

Topic 7: The Strategic Importance and Use of Industrial Designs to enhance Competitiveness

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ID – Strategic Importance

Traditional concept

- ID is the artistic creation of luxury, stylish goods for elite customers
- Narrow; for limited customers only

New concept

- ID is part of innovation process that requires products to incorporate aesthetic value
- Not limited to luxury goods; but for goods of mass production

Product Competitiveness

- Functionality – innovative technology
- Designs – stylish values
- Price - basic



Market Forces

- Technology & functionality alone are no longer sufficient to give a product sustainable competitive advantage
- Technical innovation and style work together; examples: in combining innovative technology and innovative style like Apple and other IT accessories
- Consumer power (i.e consumption) overrides



Consumers Have the Say

Communication

- Communicate directly with manufacturers to demand their requirements and preferences
- Communicate values and define their own identity

Participation

- Establish dialogs with manufacturers, esp. in using ICT technologies
- Exchange knowledge with others and gain influence over product designs

Experience

- Interact with manufacturers at point of sale to submit experience and information
- Share experience with other consumers to express opinions on design

Why ID Protection

- Not sufficient merely to produce quality products
- Must attract customers with good designs
- Design is important to get market shares
- Protect your design to be one step ahead of competitors
- Ensure your good idea, R&D costs and labor are protected

Where to Protect ID

National Institution

- Industrial Design Law for registration and protection of new designs
- For residents as well as foreigners
- Over a limited period of time

International Instrument

- The Hague System for international registration of ID
- Mechanism for registering a design in countries and /or intergovernmental organizations who are member of the system
- Single filing and administered by WIPO

Legal Provisions & Implications

- ID refers to ornamental or aesthetic aspect of an article
- Ornamental aspect consists of shape, pattern or configuration. Design must appeal to the eye and is to be judged solely by the eye. The article must also be reproducible through any industrial means.

Legal Provisions & Implications (cont'd)

- ID law gives protection through grant of monopolistic right to “visual” form of articles that are commercially mass produced. Such law promotes creation and utilization designs.



Legal Definitions

“ID” means features of shape, configuration, pattern or ornament applied to an article by any industrial process or means, being features which in the finished article appeal to and are judged by the eye, but does not include;

↳ a method or principle of construction, or

↳ features of shape or configuration of an article which;

Legal Definitions (cont'd)

- are dictated solely by the function which the article has to perform; or
- are dependent upon the appearance of another article of which the article is intended by the author of the design to form an integral part.

Criteria for Registration

- ID can either be three-dimensional (e.g. shape of container) or two-dimensional (e.g. pattern to be applied on textile article)
- The purely functional designs are not registrable because their aesthetic appearance is not important



Criteria for Registration (cont'd)

- ID that depend on appearance of another article (“must match criteria”, e.g. car tail lamps) are also not registrable.
- ID that are contrary to the public order or morality (scandalous designs) are excluded from registration. Certain designs like royal portraits, armorial bearings, insignia, order of chivalry, decorations or flags are also excluded from registration.

Criteria for Registration (cont'd)

To be registrable an ID must be new. The ID must not be the same as a design that has been :

- ↳ disclosed to the public anywhere in the country, or
- ↳ applied/registered earlier in the country.

Duration of Rights

Generally, five (5) years from date of application and may be extended to another five (5) years upon payment of renewal fee. Maximum period is fifteen (15) years (5 + 5 + 5).

Rights of Owner

- Owner of registered ID has exclusive right to make, import, sell or hire out any article to which the design has been applied or to let others use the design under mutually agreed terms.
- Owner also has the right to take legal action against infringers and claim damages.

How to Apply for Registration

Applicant must submit :

- ↳ clear representation (via various views) of the design including a statement of novelty,
- ↳ a completed application form, and
- ↳ payment of prescribed fees.



Other Matters

Publication

- ↪ Registered ID: information published in Gazette with representation of the design and bibliographic data
- ↪ Lapse of Registration: information to be published in Gazette
- ↪ Restoration of Lapsed Registration: Information to be published in Gazette

Example: ID Related To Motor Vehicle

Registrable Articles

- ↪ External Rear - View Mirrors
- ↪ Overall Design of Vehicle
- ↪ Wheels
- ↪ Wheel Trims
- ↪ Seats
- ↪ Steering Wheel



Non-Registrable Articles

- ↪ Main Body Panels (Frame)
- ↪ Doors
- ↪ Bonnets
- ↪ Cowls
- ↪ Spoilers
- ↪ Bumpers
- ↪ Grids
- ↪ Grilles
- ↪ Accessory Panels

Economics of Product Design

Moulds aspects

- ↪ Reduce lead time in building moulds: easy to fabricate, easy to build, less cost
- ↪ Efficient production: cut moulding time, less rejects, high productivity
- ↪ Easy Maintenance: less maintenance, last longer

Economics of Product Design (cont'd)

Products aspects

- ↪ Efficient Production: Easy to assemble, disassemble, cut time, lower costs
- ↪ Aesthetic advantages: better use of forms, textures, colors, functions, ergonomics, packaging etc.
- ↪ General: Take considerations of availability of raw materials & manufacturing processes, environmental issues, interests of manufacturers and customers

Promotion Activities for ID

- ↪ Greater awareness of ID for overall technology innovation
- ↪ Training of more industrial designers i.e. education
- ↪ Setting up institutional infrastructures e.g. Design Innovation Center; prototyping etc.
- ↪ Government financial grants for ID projects
- ↪ Facilitating technology venture capital activities

Sharing Malaysia Experience ...

Major support agencies

- Malaysia Design Council (MRM)
- Malaysia Design Innovation Center (MDIC)
- SIRIM Berhad
- Venture Capitalists
- Malaysian Invention & Design Society (MINDS)

Malaysia Design Council (MRM)

Major roles:

- ↪ Advise government on design policies
- ↪ Lead and coordinate design activities
- ↪ Promote good design among manufacturers
- ↪ Nurture creative culture among the young



Malaysia Design Innovation Center

Major Services

- Product design
- Packaging design
- Communication design
- Fashion design
- Digital design
- Film, TV and broadcasting
- Brand development
- Enterprise development



SIRIM Berhad



Major Services

- Product design
- Product standards
- Market feasibility studies
- Prototyping and incubators
- Product testing & certification
- IP consultancy & filing services
- Branches in major industrial districts

Venture Capitalists

Examples:

- ↳ Malaysian Technology Development Corp
- venture funds etc.



- ↳ Cradle Fund Malaysia
- Seed funds etc.



MINDS



Major activities

- Seminars & training courses
- Services – IP protection, commercialization
- Exhibitions to show-case inventions

End of Presentation