

DESIGNS FOR LIFE: AN ESSENTIAL OVERVIEW OF DESIGN PROTECTION, ENFORCEMENT AND EXPLOITATION - PART III

17 September 2015

Part III: Exploitation, common problems and extended protection.

In this three-part series, we journey through the process of design, from inception to exploitation and enforcement, considering the steps from the point of view of the designer and design-led business. This will not be a dry trawl through the case law, but a practical, end-to-end guide to design.

Parts I and II in this series on the essentials of protection, enforcement and exploitation through the life of a design have considered, respectively, how a business can manage the design process so as to protect itself when creating a new design (see "[Part I Design Stage](#)") and the issues that may be encountered when bringing that design to market (see "[Part II Bringing the Design to Market](#)").

In this concluding article, we turn to how a design can "earn its keep" before considering some of the real life challenges faced by design rights, the implications for a design when its design protection expires and whether it can still be protected in other ways.

I. Licensing

Given the important role they play in preventing copying, it is very easy to view design rights as having a purely protective function. However, legal proceedings relating to design rights are relatively rare. Design rights are, in fact, more likely to be licensed than litigated. It is therefore important to remember that design rights can also play an important role in generating income. Indeed, an effective licensing strategy can more than reimburse the costs associated with filing the design in the first place.

Most of the issues raised by licensing design rights are common to those that need to be considered when licensing other intellectual property rights. The approach adopted by each designer will vary according to their specific circumstances and the design(s) in question. Nevertheless, an effective licensing strategy should take at least the following into account:

- Why the design is being licensed;
- What is being licensed;
- Where the design is being licensed; and
- The terms on which the designs should be licensed.

Each of these points is considered in more detail below.

A. Why the design is being licensed

There are many reasons for licensing a design. However, as a general rule, licensing activity should reinforce the business's overall IP strategy. For example, if a company has highly recognisable designs which it uses to distinguish itself from the competition, it may not be appropriate to license designs which form part of its current or future design language. Doing so would dilute the association the public makes between the design and the designer, and the more extensively a design is licensed, the less distinctive it will become.

At the other end of the scale, a design agency will want to license its design ideas as widely as possible to maximise its revenue. As such, its business model will depend upon retaining the ability to license designs in relation to certain fields of use and territories.

B. What is being licensed

A licence to use certain design rights will need to specify the design rights in question. In relation to registered design rights this is relatively straightforward as the registered design in question and its owner can be identified by reference to the relevant design registry. However, in relation to unregistered designs, it is sensible to specify exactly which features are being licensed, preferably with reference to design drawings. It is also important to ensure that the licence is being granted by the owner of the unregistered design.

As could be seen in Part I in this booklet, this will not always be straightforward and may

need the original designer to assign rights to the company which is exploiting the design if it was created pursuant to a commission.

It is also important to remember that certain types of licence will affect the licensor's ability to continue to exploit the design in question. For example, an exclusive licence in the same territory and field of use will exclude the licensor from using the designs. A broad exclusive licence should therefore only be granted if the licensor has no intention of using the design itself, and has not previously licensed the design.

Nevertheless, exclusivity may sensibly be granted on a narrow considered basis, such as in respect of certain fields of use, or territories, in which the licensor has no interest. Naturally, the relevant field of use should be carefully considered by the licensor to ensure the company has no plans of operating in that field, but the advantage of taking this approach is that it allows the licensor to maximise the licensing revenue it can derive from the design.

C. Where the design is being licensed

The territory of licence will often depend on the geographical scope required by the licensee. Even with Community design rights, it is possible to grant a licence on a country-by-country basis.

As explained above, this could involve multiple exclusive or sole licences being granted in respect of different countries. However, it is sensible to ensure that the geographical scope of the licence is no wider than what the licensee requires to carry on its business. The licensee is unlikely to be willing to pay for rights it is not going to use and the licensor risks missing out on future opportunities if it grants the licensee rights which the latter will find superfluous.

The licensor should remember that once a licence is granted, it will need to be policed. In certain territories, this will be relatively straightforward as the use the licensor is making of the design will be quite visible. However, in other territories where the licensor does not have a local presence, it will be harder to police compliance with the licence, and may even require third parties to assist by, for example, carrying out audits. The cost of carrying out such activity will, therefore, be affected by the number and scope of licences granted by the licensor.

D. Licensing terms

1. Royalties

The driving force behind most licensing decisions is maximising licensing revenue, meaning that the calculation of royalties is of paramount importance. A common misconception is that this will depend simply on what percentage royalty is agreed. However, other terms such as the basis on which royalties are payable will often have a bigger impact on the overall licensing revenue obtained under a licence. For example, whether the royalty is calculated on the wholesale or retail price can make a significant difference.

A licensor will also commonly want some certainty as to the revenue it will derive from the licence. One method of doing so will be to link the payment of royalties to the manufacture rather than the sale of the products. This has three advantages - the licensor receives payment as soon as the licensed right has been exploited, rather than when the eventual sale is made, the licensor does not bear any risk of sales at under-value, and further it does not risk the products remaining unsold altogether.

Unsurprisingly, licensees often resist this. A compromise is to agree minimum guaranteed royalties, which provide the licensor with a minimum level of certainty as to the revenue it will derive from the licence, but allow the licensee some flexibility that the eventual royalty due (beyond the minimum level) is largely dependent on the level of sales.

2. Protecting design rights

Licensing can bring the licensor considerable benefits in the form of royalties. However, it also brings risks because the licensed design is likely to obtain greater exposure than it has previously enjoyed, including to possible new design fields. It is therefore important that the licensor includes contractual terms to reduce the risk of invalidity proceedings, and to ensure control of such proceedings if they are commenced.

In relation to Community and UK designs, the licensee must have the consent of the licensor to commence proceedings. Because the proprietor of the design is required to be party to any proceedings, from a licensee's perspective it is important to clarify the circumstances in which the licensee will require the licensor to take action. This is particularly so where the licence is in respect of a territory or field of use in which the licensor is not active and may not suffer any damage itself, because without the licensor's cooperation the licensee risks being left without any remedy against potential infringers. In return for the licensor's cooperation, the licensee will often indemnify it for any reasonable

legal costs and expenses it incurs by participating in the proceedings.

Sublicensing presents particular risks to the licensor, not only because sublicensing provides the design with even greater exposure, but also as the licensor is unlikely to have either a direct contractual relationship with the sublicensee, or any knowledge or visibility of the sublicensee's activities. It is therefore advisable for the licensor to exercise some control over the granting of sublicences, or to require the sublicensor to enter into a standard form collateral contract with it, providing the licensor with some recourse against the sublicensee if there is a problem that the licensee is unable or unwilling to address.

3. Quality control

A further aspect of protecting the design is to require the licensed product to comply with certain quality standards. Quality control provisions will be most relevant where the licence is also granting trademark rights to the licensee. However, they are also necessary when the manufacture of licensed products is subcontracted to a third party. As mentioned above, the licensor should also bear in mind how these quality standards will be policed to ensure compliance.

4. Formalities

In the case of registered design rights, once the licence has been granted it may have to be recorded at the relevant design registry. From the licensee's perspective this is important, because failure to record the transaction will mean that third parties who acquire the rights from the licensor without notice of the transaction will not be bound by it, leaving the licensee with nothing other than a claim against the licensor. Responsibility for taking the relevant steps to perfect the registration, and paying the relevant fees, should therefore be attributed to one of the parties prior to completion of the licence agreement.

5. Licences of right

In addition to the licence agreements referred to above, UK unregistered designs are subject to legislation which requires the licensor to grant a "licence of right" to any person (including an infringer) who applies for such a licence in the last five years of the design right term. The terms and conditions for granting the licence are up for negotiation between the parties, but if the parties cannot reach agreement, an application can be made for the terms to be settled by the Comptroller-General of Patents Designs and

Trade Marks (who is based at the UK Intellectual Property Office, or "UKIPO").

The process by which an applicant can apply for settlement of terms by the Comptroller requires the applicant to submit the terms on which it would like the licence to be granted (via a form available on the UKIPO website). The Comptroller will make the licence holder aware of the application and its suggested terms of licence, following which there is a time period for the licence holder and the applicant to submit objections and a counter-statement in relation to the proposed terms of licence.

When determining what royalty rates should be charged on the licence, the Comptroller will either use the "comparables" or the "profits available" approach. The "comparables" approach requires the existence of a comparable licence for use as a reference and the Comptroller will work on the assumption that both parties are willing to enter into the agreement (even if this is not, in fact, the case). Alternatively, the "profits available" approach works on the basis that the profits made from use of the licence should be split between the licensor and the licensee, with about 25% going to the licensee. As a very rough generalisation, licences can therefore vary between 20% and 45% of available profits.

Even where legal proceedings have been commenced, provided an infringer undertakes to take a licence of right before the final order after trial, the rights owner will be unable to obtain an injunction. Further, the damages or account of profits payable to the licensor by the infringer during the licence of right period will be no more than twice the amount of a royalty payable upon a licence of right.

II. OVERLAP WITH COPYRIGHT

There are considerable similarities between unregistered design rights and copyright given that both are unregistered rights that protect against copying by third parties. However, the protection afforded by copyright lasts far longer than either UK or Community unregistered design rights.

This has, in the past, caused considerable confusion as designers of purely functional products not capable of design protection sought to protect their three-dimensional designs by alleging that copyright in their design drawings for the articles had been infringed. As a result, two provisions were included in the UK Copyright, Designs and Patents Act 1988 ("CDPA") that sought to limit the influence of copyright on design law. The second of these provisions has now been repealed, although the commencement date of the repeal is uncertain.

The provisions are discussed below.

A. CDPA s 51 - Articles made to design document or model

It is not copyright infringement to make an article to a design which is recorded in a design document, or embodied in a model, unless the design is for an artistic work or typeface (see below). Nor is it copyright infringement to copy an article made to that design. Such matters are the preserve of design law and not copyright, and the CDPA made the dividing line between the two relatively clear.

As a result, copyright in design documents cannot be used to prevent third parties from manufacturing three-dimensional products to the design. Therefore, where the design itself is not capable of design protection (such as products falling within the must fit/must match exception discussed in Part I in this series), it is no longer possible to prevent third parties from copying the design by relying on the copyright which exists in the underlying design drawings instead. The designer must rely on its design rights (if any) to prevent the articles from being made.

There are, however, two important points to bear in mind about this provision. The first is that it does not apply to a design document or model recording a design for an artistic work or typeface. Where the design is for an artistic work, or typeface, such as a logo or pattern applied to an article, it will still be protected by copyright. It does not, therefore, prevent someone who copies a work of artistic craftsmanship, architecture, or sculpture, from infringing the copyright in design documents or models recording the design of the article, building or sculpture.

Second, and more importantly, the provision only prevents articles made to the design from infringing copyright in the design document or model which records or embodies that design. It does not prevent copies of the design document itself from infringing copyright in those documents, provided it has been copied. This is particularly relevant in the context of CAD files which have been copied by third parties without the owner's consent. Not only will such files likely be confidential but the copy file will infringe the owner's copyright in the original file.

B. CPDA s 52 - Industrial application

Despite the provisions of CPDA s 51, the possibility that copyright can be used to protect designs which are artistic works remains. However, to prevent this being exploited, s 52 was introduced to limit the protection available for certain articles under artistic copyright.

Ordinarily, artistic works are protected for the period from creation to 70 years after the death of the creator. Currently, where articles have been industrially manufactured, s 52 limits the length of protection for these articles to 25 years from the end of the year in which they are first marketed (similar to the period of protection for registered designs). Articles are considered to have been industrially manufactured when more than 50 copies have been made.

However, this section has been repealed, purportedly to bring UK law into line with EU law. This means that iconic designs could be protected for 70 years after the death of the designer. The repeal is likely to come into effect in 2016.

As will be discussed in more detail, this change will have the effect of providing designers with a new tool for tackling replicas of their designs. The change is likely to be particularly helpful for owners of iconic designs, who will be able to argue that their design is a work of artistic craftsmanship. Indeed, many manufacturers of replica products are concerned about the impact the repeal of this section will have on their business, and the government is looking at safeguards that can be put into place over a transitional period.

Many of the concerns the manufacturers of replicas have with the repeal of this section stem from the ongoing uncertainty as to the impact it will have on their business. For example, it is not clear which articles will attract the full term of copyright protection because there is no precise definition of a work of artistic craftsmanship. Specifically, there is uncertainty as to whether functional items (such as furniture) may be covered by the definition, which is the very problem that s 52 originally sought to address. Many of these questions will need to be addressed, at least in part, at a European level.

As such, the UK Government has recognised that there remain questions as to the practical impact of the repeal, and that guidance would be helpful. It has indicated its intention to publish non-statutory guidance on what items may attract copyright protection as artistic works and factors to consider when making this assessment. It will ultimately be for the courts to decide. In the meantime, the uncertainty created by the repeal of s 52 is likely to favour designers.

III. COMMON PROBLEMS

There are far too many possible problems which designers may face on a daily basis to cover them all here. Discussed briefly below are some of the challenges which commonly cause designers difficulties, and how they can be addressed.

A. Parallel imports

Parallel imports are products which the designer has placed on the market outside the territory the right relates to (such as the European Community), which are then imported by third parties into the territory without consent. The sale of these products can still infringe the designer's design rights even though they are genuine products rather than counterfeits.

However, this is not the case where the goods are put on the market within the EU, because the principle of exhaustion states that where goods are placed on the market by the owner in one member state of the EU, the owner cannot prevent it from being sold elsewhere in the bloc. This is important for designers to remember when granting multiple licences to companies within Europe for particular territories. While the licensee can be contractually prevented from selling products outside its territory, the licensor will be able to do little to prevent the resale of goods by third parties, even where it impacts on the activities of licensees in other territories.

The position in respect of genuine goods imported from outside the EU is different. Where the designer has not consented to the same goods being put on the market in the EU, it is entitled to object to infringement of its designs when such goods are imported from outside the EU, provided no consent was given (and this requires policing).

In relation to UK unregistered design rights, the position is slightly more complicated because it has not been harmonised by European law and depends on whether the imported product satisfies the definition of an "imported article". This will only be the case where the hypothetical making of the same product in the UK would have infringed design rights or breached an exclusive licence. Because this will not be the case where the designer itself makes the product outside the UK, the importation of those products into the UK by a third party cannot infringe the designer's unregistered design rights. However, where the goods are manufactured by a licensee for sale in territories other than the UK, the importation of those goods into the UK by a third party will infringe registered design rights. When considering design infringement in these circumstances, it is therefore important to consider the origin of the imported product, and whether it would have been an infringement of UK unregistered design rights if it had been made in the UK.

B. Spare parts cases

The supply of spare parts or consumables can be a lucrative business, often more so than the sale of the articles to which they relate. As such, these activities have proven to be one of the key battlefields for design rights, particularly in relation to the automotive industry.

As touched on briefly above, copyright in design drawings was previously used by designers to prevent the sale of spare parts by third parties. However, the UK courts sought to put an end to this practice in the British Leyland case ^[1], when it was held that the "right to repair" permitted third parties to manufacture and stock consumables and spare parts. Although the reasoning behind this decision was roundly criticised, the effect is essentially replicated by the "must fit" and "must match" provisions that are now found in UK law, namely:

The "must fit" exception denies protection for features of designs which must be a certain shape for them to be incorporated into, or operate as part of, another product. This is a fairly limited exception which is intended to deny design protection for shapes which are technically necessary.

The "must match" exception covers features of a design which are dependent on the appearance of a complex product so as to conform aesthetically, rather than technically.

As a result of these two exceptions, the UK is relatively tolerant of third parties who manufacture spare parts. However, this does not apply across Europe as a whole, where many member states (including France and Germany) restrict the rights of third parties to manufacture spare parts to the same design. The European Commission has been seeking to reach agreement on a general "right to repair" clause since before 1998, but dropped its proposals in 2014.

C. Tackling multiple infringements

Finally, even where a designer has an extensive global IP portfolio, the practicalities of taking enforcement action against multiple infringers who are often small businesses or individuals can pose a logistical challenge. The presence of online sales platforms such as Alibaba.com and eBay can make enforcement even more complicated.

Developing a clear and consistent strategy for managing these infringements is very important. The most appropriate strategy will differ in each case depending on the

products, the designer's key territories and rights, and budget. However, there are a number of tools available to designers to allow them to identify and deal with small scale infringements in a timely and cost-effective manner.

1. Customs notices

It is not necessary to have a customs notice in place for customs officials to seize goods which they suspect of infringing intellectual property rights. However, filing customs notices does help customs officials identify and seize infringing goods more easily and, in certain circumstances, to destroy them easily.

It does not cost anything to file an application for action with the relevant local customs office. If the application is for a Community notice, the office in question will send the information contained within the application to customs officials in each of the member states. Therefore, the more information the application contains, the more effective it is likely to be. For example, if the designer is able to identify known infringers, routes to market and distinguishing features of the counterfeit goods (including price point), it will be easier for customs officials to identify infringing goods and this information should be included. It can also sometimes be worthwhile to engage with customs officials to offer them training, to help them understand the particular issues regarding the original products.

If a potentially infringing product is identified by customs officials, they will often contact the rights owner to ascertain whether their rights have, in fact, been infringed. The rights owner has 10 days to confirm whether this is the case, and (unless the importer of the goods agrees to their destruction or ignores the contact altogether) to commence legal proceedings in relation to the goods.

The customs officials will not contact the rights owner where it has specifically indicated that it wishes to use the "small consignment" procedure. Under this procedure, small consignments (those containing three units or fewer or having a gross weight of less than 2kg) of goods suspected of being counterfeit are destroyed without checking whether they infringe the rights owner's intellectual property. This procedure does reduce the administrative burden on the rights owner of responding to customs enforcement notices and is worth considering if such small scale consignments are a particular issue for a designer. However, it also means that designers are not able to gather information about the infringing goods which can be useful in identifying patterns of infringement, and the source of the infringing goods, particularly in the early years of an enforcement programme.

2. Online takedowns

Online sales can prove a real problem for designers because small infringers can gain significant visibility for their counterfeit products quickly, and with minimal investment. The lack of identity checks by many such platforms exacerbates the problem because even infringers who have been dealt with will often reappear under a different username. It can sometimes appear that the problem is too big to tackle. This is not necessarily the case.

First, it is important to understand the extent of the problem. This will involve conducting regular "sweeps" of specified sales platforms to understand the number of listings which infringe the rights owner's designs. Where overseas sales platforms are selling counterfeit goods, a search in the local language is also sensible to ensure that the full extent of the problem is revealed.

Second, many sales platforms offer a takedown service for infringing listings (such as the eBay VeRO service). These are often simple forms which allow rights owners to identify the trademark or design which is being infringed. Rather than filing take down requests against all infringing listings, it is sensible to begin with "easy wins" which will often be counterfeit products which infringe both the designer's designs and trademark rights. Once these listings have been brought under control, the rights holder can tackle the design infringements specifically, although one should always ask the question as to whether the infringement is realistically likely to harm their business, particularly as requesting a product listing be removed could be construed as a groundless threat in specific circumstances.

Finally there will be a class of "repeat" infringers who attempt to relist products. These companies should be considered potential targets for more formal legal proceedings. There is an increasing acceptance by the UK judiciary of "blocking orders", which require intermediaries (such as internet service providers) to block access to a certain website and may assist owners of design rights. Currently, such orders have only been granted to owners of trademarks, in relation to counterfeit goods, and copyright, in relation to movie piracy for example. However, there appears to be no reason why such orders may not also be used against intermediaries whose services are used by a third party to infringe design rights, given that the basis of the blocking order derives from the EU Enforcement Directive, which makes no distinction between IP rights.

3. Identifying "Mr Big"

The aim of both of the strategies discussed above is to deal with the specific instances of infringement in question, but also to gather information on the supply chain, which allows the designer to identify the source of the infringing products. Once the source of the infringing products has been identified, the designer can consider taking action against it. In order to reach the position where the manufacturer of the infringing products can be identified, it is sometimes sensible to incentivise lower level infringers to settle quickly and provide information on their supplier by offering to waive entitlement to costs and/or damages.

IV. PROTECTION EXPIRY

Right	Term of Protection
UK unregistered design right	Shorter of 10 years from the first marketing of the product or 15 years from creation of the design.
Community unregistered design right	Three years from the date the design is first publicised in the EU.
UK and Community registered designs	Up to 25 years (subject to five-yearly renewal fees).

This series on design essentials has shown how design rights can be an incredibly valuable asset when they are properly protected, enforced and exploited. However, unlike trademarks, which can be renewed in perpetuity, the protection afforded by design rights has a limited lifespan.

While this does not present a problem for designs which are only ever intended to have a short lifespan, certain designs (such as classic cars) will become more valuable the older they become. Some even become design "icons". Yet no matter how iconic the design, the term of statutory design protection is absolute. So how can the investment which has been made in the design be protected and the next design "icon" stopped from being copied once its design protection expires?

There are numerous ways a company can attempt to extend a design's protection following the expiry of the design rights which protect it. The most appropriate method is

likely to depend on the specific design in question. No such method is foolproof, but the one common denominator is that an element of forward planning is required.

A. Iterative design protection

The most common method of seeking to extend design protection is to make minor changes to the design, sufficient to allow new design protection to be sought. This method is most applicable to designs with a design language which is capable of evolving over time. Incorporating new features which are capable of protection into an existing design may provide extended protection against copycats if the new features are sufficient to afford the new design protection. Prior to applying for design protection, it is therefore sensible to understand from the designer how a design may develop over the course of its lifetime.

There is, however, a significant tension between protecting new design features and ensuring that they are not invalid as a result of the earlier designs. For this reason, the approach is of particularly limited use when seeking to protect designs which are not capable of iterative development, but which are fixed (as is the case with most iconic designs). Nevertheless, even where new designs are likely to be invalid as a result of the earlier designs, registered design rights (which are not examined prior to grant) may deter low level infringement and provide a minimum level of protection.

B. Other intellectual property rights

An innovative design can make a significant contribution to a successful product. However, it is not the only factor which is important. Other intellectual property rights such as trademarks, copyright and patents will frequently contribute to the success of a product. It goes without saying that building a successful brand is important in driving sales, and there are numerous facets to establishing an effective brand identity.

Here, we will focus specifically on how trademarks and other IP rights can be used in relation to the design of the product itself, rather than the branding. However, it is important to remember that an effective strategy will often require a holistic view of both the brand and the product.

What shapes cannot be registered as a trademark?

- Shapes with an essentially technical function;
- Shapes with a substantial aesthetic value;
- Shapes resulting from the nature of the goods; and
- Shapes which do not identify the origin of the goods or are not distinctive.

1. Trademarks

First, the shape of a product can be registered as a trademark if it is capable of distinguishing the designer's goods, from those of another undertaking. This is the holy grail of protection for designers because, in theory, it provides everlasting design protection. As a result, the bar for registering a trademark for the shape of goods is set extremely high and unsuccessful attempts have been made to register many well-known designs, such as the Philips three-headed shaver, the Lego brick and Bang & Olufsen speakers. However, there are other shape trademarks which have been successfully registered.

The first requirement is to establish that the shape in question is distinctive. The Court of Justice of the European Union has held that because consumers are not used to identifying the origin of the products on the basis of their shape, this requirement will often only be satisfied where the trademark departs significantly from the "norms or customs of the sector".

However, where there is evidence that consumers do rely upon the appearance of the shape of the product to identify the origin of the product (rather than any other word or logo), such as the shape of certain vehicle radiator grilles, it is likely that the shape will possess the distinctive character necessary for registration. Similarly, where a designer applies the same styling feature to the shapes of a range of goods of the same kind, this may assist in educating the public that the feature has some trademark significance and be sufficiently distinctive.

However, it is important to remember that certain shapes cannot be registered as trademarks, even if they are capable of distinguishing the goods or services in question from those of other undertakings. The exceptions are essentially a result of a public policy which seeks to prevent a monopoly over functional characteristics, and to prevent trademarks from serving to extend the life of other time-limited intellectual property rights, such as design rights. The exceptions are for shapes which have a technical function or shapes which result from the nature of the goods.

Finally, designs will also sometimes incorporate inventive features which are capable of

protection by patents or utility models. However, these IP rights also have a limited duration which, although longer than unregistered rights, is unlikely to offer particularly extended protection.

2. Copyright

As discussed above, there is a great deal of potential overlap between design law and copyright. While CPDA ss 51 and 52 do limit the usefulness of copyright law in the context of designs, this will change to some extent with the repeal of s 52. For example, in relation to particularly iconic designs in certain industries, the repeal of s 52 means that iconic designs could be considered works of artistic craftsmanship which should be protected for longer than 25 years (life of the designer plus 70 years), and copyright can be used to prevent articles from being copied, even where design right has long since expired. Companies who own such iconic designs ensure they are able to identify the original designer and establish a clear chain of title to copyright in the design drawings or model. What constitutes a work of artistic craftsmanship is not clear-cut, however, and is likely to remain reasonably limited.

C. Regulatory issues

In certain cases, particularly in relation to consumer goods, the products that encapsulate the design will need to meet certain regulatory requirements. Poor copies of these products will commonly fail to satisfy such requirements, whether because they have been manufactured cheaply or because they are parallel imports from a territory with different requirements.

By bringing non-compliance with these regulatory requirements to the attention of the relevant authorities (such as trading standards), or threatening to do so, owners of design rights can make it more difficult for companies to sell their copy products or keep them off the market until the issues have been addressed. This option should seriously be considered where there are safety implications of not complying with the relevant regulations, not least because there is a risk that the designer's products will be tarnished by the copy products.

V. CONCLUSION

Just as the design industry is itself a fascinating and constantly evolving industry, the laws

which protect design rights are similarly evolving to ensure protection for designers. As can be seen above, there will sometimes be cases where the interests of designers have to be weighed up against those of other industries (such as manufacturers of spare parts and parallel importers) but, on the whole, the balance probably favours designers. This is no surprise given the importance of the design industry to the UK and Europe as a whole.

In this "Designs for Life" series, we have sought to provide a guided journey through the process of design, from inception to exploitation and enforcement, giving a practical overview of designs from end to end. We hope that it will prove a handy introduction to all designers regardless of their experience, as well as to the legal teams that work hard to protect and exploit their work.

About the Authors

John Coldham is a director in our Intellectual Property Team and has a particular interest in design law. John has taken cases to the High Court and the Court of Appeal on designs, most recently for G-Star Raw in its successful claim against Rhodi for infringement in the fashion sector.

Michael Carter is an associate in our IP Team with extensive experience handling matters in the Intellectual Property Enterprise Court, a forum specifically catering for SMEs. Having completed secondments to two of the world's most iconic automotive brands, Michael has particular expertise protecting and enforcing IP rights in the automotive sector.

Footnote

[1] British Leyland Motor Corp Ltd v. Armstrong [1986] 2 WLR 400.

NOT LEGAL ADVICE. Information made available on this website in any form is for information purposes only. It is not, and should not be taken as, legal advice. You should not rely on, or take or fail to take any action based upon this information. Never disregard professional legal advice or delay in seeking legal advice because of something you have read on this website. Gowling WLG professionals will be pleased to discuss resolutions to specific legal concerns you may have.

Related Intellectual Property

Author(s)

John Coldham

Partner - UK Head of Brands and

Designs, London

 Email

john.coldham@gowlingwlg.com

 Phone

+44 (0)20 3636 7892

 vCard

John Coldham

Michael C Carter

Principal Associate - Birmingham

 Email

michael.carter@gowlingwlg.com

 Phone

+44 (0)121 393 0115

 vCard

Michael C Carter