

## SUMMARY REPORT

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### Question 231

#### **The interplay between design and copyright protection for industrial products**

The purpose of this question is to study international and national law in respect of the interplay between design and copyright protection for industrial products and to encourage proposals for further harmonisation.

National Groups from the following countries (in alphabetical order) have submitted reports: Argentina, Australia, Austria, Belgium, Brazil, Bulgaria, Canada, China, Chile, Czech Republic, Denmark, Egypt, Estonia, Finland, France, Germany, Hungary, Indonesia, Ireland, Italy, Japan, Latvia, Malaysia, Mexico, the Netherlands, New Zealand, Norway, Paraguay, Philippines, Poland, Portugal, Republic of Korea, Russia, Singapore, Spain, Sweden, Switzerland, Thailand, Turkey, Ukraine, the UK, and the United States. In total, there were 42 reports. Reports received after 15 September 2012 are listed above but their content is not included in the summary.

Many of the reports provide extensive reviews and very thorough analyses on case law and the interpretation of statutory provisions. Some of the Groups have also given detailed proposals for further harmonisation in respect of the design and copyright protection for industrial products.

This report summarises some of the issues discussed in the National Group Reports but does not attempt to fully describe the accounts of the different national laws made by the National Groups. For a detailed account of any particular answer please refer to the respective National Group Report at <https://www.aippi.org/?sel=questions>.

#### **I. Analysis of current law and case law**

##### ***Cumulative Protection***

**1) Can the same industrial product be protected by both a design right and a copyright? In other words, is the cumulative protection of the same industrial product by copyright and design law allowed in your country?**

Notably, all the reporting countries report that they recognise cumulative protection of the same industrial product or the shape thereof by copyright and design law to some extent, meaning that the same industrial product can be protected by both a design right and a copyright.

In the UK, copyright in design documents is effectively lost for most industrial designs. Also, even if the design is artistic, copyright is effectively only available for 25 years if the design is exploited industrially (25 years is also the maximum term of design protection under the UK and Community

registered designs), which will be discussed later in connection with Question 11. Australia, Canada, Ireland and Singapore have adopted a more or less similar approach.

In Paraguay, the holder of a right on an industrial product, should a controversy arise, is bound to choose between the protection granted by the Law on Industrial Models and Designs and the protection granted by the Copyright Law.

### **Article 2(7) RBC**

#### **2) In your country, has copyright protection for applied art ever been refused for a work with a foreign country of origin pursuant to Article 2 (7) RBC?**

Most countries either (i) state that copyright protection for applied art has never been refused for a work with a foreign country of origin pursuant to Article 2 (7) RBC (e.g. Argentina, Egypt, Japan, Mexico, the Philippines, Switzerland and Thailand), (ii) state that they are not aware of any such case (e.g. Brazil, Bulgaria, Canada, Denmark, Finland, Hungary, Indonesia, Ireland, Italy, Latvia, Malaysia, Norway, Paraguay, Poland, Portugal, Russia, Singapore, Turkey, the UK and Ukraine) or (iii) does not mention any such case (e.g. Australia, Belgium, China, Estonia and the US).

In some countries, copyright protection for applied art has been refused for a work with a foreign country of origin pursuant to Article 2 (7) RBC (e.g. Austria, France, Germany and the Netherlands).

Some countries (e.g. Hungary, Ireland and Italy) mention the decision of the Court of Justice of The European Union in Case C-28/04, *Tod's S.p.A. v. Heyraud SA*, under which Article 2 (7) RBC should not be applied to refuse national copyright protection to work originating from any European Union country since this would be against EU non-discrimination principles.

### **Registration/Examination**

#### **3) In order to enjoy design right protection for industrial products, is registration of a design necessary? In order for the design to be registered, is a substantial examination necessary?**

In all EU member states (e.g. Austria, Belgium, Denmark, France, Hungary, the Netherlands, Poland and Sweden), a design may enjoy protection as a "registered Community design" or "unregistered Community design". Protection is granted EU-wide. For registered Community designs, substantive examination is not required for registration.

The majority of the countries states registration of a design is necessary under national laws. This is in particular true for EU member states, which provide for a separate design protection system on the national level. Some countries with a mandatory registration system, however, require substantive examination under national laws (e.g. Canada, the Czech Republic, Egypt, Finland, Hungary, Indonesia, Japan, Mexico, Paraguay, Russia, Thailand and the US) and others require limited or no substantive examination (e.g. Argentina, Australia, Brazil, Bulgaria, China, Estonia, France, Germany, Ireland, Italy, Latvia, Malaysia, the Netherlands, Norway, the Philippines, Poland, Portugal, Singapore, Switzerland, Turkey and Ukraine). In the UK, it is not necessary to obtain registration for design protection to subsist. However, there is also a registered design regime requiring no substantive examination. In Australia, a design right cannot be enforced without substantive examination having been successfully completed.

### **Requirements**

#### **4) What are the requirements to obtain industrial design protection or copyright protection, respectively, for industrial products in each country? What are the differences between these requirements?**

As seen in Question 3, most countries need registration for design protection, while registration is not necessary for copyright protection in all countries/regions.

## **[Design]**

For the EU-wide Community Design and for the additional design protection on the national level in EU member states (e.g. Austria, Belgium, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Hungary, Ireland, Italy, Latvia, the Netherlands, Norway, Poland, Portugal, Sweden and the UK), novelty and individual character are necessary for design protection (Council Regulation 6/2002/EC of 12 December 2001 on Community Designs amended last by Regulation 1891/2006, and Directive 98/71/EC of the European Parliament and of the Council of 13 October 1998 on the legal protection of designs). The same applies in Switzerland and Turkey. A design shall be considered to be new if, on the date of the filing of the application for registration or on the date of priority claimed, no identical design has been disclosed. Designs shall be deemed to be identical if their features differ only in immaterial details. Also, a design has individual character if the overall visual impression it produces on the informed observer differs from that produced by any design disclosed before the date of the filing of the application for registration or before the date of priority claimed. In assessing individual character, the degree of freedom of the creator in developing the design shall be taken into consideration.

In some other countries, novelty and originality are necessary for design protection (e.g. Bulgaria, New Zealand, the Philippines and Russia). In Argentina, aesthetic features, originality, and novelty are necessary. In Paraguay, "novelty" and "aesthetic or ornamental purpose" are necessary.

In some countries, apart from industrial applicability, only novelty is basically necessary for design protection (Malaysia, Peru and Thailand). In Canada, the design must meet the requirement of originality, namely the design applied for must not be identical with or so closely resemble any other design already registered as to be confounded with it.

In China, the design at issue must significantly differ from prior design or combinations of prior design features.

In Japan, novelty and lacking ease of creation are necessary for design protection. Similarly, in the US, novelty and non-obviousness are required before a design patent can be granted.

In some countries (e.g. Argentina, Canada, Switzerland and all EU member states), an appearance which is dictated by technical function is excluded from protection.

## **[Copyright]**

In most countries, objective novelty is not necessary for copyright protection and "originality", "creativity" and/or a similar requirement are necessary for copyright protection.

In this regard, some countries mentioned, as a requirement for copyright protection, originality (e.g. Canada, Egypt, Estonia, France, Malaysia, the Netherlands, Norway, Paraguay, Switzerland, Thailand and the UK), "personal intellectual creation" (Germany), individual and original character of the given work deriving from the intellectual activity of the author (Hungary and Turkey), "original" and "a work of art" (Denmark), author's own intellectual creation reflecting his or her personality (Finland) or "an original artistic work" (Argentina, Ireland, New Zealand) or "creativity and originality" (Latvia) or "original intellectual creation" (the Philippines) or "creative expression" (Poland), "creative activity" (Bulgaria and Russia), creativity and artistic quality (Italy) or "independence and originality" (Sweden).

The Canadian Group points out that a protectable work must meet the requirement for originality, which mandates an exercise of skill and judgment in the expression of an idea.

In France and Belgium, originality is held to exist each time that the work is marked by the "stamp of the personality of the author", and in this connection, the terms such as "creative endeavour" and "aesthetic statement" are also used.

The Norwegian Group pointed out that the originality requirement is even stricter than that for a valid design registration, as one must take into account the artistic efforts required to produce the copyrighted product.

In some countries, a different approach is taken for industrial products or products for practical use, which is addressed later in connection with Question 6.

Also, in many countries, a work needs to (1) be recorded in material form (e.g. Malaysia, Thailand and the UK) and fall within a certain category of work (e.g. Thailand).

Some Groups (e.g. France) point out that as in the case of designs, copyright protection can be applied to the shape of a work of applied art only if the said shape is not dictated by function.

[Differences]

As seen in the above, in formality, whether or not registration is necessary is a fundamental difference between design protection and copyright protection in most countries. Also, in a substantive matter, whether or not objective novelty is necessary is an essential difference between design protection and copyright protection.

The Canadian Group notes that the degree of originality required for industrial design protection is higher than that required for copyright.

The French Group points out that while the requirements of "novelty" and "individual character" are assessed relatively objectively with regard to the prior art in the case of design rights, this is not the case with the requirement of "originality" in relation to copyright, which is relatively independent of it.

##### **5) Are the requirements for copyright protection for industrial products different from the requirements for copyright protection for other ordinary artistic products (fine arts)?**

The vast majority of the reporting countries report that the requirements for copyright protection for industrial products are the same as those for fine arts (e.g. Argentina, Australia, Austria, Belgium, Brazil, Bulgaria, Canada, Chile, China, Czech, Denmark, Egypt, Estonia, Finland, France, Hungary, Ireland, Latvia, Malaysia, Mexico, the Netherlands, New Zealand, Norway, Paraguay, Peru, the Philippines, Poland, Portugal, Spain, Singapore, Sweden, Thailand, Turkey and Ukraine).

Among these countries, some groups suggest that due to the nature of industrial products, there could be some differences in the case of industrial products as to whether the requirements for copyright protections are fulfilled. The Finish Group and the French Group point out that if the functional features dictate the shape of the product to the extent where there is no room for personal expression, copyright protection is not possible. Clearly, industrial products generally have more characteristics of a functional nature than ordinary artistic products. The Norwegian Group points out that the requirements are to be handled more strictly in relation to industrial products than artistic products because for industrial products, one should not take into account the technical aspects of the design when assessing the requirements for copyright protection. The Polish Group points out that the standard criteria of creative activity and originality (subjective novelty, creation not determined by the aim and function of the work) should be assessed very carefully in the case of works of industrial design.

In contrast, in some countries (e.g. Germany, Italy, Japan, Russia, Switzerland and the US), industrial products are treated differently with respect to requirements for copyright protection. In some countries (e.g. Germany, Italy, Japan, Russia and Switzerland), the required threshold of originality is substantially lower for fine arts than for applied arts.

In Germany, unlike works of fine arts, as far as works of applied art are concerned, only creations which demonstrate a considerably above average design skill can be protected under copyright law as applied art under case laws. The threshold of originality is apparently only reached if a work far exceeds the average designer input under "Stufentheorie" ("doctrine of levels"). In more recent decisions, the German Federal Court of Justice left the question open as to whether it will continue to adhere to the Stufentheorie, but in any case copyright protection is only granted if in circles familiar with art the design could be considered as "artistic".

Similarly, in Switzerland, a work of applied art must show individual or original characteristics beyond a certain style or spirit of a time (Zeitgeist), exceeding the level of mere craftsmanship or industrial production and going beyond what is required by the technical functions of the object, whereas a relatively low level of original characteristics may suffice to assure the level of individuality required for copyright protection for certain types of fine arts.

In Italy, an additional requirement of protection, "artistic quality" is necessary for industrial products to be protected by copyright. This is usually justified on the grounds that copyright in design is likely to narrow competition in the market, to prevent competitors from implementing a technical (not patented) idea or from producing spare parts of a technical item, by means of copyright on industrial design. The problem of defining the 'artistic quality' requirement has been hotly debated and a wide range of solutions have been proposed.

In Japan, copyright protection is granted to an industrial product only if it is deemed comparable to fine arts or if it has qualities of fine arts by considering (1) whether or not it has a high level of aesthetic expression or artistic qualities; (2) whether or not it is produced only in pursuit of aesthetic expression, without substantial restrictions thereon for practical purposes; and (3) whether or not it can serve as an object of art, or a complete artistic work, apart from its practicality. This is because the appearance of industrial products is supposed to be protected within the framework of the Design Act, not the Copyright Act, under the legal system for intellectual property rights in Japan.

In China, applied arts which have the characteristics of artistic quality and originality are considered to be eligible for copyright protection.

In the US, Copyright protection can only be afforded to aspects of an industrial design which can be identified separately from, and are capable of existing independently of, the utilitarian or functional aspects of the article. These aspects must otherwise qualify for copyright protection by being pictorial, graphic, or sculptural features.

### ***Scope of Protection and Assessment of Infringement***

#### **6) Is the scope of the copyright protection for industrial products different than that for other ordinary artistic products (fine arts)? If so, in what ways?**

The vast majority of the National Groups report that copyright law grants the same, or substantially the same, scope of protection for industrial products and for other artistic products (e.g. Argentina, Australia, Austria, Belgium, Brazil, Bulgaria, Canada, Chile, China, the Czech Republic, Egypt, Estonia, Finland, France, Germany, Indonesia, Italy, Japan, Latvia, Mexico, The Netherlands, New Zealand, Paraguay, Peru, Portugal, Poland, Singapore, Ukraine, Spain, Switzerland, Thailand, Turkey and the US).

On the other hand, some countries pointed out that industrial products enjoy a more narrow scope of protection than ordinary artistic products (e.g. Denmark and Sweden). The Danish Group pointed out that in case of industrial products, the copyright will only be infringed if the other product constitutes "a very close imitation" thereof.

The Swedish Group points out that the actual scope of protection has been treated differently in case law. As a general rule, the scope of protection depends on the originality of the design of the product in question with special consideration of the possibility to vary the design for the product in question; the lower the degree of originality/less possible variations for a product, the narrower the scope of protection.

In this connection, the Norwegian Group points out that whether there exists a principle that copyright protection for industrial products is to be handled more strictly is somewhat uncertain.

Some countries indicate that the moral rights are treated differently in the case of industrial products (e.g. Hungary and Switzerland).

### **7) Are the criteria for assessing infringement of copyright protected industrial products different from the criteria for assessing infringement of a design right?**

The vast majority of the reporting countries report that the criteria for assessing infringement of copyright protected industrial products are different from the criteria for assessing infringement of a design right (e.g. Australia, Austria, Belgium, Brazil, Bulgaria, Canada, China, Estonia, France, Germany, Hungary, Ireland, Italy, Japan, Latvia, Malaysia, Mexico, the Netherlands, New Zealand, Norway, the Philippines, Poland, Portugal, Russia, Spain, Sweden, Switzerland, Thailand, Turkey, the UK, Ukraine and the US), although substantial similarity can be one of the main issues in both design and copyright infringement.

In European countries, whether or not there is a design right infringement depends on whether or not the design in question produces on the "informed user" a different "overall impression". In assessing the scope of protection, the degree of freedom of the designer in developing his/her design shall be taken into consideration. Also, design rights may only be infringed in commercial activities (not in private and non-commercial activities), while copyright in general grants protection also against all private uses.

Access to copyrighted work by an infringer seems to be a necessary requirement for copyright infringement in almost all the reporting Groups. In addition, some sort of substantial similarity between the copyrighted work and alleged infringing work is necessary. In order to assess this aspect, generally in Europe, following the judgment of the CJEU in Infopaq (C-5/08), the test includes an examination of whether the elements reproduced are an expression of the intellectual creation of their author.

In France, the criterion for establishing infringement of a copyright-protected product is the appropriation of the essential characteristics forming the basis of the originality of the product, with any possible differences or the absence of a likelihood of confusion having little significance. In Italy, the test of copyright infringement is conducted by comparing the copyrighted work to the alleged infringing work and checking whether the second work shows the creative/artistic elements of the first one.

The German Group points out that in examining alleged design right infringement, not only the similarities but also the differences in the designs have to be considered when assessing an identical overall impression, while only similarities, not differences, are analysed in the assessment of copyright infringement. The Norwegian Group also reports a similar observation.

In Australia, in examining design right infringement, "substantially similar in overall impression" is considered, while in assessing copyright infringement, copying of a "substantial part" of the work is examined.

Some Groups (e.g. Germany) point out that both design right and copyright protection do not apply to elements which are required by technical or functional considerations; for design rights this follows from the Community Design Regulation and the Design Harmonisation Directive.

The Danish Group points out that in practice the assessment made by Danish Courts appears to be the same in design right infringement and copyright infringement. Similarly, the Finish Group indicates that in most cases, the infringement of design rights also constitutes a copyright infringement provided that the design meets the requirement of originality. Also, the Italian Group pointed out that there is a large overlapping area between the assessment of infringement of design right and copyright on the same work.

The Hungarian Group points out that courts always assess whether the allegedly infringing product makes a similar impression on the informed user in the case of design infringement, while in copyright cases courts do not take into account the user's point of view. Instead, examination focuses on whether the previous copyrighted work has been used for the new creation.

In Japan, in the case of copyright infringement, the focus is placed on the "essential characteristics of expression" of the existing copyrighted work, while in the case of design infringement, it is necessary to observe a design as a whole although its most conspicuous part (principal part of that design) needs to be identified, which seems to be similar to the European approach.

In New Zealand, it is considered whether or not the allegedly infringing article is substantially similar in respect of the novel features in assessing design right infringement, while whether or not there is objective similarity in regards to a substantial portion of the copyright work between the original and the alleged copy.

In the US, the test for infringement of a copyright is whether copying occurred, which can be inferred from access to the copyrighted work and substantial similarity between the works at issue. The test for infringement of a design patent is "whether an ordinary observer, familiar with the prior art . . . , would be deceived into believing the [accused product] is the same as the patented [product]."

In Switzerland, main differences lie in the fact that in design law, the approach used is similar to the one used in trademark law, whereas trademark approach and the perspective of the consumer are completely irrelevant in copyright law. Further, the perspective from which the comparison is made is different (consumer in design right cases, skilled person in copyright cases).

### **8) Is it a relevant defence under copyright or design law that the industrial product was created independently of the older work or design?**

The majority of the reporting countries report that the fact that the industrial product was created independently of the older work or design is a relevant defence under copyright, but not under design law (Australia, Belgium, Brazil, Canada, China, Denmark, Estonia, Finland, France, Germany, Hungary, Ireland, Japan, Latvia, Malaysia, the Netherlands, New Zealand, Norway, Poland, Russia, Sweden, Switzerland, the UK and the US). Some European Groups noted that that is a valid defence in the case of unregistered Community designs (e.g. Austria Belgium, the Czech Republic, France, Germany, Hungary, Ireland, Italy and Spain) since according to EU-law protection of such designs is only given in the case of copying. In this connection, the contested use shall not be deemed to result from copying the protected design if it results from an

independent work of creation by a designer who may be reasonably thought not to be familiar with the design made available to the public by the holder.

The Danish Group added that if an industrial product was created independently, i.e. without the knowledge of an older registered Community design which is subject to deferment of publication, as long as the relevant entries in the design register and the file has not been made available to the public, the use of the industrial product does not constitute an infringement of the rights connected to the older product/design.

The Australian Group notes that independent creation mitigates the remedies obtained by the owner (e.g. by limiting damages or the accounting of profit).

Some Groups (e.g. the Netherlands and Sweden) note that if there is a prominent resemblance between the two products, replication is presumed.

In contrast, in some countries/regions, the fact that industrial product was created independently of the older work or (registered) design seems neither a relevant defence under copyright nor design law (e.g. Argentina, Italy, Paraguay and Peru).

In Singapore, the fact that an industrial product was created independently of the older work or (registered) design seems to be a relevant defence under both copyright and design law.

### ***Duration of Protection***

#### **9) How long is the duration of industrial design protection or copyright protection for industrial products, respectively?**

##### **[Design]**

Under EU law, a Community design shall be protected, upon registration by the relevant office (OHIM), for a period of five years as from the date of the filing of the application. The right holder may have the term of protection renewed for one or more periods of five years each, up to a total term of 25 years from the date of filing (Article 12 of the Regulation), and all EU countries adopt the same system under national design laws (e.g. Austria, Bulgaria, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Hungary, Ireland, Italy, Latvia, the Netherlands, Poland, Portugal, Spain, Sweden, Switzerland and Turkey). In Argentina, a similar approach is taken but the maximum term is 15 years. The maximum term of protection shall be 15 years if the design is a component part of a complex product and it is used to restore the original appearance of the complex product in Finland. In Russia also, the term is up to 25 years from the filing date.

An unregistered Community design shall be protected for a period of three years as from the date on which the design was first made available to the public within the Community (Article 11 of the Regulation).

Other countries adopt a different approach. Seven countries (Australia, Canada, Chile, China, Indonesia, Peru and Thailand) report that the maximum term of design right is ten years from national filing. In Brazil, an initial term for protection is ten years from the date of filing, which can be renewed up to 25 years in total.

In some countries, the term is five years from the date of registration, with the option of extension for two additional five year periods (e.g. New Zealand, Paraguay, the Philippines and Singapore).

In Malaysia, the term is for five years from the filing date of the application. The period of registration of an industrial design may be extended for two further consecutive terms of five years each. Thus, the maximum period of protection for an industrial product is 15 years.



In Ukraine, the term of legal protection for an industrial design is ten years starting from the application date and may be extended for not more than five years.

In some countries, the term for protection is 15 years from the date of design application (e.g. Egypt and Mexico).

In Japan, the term for protection is 20 years from the date of registration of design right.

In the US, a design patent is valid for 14 years after issuance.

## **[Copyright]**

The vast majority of the Reporting Countries (e.g. Argentina, Australia, Austria, Belgium, Brazil, Bulgaria, Chile, the Czech Republic, Denmark, Finland, France, Germany, Hungary, Italy, Latvia, the Netherlands, Norway, Paraguay, Peru, Poland, Portugal, Russia, Singapore, Spain, Sweden Switzerland, Turkey, Ukraine and the US) report that copyright protection shall subsist for 70 years after the death of the author or from the first of January of the year following his/her death or after the publication in the case of a legal entity, with some variations in the case of anonymous, collaborative or joint works. In case of anonymous works, the term of copyright shall be 70 years from the time the work is lawfully made accessible to the public (e.g. Belgium, Finland, France and the Netherlands) or the creation of the work (e.g. Austria). In case of collaborative, collective or joint work, 70 years start from the death of the last author or the year following the death of the last author (e.g. Argentina, Australia, Denmark, France and Germany). In France, the same period of protection is accorded to posthumous works, provided, however, that if the work is disclosed after the expiry of this period of protection, the period of protection shall be 25 years from the first of January of the calendar year following that of publication. In the US, Copyrights last for 70 years after the death of the work's author, or, for works for hire, the shorter of 120 years after creation or 95 years after publication.

In some countries, the term of copyright varies depending on the type of work, but the general rule is that copyright subsists for 50 years after the death of the author/the last surviving co-author or from the first of January of the year following the author's death (Canada China, Egypt, Japan, Indonesia, New Zealand and Thailand). In the case of a legal entity, the term is 50 years expiring December 31 of the fiftieth year after the first publication (or 50 years after the completion of its creation if it is not published) (China) or 50 years after its creation (Estonia). In Japan, the term of protection for cinematographic work is 70 years following the making public of the work.

In Mexico, copyright subsists for 100 years after the death of the author.

In the UK and some member states of the Commonwealth of Nations, the term of copyright for industrial use is adjusted as explained in Q11.

In the Philippines, copyright protection for works of applied art is for a period of twenty-five (25) years from the date of making.

In some countries, if the industrial design is industrially applied and commercially exploited, cumulative protection by copyright and registered design is reduced to the minimum (e.g. Singapore).

**10) What happens upon expiration of the IP right having the shorter term? In other words, after the term for industrial design protection expires, does the copyright protection continue?**

The vast majority of the reporting Groups reports that as copyright protection and design protection are completely independent, copyright protection remains unaltered after expiry of design protection (e.g. Argentina, Austria, Belgium, Brazil, Bulgaria, Chile, China, the Czech Republic, Denmark, Egypt, Estonia, Finland, France, Germany, Hungary, Indonesia, Italy, Japan, Latvia, Mexico, the Netherlands, Norway, Paraguay, Peru, the Philippines, Portugal, Russia, Spain, Sweden, Switzerland, Thailand, Turkey, Ukraine and the US).

The situations in the UK, Australia, Canada, Ireland, Malaysia, New Zealand and Singapore are different from those in other countries.

In the UK, the design rights and copyright protection exist separately and so upon the expiration of the shorter term, the other right continues to subsist. Though, as discussed below in Q11, the presence of both can impact on the length of each type of right.

The Australian Group points out that as the ability to enforce copyright is removed as a result of the registration of a three-dimensional design, the ability to enforce copyright protection for a three-dimensional design does not continue after the industrial design protection expires. Only in the case of a two-dimensional design does copyright protection continue after the industrial design protection has expired.

The Canadian Group reports that Copyright protection in Canada, where it subsists, is unaffected by the expiration of industrial design protection and that there are various enforcement exceptions to copyright protection for certain designs applied to useful articles and in the artistic works on which those designs are derived.

In Ireland, the Copyright Act restricts the period of copyright protection to a maximum of 25 years in respect of industrial products that are the subject of registered design rights. Therefore, it is not possible for a creator of a registered industrial design to rely on copyright protection once the design registration has expired. The maximum protection is 25 years in both cases so copyright protection cannot continue beyond the expiration of industrial design protection.

In Malaysia, articles made by an industrial process or means and to which a design derived from artistic work has been applied, enjoy copyright protection until the end of 25 years from the end of the calendar year in which such articles are first marketed (whether in Malaysia or else where).

In New Zealand, when a product has been the subject of a registered design and that registration has been allowed to lapse before expiry, or its full fifteen year term has expired, it is no longer an infringement of the corresponding copyright to reproduce the design working from the drawings of the lapsed or expired design registration.

In Singapore, a design which is registrable and is so registered shall only obtain protection under the registered design regime and there is no dual protection under copyright law.

Moreover, in Poland, the duration of the copyright protection for industrial products that are simultaneously protected as registered designs are limited by the Polish IP Law and may last no longer than the duration of the right in registration of the industrial design (setting the protection of such products to maximum 25 years).

### ***Measures for adjustment***

**11) In your country, is there any measure for adjustment so that the same industrial product may not be protected, by both a design right and a copyright or, by a copyright after the design right expires?**

The vast majority of the reporting countries reports that no measure for adjustment is taken (e.g. Argentina, Austria, Belgium, Brazil, Bulgaria, Chile, China, the Czech Republic, Denmark, Egypt, Estonia, Finland, France, Germany, Hungary, Indonesia, Italy, Japan, Latvia, Mexico, the Netherlands, Norway, Paraguay, Peru, the Philippines, Portugal, Spain, Sweden, Switzerland, Thailand, Turkey, Ukraine and the US).

The German Group points out that EU law bindingly prescribes for Germany the coexistence of design and copyright protection.

Some groups point out that Article 96(2) of Regulation 6/2002 on Community Designs (CDR) expressly stipulates that a design protected by a Community Design shall also be eligible for protection under the law of copyright of Member States (e.g. the Netherlands). Also, under the old Benelux Design Act (of before 2002), in order for copyright protection to be continued after expiry of the Benelux design, a declaration needed to be filed, under which some copyrights would have expired (unless such a declaration was filed timely).

On the other hand, some member states of the Commonwealth of Nations such as UK, Australia, Canada, Malaysia and Singapore, take some measures for adjustment of double protection.

In the UK, there are two statutory exclusions of cumulative protection: "Design documents and models" and "Effect of exploitation of design derived from artistic work." With respect to the former, "Design documents and models," the general rule is that there is no infringement of copyright in a design document if the design document is a design (other than surface decoration) for "anything other than an artistic work." With regard to the latter, "Effect of exploitation of design derived from artistic work," infringement is negated after 25 years from the date of first marketing where an artistic copyright is exploited by an industrial process. This limitation arises when 50 or more articles which are copies of an artistic work are made. But, "sculptures", printed matter primarily of a literary or artistic character, wall plaques and medallions are excluded from this limitation. Thus, copyright in design documents is effectively lost for most industrial designs, and even if the design is artistic, copyright is effectively only available for 25 years if the design is exploited industrially (25 years is also the maximum term of design protection under the UK and Community registered designs). Exceptions to this include surface decoration and sculptures. As a result of these limitations, the debate in some cases has focused on whether a particular 3D object should be classified as a "sculpture".

In Australia, designs for three-dimensional industrial products cannot be protected by way of both a design right and copyright. Copyright protection is not available if (1) a three-dimensional design is registered; or (2) a three-dimensional industrial product is "*applied industrially*" (making 50 or more articles for commercial purposes, anywhere in the world), and the industrially applied products are sold, let for hire or offered or exposed for sale or hire anywhere in the world. In addition, if application for a design right for the three-dimensional industrial product is not made in a timely manner (i.e. before the industrial application), then the ability to secure a valid design right will be lost. For a product that is an artistic work, the ability to sue for copyright infringement is lost where a "corresponding design" (other than two-dimensional features (such as pattern or ornamentation)) is registered but otherwise copyright protection is retained.

The Copyright Act also provides that, where copyright subsists in an artistic work (other than a building, model of a building, or a "work of artistic craftsmanship") and a corresponding design is applied industrially, it is not an infringement of that copyright to reproduce the work by embodying that, or any other, corresponding design in a product. Thus, the ability to sue for copyright

infringement is retained for buildings and building models (not portable buildings) and for “works of artistic craftsmanship”. As only a limited number of designs would qualify to be “works of artistic craftsmanship” in practice, for most three-dimensional designs that are applied industrially, the ability to sue for copyright infringement will be lost (i.e. not be available). In other words, for most industrial designs, if application for a design right is not made in a timely manner, valid protection under the designs legislation will be lost together with the ability to enforce copyright.

Similarly, in Canada, the enforcement of copyright protection is not available for a design applied to a useful article, or in an artistic work from which the design is derived, where the article is reproduced in a quantity of more than 50 or is a plate, engraving or cast used for producing more than fifty useful articles. Various exceptions to the foregoing rule are provided under the Canadian copyright statute. (For works created prior to June 8, 1988, a different regime of cumulative protection is applied.)

In Singapore, to arrest an unintended expansion of copyright protection in the area of functional design and to reduce the extent of dual protection for industrial designs in general, the relevant Acts in Singapore have undergone a number of amendments over the years. Currently, (1) a design which is registrable under the Registered Designs Act (RDA 2000) and is so registered shall only obtain protection under the registered design regime and there is no dual protection under copyright law; (2) if a design is registrable under the RDA 2000 but it has not been so registered, copyright protection to the design is forfeited once the design in question is industrially applied and subsequently exploited commercially and the design may then be left without any protection at all; (3) even if a design is not registrable, if the artistic work has been applied industrially, there will be no copyright protection for the making of any useful article in three dimensions, including a reproduction in two dimensions reasonably required for the making of the article. Artistic works that have been applied industrially lose their copyright protection completely from the time of industrial application.

In Ireland, copyright protection for an industrial product does not continue beyond the maximum 25 year registered design protection period.

In Poland, the duration of the copyright protection for industrial products that are simultaneously protected as registered design may last no longer than the duration of the right of registration of the industrial design although this treatment is expected to be amended.

In Russia, there is some limited case law where the courts interpret that the author chooses either a design right or a copyright. But, the Supreme Court does not provide strict ruling on that and most courts recognize both rights for a single object.

The Swiss Group notes that the absence of protection for unregistered designs and the high standards applied by Swiss courts for granting copyright protection to works of applied art, in practice limit the number of instances where an industrial product enjoys protection both under design and copyright law although, in principle, there is no measure for adjustment to avoid an industrial product's double protection.

## II. Proposal for Harmonisation

**The Groups are invited to put forward proposals for the adoption of harmonised rules in relation to the protection of the appearance, shape, or ornamentation of industrial products. More specifically, the Groups are invited to answer the following questions:**

**What should be the requirements for obtaining copyright protection for industrial products?**

A relatively small number of Groups (Argentina, Australia, Denmark, Ireland, Mexico, Norway, Sweden, Switzerland and the UK) addressed this question because, for some reason, this question was not numbered in the Working Guidelines in the final published form.

Many Groups that address this question (e.g. Argentina, Australia, Denmark and Ireland) are not enthusiastic about changing their national laws.

The Argentine Group reports that for obtaining copyright protection, an industrial product should encompass artistic value.

The Swedish Group is of the opinion that industrial designs should be protected by copyright if they fulfil the general requirement of originality, while it would be nearly impossible to establish an international standard on the level of originality. In this connection, the Swedish Group points out that the fact that the level of originality is not harmonised at international level is to some extent resolved in at least Europe by the general principle that a low threshold of originality correlates to a narrow scope of protection. Also, the Swedish Group is of the opinion that AIPPI should consider, in drafting a resolution, Art. 25(1) of the TRIPS agreement, last sentence, which reads, "Members may provide that such protection shall not extend to designs dictated essentially by technical or functional considerations.", should be amended in such a way that it becomes clear that copyright protection shall not extend to designs dictated essentially by technical or functional considerations. The UK Group points out that it may be advantageous to provide appropriate express safeguards built into copyright law.

Some Groups (e.g. Denmark, Ireland, Mexico, Norway and the UK) consider that the requirements for obtaining copyright protection for industrial products should remain the same as any other work. The Irish Group points out that incentive to obtain design protection can be made through other provisions, e.g. limiting the duration of copyright protection to that of registered designs. The Mexican Group views that perhaps the level of originality should be lowered, the same as it has happened in the case of software or databases. The Norwegian Group, however, points out that the preparatory works to the Norwegian Copyright Act indicate that the requirements are to be handled more strictly in relation to industrial products than for works.

The German Group notes in connection with Question 14 that although the requirements in respect of copyright as to the level of creativity in the area of applied art and for industrial products as per German case law are stricter than for other works, it does not seem to be either politically desirable nor legally justified. It is because, among other things, only so-called applied art, commonly therefore product design, is treated differently. Sculptors, painters, illustrators, programmers of software user interfaces etc. can receive, quickly and with a relatively low entry level, copyright protection through the case law under the doctrine of "small coin".

In contrast, there is another view that standards should be differentiated between different types of goods (e.g. Switzerland). The Japanese Group would seem to share this view meaning that the requirement for copyright protection should be stricter in the case of industrial products than fine arts.

## **12) For industrial products, should there be any cumulative protection by industrial design rights and copyright?**

It appears that the vast majority of countries (e.g. Argentina, Austria, Belgium, Brazil, Bulgaria, China, the Czech Republic, Denmark, Egypt, Estonia, Finland, France, Germany, Hungary, Ireland, Italy, Latvia, the Netherlands, Norway, Paraguay, Peru, the Philippines, Poland, Portugal, Spain, Sweden, Switzerland, Thailand, Turkey, the UK, Ukraine and the US) are of the opinion that cumulative protection by industrial design rights and copyright should be maintained.

Some Groups (e.g. Argentina, Austria, Brazil, the Czech Republic and Estonia) point out that as the purpose, requirement, effects and scope of protection are different between copyright protection and design right protection, there should be cumulative protection because the two systems complement each other. The advantages of copyright protection are immediate and automatic protection, lower threshold of originality, lack of application and registration costs, while the registration under the design law helps to identify the rights owner and the exclusive right conferred to the owner guarantees a much wider scope of legal protection.

Some Groups (e.g. Belgium and China) point out that there is no reason to preclude cumulative protection if the requirements for both protections are met, while other Groups (e.g. Finland) indicate that cumulative protection provides good assets for designers and the industry to protect their industrial products, while in practice, legislation providing cumulative protection has not caused problems.

In this connection, some Groups (e.g. France and Italy) point out that cumulative protection is favoured because it allows industrial products to be protected in their diversity, provides maximum territorial protection and offers the flexibility necessary for combating the various types of infringement.

In contrast, the Singaporean Group is of the opinion that cumulative protection should be minimized. Also, the Canadian Group supports the balanced approach taken under its domestic law.

Some countries (e.g. Japan, Mexico and Russia) are of the opinion that, although their national laws may allow cumulative protection, there should be no cumulative protection. The Japanese Group considers that, as a general rule, cumulative protection should not be allowed for applied arts, because (1) it is necessary to ensure that incentives for design applications may not be diminished; and (2) if cumulative protection is allowed, it may become difficult to conduct business activities in the context of moral rights. The Russian Group points out that if an international treaty stipulates a united way of protection of industrial designs (excluding them from general copyright law), this will lead to more certainty for economic relations.

The Indonesian Group is of the opinion that there should be clear criteria that distinguish the scope and types of goods that are protected by the Copyright Law and by the Industrial Design Law, that this is to prevent confusion in qualifying a work or a design that will be protected by the Copyright Law or the Industrial Design Law, that the trigger for all this confusion is the broad interpretation of the scope of protection of a work and an industrial design, and that with clear boundaries, hopefully such confusion will no longer occur.

## **13) If so, should there be any measures to resolve this overlap? What measures should be taken? For example, once a certain artistic work has enjoyed industrial design protection, should copyright protection be denied for the same work?**

The vast majority of the reporting countries (e.g. Argentina, Austria, Belgium, Brazil, Bulgaria, the Czech Republic, Chile, Denmark, Egypt, Finland, France, Germany, Ireland, Italy, Latvia, Malaysia, the Netherlands, Norway, Paraguay, the Philippines, Portugal, Spain, Switzerland, Thailand,

Turkey, Ukraine and the US) considers that no measures should be taken because cumulative protection is desirable or each protection does not contradict each other.

The Belgium Group specifically considers that each system has its advantages and disadvantages, so that it is justified to maintain both protections, advantages and disadvantages of which include, among other things, (1) evidence concerning the date of creation and proof of ownership (owners of registered designs under the design law system may claim a certain date and a certain title of ownership vis-à-vis alleged infringers); (2) independent creation (the independent creation defence is not admissible in relation to registered designs); and (3) publicity (the registration of the design will confer a publicity on the design, and will possibly have a more dissuasive effect on competitors).

The Danish Group points out that if one were to deny copyright protection for an industrial product, because it had previously enjoyed design protection, through registration or by making the product available to the public, copyright in industrial products would effectively become "second-rate" compared to fine arts and that the fact that one is able to use a work of art should not, as a consequence, make the copyright protection hereof "second rate".

The German Group is of the opinion that the overlaps should not and may not be replaced by an alternative system of protection under European law as this would lead to numerous difficult and discriminatory delimitation issues and ultimately a worsening of protection. The German Group also points out that The CJEU clearly explained in its decision, C-168/09 Flos SpA v Semeraro Casa e Famiglia SpA, that works of applied art must be afforded copyright protection and that there was no room for discretion for the Member States:

“37 Indeed, it is clear from the wording of Article 17 of Directive 98/71, and particularly from the use of the word ‘also’ in the first sentence thereof, that copyright protection must be conferred on all designs protected by a design right registered in or in respect of the Member State concerned.

38 The intention of the European Union legislature to confer that protection also emerges clearly from recital 8 in the preamble to Directive 98/71, affirming, in the absence of harmonisation of copyright legislation, the principle of cumulation of protection under specific registered design protection law and under copyright law.”

The Spanish Group is of the opinion that if copyright protection is denied for the work which has already enjoyed industrial design protection, it would be an unacceptable discrimination of such creations against the rest of the original creations protected under copyright law.

The US Group is of the opinion that copyright protection should not be denied because it is broader in that it protects the use of an original design in any context, and because it is subject to fair use and independent creation defences. They also point out that in the typical case, the industrial design has little or no artistic merit, and copyright protection may not be available.

In contrast, some Groups (e.g. Australia and Canada) consider that in their national regime, appropriate measures for adjustment are already taken. This is probably the case with Ireland, Singapore and the UK.

Also, some Groups (e.g. China, Estonia, Japan, Mexico, Peru and Russia) consider that some measures to resolve this overlap should be taken.

The Chinese Group proposes (1) that before the grant of the design patent for a certain work of applied art, this work be protected by the copyright; and (2) that once this work has enjoyed a design patent protection, copyright protection be denied for the same work.

The Estonian Group notes that (1) copyright law should not make it possible to by-pass the functionality provisions of the design law and grant protection to products that are purely functional

and (2) the regulation of the economic rights of the author in employment relationships should be harmonised.

The Japanese Group notes that the UK approach is helpful to resolve cumulative protection.

The Peruvian Group is concerned about discouraging designers from filing an industrial design application.

The Russian Group is of the opinion that copyright protection should be denied for the same work which is registrable as industrial design.

The Hungarian Group points out that it should be ensured that sanctions of infringement of copyright or design right of the same product cannot be unduly duplicated, e.g. the same right holder shall not demand return of profits of the infringer twice.

Also, the Portuguese Group suggests that although cumulative protection is desirable, as the term of an author's right protection in force (enduring for the author's life plus an additional 70 years) is too long in what concerns works of applied art, and in this category of products an exception should be foreseen and the term be reduced to 25 years.

**14) National Groups are invited to comment on any additional issue concerning the relationship between design and copyright protection for industrial products that they deem relevant.**

Some Groups (e.g. Finland and France) suggest that when an industrial product is created by an employee of a company, the owner of the copyright can be different from the owner of the design right and in order to avoid this kind of situation, an appropriate measure should be taken by a contract.

The Italian Group suggests that if the shape of the article is equivalent to or dictated by the technical idea which gives some utility to the item, it will not be protected by copyright. In this connection, the US Group notes that neither copyrights nor design patents protect a functional element of an industrial product.

The Polish group believes that any provisions of copyright laws discriminating against protection of the works of industrial design including as provided in Articles 2 (7) and 7(4) of RBC should be abolished as they cause uncertainties in international relationships as to the degree of protection in the country of origin and resulting unnecessary formal problems (e.g. examination by infringement court of relevant international laws).

The Swedish Group suggests that both the issue of how to regulate and harmonise legal presumptions on title and of resolving nevertheless colliding rights be made the subject of a separate Question in the AIPPI.

The UK recommends that a resolution be considered which:

- (a) Recalls that design and copyright overlaps are subject to constraints arising from competition law policy and policies regarding the effective free movement of goods.
- (b) States that in principle there should be no restriction of copyright in relation to industrial designs, except in narrow circumstances tailored as narrowly as possible to address the policy concerns referred to in (a) above.
- (c) Recognises that the provision of spare parts which 'must fit' products is a policy concern warranting exclusion from the scope of copyright and design rights.
- (d) Recognizes that where an industrial product qualifies for protection as an unregistered or registered design, irrespective of whether a registration is obtained, it would be appropriate to



limit the term of copyright protection to not exceed the maximum period of protection that could be obtained by registration.

- (e) Recognizes that purely functional aspects, without any aesthetic element, falls more properly within the scope of patent protection if available and warrants exclusion from the scope of copyright and design rights.

### III. Conclusions

As a premise, there seems to be a large consensus about the difference between design protection and copyright protection in general, although there are some exceptions in some Groups, as follows:

- Formalities: no formalities must be completed for copyright protection under Article 5(2) RBC, while registration is typically necessary for design right protection in most jurisdictions under national laws except that there could be unregistered design protection with much shorter period of protection.
- Requirements: originality is typically required but objective novelty is not required for obtaining copyright protection, while objective novelty is required for obtaining design protection.
- Term of protection: the term of protection is at least 10 years for design protection under Article 26(3) TRIPS, while it is at least 25 years under Article 7(4) RBC for copyright protection.
- Infringement: industrial products that were independently created without access to another party's previous work (or product) can infringe a design right, but not a copyright.

With regard to copyright protection for industrial products, although the vast majority of the Groups are of the opinion that the requirements for copyright protection for industrial products should be the same as those for fine arts, some Groups are against it. This issue is one to be discussed in the Working Committee. There could be a consensus in the Working Committee that copyright protection may not be obtained for industrial products to the extent there is no, or a very limited, room for personal expression due to the functional or technical features in such products, which would not be the case with fine arts.

Some Groups note that protection shall not extend to designs dictated essentially by technical or functional considerations under copyright law as well as design law. This point will also have to be debated in the Working Committee. If this is adopted, it will mean that AIPPI considers that Art. 25(1) of the TRIPS agreement, last sentence, which reads, "Members may provide that such protection shall not extend to designs dictated essentially by technical or functional considerations." (emphasis added), should be amended in such a way that it becomes clear that copyright protection shall not extend to designs dictated essentially by technical or functional considerations.

Similarly, with respect to the scope of copyright protection, whether or not functional element of industrial products is protected can be an issue at the Working Committee.

With regard to cumulative protection, the vast majority of the Groups are in favor of it, although there is a strong objection.

Also, the vast majority of the Groups does not see any reasons to take a measure for adjusting cumulative protection or resolving any overlap while other Groups have already taken measures for adjustment and are of the opinion that such measures are desirable. Even some Groups which do not take any measures for adjustment note that such measures should be taken. Groups may agree at the Working Committee that a country/region may take a measure for adjustment for

cumulative protection under national laws. It would seem difficult for the Working Committee to decide to ban or obligate taking measures for adjustment. In this connection, with regard to measures for adjustment, there seem to be two measures: (i) adjustment during the term for design protection with respect to, for example, industrially applied products; and (ii) adjustment after the term for design protection has expired. The latter, (ii) adjustment after the term for copyright protection has expired, may be slightly more acceptable to Groups including the ones for cumulative protection, because it will allow cumulative protection anyway during the term for design protection.