisdictions (e.g. "design", "industrial design" or "design patent"). As used in this Study Question, the term **design** means a registered or patented intellectual property right that specifically protects the outward appearance or ornamentation of an object or article of manufacture. This is to be distinguished from an intellectual property right protecting technological innovation only, such as a "utility model" or a "utility patent". For the purposes of this Study Question, designs are also distinguished from trademarks (the latter mainly serving as a source indicator) and copyrights (which, among other things, need not be tied to a specific object). The propriety of "partial designs" (i.e. a portion or portions of a whole product) is outside the scope of this Study Question. Also outside the scope of this Study Question is the relevance, or otherwise, of the design being visible or invisible during the life of a product embodying such design.

As noted above, this Study Question explores the role of functionality. As used in this Study Question, **functionality** refers to technical functionality, not "aesthetic functionality", which has its origins in trademark law¹. Notably, there may be specific rules for must fit/must match situations and/or for parts of modular systems, but such rules are outside the scope of this Study Question.

The Reporter General has received reports from the following Groups and Independent Members in alphabetical order: Albania (Independent Member), Argentina, Australia, Austria, Belgium, Bosnia/Herzegovina (Independent Member), Brazil, Bulgaria, Canada, China, Cyprus (Independent Member), Denmark, Egypt, Estonia, Finland, France, Germany, Hungary, Israel, Italy, Japan, Malta (Independent Member), Mexico, the Netherlands, New Zealand, Pakistan, Paraguay, the Philippines, Poland, Portugal, the Republic of Korea, Singapore, Spain, Sweden, Switzerland, Taiwan (Independent Member), Thailand, Turkey, the United Kingdom (**UK**), the United States of America (**US**), Uruguay, Venezuela and Vietnam.

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

43 reports were received in total. The Reporter General thanks the Groups for their helpful and informative Reports.

The Reports provide a comprehensive overview of national and regional laws and policies relating to the requirements for protection of designs and the role of functionality. This Summary Report cannot attempt to reproduce the detailed responses in any given Report. If any question arises as to the exact position in a particular jurisdiction, or for a detailed account of any particular answer, reference should be made to the original Reports. See http://aippi.org/committee/?committee_type=11&status=Active

In this Summary Report:

- references to Reports of or responses by one or more "Groups" may include references to Independent Members;
- where percentages of responses are given, they are to the nearest 5%; and
- in Part IV below, some conclusions have been drawn in order to provide guidance to the Study Committee for this Question.

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?

All Groups responded YES to this question.

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

The majority of Groups reported that the right is generally referred to as a "registered design" or simply a "design".

"Industrial design" is also a common term.

6 Groups reported that the right is referred to as a "design patent" or an "industrial design patent".

3) What are the statutory requirements for such right?

a) novelty

A large majority (about 85%) of the Groups reported this is a requirement under their law.

The Austrian Group noted however that novelty is not absolute but rather is restricted to what can be known to experts within the EU.

In China, worldwide novelty is required.

Several Groups referred to exceptions that may apply, in particular a grace period in the case of disclosure by (among others) the designer/inventor.

b) non-obviousness

Only the Taiwanese and US Groups reported that this is a requirement under their law.

c) inventive step

Only the Chinese and Vietnamese Groups reported that this is a requirement under their law.

d) individual character

Just under half of the Groups (most of which are EU countries) reported that this is a requirement under their law.

e) originality

8 Groups² reported that originality is a requirement under their law.

f) aesthetic

7 Groups³ reported that this is a requirement under their law.

g) ornamental

9 Groups⁴ stated that a design must be ornamental.

h) other, namely

A number of Groups mentioned other requirements. Of those, industrial applicability (or something similar thereto) was most frequently cited (by 10 Groups).

In Egypt, a design cannot be identical or similar to a registered or well-known trademark.

In Japan and the Republic of Korea, difficulty in creation is a requirement.

In the US there is a written description requirement.

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

Almost all Groups responded that their current law denies design protection to a design with an appearance that is dictated solely by its function.

The two exceptions are Australia and Portugal. In Australia, there is no restriction on design registrations for products that are purely functional. The Portuguese Group stated that the law is silent on the issue, although registration of a design fully or partially dictated by a technical function can be refused following opposition.

The German Group mentioned two theories that can be used to assess whether or not a design has an appearance solely dictated by its function, namely (i) the "multiplicity of forms test" (in which a design is not solely dictated by its function if a technical solution can be achieved in alternative ways) and (ii) the "no aesthetic considerations test" (in which a design is solely dictated by its function only if every feature of the design was determined by technical considerations).

5) If yes, what are the relevant factors to determine whether or not a design is deemed unprotectable as being functional?

a) whether the overall appearance is dictated solely by its technical function

Approximately half of the Groups reported that this is a relevant factor.

² Brazil, Bulgaria, Canada, Israel, New Zealand, Switzerland, Thailand and Vietnam.

³ Albania, Argentina, Canada, China, Israel, Japan and Singapore.

⁴ Albania, Argentina, Brazil, Canada, Israel, Philippines, Poland, Singapore and the US.

The Belgian Group mentioned that there is no clear and definite test.

b) whether each portion of the overall appearance is dictated solely by its technical function

A number of Groups (about 25%) reported that this is a relevant factor, but several remark that in their jurisdiction no (or no clear) distinction is made between this factor and the factor mentioned under a) above.

c) the availability of alternative appearances that can obtain the same functional result

About one third of the Groups reported that this is a relevant factor. Several Groups clarified that it is called the "multiplicity of forms" criterion (with the Belgian Group referring to it as the "result" test).

The French Group noted that doctrine and case law are divided on the applicability of the criterion. Further, when applied, it is usually not the only criterion used.

The Swiss Group stated that a design cannot be protected if there is no technical alternative. However, a technical alternative that implies a less convenient execution or which is more expensive is not a relevant alternative.

d) the need to achieve the product's technical function was the only relevant factor when the design in question was selected

Several Groups (about 20%) reported that this is a relevant factor.

The Belgian Group notes that this approach is applied by the EUIPO. According to the EUIPO, the relevant consideration is what went on in the designer's mind when designing the product. The protection is excluded if a reasonable observer would conclude that the features were chosen exclusively for functional reasons (as opposed to for, at least to some degree, enhancing the product's visual appearance).

The UK Group referred to the approach as the "non-technical function (aesthetic considerations)" approach. It is only when aesthetics are completely irrelevant (in the sense that it is irrelevant what the product looks like; it is only relevant that it functions well), that there is no design protection. The UK Group noted that several English judges have suggested that this approach (also applied by the EUIPO) is the preferred approach. However, as those comments were obiter, there is no clear rule as to what approach should be used.

e) other, namely ...

The French Group mentioned, as additional factors that may (sometimes) be considered, (i) the absence of an aesthetic nature or the lack of ornamental character of the design, (ii) the originality criterion of copyright law (or something similar, e.g. "genuine creative effort of [the] (...) designer").

The German Group stated that the German courts follow the multiplicity-of-forms test, as opposed to the EUIPO Boards of Appeal which follow the no-aesthetic-consideration test.

The Swedish Group noted that the design must be "qualified and given special care".

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?

A majority of the Groups (about 65%) state that protection is denied to portions of the overall design that are deemed functional. However, 16 Groups stated the opposite.

7) If yes, what are the relevant factors to determine whether or not a portion is deemed functional?

a) whether the overall appearance is dictated solely by its technical function

This is considered a relevant factor by several, but not many, Groups (8, thus about 20%).

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

This factor is considered relevant by 6 Groups (thus about 15%).

c) the need to achieve the product's technical function was the only relevant factor when the portion in question was selected

Several Groups reported that this is a relevant factor (8, thus about 20%).

d) other, namely ...

9 Groups (about 20%) responded that a portion is functional if it is solely dictated by technical function/necessity.

The Finnish Group stated that the relevant factors are not clearly defined in Finnish law, but that there is some guidance in the preparatory works of the Finnish Registered Designs Act; pursuant to a Government Bill, the exclusion of protection does not apply if alternative appearances are available. According to the EUIPO Guidelines, protection is denied if features are only chosen for functional reasons (as opposed to enhancing the product's visual appearance), while the EUIPO Invalidity Division and Boards of Appeal are not consistent in their interpretations.

The French and German Groups also noted that the application of the law is not clear-cut.

8) What is the effect on the scope of protection of a design with one or more functional portions?

a) any portions deemed functional will not be taken into account when assessing infringement

Just under one third of the Groups note that functional portions (i.e. portions solely dictated by their function) will not be taken into account when assessing infringement.

b) any portions deemed functional will not be taken into account when assessing validity

For assessing validity, about 25% of the Groups stated that portions deemed functional will not be taken into account.

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

Again, about 25% of the Groups stated that this will be the effect. The French Group clarified that it is relevant whether the functional element is a main or secondary element, as is the proportion of the element in relation to the whole.

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

For assessing validity, about 25% of the Groups stated that portions deemed functional will not be taken into account separately, 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)

Only 4 Groups considered that there is no effect on the scope of protection. For example, the Pakistan Group stated that similarity or identity is the criterion for judging design infringement.

f) the Group's current law is unsettled

Several Groups stated that their current law is unsettled. For example, the Brazilian Group stated that local law is silent on the issue, and that relevant Brazilian case law is very limited.

The Dutch Group stated that validity should not play a role in the scope of protection discussion because validity has to be assessed first. The Dutch Group also stated that any portion deemed functional should not be taken into account when assessing infringement, but that in practice (in the Dutch courts) it can actually play a role in the overall comparison. The Dutch Group concludes that it is up to the CJEU to provide guidance.

The UK Group stated that it seems likely that a feature dictated solely by technical function will not be disregarded entirely and that the key issue will likely be what weight it is given, but also emphasises that the position is unclear as there is no clear case law.

g) other, namely ...

The Bulgarian Group noted that when assessing the scope of protection, the degree of freedom of the designer should be considered, as highly functional designs are likely to be more similar than other designs. Thus, the scope of protection for designs in respect of which the designer freedom is limited is relatively narrow.

The German Group emphasised that the effect on the scope of protection has not been clarified yet in German or EU case law. The German Group also noted that a distinction can be made between (i) features solely dictated by function and (ii) features having a certain technical effect. The first category must be disregarded when assessing validity and infringement. The second category is not excluded from protection, but may influence the validity/infringement analysis (e.g. having relevance for the designer's degree of freedom, the attention of the informed user and/or the assessment of the overall impression).

The US Group stated that any underlying functional purposes, qualities or characteristics are not part of the claimed design. It follows from case law that functional portions are not "factored out" of the claim scope; instead, the scope of the claim is limited to the "ornamental aspects of functional elements". Notably, even if a feature is functional, it still carries with it other relevant information, including its spatial relationship to other aspects of the design (including relative size, orientation and location).

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 Australian Group noted that the design definition under its law is outdated as it concerns a "product", effectively excluding e.g. App icons, graphical user interface layouts, typefaces etc. from design protection.

The Singaporean Group would also like to broaden the definition of design, among other things to take into account technological advancement.

The Korean Group noted that abolishing the requirement that a design should relate to an article would permit enforcement in a case of use of identical or similar concepts regardless of the article in question. It believes its law could be improved in this respect as in today's commercial environment visual designs are favoured over product designs.

The Belgian Group proposes clarifying that, while almost all products have some technical character, the protection afforded by a design only relates to the outward appearance of the product.

The German Group would like to add an explicit reference to two-dimensional designs in the Community Design Regulation.

The UK Group would like (i) clarification on whether a positive absence of surface decoration can be protected (an "unadorned" design) and how such can be depicted, (ii) the possibility of describing what is claimed and adding a disclaimer or limitation if so desired and (iii) the possibility of limiting the scope of protection of the design to the product indication included in the application.

The US Group would like clarification (i) on how to claim a shape only (as opposed to also surface ornamentation), (ii) that a design patent only protects the overall visual appearance (not underlying functionality), (iii) that all claimed portions of the design (whether old/new, functional/ornamental, significant/insignificant) form part of the scope of protection and (iv) that a design patent protects the combination of all depicted portions.

More generally some Groups (about 35%) would like clarification of what a design protects (and does not protect), and how such is determined.

However, a number of Groups (about 10) see no need for improvement.

b) the requirements for protection of a design

In many Reports suggestions are made, including:

- a change to/clarification of the novelty requirement (e.g. for the EU countries an extension to designs having been available anywhere in the EU; or a worldwide absolute novelty criterion); also, the suggestion is made to make novelty an absolute ground for refusal;
- individual character of the design should not only be assessed in comparison with individual prior designs, but also with a combination of features of closely related prior designs;
- clarification as to what the "individual character" requirement entails;
- clear definition of the term "informed user";
- clarification of the "aesthetic quality" approach in France;
- improvements of the requirements regarding unity of designs and unity of representations;
- removal of the "dictated solely by function" exclusion;

- clarification as to why there is an "ornamental" requirement (and why it has been defined as not being dictated solely by function);
- the availability of opposition proceedings for designs;
- clarification whether for infringement all essential features must be used, or whether the overall impact of the features should be assessed;
- allowing an applicant to include a description as part of a registered design;
- limiting the scope of protection to the product indication included in the application.

More generally, several Groups note that the requirements for design protection should be specifically articulated. The Mexican Group suggests that it should be considered if industrial applicability should be a requirement. The Singaporean Group suggests that a requirement of eye-appeal should be considered).

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

About 10 Groups consider that the functionality exclusion requires clarification. For example, the Belgian Group notes that it is unclear what technical function must be considered (that of the product or the appearance?), and what test should be applied. It is not clear when a feature is solely dictated by its technical function, nor how it affects validity and the scope of protection.

To bring greater certainty to the treatment of registered designs, or features thereof, that are arguably solely dictated by technical function, the UK Group proposes to (i) allow the applicant to limit the scope of protection to a specific product indication and (ii) allow the applicant to include a description as part of the registered design.

The Austrian Group proposes to treat functionality in such a way that (i) neither the availability of alternatives nor the subjective intentions of the designer should count, (ii) features solely dictated by function should not be taken into account and (iii) features also having a technical function besides other (e.g. aesthetic) functions should be given less weight than purely arbitrary features when assessing the overall appearance.

The French Group is of the view that functionality should be a relevant factor, but not sufficient in itself for assessing validity. Furthermore, functionality should not be assessed from the viewpoint of the informed user.

The New Zealand Group wishes to remove the "dictated solely by function" exclusion.

9 Groups explicitly state that they do not consider improvement is needed.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 other policy considerations and/or proposals are mentioned/made in over half of the Reports.

The Argentinian Group proposes adding the word "solely" in its laws (so that it would read "(...) *industrial models and designs whose elements are solely imposed by the function to be carried out by the product [shall not enjoy the protection conferred by this decree]*").

The Brazilian Group referred to a draft proposal for a directive (submitted on 7

⁵ Australia, Denmark, Hungary, Malta, Israel, Japan, Republic of Korea, Sweden and Switzerland.

December 2015) regarding the way in which they believe functionality aspects should be analysed.

The French Group would like to harmonise the possibility of exclusion of portions of designs from protection.

The German Group stated that while the technical function of a transformable design should be ignored when assessing validity and scope of protection, this principle is (wrongly, in the German Group's view) often not observed.

The Pakistan Group believes 3D designs should be specifically protected.

The Singaporean Group would like to expand the definition of designs so as to keep up with technological advancements such as 3D printing.

The Swiss Group is of the view that the law should specify whether the title and/or Locarno class of a registered design limits the scope of protection.

The UK Group mentioned that there is considerable uncertainty regarding the correct interpretation of dashed lines.

The Vietnamese Group, among other things, would like to remove the requirement that a design application needs to include a description of the design.

Several Groups stated that the effect of functional features on validity and scope of protection is not clear and requires clarification.

III. Proposals for harmonisation

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

A large majority (about 85%) considers that harmonisation is desirable in all three areas, with functionality cited most frequently.

Of the 6 disagreeing, the Independent Member for Bosnia-Herzegovina considers that different degrees of development and different socio-economical conditions in various countries undermines a "one size fits all" solution.

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?

32 Groups are in favour of harmonisation of the definition, 6 are against and 5 make no proposal.

The Mexican Group clarifies that harmonising the definition is necessary to provide legal certainty in the international market to both right holders and their competitors.

The Swiss Group also points to globalisation and notes that the different definitions and varying requirements lead to excessive costs.

Opponents of harmonisation state (for example) that they are comfortable with the present situation.

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

The Groups have a number of suggestions (sometimes more than one), none of which

has a majority. The various proposals are:

- "design" (10 Groups)
- "design right" (4 Groups)
- "registered design" (8 Groups)
- "industrial design" (9 Groups)
- "registered design right" (2 Groups)
- "design patent" (2 Groups)
- "model" (1 Group)
- "modèle" (1 Group)
- "industrial model" (1 Group).

Some are mentioned in the same Report.

Notably, a few Groups proposed that terms like "design patent" and/or "industrial design" should be avoided as they may give rise to confusion with utility models or "technical" patent rights.

14) What should the requirements for such right be?

a) novelty

65% of the Groups are of the view that novelty should be a requirement.

The Belgian Group stated that it should be clear what territory (national, regional, global?) and/or which group of persons (competitors, consumers, users?) are to be taken into account.

Some Groups consider that there should be a grace period.⁶

b) non-obviousness

Only 3 Groups consider that non-obviousness should be a requirement (Egypt, Taiwan and the US). Several Groups emphasised that they believe this should not be a requirement, because it is a requirement for, in short, "technical" patents.

c) inventive step

Only 2 Groups consider inventive step should be a requirement (China and Vietnam).

Several countries explicitly oppose this as a requirement.

d) individual character

Just over one third of the Groups consider that this should be a requirement.

The Canadian and Swiss Group find it difficult to distinguish this requirement from the "originality" requirement.

e) originality

8 Groups consider that originality should be a requirement.

⁶ As the question did not explicitly ask whether there should be a grace period, no conclusions can be drawn from other Groups not addressing the issue of grace periods.

The Italian Group referred to art. 25 TRIPs agreement, requiring that members provide protection for designs that are "*new or original*" and also notes that a political choice must be made, i.e. whether the threshold for protection should be high or low (with the Italian Group favouring a relatively high threshold).

However, the Belgian Group notes that the requirement is more related to copyright protection and should thus be avoided.

f) aesthetic

About 4 Groups⁷ consider that this should be a requirement. Of those, the Canadian Group clarified that the purpose of design rights is to protect the aesthetic design of a functional item. The Chinese Group noted that a design must have aesthetic effect because otherwise it will be confused with utility models/patents.

A few Groups explicitly oppose this as a requirement, or at least consider it requires further discussion/clarification.⁸

g) ornamental

5 Groups believe this should be a requirement. The Thai Group noted that this requirement must be added to indicate that design protection is limited to the appearance of a design, excluding its functional features.

Again, a few Groups explicitly oppose this as a requirement. For example, the Belgian Group believes it is too subjective.

h) other, namely

Other requirements mentioned are:

- specific shape, pattern or appearance (Argentinian Group);
- distinctiveness (Australian Group);
- visibility (French Group);
- eye appeal (appearance) (Israeli Group);
- clarity of the design, well executed drawings (US Group);
- industrial applicability (Vietnamese Group).

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

Almost 95% of the Groups believe that design protection should be denied to a design with an appearance that is dictated solely by its function. The Italian Group considers that this is justified in order to avoid restrictive effects on legitimate competition which can arise when functional shapes are monopolised beyond the limits posed by the patent system. Several other Groups provide similar reasoning.

There are only 3 exceptions. The Australian Group notes that such a design can be registered in Australia, but that it can be removed from the register for lack of newness or distinctiveness and/or that the scope of protection can be narrow for the purposes of

⁷ 4 Groups clearly support this requirement, while in addition the French Group considers that it is not as important as novelty and individual character, and the Argentinian Group does not hold a unanimous view on this requirement.

⁸ No conclusions can be drawn from the Report as to what percentage of the Groups has a strong view against this requirement, as there was no explicit question to that effect.

assessing infringement. It considers that this is a flexible approach, which avoids arbitrary examination decisions.

Also, the New Zealand Group and the Independent Member for Bosnia Herzegovina believe that protection should not be denied.

16) If yes, what should the relevant factors be to determine whether or not a design is deemed unprotectable as being functional?

a) whether the overall appearance is dictated solely by its technical function

About 40% of the Groups consider that this should be a relevant factor. Additionally, 4 Groups provided an answer that comes very close to this requirement. In total, it thus seems that just under half of the Groups support this requirement, albeit perhaps with a slightly different nuance.

However, the Belgian Group finds the criterion "solely dictated" vague and in need of clarification. The Belgian Group also prefers that the "function" to be taken into account is the function of the product, rather than of individual features.

The Swiss Group also points to different possible interpretations of the phrase "dictated solely by its technical function".

b) whether each portion of the overall appearance is dictated solely by its technical function

Just under one third of the Groups consider that this should be a relevant factor.

c) the availability of alternative appearances that can obtain the same functional result

About 40% of the Groups, consider that this should be a relevant factor (this factor is also called the "multiplicity of forms" criterion).

From the answers, it appears that clarification is deemed desirable by some. For example, should the alternative appearance fulfil the same function or would a similar result be sufficient?

Also, some Groups are not sure if this is the right, or the only, criterion to be applied. The French Group notes that the multiplicity of forms theory is relevant if other indicators point to the non-solely-functional character, such as the aesthetic or ornamental character of the overall appearance or of a portion of the appearance. The Canadian Group notes that the presence of an alternative does not necessarily mean that a design is valid. The Swiss Group is of the view though that the availability of alternative appearances should be the only criterion. A few other Groups (about 3) seem to share this view (although it is generally worded less strongly).

d) the need to achieve the product's technical function was the only relevant factor when the design in question was selected

9 Groups consider that this should be a relevant factor. The Belgian Group emphasises that the criterion should be whether something might have been considered to some degree to enhance the visual appearance. The French Group notes that this should not be the only criterion, but should be one of several. The French Group mentions (i) the multiplicity-of-forms criterion, (ii) the lack of solely functional character of all the various portions/features making up the overall appearance, (iii) an effort to arrange the functional features in relation to one another (novel combination of known features) and (iv) aesthetic or ornamental character of the overall appearance or a portion of the appearance.

The Swedish Group is of the view that several (namely "all") factors should be considered.

The Canadian, Israeli and Swiss Groups do not consider this should be a factor. The Canadian Group notes that the focus should be on the design, not the designer. The Israeli Group also considers the process of creation irrelevant, and the Swiss Group notes that this factor can be subjective.

e) other, namely ...

Not many other factors are mentioned. The German Group notes that the multiplicity-of-forms test often does not apply (as there will often be an alternative product configuration) and that the no-aesthetic-considerations test is too subjective. It would like the Court of Justice of the European Union to clarify the test. Similarly, the UK Group sees problems with both tests but concludes that finding a satisfactory alternative approach is not easy. It concludes that the solution may be not to make a single factor decisive.

17) Should design protection be denied to any portions (e.g. a "feature", "element") of the overall design that are deemed functional?

About 60% of the Groups consider that design protection should be denied to any portions of the overall design that are deemed functional.

The Australian Group notes that a combination of features that are each functional on their own can (in Australia) result in a valid design. It also notes that functional features can take on a different appearance when combined with non-functional features.

18) If yes, what should the relevant factors be to determine whether a portion of a design is functional?

a) whether the overall appearance is dictated solely by its technical function

About 25% of the Groups consider that this should be a relevant factor.

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

About 20% of the Groups consider that this should be a relevant factor.

c) the need to achieve the product's technical function was the only relevant factor when the portion in question was selected

Only 6 Groups consider that this should be a relevant factor.

d) other, namely ...

There were few responses to this question. The UK Group referred to its response to question 16) above, which in short states that it is difficult to find a satisfactory solution and that it may be best not to choose one factor exclusively.

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

a) any portions deemed functional will not be taken into account when assessing infringement

Just under 25% of the Groups consider that this should be the effect.

The Swiss Group is strongly opposed, explaining that functional design portions may add to the overall impression of the design.

b) any portions deemed functional will not be taken into account when assessing validity

Just under 25% of the Groups consider that this should be the effect.

Again, the Swiss Group is strongly opposed, stating that functional design portions may add to the overall impression of the design.

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

Just under one third of the Groups consider that this should be the effect. The Swiss Group agrees, stating that a functional portion may alter or shift the overall impression of a design, adding though that generally the informed user will recognise the functional character and will attach reduced weight to functional portions in the context of the overall impression.

The French Group however considers this undesirable as it would lead to protection being granted indirectly for solely functional elements.

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

Just under one third of the Groups consider that this should be the effect.

The French Group is against for the reason mentioned under 19) c).

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)

This solution finds very little support in the Reports.

g) other, namely ...

The German Group distinguishes between (i) features solely dictated by technical function and (ii) other technical features. It considers the former should be ignored, but the latter must be taken into account when assessing the overall impression of a design, although they may carry less weight. Both similarities and differences between common technical features should only have minor importance for the overall impression.

The UK Group is of the view that it should in general be possible to protect a design made up (in whole or in part) of individual features dictated solely by technical function, provided the way in which the functional features have been selected or arranged is not wholly dictated by technical function. Also, functional features should be taken into account when determining the scope of protection of a design, as they can impact upon the overall impression.

The US Group notes that functional portions should not be factored out of the scope of a claim; instead, the scope of the design should be limited to the ornamental aspects of functional portions.

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?

Only 5 Groups answered YES to this question, with a large majority disagreeing.

21) If yes, why?

As mentioned above under the response to question 20) above, a large majority favours a right as defined there. There is no uniform reason given by those answering YES.

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.

Some Groups consider design law sufficiently harmonised. The Australian Group sees significant problems with (i) the refusal to register "solely functional designs" (such likely to be rare and difficult to determine) and (ii) any requirement to identify and separate functional features; if nevertheless harmonisation is sought, it favours the multiplicity-of-forms theory.

The Independent Member for Bosnia Herzegovina and the Vietnamese Group consider that countries should be able to produce a legal framework suited to their needs and socio-economical situation.

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.

The Australian Group finds it somewhat artificial to exclude "must fit" and "must match" issues from this Study Question as this Group considers they are closely related to the "solely functional" consideration.

The French Group would like to see harmonisation of design protection of "portions" of products; such protection is not available everywhere. Also, the French Group would like to remove any obligation to provide a description at the time of filing of a design.

The German Group notes that using priority for filing is often not possible as the requirements regarding representation and the subject matter that can be protected differ. The German Group furthermore considers the question of unity an interesting topic for study.

The Mexican Group would like to discuss whether industrial applicability should be a requirement for design protection.

The Singaporean Group proposes that there should be harmonisation in relation to what cannot be registered as a design right, and would also like to discuss protection by unregistered design rights.

The Swedish Group states that design protection is underused in Sweden and that it should be investigated if this is linked to the definition of and requirements for the protection of designs.

The Turkish Group believes that the issue of "invisible" designs is closely linked to functionality and merits separate study.

Industry sector views included in this Part III. Proposals for harmonisation

The following consultation with industry was reported:

- Automotive industry (Germany)
- Mexican industry generally (Mexico)
- Shoe, textile and cook industries (Portugal)
- Various industries (Singapore)
- Home appliances (Turkey)

IV. Conclusions

From the Reports, the conclusion can be drawn that the Groups generally agree that harmonisation is desirable regarding (i) the definition and meaning of a design, (ii) the requirements for protection of a design and (iii) the treatment of functionality. There are also a few (6) who disagree though, and it may be difficult to find common ground on the way in which harmonisation should be achieved.

Definition

There is no clear preferred definition. However, taking into account all proposals made and opinions expressed, probably "registered design" has the most chance of being acceptable to a majority. It is recommended neither the word "patent" nor "industrial" be included in the definition given the explicit objections thereto made by a number of Groups.

Requirements

Even though most Groups favour harmonisation of the requirements for design protection, it will likely be very hard to reach consensus given that, apart from novelty, the requirements mentioned often differ. It is therefore recommended not to include the requirements in the Draft Resolution.

Functionality of a design with an appearance that is dictated solely by its function.

All but 3 Groups consider that design protection should be denied to a design with an appearance that is dictated solely by its function.

Agreeing on what the relevant factors should be in this respect may however not be easy as none received a majority.

The Reports reveal a struggle with the pros and cons of different factors, such as the multiplicity-of-forms-test (which is a factor mentioned in about 40% of the Reports) and whether or not the overall appearance is dictated solely by technical function (receiving support in about 40% of the Reports, perhaps up to about 50% as some alternative approaches mentioned seem to differ only slightly). Also, some Reports note that in any event clarification on what the various factors would exactly entail is needed. And another issue is that while some suggest that several factors should be considered, others favour a single factor (and/or strongly oppose certain other factors).

Taking all positions into account, it is probably best to include wording in the Draft Resolution to the effect that when assessing functionality, in each case several factors need to be considered, including but not limited to the factors mentioned in the Study Guidelines under 16) a)-d); in the discussion during the Congress, these can then be further discussed (and possibly be limited/adjusted).

Functionality of a portion of a design

A majority (albeit not a very large one) is of the view that design protection should be denied to any portions of the overall design that are deemed functional.

As to the relevant factors in this respect, reference is made to that stated above in this Conclusion.

It will likely be difficult to agree on what the effect should be on the scope of protection and/or validity of a design, as none of the options mentioned in the Study Guidelines received a majority, nor something close to that. It is recommended, also in view of a suggestion made in some Reports, to include wording in the Draft Resolution to the effect that any portions deemed functional can play a role in the overall comparison but may carry less weight.