

Industrial Design protection and its Impact on Industries

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“Property is organized robbery” ~ George Bernard Shaw

There has been increase in trend for getting protection for IP rights in India. The need for protection has manifolded thrice the number since late 1990s. Various new enactments and amendments to present legislation relating to IP rights have been tabled and passed by the legislators keeping in view with the recent trends and international norms.

With the advent of globalization and increase in innovations, customers have become conscious and selective as to the product and its quality while purchasing. The competition and number of competitors have also increased in similar fields. The products have to not only be good quality wise but also appealing to the eye of the consumer for it to gain distinctiveness. Therefore, there is a need to protect the novel features relating to the design of the product to maintain its distinctiveness from other similar products. The U.S. Supreme Court in *Gorhan Mfg .Co .v. White*¹, emphasized the need for protection of designs created by the designer’s, by application of mind and hard work and also thereby increasing the value of the product and its competitiveness in the market. One such legislation relating to protection of designs created by original creators through application of mind has been protected in India under The Designs Act, 2000 by repealing the previous enactment of the Design Act, 1911.

“Design,” is defined in Section 2 (d) of the Designs Act 2000 (the Designs Act) as follows:

Design means only the features of shape, configuration, pattern, ornament or composition of lines or colors applied to any article whether in two dimensional or three dimensional or in both forms, by any industrial process or means, whether manual, mechanical or chemical, separate or combined, which in the finished article appeal to and are judged solely by the eye; but does not include any trade mark as defined in clause (v) of sub-section (1) of section 2 of the Trade and Merchandise Marks Act, 1958 or the property mark as defined in

¹ 81U.S. (14 WALL.)511(S.Ct.,1872)

section 479 of the Indian Penal Code or any artistic work as defined in clause (c) of section 2 of the Copyright Act, 1957.

A design which is designed to meet a functional purpose shall not be registered under the Act. For e.g. if a tooth brush is designed in such a way that it is appealing to the eye and is different from already existing tooth brushes then one can get design registration only for its design and not for its functional purpose. If the product functionality is new and useful, the same can be protected under the Patent Act. A drawing in patent specification is not subject to protection under the Designs Act, 2000. Only that design

- which is applied to an article,
- have an aesthetic appeal and
- has novel features or is original and
- also has not been previously published can be registered.

In case of a design which is capable of being registered under the Designs Act, but if not so registered, then copyright will subsist under the Copyright Act, but this will cease to exist as soon as any article to which the design has been applied is reproduced more than 50 times by an industrial process or by the owner of the Copyright or with his license by any other person.²

As per Section 5 of Design Act, 2000, any person who claims to be the owner/creator of any new or original design can apply for the registration of the design. A foreigner can also apply for the registration of the design. In India, a design registration is valid for a period of 10 years, renewable for a further period of 5 years.

The application under Section 5 shall be accompanied by four copies of representation of the design and the application shall state the class in which the design is to be registered. In India, Locarno Classification for registration of design comprising 32 classes, numbered 1 to 31 and an additional Class 99 to include articles not falling under the aforesaid 31 classes, is followed.³ If two or more applications relating to an identical or a similar design are filed on different dates, first to file rule is applicable for registrability of design. **Therefore the application should be filed as soon as the design is ready and also determine whether the design is new or not.** An applicant has to take the responsibility of ensuring that he has done an extensive search and satisfied

² Section 15(2), Copyright Act 1957.

³ www.wipo.int/freepublications/en/general/catalog/wipo_pub_catalog_032007.pdf

himself of the novelty of his design. An application to the Registrar can also be sent to conduct the search of any similarly existing designs being protected. After publication in the official gazette the designs are open for public inspection. With no opposition the design shall be registered. The application for registration of design can be filed by the applicant himself or through a professional person (i.e. patent agent, legal practitioner etc.). An Indian agent has to be appointed by a foreign applicant to get registration of the design.

Internationally, the Paris Convention also provides certain privileges to member countries for design protection. A party who files design application in a member state of the Paris Convention, such as India, can within six months of that filing date file applications in other member countries claiming the priority of the first application.⁴ Hague Agreement is the only international system for filing design applications. The Hague System of international registrations of industrial designs is applicable among the countries party to the Hague Agreement. It is administered by the International Bureau of WIPO. This system gives the owner of an industrial design the possibility to have his design protected in member countries of the Hague Agreement, by simply filing one application, in one language, with one set of fees in one currency. Since India is not a signatory of this agreement, Indian companies/individuals do not have access to this system.⁵

Today, design theft is not just limited to copying of designs as they are in similar class of goods, but there is also ‘**virtual theft**’ of designs occurring which is the unauthorized creation, sale or use of a digital model of a real-life design. Virtual design theft not only happens in video games; instances occur in many other digital applications as well. Examples include movies and virtual worlds, such as Second Life.⁶ By making miniature toy versions of already existing designs such as that of sports car is also a design theft.

In the eyewear industry, design theft and the law governing it is a problem, especially for well-known designers, because a design can be considered both an artistic creation, and therefore subject to copyright protection, and an industrial design, eligible for protection under industrial design laws.

⁴ Article 4 (A) (1) of the Paris Convention for the Protection of Industrial Property, 1883

⁵ http://www.ipfrontline.com/depts/article.asp?id=23368&deptid=3#_ftn9#_ftn9

⁶ http://www.bannerwitcoff.com/_docs/library/articles/Katz%20and%20Cardy%20Innovation%20article.pdf

In *Microfibres Inc. vs. Girdhar & Co., & Anr.*⁷ (Decided on January 13, 2006) The judgment does differentiate “artistic work” coming under the purview of Copyright Act and Designs Act, other than artistic works under the Copyright Act which are neither pure artistic work nor design registerable. There are certain subject matters such as industrial drawings which is neither a proper subject matter under Copyright Act nor under the Designs Act. Therefore, there is a need for a much better classification of goods than the one already in existence, which should cover wider subject matter under the design protection and differentiate the ones coming under the copyright.

Today, competition has become so stiff in the market due to counterfeiting of goods that design theft has become a concern and debatable issue among manufactures and entrepreneurs. By adopting similar looking design in similar class of goods there may be likelihood of confusion among consumers regarding the source of goods. “First there are black market products that clearly imitate the original in their design and by use of trademarks (or imitations of trademarks); then there are goods that don’t use the trademark but are so similar that they are clearly intended to capitalize on the popularity of the original; and finally there are grey market products. These are authorized by the trademark or patent owner but are not authorized for sale in that particular market. These might be goods brought into a market illegally because currency fluctuations make them more valuable or goods that are prohibited in certain markets due to regulatory issues or simply because the manufacturer has decided not to sell there.”⁸

In India today the black market of counterfeit goods has risen exponentially. The Indian black market values more than \$13.45 billion dollars, the world average being \$18.25 billion dollars.⁹

Therefore there is a need for a thorough search before filing for registration under the Designs Act, whether the particular subject matter is registrable under the Designs Act or not. Hence, it is always Advisable to consult a person skilled in the field and get relevant legal advice for the same.

The manufactures and entrepreneurs need to have better searching tools in hand by conducting a design search in the Design registration office, to check

⁷ 128 (2006) DLT 238, 2006 (32) PTC 157 Del

⁸ Counterfeit Goods and Design Theft: Are these issues black and white, or grey? By Paddy Kamen, Vision Magazine, Nov- Dec issue 2005.

⁹ www.havocscope.com/regions-main/asia/india/ -

whether the designs they are adopting are already in existence or not. It could also create associations formed to meet this requirement by keeping a tab on the current market. They should also make themselves aware of the present laws and norms present and governing their designs for better protection both nationally and internationally. When any new design is created the creator should immediately apply for registration before it being displayed before public. The manufacture should make their product have an aesthetic appeal so that the chances of infringement and being copied are less. Technical devices such as security holograms, optical devices, chip cards, magnetic systems, biometric codes, special inks, microscopic labels, etc can be used to keep a check on counterfeiting of goods. As quoted by Bill Gates "Intellectual property has the shelf life of a banana" therefore, it's essential to protect it with even more due diligence.

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