

## **The Overlap Between Copyright and Designs in India, EU and the UK – A Case for Overhaul of the Indian Legal Framework**

RAJENDRA KUMAR  
Counsel, K & S Partners, India  
&  
AMIT SINDHWANI  
Head – IPR, Usha International Ltd, India

### **Why is there a cross-over between design and copyright?**

It is generally recognized that an industrial design constitutes the ornamental and aesthetic appearance of an article whether in two (2D) or three dimensional (3D) forms.

A few examples:

**Novel Pattern on Pottery**



**Novel Shape of an Iron Box**



**Novel Shape of a Chair**



**Novel Shape of a Golf Stand**



A 2D drawing for a 3D mass-produced article qualifies at once as an artistic work under copyright law with its longer ‘life plus fifty years’ term and a shorter-term design right. An artistic work is bought purely and simply for its artistic properties. However, an article to which a design has been applied is bought not simply because of the artistic qualities of the design but also because of its utility as well. In *Interlego AG v Tyco Industries* (1988)<sup>3</sup> ALL ER 949, the Privy Council summed up the distinction between the two rights: *‘the whole purpose of a design is that it shall not stand on its own as an artistic work but shall be copied by embodiment in a commercially produced artefact...and the monopoly provided for the proprietors is effected by according not, as in the case of ordinary copyright, a right to prevent direct reproduction of the image registered as a design but the right, over a much more limited period to prevent the manufacture and sale of a design not substantially different from the registered design. The emphasis therefore is upon the visual image conveyed by the manufacture article.’*

The primary beneficiaries of design protection are both short-lived fancy articles (such as toys, furniture, fashion designs, mock jewellery etc.) and longer-life articles (such as automobiles, designer watches, electronic products etc.). Since design protection is dependent on prior registration, only producers of articles with a longer shelf-life find commercial and legal sense in undergoing the rigours and expenses of such registration. On the other hand, there is no similar commercial imperative for short-term articles, given their myriad forms as ephemeral as the changing public tastes, fads and conventions.

Worldwide, efforts have been made both to prevent overlapping protection and to ensure strict time limits to the monopoly period granted. Unlike copyright protection which accrues automatically without any formalities such as registration, design protection in India as elsewhere in the world is based on registration under design legislation. Viewed in this light, it is based on the same premise as that underlying patents, another form of statutory monopoly.

### **Copyright law in India**

The Copyright Act 1957 governs the protection of copyright for various categories of works in India. Section 2 (c) defines “artistic works” to include 2D works such as drawings, paintings, photographs and engravings, and 3D works such as sculptures, models and works of artistic craftsmanship. A copyright owner enjoys wide ranging exclusive rights including the basic right to reproduce his work in any material form including reproduction in different dimensions.

The copyright term for ‘artistic works’ is the life of the author plus 60 years posthumous. The protection is automatic and not dependent on any formalities such as registration. Copyright infringement is actionable by way of civil and criminal remedies including injunction, rendition of accounts and/or damages.

### **Designs Law in India**

Following India’s accession to the WTO in January 1995, the Indian Parliament enacted a new TRIPs-compliant Designs Act that came into force in May 2001. It repealed the old Designs Act 1911 which had governed the protection of designs in India for over a century.

The Designs Act 2000 introduced several important changes including the following (shown in *italics*):

- design’ means ‘features of shape, configuration, pattern, ornament or *composition of lines or colours 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, combined, which in the finished article appeal to and are judged solely by the eye; but does not include any mode or principle of construction or anything which is in substance a mere mechanical device, and does not include any trade mark ...or *any artistic work as defined in clause (c) of Section 2 of the Copyright Act, 1957.*
- the test of novelty is world-wide (the repealed law restricted this to the territory of India only) and any disclosure of a design, in India or in any other country by way of publication in tangible form or use or any other way, prior to an application disqualifies it from registration (Section 4(b)).
- A granted design has a maximum term of 15 years running from the date of the application (as was the case under the repealed law).

### **Untangling the overlapping copyright and design rights**

Given a universal cross-over between the subject matter of artistic copyright and design rights, the law in India (as elsewhere in other parts of the world) has sought to create a mutually exclusive divide between the two. Section 15 of the Copyright Act is a special provision which seeks to demarcate the overlap between artistic copyright and design right by withdrawing copyright from any design registered or capable of registration under the Designs Act 2000. In the latter case, the copyright ceases if the article bearing the design has been multiplied in more than 50 copies.

In 2012, the Copyright Act underwent a batch of amendments primarily intended to create more equitable rights for composers of lyrics & music in cinematograph films and sound recordings. Somewhat eclipsed in the public limelight, there was one amendment apparently directed at the copyright/design overlap. It was in the form of a new ‘fair

dealing' exception to the exclusive rights of copyright owners (section 52(1)(w)), providing that '*the making of a three-dimensional object from a two-dimensional artistic work, such as a technical drawing, for the purposes of industrial application of any purely functional part of a useful device*' does not constitute infringement of copyright.

In **J.C. Bamford Excavators Limited v Bull Machines Pvt. Ltd. (MANU/DE/6489/2017 decided on 20 December 2017)**, the High Court of Delhi found prima-facie merit in the defendant's defence in terms of this newly-added provision in a suit for copyright infringement in industrial drawings for parts of a functional mechanical excavator manufactured by the plaintiff. However, the High Court refused to dismiss the suit on the ground that it raised triable issues of fact.

### **How the Indian courts have tried to prevent or restrict the overlap between copyright and design**

In the absence of design registration for the qualifying subject matter, the courts in India have consistently interpreted and applied Section 15 of the Copyright Act to deny copyright protection to 2D or 3D articles. A few of these illustrative cases may be noted:

- (i) **S.S Sarna Inc. & Anr. Vs. Talwar & Khullar Pvt. Ltd., & Anr. (Suit No. 1481 of 1991 decided by Delhi High Court on 8 August 1991)**: the plaintiff's claim of copyright infringement in respect of fire boards, welcome wreaths, decorative hooks, wall hangings etc. rejected.
- (ii) **Samsonite Corporation Vs. Vijay Sales and Anr. Reported in FSR (2000) 463 (decided by Delhi High Court on 30 May 1998) (73 (1998) DLT 732)**: the High Court of Delhi rejected Samsonite's claim of copyright protection in drawings for a new range of suitcases.
- (iii) **Microfibres Inc. vs. Girdhar & Co., & Anr. (decided on 13 January 2006) (2009)40 PTC 519 (Delhi- DB)**: the High Court of Delhi (both single judge and appellate bench) rejected the plaintiff's claim of copyright infringement in respect of upholstery fabric designs, finding that '*the original paintings/artistic works which may be used to industrially produce the designed article would continue to fall within the meaning of the artistic work defined under Section 2(c) of the Copyright Act, 1957 and would be entitled to the full period of copyright protection as evident from the definition of the design under Section 2(d) of the Designs Act.*
- (iv) **Ritika Private Limited vs Biba Apparels Private Limited** reported in **MANU/DE/0784/2016 (decided by Delhi High Court on 23 March 2016)**: The High Court of Delhi rejected the plaintiff's suit for copyright infringement in respect of various drawings and sketches created for the dresses/garments designed by the plaintiff.

### **How the English legislations and judicial responses have attempted to resolve the design/copyright interface**

While the Indian legal framework has remained essentially static since the original 1911 legislation, the English law, on the other hand, has been in a state of flux for much of the twentieth century in search of an ideal legislative solution to the elusive boundaries of designs/copyright interface. On their part, the English courts have been called upon to apply and interpret the legislation of the day not only in respect of non-functional products with eye appeal, but also purely functional products originating in industrial drawings. While the exclusion of 'artistic copyright' from ornamental design-registered or design-registrable subject matter under the earlier UK legislations did succeed to a great extent in managing the copyright/design interface, the anti-competitive challenges posed by purely functional and visually unappealing products exposed a paradox in the legislative balance: the corresponding industrial drawings for these functional products did not qualify for

registration under the design legislation for lack of aesthetic appeal, but qualified as artistic works entitled to the life plus seventy-year term, in contrast to the shorter 15 years statutory term available to novel products with eye-appeal or no protection for lack of novelty.

In the case of *Ocular Sciences* (see below), Justice Laddie so described the paradox: *‘if the copyright work consisted of no more than a drawing of two concentric circles on a piece of paper and the alleged infringement consisted of a washer made indirectly from it, copyright could be invoked to take the competing product off the market’*.

It came to its most paradoxical climax in respect of motor spare parts in *British Leyland Motor Corporation v Armstrong* (1986) 1 ALL ER 850 where the erstwhile House of Lords through a 4:1 majority held that a design drawing for an exhaust system was deemed to have been infringed by the defendant’s manufacture of an identical exhaust system by reverse engineering. This paradoxical result came to be known as ‘industrial copyright’.

Following a succession of failed legislative experiments, the UK parliament enacted the Copyright Designs and Patents Act of 1988 (CDPA 1988) which was designed essentially to restrict the overbroad anti-competitive effects of artistic copyright protection available to functional products such as motor spare parts in the corresponding industrial drawings and to free up competition in the after-market for the manufacture of these functional parts. It sought to achieve the balance between copyright and design by replacing ‘industrial copyright’ and introducing in its place an important innovative form of intellectual property, called ‘unregistered design right’ to protect original features of shape or configuration of an article, whether functional or not. The origin of this new quasi-copyright could be found in a European Directive (87/54) for the protection of the lay-out of the circuits in semiconductors.

A confluence of three legal regimes underpinned the scheme of the CDPA 1988 to deal with the copyright/design interface: artistic copyright, registered design and the new unregistered design right. The CDPA 1988 carried over the registration system under the Registered Designs Act 1949 (RDA 1949) covering ‘original’ 2D and 3D articles with eye appeal, but introduced a longer term of 25 years from the application date. The new unregistered design right introduced by the CDPA 1988 was essentially meant to address the anticompetitive effects of ‘industrial copyright’.

<b>New UK Unregistered Design Right (UKUDR) (Sections 213-251)</b>			
<b>Scope of Protection</b>	<b>Exceptions and Limitations on UKUDR</b>	<b>Requirements for protection</b>	<b>Duration</b>
<ul style="list-style-type: none"> <li>• The right arises automatically once a design has been recorded in a design document or an article has been made to the design.</li> <li>• ‘Unregistered Design’ means any aspect of the shape or configuration (whether internal or external) of the whole/part of an article (section 213)</li> <li>• ‘design document’ means any record of a design, whether in the form of a drawing, a written description, a photograph, data stored in a computer or otherwise’.</li> <li>• <b>(No protection to 2D articles)</b></li> <li>• The owner has an exclusive right to reproduce the design for commercial purposes, inter alia, by making articles to the design (Section 226(1)).</li> </ul>	<ul style="list-style-type: none"> <li>• Method or principle of construction.</li> <li>• “Must-fit or must-match exceptions of the kind involved in the spare parts market.</li> <li>• <b>Surface decoration.</b></li> </ul>	<p>‘Design’ must be original (not copied) and not commonplace in the design field in question at the time of its creation.</p>	<p>15 years from the end of the year in which the design was first recorded or made into an article.</p> <p>OR</p> <p>10 years from the end of the year in which the articles made to the design were first sold or leased anywhere in the world (subject to licenses of right in the last five years)</p>

To limit the influence of artistic copyright on other persons' freedom to make and market 3D articles, the CDPA 1988 introduced an exemption from copyright infringement in the form of Section 51 as follows:

*It is not an infringement of any copyright in a design document or model recording or embodying a design for anything other than an artistic work to make an article made to the design or to copy an article made to the design.*

The following table sets out the interplay between artistic copyright and the exclusionary effect of Section 51:

Copyright			
Artistic copyright and design	Scope of Protection	Copyright/Design Interface (sections 51(1) and 236)	Duration
Section 4(1): <ul style="list-style-type: none"> <li>• a graphic work, photograph, sculpture or collage, irrespective of artistic quality,</li> <li>• a work of architecture being a building or a model for a building,</li> <li>• a work of artistic craftsmanship.</li> </ul>	The exclusive acts include: <ul style="list-style-type: none"> <li>• reproducing the work in any material form including the making of a copy in three dimensions of a two-dimensional work or of a copy in two dimensions of a three-dimensional work.</li> </ul>	Where the end product of a design drawing or a model is an artistic work in its own right and is mass-produced in more than 50 copies, any unauthorized direct or indirect acts of reproduction thereof would constitute copyright infringement (Section 236).  <b>(Note:</b> Only one action for copyright infringement permissible. This does not mean that UK unregistered design right ceases but only that it yields at the infringement stage, thereby avoiding cumulation).	25 years following the end of the calendar year in which the copyright owner first marketed articles bearing the design (Section 52).  After the end of the period, the work may be copied by making articles of any description without copyright infringement.
		Where the end product of a design document or a model is not an artistic work and is mass-produced in more than 50 copies, no copyright survives in such drawings or models and no action for copyright infringement lies against any direct or indirect copying/reproductions of such design drawing into a model (Section 51(1)).	15 years from the end of the year in which the design was first recorded or made into an article.
		where an artistic work exists in its own right and there is no 3D mass-exploitation in more than 50 copies, the work is entitled to its full term and scope of protection.	OR  10 years from the end of the year in which the articles made to the design were first sold or leased anywhere in the world (subject to licenses of right in the last five years).
			Life of the author plus 70 years posthumous.

1. Section 52 was repealed in 2013 as a result of the 2011 Flos SpA judgment of the Court of Justice of the European Union (CJEU) (as explained below).
2. The Copyright (Industrial Process and Excluded Articles) Order 1989 made under Section 52 provides that an article would be considered industrially exploited if it is made in more than 50 copies. Further, the Order excludes from Section 52 'works of sculpture, other than casts or models used or intended to be industrially exploited'.
3. By operation of the EU Exit Regulations of 2019, the three legal regimes existing at the Brexit effective date (January 1, 2021), have been renotified for the UK territory as (i) re-registered design rights under the RDA 1949; (ii) continuing unregistered EU design right and (iii) supplementary unregistered design right. While the first two protect the remainder of the terms as of the exit date under the relevant EU legislations, the last one implements a new UK avatar of the EU unregistered design right.

### Case Law under the CDPA 1988 (unamended)

#### (1) **Ocular Sciences Ltd. & another v. Aspect Vision Care Ltd. & ors. (1997) RPC 289**

The plaintiffs asserted unregistered design rights in certain designs for contact lenses. It was alleged that the defendants infringed the design rights by (a) having articles made to the said designs and by (b) making design documents for the purpose of enabling such articles to be made. Justice Laddie for the court found in favour of the defendants, finding that the design features of the plaintiffs' lenses were meant to enable these to be connected to or placed in, or around or against the eye or the eyeball; that the word 'article' in the must-match and must-fit provisions need not be a manufactured article but could include living or formerly living things (*'there is no self-apparent policy consideration which justifies allowing, say, the features which enable a false hip to be fitted into the hip joint of a human to fall within the ambit of design right whereas the same features on a child's doll are excluded'*); that the combination of the essential features of the lenses was commonplace.

#### (2) **BBC World Wide Ltd And Another v. Pally Screen Printing Ltd. And Another (FSR (1998) (665) (January 26, 1998)**

BBC, producer of a popular TV programme, 'Teletubbies' and merchandiser of all associated rights in its central characters (life-sized puppets with a very spherical outline as depicted in the picture below), complained of copyright infringement and passing-off against the defendants' printing of various items of clothing, namely, T-shirts bearing pictures of puppet-like characters in imitation of these Teletubbies characters. The defendants invoked a Section 51(1) defence.



It was not argued that the Teletubbies characters (3D puppets) were artistic works.

Justice Laddie accepted the defence, finding that copying by the defendants from the Teletubby articles themselves through the medium of television and from an illustration on the front of a magazine, were acts of copying indirectly from an article made

to the design and thus excluded from copyright infringement under Section 51(1). The judge based his conclusion on *"the assumed facts that the original drawings ... are 'design documents' - that is to say that they were created to depict a design "for" something other than an artistic work. If, for example, they had been created for use as prototypes for a cartoon series the same point would not be open to the defendants."*

**(3) Lambretta Clothing Co Ltd v Teddy Smith (UK) Ltd and Next Retail PLC (2004)  
EWCA Civ 886 (15 July 2004)**



In 2001, Lambretta sued Next and Teddy Smith for infringement of its claimed UK unregistered design right (UKUDR) in a conventional tracksuit top (as shown in the pictures) with the only contribution of design consisting in the choice and layout of colours (particularly blue for the body, red for the arms and white for the zip, the white stripes, and the size and positioning of the “Lambretta” logo).

At first instance, the court dismissed the claim on the basis of a Section 51 defence. A further appeal to the Court of Appeal also failed on the basis that:

- merely colouring a pre-existing conventional article in a novel way did not amount to a protectible “shape or configuration” within the meaning of a UKUDR. Even though the red, blue and white components of the Lambretta top were “configured” together to produce the complete article, their colour had nothing to do with that configuration.
- The choice and layout of the colourways merely amounted to “surface decoration” which was excluded from protection as an unregistered design right.
- the choice and layout of the colourways would not constitute ‘artistic works’ and thus not affected by the existence or otherwise of the unregistered design right because the colourways were not just colours in the abstract. They were colours applied to shapes. Neither physically nor conceptually could they exist apart from the shapes of the parts of the article. If artistic copyright were to be enforced here, it would be enforced in respect of the whole design drawing. This was impermissible under Section 51.

**(3) Flashing Badge Company Ltd v Groves (t/a Flashing Badges By Virgo & Virgo Distribution) [2007] EWHC 1372 (Ch) (14 June 2007)**

This action concerned a claim of copyright infringement in the design of the so-called flashing badges and the backing cards to which these badges were attached, the former being intended to be attached to a garment by magnets. A key feature of the design of the badge was that its outline shape followed, and was dictated by, the outline of the artistic design which formed the subject matter of the face of the badge.

The defendant’s defence was based exclusively on Section 51(1). The plaintiff disputed this and illustrated its submission “*by a case in which the claimant has a design document for the shape of a mug (“the mug design”). He then produces a drawing of a cow which is to adorn the side of the mug (“the cow design”) and applies it to the side of 1000 mugs made to the design. The defendant copies the mug design including the cow design. He is not liable for copyright infringement of the mug design (although he may be infringing design rights in the shape of the mug) because he has the protection of Section 51. He is, however, liable for copyright infringement of the cow design, which is an artistic work in respect of which he enjoys copyright: Section 51 will provide no defence.*”

Agreeing with the plaintiff’s submissions and distinguishing the court of appeal’s judgment in Lambretta Clothing (supra), the court held that:

*“the artistic work on the face of each badge was in the nature of a graphic design which is in no sense something which (unlike the Lambretta colourways) can only exist as part of the shape of the badge. It is a design which can be applied to any other substrate and which, if so applied, would enjoy copyright protection for the infringement of which section 51 would afford no defence.”*

**(4) Lucas Film Ltd & Ors v Ainsworth & Anor [2011] UKSC 39 (Before the UK Supreme Court)**



Lucas Film Ltd, producer of the popular Star Wars films and merchandiser of all the associated rights in the characters and equipment featuring therein, sued the defendant (the original artist commissioned by Lucas) for infringement of its English copyright under the UKCDPA 1988 in respect of the unauthorized manufacture and sale of the iconic Stormtrooper helmets (as shown in the pictures above) and other equipment.

On the issue of ‘sculpture’ copyright, both the trial court and the Court of Appeal had held that the helmets and the armour were meant for use in the film and recognisable as such. These designs, therefore, had a utilitarian function within the confines of the film as the equipment of the stormtrooper and that the defendant had defences under Sections 51 and the erstwhile section 52 of the UKCDPA 1988. These issues remained open to be determined by the Supreme Court.

The Supreme Court agreed with the reasoning of the lower courts, holding that ‘it was the Star Wars film that was the work of art that Mr. Lucas and his companies created. The helmet was utilitarian in the sense that it was an element in the process of production of the film.

The above summary of the complex relationship underlying the three legal regimes under the CDPA 1988 and the manner in which the UK courts were able to effectively apply and interpret the legislative balance in aid of resolving the copyright/design interface, do show how the law had finally caught up with the spectre of ‘industrial copyright’.

But this complex balance of rights started coming apart as a result of the UK’s implementation of the relevant EU legislations and the binding interpretations by the Court of Justice of the EU (CJEU), letting the spectre of ‘industrial copyright’ back into the English legal landscape with familiar anti-competitive consequences.

The interface of copyright and design rights in the EU is governed by the following instruments:

- (1) Directive 98/71/EC of the European Parliament and the Council of 13 October 1988 on the legal protection of designs,
- (2) Directive 2001/29/EC of the European Parliament and of the Council of 22 May 2001 on the harmonisation of certain aspects of copyright and related rights in the information society,
- (3) EU Regulation No 6/2002 of 12 December 2001 on Community designs.



All the aforesaid EU legislations recognise the coexistence of copyright and design rights in the subject matter of design protection, but leave the member states free to determine the circumstances in which copyright would protect designs, the term of protection and exceptions to such protection.

### **EU Regulation No 6/2002 of 12 December 2001 on Community designs**

The UK's implementation of the EU legislations with effect from December 9, 2001

### **UK-EU Unregistered Design Right**

- 'design' means *'the appearance of the whole or a part of a product resulting from the features of, in particular, the lines, contours, colours, shape, texture and/or materials of the product itself and/or its ornamentation.'*
- 'design right' is available in two variants, one a short-term unregistered design right and the other a longer-term registered design.
- a design must be new and have individual character. A design is considered to be new if no identical design (or near identical design differing only in immaterial details) has been made available to the public and it shall be considered to have individual character **if the overall impression it produces on the informed user differs from the overall impression produced on such a user by any design which has been made available to the public:**
  - (a) in the case of an unregistered Community design, before the date on which the design seeking protection has first been made available to the public by way of publication, exhibition, use in trade etc.;
  - (b) in the case of a registered Community design, before the date of filing of the application for registration of the design seeking protection, or if priority is claimed, the date of priority.
- Excluded from design protection are:
  - features of appearance of a product which are solely dictated by its technical function;
  - must-fit and must-match features of appearance of a product.
- There are, however, some important differences between the two forms of protection:
  - (a) a registered design is protected for a maximum period of 25 years calculated from the date of filing of the application. It confers on its holder an exclusive right to use and to prevent any third party not having his consent from using it by way of making, offering, putting on the market, importing, exporting or using of a product in which the design is incorporated or to which it is applied, or stocking such a product for those purposes.
  - (b) an unregistered European Union/Community design, however, is protected for a period of three years as from the date on which the design was first made available to the public within the Community in the sense described above. It confers on its holder the right to prevent the acts referred to in (a) above **only if the contested use results from copying the protected design.**

The following cases illustrate how the CJEU has interpreted the aforesaid EU legislations and laid down binding rules of European law for the member countries without any room for national derogation

- 1) **Infopaq International A/S v Danske Dagblades Forening** (In Case C-5/08, CJEU, dated 16 July 2009)

In this case, CJEU reiterated as a settled autonomous notion of European law that **the test of ‘author’s own intellectual creation’ lies at the core of copyright protection without any room for different national standards**. No member state can apply different standards of copyright protection for different categories of work.

- 2) **Flos SpA v Semeraro Casa e Famiglia SpA** (In Case C-168/09, CJEU dated 21 January 2011)



This case concerned a claim of copyright protection under Italian law in respect of the iconic ‘Arco lamp’ (as shown in the picture). It was designed in 1962 by Achille and Pier Giacomo Castiglioni.

Answering the question of law referred to it, the CJEU held that:

*“it is clear from the wording of Article 17 of Directive 98/71” an additional level of copyright protection with its full term (rather than the shorter term of design protection) must be conferred on all designs meeting the conditions for such protection without any deviation by member states.*

- 3) **Herbert Neuman & Andoni Galdeano del Sel v. Jose Manuel Baena Grupo, SA** (joined cases C-101/11 P & C-102/11 P, CJEU, 18 October 2012)



Baena Grupo’s Community Design No 426895-0002  
(Image 1)



The earlier Community figurative mark no 1312651 relied upon by Newuman & Galdeano  
(Image 2)

This case originated as an action for invalidation of the plaintiff, Baena Grupa’s Community design registration (*Image 1*) with effect from 7 November 2005 in Class 99-00 of the Locarno Agreement (ornamentation for T-shirts, caps, stickers etc.). The defendant, Neuman & Galdeano argued that the registered design lacked novelty and individual character in view of the earlier Community figurative trade mark (*as shown in image 2*) in respect of identical/allied goods in classes 25, 28 and 32.

Agreeing with the General Court’s findings, the CJEU dismissed the defendants’ appeals, holding that:

- That the concept of ‘informed user’ must be understood as lying somewhere between that of the average consumer, applicable in trademark matters, who need not have any specific knowledge and who, as a rule, makes no direct comparison between the trademarks at issue, and the sectoral expert, who is an expert with detailed technical expertise. In other words, the concept means a particularly observant user, either because of his personal experience or his extensive knowledge of the sector in question.

That the informed user for purposes of the present case comprised young people and children of the goods involved. Consequently, the difference in the facial expression produced by the two silhouettes would be clear to such young people and children: the leaning posture of the body in the earlier mark conveyed the impression of an angry character in a state of irritation, while that conveyed by the sign in the contested design was not characterised by any display of feeling.

**What is the meaning of ‘publication’ for purposes of unregistered European Union design right**

**H. Gautzsch Großhandel GmbH & Co. KG v. Münchener Boulevard Möbel Joseph Duna GmbH (Case C-479/12, CJEU, 13 February 2014)**



H. Gautzsch Großhandel's Gazebo

This case originated as an action for unregistered design infringement under German law in respect of the plaintiff, MBH Joseph Duna's gazebo design (as shown in the picture). It asserted that its new products leaflets for the months of April and May 2005 had been distributed to the sector's largest furniture and garden furniture retailers and German furniture purchasing associations. It claimed that the defendant's 'Athen' design was a copy of its own design.

Answering the questions referred, the CJEU held that:

- (i) It is possible that an unregistered design may reasonably have become known in the normal course of business to the circles specialized in the sector concerned, operating within the European Union, if images of the design were distributed to traders operating in that sector. It is for the Community/EU design court to assess this in the facts and circumstances of each case.
- (ii) It is possible that an unregistered design may not reasonably have become known in the normal course of business to the circles specialized in the sector concerned, operating within the European Union, if it is made available to only one undertaking in that sector or presented only in the showrooms outside the European Union. It is for the Community design court to assess this in the facts and circumstances of each case.





**When an unregistered EU design to be considered to have individual character**

**Karen Millen Fashions Ltd v. Dunnes Stores, Dunnes Stores (Limerick) Ltd (Case C-345/13, CJEU, June 19, 2014)**

Karen Millen Fashions (KMF), a prominent English garment manufacturer and retailer, filed an action for infringement of its unregistered EU designs in the garments (*see the pictures below*). The defendant, Dunnes Stores acknowledged that it had copied the KMF garments; that KMF's claimed unregistered EU rights were new. However, it disputed that KMF's claim in each of these garments on the ground that these garments did not have individual character within the meaning of Regulation No 6/2002 and that it required KMF to prove, as a matter of fact, that the garments had individual character.

Answering the questions framed, the CJEU ruled:

- (i) For a design to be considered to have individual character, the overall impression produced by such design on the informed user must be different from that produced on such user not by a combination of features taken in isolation and drawn from a number of earlier designs, but by one or more earlier designs, taken individually.
- (ii) For a Community/EU design court to treat an unregistered Community design as valid, the right holder is not required to prove that it has individual character, but need only indicate what, in his view, are the element or elements of the design concerned which give it its individual character.

Karen Millen Fashions Ltd	Dunnes Stores (Limerick) Ltd
	
A sweater designed by Karen Millen in 2005 (left) and another design which appeared on the shelves of Dunnes Stores outlets in 2006. Photograph: Handout/PA Wire	
	
A shirt designed by Karen Millen in 2005 (left) and another design which appeared on the shelves of Dunnes Stores outlets in 2006. Photograph: Handout/PA Wire	

**Photographs of Ferrari FXX K (Model) displayed in the CJEU decision (extract of press release from Ferrari 2 December 2014)**



Ferrari filed an action for infringement of its unregistered Community designs in the component parts including:

- the V-shaped element on the bonnet;
- the fin-like element protruding from the centre of the V-shaped element;
- the front lip spoiler integrated into the bumper; the vertical bridge in the centre connecting the spoiler to the bonnet.

Ferrari claimed that its unregistered Community design arose at the time of the publication of the press release of 2 December 2014 or in the alternative on the publication of the press release of 2 September 2014 featuring the appearance of the front lip spoiler or alternatively, on the release of a film on 3 April 2015 (Ferrari FXX K- The Making of).

Answering the questions referred, the CJEU held that:

1. The making available to the public of images of a product, such as the publication of photographs of a car, constitutes disclosure of a design of a part of that product/complex product within the meaning of Article 11(2) of the Regulation provided that the appearance of that part or component is clearly identifiable at the time the design is made available.
2. In order for a part or component of a product/complex product to satisfy the condition of individual character, it is necessary that the part or component in question constitute a visible section of the product or complex product, clearly defined by particular lines, contours, colours, shapes or texture. The EU legislature did not intend that designers make available separately each of the parts of their products so as to benefit from unregistered Community design protection. That presupposes that the appearance of that part of the product or that component part of a complex product is capable, in itself, of producing an overall impression and cannot be completely lost in the product as a whole.

***Response Clothing Ltd v The Edinburgh Woollen Mill Ltd* [2020] EWHC (decided on January 21, 2020)**

In this case, the UK's first instance court (EPEC) for the first time was required to consider whether the UK's requirement of artistic quality for certain categories of copyright works (a work of artistic craftsmanship) was compatible with EU law.

Response claimed copyright in its wave arrangement design applied to the ladies tops either as a graphic work or as a work of artistic craftsmanship.

Following a New Zealand precedent, the court accepted Response's claim that the fabric had an artistic value as a work of artistic craftsmanship in the sense that the author is both a craftsman and an artist- in the former role he is making something in a skilful way and taking pride in his workmanship and in the latter role exercising his creative ability to produce something which has aesthetic value.

However, taking note of the CJEU's rulings that national law could not impose a requirement of aesthetic or artistic value, the court took the view, subject to the Wave Fabric being original in the sense of the design being its author's own intellectual creation, that the said design qualified as a work within the meaning of Article 2 of the Directive and thus entitled to the full term of copyright as such.

### **Conclusion: whether the Indian legal framework is in need of reforms**

The foregoing overview of the relevant legislative and case law developments in Europe and the UK offers extremely valuable guidance for policy and law makers in India to help them identify possible changes that may be considered for amendment of the existing legal framework in India consistent with an objective to address the potential overlap between automatic long-duration copyright in artistic works and short-duration design protection. As shown above, the evolving legislative responses, jurisprudence and industry experiences over the past many decades in Europe and the UK have yielded a rich repertoire of innovative legal tools to deal with the design-copyright interface.

Among the legal tools available today in European and English laws, the most innovative one is the 'unregistered design right' in two variants. The English equivalent of this right owes its origin in the CDPA 1988 and is deservedly the pioneer and precursor as a form of intellectual property to the European equivalent in Regulation 06/2002 and other jurisdictions around the world.

While these two 'unregistered design' variants share a number of similarities, there are certain marked differences between the two regarding their respective nature, scope and duration. The English variant extends automatic protection to original three-dimensional designs only (whether functional or not) subject to 'must-fit' and 'must-match' exceptions for replacement parts, and it lasts for a period of 15 years from the year calculated from the end of the calendar year in which the design was first recorded or if an article bearing the design was first put on the market, then 10 years from the end of the calendar year in which that occurred.

On the other hand, the European variant of 'unregistered design right' extends protection to both 2D and 3D articles and has a short life of 3 years as from the date on which the design was first made available to the public within the European Union.

Under both the English and the EU variants, the unregistered design right confers on its holder the right to prevent acts of infringement **only if the contested use results from copying the protected design.**

In the authors' view, there are, however, certain gaps in the European variant which are incompatible with the conceptual basis, history and jurisprudence underlying the Indian legal framework. The scope of protection available under the European model in respect of designs which also meet the conditions for copyright protection has been expanded by the CJEU's binding precedents in *Infopaq*, *Flos*, *Cofemel* (*supra*).

In contrast, the English legal regime relating to 'unregistered design right' as enacted in its original form under the CDPA 1988 (prior to the intervention of the aforesaid CJEU precedents and the resulting repeal of Section 52 in the UK) would appear to be compatible with the Indian legal framework, ethos and jurisprudence.

In conclusion, it would appear that the features of a feasible mechanism to strengthen the Indian legal framework to deal with the copyright/design interface should be based on a blend of the two variants as aforesaid with some appropriate modifications. The contours of this blend could be worked out in consultation with all the relevant stakeholders.

**Rajendra Kumar** is one of the founding members of the law-firm, K&S Partners. He has an extensive experience of nearly 38 years in handling all aspects of prosecution and enforcement of trade marks, copyright and geographical indications. His expertise extends to the handling of TRIPS related issues, protection of copyright in the digital context, domain name disputes and intellectual property aspects of the entertainment industry and the Internet. He is now leading the firm's new practice in the area of 'Privacy & Data Protection'.

RK assisted the Government of India in preparing the first draft of the Geographical Indication of Goods (Registration and Protection) Act, 1999 in consultation with the World Intellectual Property Organization (WIPO)..

In 2005, Rajendra Kumar, co-authored a seminal work on geographical indications titled, "Geographical Indications: A Search for Identity", published by Lexis Nexis Butterworths.

Rajendra regularly appears before the IP Offices, various District and High Courts as well as the Supreme Court of India. He successfully argued before the High Court of Delhi in two of India's land-mark cases, Microfibres v Girdhar on the overlap between designs and copyright and Super Cassettes v Myspace on the availability of safe-harbour provisions to an intermediary in a claim for copyright infringement.

**K&S Partners** is an Intellectual Property boutique. Founded in 1994 as a three-member team, the firm today has over 130 professionals and an overall strength of over 280. It has offices at Gurgaon, Bangalore, Mumbai, Chennai and Hyderabad. The firm has created client-focused teams to manage the portfolios. These teams, supervised by partners, work seamlessly and in coordination with focus on quality, ethics and promptness. Besides serving clients, the firm is recognized for its outreach in areas of policy making and actively participating and contributing to drafting of legislation in various areas of Intellectual Property rights.

K&S Partners also assists clients in obtaining and enforcing Intellectual Property rights in India's neighbouring countries such as Bangladesh, Sri Lanka, Bhutan, Myanmar, Nepal and Pakistan through a network of associates in these countries. The firm also has one of the largest portfolios of foreign patent filings for Indian clients in foreign countries including in the United States Patent and Trademark Office, European Patent Office and Japanese Patent Office. In connection with its international representation of its clients' IP assets, it has developed strong ties with associate firms in a number of countries including India's neighbouring countries.

The firm has been instrumental in setting precedents in some pathbreaking areas of IP.

**Amit Sindhwani** is a Law graduate from the University of Delhi. As an independent IP Attorney prior to his current in-house position, he had been handling IP matters at all level levels of the judiciary as well as before other authorities involved in customs recordings, opposition/cancellation actions before the Trade Marks Registry and Appellate Courts, domain name disputes and other cross-border matters including criminal enforcement by way of search and seizure operations. Over the years, he has been involved in several high profile and path breaking cases in the field of trademark, copyright, design, patents and anti-counterfeiting actions.

At present, he is working as HEAD (IPR) with the Shriram group of companies, mainly comprising of Usha International Ltd., Mawana Foods Ltd and Mawana Sugars Ltd. Shriram group is a diversified conglomerate with the business spread in the areas of consumer durable such as fans, sewing machine, appliances, edible oils, sugars etc., owning the well-known and reputed brands like USHA, MAWANA, PANGHAT, CORNOLA etc.

As IP Head, he has had the privilege of filing and prosecuting of trade mark applications in more than 120 countries across the globe and enforcing the rights by way of diverse oppositions/cancellations and court actions in various Middle East and South Asian countries. He has 20 years of rich experience in the field of IP starting from conceptualization, prosecution of IP, included but not limited to strategizing complex IPR litigation.

**Usha International Ltd.** ('the Company') is an Indian multinational manufacturer and marketer of Home Appliances and other consumer durable products that include sewing machines, electric fans, electrical and household appliances, water coolers, juicer mixer grinders, electric Irons, toasters and Inverters etc. These products are sold under the renowned and well-known mark "USHA" which was adopted in the year 1936.

The company headquartered in Gurgaon, Haryana is part of the Sidharth Shriram Group and is today amongst India's most dynamic and reputed business houses since 1934. The Company has an annual revenue of Indian Rupees 3000 crores with 5000 employees working from 16 regional office, head offices, manufacturing plants in Kolkata and Hyderabad and overseas offices in China and Sri Lanka.

The Company has a All-India retail presence with 60 company showrooms and logistics supported by 33 warehouses.

The International operations of the Company started in the year 1946 and at present the company is exporting its products to 32 countries of the world.

International Tie -ups

Currently, the Company has an association with Hunter Fan Company, USA, Janome Sewing Machine Company, Japan, Midea Appliances, China and Honeywell, USA.