



## How do design rights work? – *Video Transcript*

### What is a design right?

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*Moderator: Welcome back to Academy. This course will examine design rights – what they are for and how they work. Design rights may be the most under-utilized form of intellectual property protection and have become what some call ‘IP’s best kept secret.’ So to help us understand this topic, we’re joined by expert Rosie Burbidge. Rosie has a wealth of experience with designs as an Intellectual Property Partner at Gunnercooke, and has written the book on fashion law. But before we hand over to Rosie, let’s take a look at designs from an international perspective. In the European Union, visual aspects of a product can be protected with design rights. These can be used to protect anything from the overall shape of a product to the surface decoration, or even the texture. This is not like the US, where designs are protected not with a distinct right, but with a type of patent, called a design patent. They are in fact closer to patents than they are to European design rights. They only protect the shape of a product and not all the other visual aspects like you could with a European design right. For this reason, European and US organizations alike will want to consider how this fits into their wider global IP strategy. Therefore, in this course, we will primarily focus on European design rights. But for further information on how to protect designs in the US, take a look at our explainer, available in the additional resources. But now, it’s over to Rosie...*

*Rosie Burbidge: Hi, I’m Rosie Burbidge, I’m an intellectual property partner at Gunnercooke. I’ve worked with a wide variety of businesses, including fashion, gaming and other technology companies to help them obtain intellectual property protection and also to litigate those rights when people have infringed them, and frankly the reverse as well when they have been accused of infringement. I’m here to talk about designs because frankly they are an area of law that is incredibly misunderstood and underappreciated and it’s a huge opportunity for business owners at every single stage in development – whether you’ve just got an idea right the way through to being a large multi-national company. They are poorly understood, and the opportunities are often not taken advantage of, so literally money is being left on the table.*

*The important thing to be aware of, as far as European designs are concerned is that essentially anything that can be visually represented can be protected as a design. That can include for example a logo, it can include the texture of a product, it could be anything from a very close up part, like a fastening, right the way through to something that's much more broad, so the shape of a product, or the shape of even a small part of the product, like say a belt buckle, could potentially be registered. The situation is a bit different in other countries, for example, in most other countries it's purely limited to the shape of a product and these more visual surface decoration elements are not capable of protection. It's also worth bearing in mind that, even though you can in theory protect anything that's surface decoration, in some cases it is not going to be sufficiently distinctive, so if it's not novel and it doesn't have the same overall impression as something else, then it may well not be capable of protection.*

*So one of the most interesting aspects of designs is the amount of overlap that you have between the different rights and, in fact, I would say that you can only really specialize in design rights if you also have a fundamental understanding of patents, copyright and trademark law. So it's really kind of complicated because, if you think about the two dimensional examples that I've given, obviously the surface decoration of a product can also be protected as copyright, provided that it is sufficiently original, so some stripes or something like some poker dots, that may be not sufficiently original to meet the copyright threshold – but if you look at that in conjunction with the shape of a product, which you can do for a Community and Registered Design, that could well be sufficient to qualify for design right protection. On the other hand, if you're looking at the shape of a product, clearly that in some circumstances can be registered as a trademark, but generally there isn't going to be a lot of overlap between the two because you only have a one year period in which to register a design; and generally in order to get a trademark, you need to show that you have built up a lot of goodwill in that mark, and it's unlikely that you're going to be able to do that within one year of first disclosing it. So that's the kind of way in which the interplay can work.*

*Obviously if you have had a design in the first place, then it can be possible to register that as a trademark later on – there's some case law in the UK that suggests that that's not always the most straightforward because the courts are reluctant to offer protection that effectively lasts forever and they would say that you have had your first bite of the cherry in terms of having the design and you shouldn't get a trademark in perpetuity. And that's a really important difference to bear in mind. An Unregistered Community design will only last for three years, so that's obviously quite a short period of time. If you register it within the one-year period, this grace period from first disclosure, then you can have it lasting for up to twenty-five years, provided that you renew it every five years. Obviously with a trademark, if you keep repaying your renewal fees every ten years and if you keep using it, it can potentially last forever. So, there's one trademark on the register – the Bass red triangle – that has been there since trademarks first became capable of being registered, so there's quite a big difference from that point of view.*

*As far as patents are concerned, superficially they are quite different to designs, but they bear quite a lot in common from a procedural perspective and also in some jurisdictions such as the United States, design patents is the term that is used to describe what we call a registered design in Europe. And in the United States, they only protect the shape of a product, not the way in which it appears, so that can be a bit confusing when you're coming to grips with the way in which designs work and thinking about doing research because you will find a lot of references to design patents and it can be a bit confusing. Another thing to sort of think about is the registration of different rights. So, you can obviously register copyright in some jurisdictions, it's not possible in the United Kingdom but there are some European countries where it is possible, it's not necessary to do it – the countries where it is really advisable to look at registering copyright are the United States and China, and that could give you the equivalent protection that you would get from a registered design that covers the appearance aspect of a product.*

*In terms of the important 'terms of art,' I suppose that you will often encounter when looking at designs, the really important things to bear in mind from a Community Designs point of view, is firstly whether the design is novel – so it's got to be different to another design that's gone before. Basically, you can't take somebody else's design and try and register it in exactly the same way yourself. It also needs to have a different overall impression to designs that came before and if you think about that in terms of the patent equivalents, you also have novelty for patents so you can't register something that's exactly the same and the patent equivalent of overall impression is inventive step, so essentially what this is saying is that you do need to go one step further and it can't be something that kind of looks the same. I would say that the threshold for overall impression is relatively low, certainly in terms of obtaining a registered right. When it comes to relying*

on that right in court, as many people discover, just because you have a registered right, doesn't necessarily mean that that right is going to be capable of protection once it's very closely scrutinized by the courts.

Another important term from the UK point of view – and I suppose it's useful to think of UK registered design right in the context of copyright, because that's sort of the analogous right as far as the UK is concerned – it's still got to be original, and then the test for whether it's infringing is whether a substantial part has been taken, so that's exactly the same test as you have for copyright. For designs in the Community context, the question is whether it has the same overall impression. So these terms you keep coming back to over and over again – overall impression, substantial part – essentially there's generally not a huge amount of difference between those two, and the old maxim that we've often come across in terms of our law school training, is 'what's worth copying is worth protecting,' so essentially that means that if something has been copied, and if you can show that someone has copied it, because, for example there's a very distinctive element, or in fact, best case scenario is you can actually show that they purchased a copy of your product, so that's one of the first things that we will do in a litigation context, is to ask people to look through and see if they have supplied people in the vicinity of the infringer.

In terms of the kind of, the more 'acronym-iny' type terms, ones that you'll often see thrown around are RCD and UCD, they stand for Registered Community Design and Unregistered Community Design and similarly you might often see the term UDR for Unregistered Design Right – that generally refers to the UK unregistered design, but sometimes it's used interchangeably with Community Unregistered Design – just to confuse things a little bit! And I suppose one other thing to clarify is that I'm using the term Community as shorthand for the European Community. Obviously it's been renamed the European Union, but the statute books have not got updated so whilst we now have the European Union trademark, we do not have the European Union design, although it is often used and referred to in that way, which can make things a little more confusing when you're looking into it.

So the key difference between a registered and an unregistered design is – at the risk of sounding a little bit flippant – one is registered and the other is not, and the reason why that's really important is that for a registered design you have to basically nail your colours to the mast and say, this is exactly what I want to protect. So you've got to decide whether you're registering just the shape or whether you are going to register a photograph of the product, which would include the colour and maybe the texture of the product as well, you could register a CAD (design) or you could register just part of a design and a common approach to that is to dot out the parts of the product that you're not relying on. There are some very technical issues with that approach as well, but, broadly speaking you can identify anything that is visual associated with a product and, really, the trouble with a registered design is that you have to sort of predict which parts of that product are going to be commercially successful and that you think an infringer might copy at the time of applying to register.

With an unregistered design, you have a lot more flexibility because, essentially, you're identifying what you're covering as an unregistered design at the time when you know what somebody has infringed. So, you can be a bit more creative in terms of saying, OK, it's the shape that I'm relying on because the shape is what is being copied, they haven't actually copied, say for example, the colouring or the particular texture. And that's why when you look at the data around it, the cases where they have relied on unregistered designs are much much more successful than when you've got a registered design. Obviously, the advantage with a registered design is that you don't have to show that it's been copied because it is literally on the register and it's there for people to see. If you do go to the trouble of registering a design, it's a good idea to put the registered design number onto the product, or at the very least onto your website so that it's really easy for people to find out about it and that serves as a warning to people as well.

There are varying degrees of international protection. You can obviously register a design at the UK level and at the Community level, so that's two degrees of international protection. That's much simpler than looking at registering in other territories, such as Japan or the United States, but it's probably not worth doing because, frankly, if you've got a Community Design, there's no need to also have a UK design or indeed a design in any other member state because the Community Design will cover all of the member states. Obviously if a country might happen to leave the European Union, that could pose a bit of an issue and in those circumstances, any existing European or Community designs will be automatically transferred into the equivalent, say, for example, a UK design. However, there would also still be your Community Design, so you'd effectively end up with two rights.



*When you're looking on a more global basis, it not necessarily that straightforward to transfer something that you've registered at Community level into, say, a US design patent or a Japanese design patent – those are the two that seem to crop up the most. The reason for that, is that it's only really the shape that can be protected in lots of other jurisdictions. So, if for example you've registered something which is a photograph, then that's almost certainly not going to be protectable outside of the United Kingdom and the European Community. The best way of going about this is to get specialized advice when it comes to filing because there's a lot to be said for registering a bit more broadly than simply the shape because that gives you more scope for protection at the European Union level. However, if you're thinking about using it in lots of other countries, then you'll also want to make sure that what you register from a shape perspective is going to be acceptable in the other offices around the world. So in the same way that trademarks has the Madrid system, there is a similar system for international protection called the Hague system – but it's just important to bear in mind that it's not nearly as harmonized system as the Madrid system and whilst you do have a priority period, it's just not as straightforward if you're relying on the grace period that you get in the European Union, so be really careful around timings and get specialized advice if, say, Japan or Korea, or China, or the United States are really important territories for you.*

*Moderator: Thanks for watching. Join us again in video two, and don't forget to check out our additional resources below.*