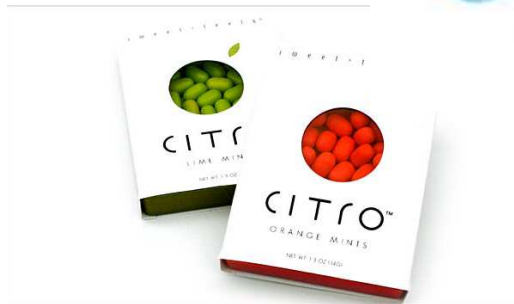


WELCOME TO ...

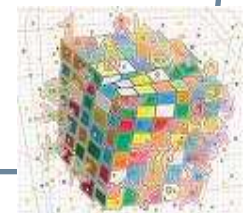


“Looking Good” The Role of Design in Branding



Overview

1. **What is Industrial Design?**
2. **Why Design is Relevant for your Business?**
3. **When and How to Obtain Rights on your Design?**
4. **How to do it wisely? - Design and Other IP Rights**
5. **How to Maximize Your Design Protection?**



1. What is Industrial Design ?

What is Industrial Design?

- An industrial design is the ornamental or aesthetic aspect of a product
 - **appearance** of the entire product or its part
- **Defined by its features:** lines, contours, colours, shape, texture and materials of the product itself or its ornamentation, or their combination
- Can be also “**set of articles**”, packaging, graphic symbols and typographic typefaces



What is Industrial Design?

- May consist of three-dimensional features, such as the shape or surface of an article

Examples:

Coca-Cola bottle

A skirt with ruffles



What is Industrial Design?

- Or might consist of two-dimensional features, such as patterns, lines or color, images, texture, materials, contours, etc.)

Example:

Dress design graphically sets forth the shape, style, cut and dimensions for converting fabric into a finished clothing garment

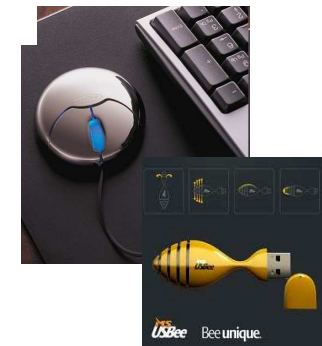


A Dress from
the Bongiwe
Walaza
collection
at SA Fashion
Week 2004
Photographer:
Ivan Naude

What is Industrial Design?

Relevant to a wide variety of products of industry, fashion and handicraft:

- Technical products
- Textile design
- Household products, furniture, luxury items
- Packaging, containers and “get-up” products
- Graphic displays on computer monitors, technical devices



2. Why is Industrial Design relevant to Your Business?

Why is Industrial Design relevant to Your Business?

Because a memorable and appealing design:

- Adds a value to a company's products
- Increases commercialization and the economic success of a product
- Attracting potential customers easier
- **An influential marketing tool**
- **Association of a specific design with a manufacturer and its branding**
- **Winning customers' loyalty and deeper relational outcome**

Two basic strategy of driving value through design:

- Functional differentiation
- **Emotional value creation**



Strategy of driving value through design

Utilitarian design focuses on practical benefits a product may provide
Mainly attempts to achieve functional differentiation

Strategies:

- Multifunctionality e.g. all-in-one products
- Modular product architecture

Mustek DV-820
6-in-1
multifunctional
camera



Small kitchen
appliances



Ford B3
subcompact
automobile
platform

Dell
computer
assembly
line



Strategy of driving value through design

Kinesthetic design emphasizes how a user physically interacts with the product

Strategies:

- Ergonomics



OXO products

Nintendo Wii



Herman Miller ergonomic chairs

- Human factors

e.g. in furniture, electronic devices
sensory cues and intuitive design

Dyson vacuum cleaner



Strategy of driving value through design

- **Visual design** is driven by form and the desire to communicate value to consumer without necessarily interacting with the produces
- Zeitgeist
- Natural Metaphors
- **Product Personality**
- High Design



Sony i-Fish
music speaker



VW Beetle



Burberry
distinctive plaid

Alessi Juicy
Salif lemon
squeezer



Industrial Design is a Part of a Company's Marketing Strategy

Key points that a company should consider:

- **General branding strategy** by a company, especially related to trademarks (multi-brand and/or family brand strategy, etc.);
- **Product/line or brand extension** planned or being considered by a company
- **Brand revitalising**



U by Kotex

3. When and How to Obtain Rights on Your Design?

When and Why Company should think about registering design?

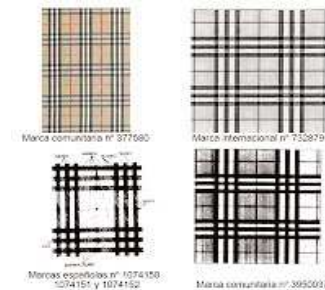
Cases varies

No concrete point in time

Design registration makes business sense when it:

- improves the competitiveness of a business
 - brings additional revenue
- when designs have been successful already or are considered to be successful

E.g. most textile and apparel companies use designs registration for critical designs that are important for sales and will have a lengthy duration



Spanish Industrial Design No 28416 (C)
owned by Burberry Ltd

Why Company should think about registering design?

- **To recoup investments** made in creating design to create a market for products with that specific design
- **To protect from copying and illegal imitations** made by competitors
 - Possibility to enforce your right and deter others from infringing your design
 - Outsourcing production is not be feasible without industrial design rights
- Protected design can be **licensed or sold to third persons** for certain royalties (by licensing a company can reach other markets)
- Industrial designs are **business assets** that can increase the commercial value of a company and its products

If it is not done anyone is free to imitate your design

Banana juice
package designed
by Naoto
Fukasawa



Case Study: Doing things late

from the IPEuropAware Guide for the Textile and Clothing Industry

- A Bulgarian manufacturer of summer bags displays on the market, during the season, original products that prove so successful he can't meet the demand.
- Inspired by the success, he invests the entire gain in improving his production equipment and produces a significant number of bags to offer on the market next season
- However, another enterprising Bulgarian, seeing the success of the articles, organises their production abroad and imports into Bulgaria a great number at a much lower price.
- When the first manufacturer realises he is about to fail in the realisation of his product due to the uncompetitive prices, he decides to protect his rights by registering a design.



Case Study: Doing things late

- He applies to the patent office to find, regretfully, that he is too late since the novelty of his design is already gone.
- As a result, the first manufacturer suffers losses leading to termination of his business.
- If, prior to placing his goods on the market, the manufacturer had protected his interests by registering an industrial design, he could have prevented the entry of the competing articles into Bulgaria with the assistance of the customs authorities under Bulgarian law.



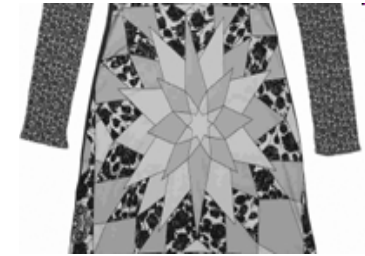
How to Obtain Rights on your designs

- In most legal regimes, protection of industrial designs requires them to be registered
 - In some countries, mostly in Europe, a copyright-like protection is also available to unregistered designs
- In most countries protection of industrial designs requires registration in a particular class of goods
- The most common system at the international level is the Locarno classification system for design rights, which has 32 classes and 223 subclasses

How to Obtain Rights on your designs

Requirements for protection:

- As a basic rule, in order to be registrable, a design has to
- be “new” or “novel”
- be “original”
 - created by the designers and not a copy or imitation of existing designsor
- have an individual character (be “distinct”)
 - *Saudi Arabia: has features that distinguish it from known designs



Snowflake-like pattern:
registered
Community Design no.
000772058-0003. OHIM

How to Obtain Rights on your designs

- What means “new” or “novel” ?
 - no identical or very similar design is known to exist or be accessible to the public (even in a sketch)
 - Industrial designs are identical if their features differ only in immaterial details (difference in immaterial details is present if an informed user cannot distinguish between the designs at first sight)



How to Obtain Rights on your designs

Saudi Arabia:

- Universal novelty
- 6 month priority



Be aware of the [publicity trap](#):

If you have publicly disclosed your designs, e.g. if your designs have appeared in fashion magazines, catalogs or sold it as a product, prior to registration you may have lost your ability to protect your designs

- Saudi Arabia: disclosure to the public shall have no effect if it occurs during the priority period

How to Obtain Rights on your designs

- What means “having individual character”?
 - If the overall impression it produces on an informed user differs from the overall impression produced on such a user by another design (subjective criteria)
 - In assessing individual character of the industrial design, the degree of freedom and objective limitations of the designer in developing the design of the particular product, resulting from its technological and functional characteristics, should be considered.

How to Obtain Rights on your designs

Designs Which **Cannot Be Registered**

- Designs dictated solely by the product's technical, technological or functional considerations
- When design consists of outer features of a product that must necessarily be reproduced in its exact form and dimensions in order to permit the product to be mechanically connected to or placed in, around or against another product, so that either product may perform its function
 - “Must-fit”, “Must-Match” exceptions



How to Obtain Rights on your designs

- Designs featuring scandalous graphics, those breaching public order and moralities
- Designs containing state or other public coat of arms, flag or emblem, name/abbreviated name of a country or an international organization, religious and national symbols, also their imitations, except under the consent by the competent authority;
- Designs **infringing copyright or industrial property right** of another person.

- **Let's discuss it on a practical example...**
take a look at Exercise 1, 2 and 3

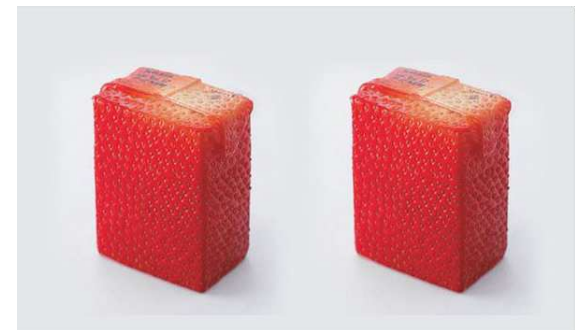
How to Obtain Rights on your designs

- **Basic Steps for Registration:**
 - Application
 - Formal Examination
 - Substantial Examination
 - Publication and opposition
 - Registration
 - Renewal
- **Design Search**
- **Term of Protection:** initially 10 years from date of initial application with a possibility of renewal
- **How much does it cost in Saudi Arabia:**
 - Registration of an Application – 150 for individuals/300 for corporations
 - Grant and Publication - 175/350
 - Annual Fee
 - 1st, 2nd year -150/300
 - 9th, 10th year – 700/1500

How to Obtain Rights on your designs

Scope of protection: Excludes others from copying or imitation

- Includes the right to exclude all others from making, offering, putting on the market, exporting, using, selling or stocking for such purposes by others the product in which the design is incorporated or the which it is applied
- This gives the designer protection for the visual appearance of the product, but not its feel, material or function



How to Obtain Rights on your designs

- **Test for Infringement:** “If, in the eye of an ordinary observer, giving such attention as a purchaser usually gives, two designs are substantially the same

- **Notice Requirements:**
“Design applied for” or “Design Pending” after application;
“Registered Design” plus registration number after grant on your labeling, packaging or other marketing material

- **Let's discuss it on a practical example...**
take a look at Exercise 4

4. How to do it wisely?

Design and Other IP Rights

Design and Copyright

Copyright

- Original works
 - painting, drawing, photograph, sculpture, engraving, illustrations, etc

- No formalities
- Longer term (50y p.m. in Saudi Arabia)
- Automatic all Bern countries
- Not goods related
- Only prevents actual copying

Design

- Ornamental/aesthetic aspect of an article
 - shape, configuration, pattern, ornament, composition of lines or colors

- Applied to article by industrial process or means
- Registration + fees
- 10y in Saudi Arabia
- Territorial
- For goods registered
- Monopoly

Design and Copyright

Occasionally, the subject matter of an industrial design may appear to coincide with the subject matter of artistic copyright

Example:
Sunflower painting



Fabric design with the sunflower image imprinted on a fabric, where the pattern can either appear once on the fabric or multiple times



Sunflowers textiles
by Leeré Aldrich



Furstenberg

Design and Copyright

Possible scenarios:

- **Copyright + design**
- **Either** copyright **or** design
- **Lose** copyright **when** 'industrial use'
 - reproduced in products
- Copyright not available *during* industrial use
- **Loose** copyright when you **register** design
- **Loose** copyright + design right **if no registration**

Design and Copyright

When both options are available: before taking any decision on how to protect your design

- 1) understand the differences between these two forms of protection
 - 2) see whether one or the other or both together would better serve the objectives of the business
- Making a choice between two forms of protection is never automatic - **all the costs and benefits should be fully taken into account**
 - However, if you intend to mass produce or make multiple copies of items, it is recommended to rely on design law rather than copyright law

Design and Patents

- Design protects aesthetical features of a product (it is primarily ornamental), whereas its functional features (functional improvements) can be protected by patents or as utility models
- In order to establish its aesthetical function, design should be viewed in its entirety, and not on a feature-by-feature basis.



Design and Trademarks

- **Acquisition of a distinctive design** within time (in order to protect it as a trademark later) can be a **company's branding and marketing strategy**
- If a product's design becomes a **distinctive feature** of that product, it can be protected as a 3D trademark or as a trade dress (in some countries)



- Dual protection is also possible (e.g. icons on iPhone's monitor), but its regulation varies from country to country

Design and Unfair Competition

- Dual protection: under the law against unfair competition and design law
- Unfair competition laws usually require to show that a product is distinctive in a certain market, that there is an indication of a product's origin and that **a reputation** of such product is infringed by an unfair competition act.

- **Let's discuss it on a practical example...**
take a look at Exercise 5

5. How to Maximize Your Design Protection?



How to maximize your design protection?

Control of suppliers (manufacturers, distributors, retailers):

In order to prevent leakage of new designs or products from factories the design owner should include special clauses **in the contracts**

- Dealing with reject or over-run products to prevent selling products through the “back door”
- Requirement that the supplier implements procedures to keep new designs secret to prevent new designs to be “leaked” to other factories
- On termination, all excess products, CAD files, etc., should be returned
- Regularly monitoring of compliance
- Recently **trade association** have become involved in measures to control design copying problems in many countries
- Trade association also can run a design depository, where new designs are kept in sealed envelopes before the first date of marketing

Case Study : Success Story to learn

From SmartStart Project of Australian IP Office

- Aheda Zanetti, originally from Lebanon, is a Australian Designer and Entrepreneur who designed in 2003 an innovative solution to this age-old problem for women of Muslim or Arab descent who wished to preserve their modesty when enjoying sport and swimming: usually long cotton pants and a long top become heavy in the water
- The head-to-toe two-piece suit is made from a high performance innovative fabric and takes its name from the Burqa



Case Study : Success Story to learn

- It took Ms. Zanetti several years to design designing the swim and sportswear range and through trial and error found a fabric that both looked and felt good
- The element that makes her design unique from any other offerings appeared later on the market is the **Hijood** – a variation of the hood shaped Hijab worn by Muslim women to cover their head -- which is connected to the garment and allows for maximum flexibility and movement
- Before official launch the product she decided to protect her product through Design registration and later Trade Mark registration for the logo and company name



From <http://www.ahiida.com/>

Case Study : Success Story to learn

- Ms. Zanetti has since encountered similar products both in Australia and overseas, but due proactive protection of her design from its inception one such incident has already been settled out of court
- With the support of Austrade's New Exporter Development Program, which is designed for small and medium-sized businesses with limited or no exporting experience, Ms. Zanetti started to export her product
- The Burqini is now distributed worldwide through online sales and key retailers in Bahrain and the Netherlands, along with a stand-alone store in Sydney's Punchbowl



Conclusions

- Size doesn't matter: ID might be relevant for your business
- Think whether your idea is new and different
- Make a reaserch
- Think whether your idea really has the potencial to make money
- Keep quite until you got a formal protection for your new compertative design
- Get an advise expert
- Ascertain your ownership

Thank you for your attention!



Any Question?

WIPO's website for SMEs :

www.wipo.int/sme

Contact address: larysa.kushner@ehu.it