

Making a Difference with Innovative Designs: Industrial Designs for Market Advantage and Differentiation from Competitors

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Outline

- Design Rights
 - Sources
 - Nature
 - Scope
- Making a Difference
 - Market Advantage
 - · Competitive Differentiation

Treaty Sources

- Paris Convention, Art 5 quinquies
 - "Industrial designs shall be protected in all the countries of the Union."
 - No specific form of protection mandated
- TRIPS, Arts 25 & 26
 - Protection of independently created industrial designs that are new or original
 - Protection for textile designs, in particular in regard to any cost, examination or publication, do not unreasonably impair the opportunity to seek and obtain such protection.
 - · Protection via industrial design law or copyright law.

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Treaty Sources

- Berne Convention, Art 2(7)
 - Matter for legislation in the countries of the Union to determine the extent of the application of their laws to works of applied art and industrial designs and models, as well as the conditions under which such works, designs and models shall be protected.
 - Works protected in the country of origin solely as designs and models shall be entitled in another country of the Union only to such special protection as is granted in that country to designs and models; however, if no such special protection is granted in that country, such works shall be protected as artistic works.

Nature of Design Rights

- Protect new and original visual aspects of a product or its packaging
- Generally covers external appearance given to objects, eg
 - furniture
 - car body parts
 - tableware
 - jewellery
 - textile designs
- Used primarily to protect designs for industrial use
- Can be expressed in two-dimensional (drawing) or three-dimensional (model) formats

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Nature of Design Rights

- "Design"
 - features of shape, configuration, pattern or ornament
 - applied to an article
 - industrial process
 - only covers the appearance of the product and not how it works
- "Industrial application"
 - applied to an article by an industrial process, eg.
 50 copies of the article have been or are intended to be produced for sale or hire.

Striking a Balance

- Patents
 - Protection of inventive concepts
 - Novelty, inventiveness and industrial application requirements
 - Strong protection, but short duration
 - Full disclosure of the invention
- Copyright
 - Original artistic works
 - Long duration of protection
- Industrial Designs + Copyright
 - overreaching monopoly?

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Registration criteria

- Registration required for protection
- Design must be new
 - has not been registered;
 - has not been published anywhere in the world, in respect of the same or any other article; or
 - not differing only in immaterial details, or features, from other designs that are commonly found in trade
- Design has been industrially applied

Common Exclusions

- Designs that are solely functional
 - Eg. design is in a particular shape because of the function it has to perform
- Designs relating to method or principle of construction
- Designs contrary to public order or morality
- · Overlap between copyright and designs

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Rights of Design Proprietor

- Exclusive right to
 - make
 - sell
 - deal in any article
 - in respect of which the design or a design not substantially different from it has been applied
- · Term of protection, eg
 - Initial period of 5 years
 - Renewal every 5 years up to 15 years

Comparing Design Protection & Copyright

	Copyright	Designs
Duration	Long	Short
Registration	Automatic	Required
Causal connection	Copying shown	Not required
Novelty	Not required, except for originality	Required
Functionality Exclusion	No	Yes

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Overlap

- Industrial designs registered as registered designs, s74(1) CA, Singapore
 - concurrent copyright in artistic work and
 - corresponding design is registered or deemed registered under the Registered Designs Act:
 - During period of RDA protection, no infringement of copyright by acts within scope of RDA protection
 - Post RDA protection, no infringement of copyright by acts within scope of RDA protection in the design and associated designs and articles

Competitive Differentiation

- Contribute to marketability of goods
 - Commonality of consumer goods
 - Attractiveness to customers as a differentiator
 - Appearance
 - · Other aspects of design
- Crucial assets in several industries
 - May not be intrinsically patentable
 - Protection of skill, effort & labour

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Market Advantage

- · Confers right of ownership
 - Prevent others from using the design
- Deters misappropriation of a new design
 - Protection before approaching potential manufacturers and investors
 - Opportunities for extracting value in assignments & licensing
 - Clear definition of subject matter
 - Protection of investments against unfair competition

The Battle of the Elephant Fabrics

- Freyett Fabrics launched its "Hathi" line of cushion panel design
- Sold more than 45,000m in 2 years
- Natural World sold competitive "Festival Elephant" line, undercutting Freyett
- · Freyett sued for copyright infringement
- Natural World settled:
 - payment of £55,000,
 - undertakings to withdraw its Festival Elephant cushion
 - deliver up all residual stocks

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YSL vs Ralph Lauren

- 1970: Yves Saint Laurent (YSL) created and marketed a long black sleeveless tuxedo-like evening dress
- 1992: YSL reintroduced their evening dress
- · Ralph Lauren sold a similar version of the dress
- YSL sued Ralph Lauren under the theories of copyright infringement, design infringement and unfair competition.
- Held:
 - Paris court agreed that YSL owned the 1970 dress design under the law on Designs and Models and also considered the dress design an original copyrighted creation.
 - Awarded YSL damages in the amount of FFr 2 million

Chloe vs Topshop

- Chloe launched yellow dungaree dress, sold at £185
- Topshop sold similar dress at £35
- Chloe issued a demand against Topshop
- Topshop settled the claim for £12,000 and agreed to destroy its balance 2000 pieces

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High Street or Supermarket Bag?

- Jimmy Choo Cosmo silk satin evening bag with its jewel buckle cost £495
- M&S version cost just £9.50
- Jimmy Choo demanded the offending copycats were destroyed.
- M&S agreed to take its bags off the shelf & financial settlement

Thank You!

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