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Design right: from investment to creativity for “industrial copyright”

Phillip Johnson

The origins of design right are closely tied to industrial copyright and the protection of functional articles. When Parliament created the new intellectual property right it did so using the language of investment rather than creativity. Yet as design right evolved it became more like its creative sibling copyright, but in a crowded field of rights protecting designs it retains its value by remaining the only design right which can protect the functional. This is the story of design right and how it became creative.

Keywords: design right; copyright; functional designs; registered designs

1. Introduction: investing in designs

This collection sets out to show how intellectual property is not really “intellectual” at all. How there has been a move towards rights being granted to protect monetary investment rather than originality and creativity. This chapter is slightly different. Design right is a British invention which has not been replicated elsewhere: it remains unique.¹ It was born out of a desire to protect the investment in functional designs and so it would appear to sit nicely within the collection, but as it grew up it became more creative and, as will be seen, it may no longer deserve its place among the “investment” rights. To understand design right’s story and growth the first part of this chapter will show its lineage that is how and why it came into being in the first place. The second part looks at its passage through Parliament where it was clearly born as as a right to protect investment, before concluding in the third part how during its adolescence the rebellious right found its own way and became creative and left investment behind.

2. The lineage of design right

To understand design right and why it was created it is important to turn to its history. It came into being purely because of family difficulties. On its mother’s side, as it were, there was the combined effect of the Registered Designs Act 1949 and section 10 of the Copyright Act 1956 on the protection of industrial designs. On its father’s side, there was the granting of copyright to designs drawings along with a broad reproduction right.

2.1. Industrial designs: the maternal line

¹ Save that New Zealand was taken to provide similar protection under its copyright law: see fn ???.

The first branch of design right's family tree relates to the copyright restrictions on protecting industrial designs. Here the discussion must begin with the Registered Designs Act 1949² which (when it was first enacted³) gave the following meaning to the expression "design":

[the] 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 solely by the eye, but does not include a method or principle of construction or features of shape or configuration which are dictated solely by the function which the article to be made in that shape or configuration has to perform.

This definition of design⁴ is important as there was a policy under the Copyright Act 1956 to push designs towards registration. In its original form, section 10 of the Copyright Act 1956⁵ excluded industrial designs from the benefits⁶ of copyright. It did this by providing two rules. The first was that where copyright existed in an artistic work it could not be infringed where a corresponding design⁷ was registered under the Registered Designs Act 1949.⁸ The second was that an artistic work was not infringed where it has been applied industrially⁹ and the articles sold *could* have been registered under the 1949 Act.¹⁰ This meant that there was full copyright protection before the work was applied industrially, but none after that time. In simple terms, therefore, a designer had to seek protection under the Registered Designs Act 1949 or get no protection at all if the design was to be commercialised. The effect was succinctly put by Cross J in *Dorling v Honnor Marine*:¹¹

"The general effect of section 10 is clear enough. If the owner of the copyright in an artistic work exploits it industrially, he does not lose his copyright under the 1956 Act, but, whether or not he actually registers the design which corresponds to the artistic work under the Registered Designs Act, 1949, he ceases to be entitled to protection

² This definition replaced that in the Patents and Designs Act 1907, s 93 (which had been inserted by the Patents and Designs Act 1919, s 19) and was inserted by the Patents and Designs Act 1949, s 42 (the pre-consolidating Act); it was largely the same as the earlier one save that it codified a gloss on the definition given in *Kestos v Kempat* (1936) 53 RPC 139 at 151, Luxmoore J.

³ The definition was retained, and restructured, as section 1(1) in the new section substituted by section 265 of the Copyright, Designs and Patents Act 1988.

⁴ There were also things excluded from being registered even if they fitted the definition of a "design" (namely, works of sculpture, other than casts or models used or intended to be used as models or patterns to be multiplied by any industrial process; wall plaques, medals and medallions; printed matter primarily of a literary or artistic character, including book jackets, calendars, certificates, coupons, dress-making patterns, greetings cards, labels, leaflets, maps, plans, playing cards, postcards, stamps, trade advertisements, trade forms and cards, transfers and similar articles): the rules in force in 1988 were the Designs Rules 1984 (SI 1984/1989), r 26 but similar rules had existed for many years before and continued until the registered design regime was changed to implement Directive 98/71/EC on the legal protection of designs.

⁵ The rule has been similar under the Copyright Act 1911, s 22(1); that earlier rule had been criticised by the *Report of the Copyright Committee* (the Gregory Committee) (1952 Cmd 8662), [250] and [258].

⁶ It was explained in *Sifam Electrical Instrument Company Limited v Sangamo Weston Limited* [1973] RPC 899 at 912 that the rights were in suspense rather than destroyed.

⁷ As to the definition see Copyright Act 1956, s 10(7) as enacted.

⁸ Copyright Act 1956, s 10(1) as enacted.

⁹ By 1968 it was the Copyright (Industrial Designs) Rules 1957 (SI 1957/867).

¹⁰ Copyright Act 1956, s 10(2) and (3) as enacted; the Court of Appeal in *British Leyland Motor Corp Ltd v Armstrong Patents Co Ltd* [1984] FSR 591 at 624 held that designs which could not be registered under the Registered Designs Act 1949 were not affected by s 10 (overruling *Hoover v Hulme* [1982] FSR 565).

¹¹ [1964] Ch 560 at 573, Cross J (overturned but not on this point [1965] Ch 1).

under the 1956 Act in respect of matters which are—or, if he had registered the design, would have been—infringements of the design copyright.”

This strict rule was modified by the Design Copyright Act 1968¹² so that copyright in an industrial design (that is a design within the meaning of the 1949 Act) was not lost but the term of copyright would be restricted to 15 years from when it was first industrially applied. Registration became immaterial and so a design could have protection for fifteen years¹³ under the 1949 Act and by way of copyright.¹⁴ The copyright term began when the artistic work was industrially applied and so could, in theory, start much later than the term for the registered design.¹⁵

The position became more confused when the House of Lords held in *Amp Inc v Utilux Pty Ltd*¹⁶ that registered designs being “judged solely by the eye” meant that a design must have “eye appeal” to the customer (and not the court) and, accordingly, could not have any functional elements.¹⁷ This seemed to depart from a view that designs were only excluded from registration where they in effect granted a monopoly over the function.¹⁸ Indeed, the consternation over this issue led to questions in Parliament regarding the protection of functional designs.¹⁹ It soon became apparent, however, that functional designs could actually get a lot more protection outside the registered design regime.

2.2. Design drawings: the paternal line

The other branch of the family tree comes from the Copyright Act 1956, which protected “drawings” irrespective of their artistic quality,²⁰ and drawings included diagrams, maps, charts or plans.²¹ This made them one of the most important classes of artistic works²² as design drawings might be for furniture,²³ taps,²⁴ light fittings,²⁵ or parts for machinery more

¹² It was a private members bill, which received support across the House. It had apparently been promoted by some Birmingham jewellers (see *British Leyland v Armstrong* [1986] AC 577 at 639). There was very little debate on the Bill as it passed through Parliament and the only significant speeches were in the Lords: see HL Deb, 16 October 1968, Vol 296, cols 1373-7. There were no transitional provisions: *Sifam Electrical Instrument Company Limited v Sangamo Weston Limited* [1973] RPC 899.

¹³ Registered Designs Act 1949, s 8 as enacted.

¹⁴ As the fifteen-year period started at different points.

¹⁵ The design right term begins on the date of application: Registered Designs Act 1949, s 3(5) and 8 as enacted (but proceedings could not be brought until after examination and grant).

¹⁶ [1972] RPC 103.

¹⁷ There had been a long held view that to appeal to the eye simply meant that the design could be represented: *Holdsworth v M’Crea* [1867] LR 2 HL 380; *Bayer’s Design* (1907) 24 RPC 65 at 80 or that it could be assessed by the judge’s own eyes: *Clarke’s Design* (1896) 13 RPC 351 at 360.

¹⁸ *Stenor Ltd. v Whitesides (Clitheroe) Ltd* [1948] AC 107 where it was the opinion of Lord Simon that a design is excluded where a shape possesses no features beyond those necessary to enable the article to fulfil its function (at 122) and Lord Porter said (at 128) the object of the Act is to protect shape not function, and so does not protect functional shape; also see Lord Uthwatt (at 139); a similar view was expressed in *Report of the Committee to Consider the Law on Copyright and Designs* (Whitford Committee) (1976-77 Cmnd 6732) (“Whitford Report”), [92].

¹⁹ Trevor Skeet to Michael Noble, HC Deb, 19 October 1972, Vol 843, col 135-6W; Keith Stainton to Geoffrey Howe, HC Deb, 7 December 1972, Vol 847, col 498W; also see Whitford Report, [101].

²⁰ Copyright Act 1956, s 3(1).

²¹ Copyright Act 1956, s 48(1).

²² Hugh Laddie, Peter Prescott and Mary Vitoria, *The Modern Law of Copyright* (Butterworths 1981), [3.16].

²³ See for instance, *Antocks, Lairn v I Bloohn* [1972] RPC 219; *E. Gomme Limited v Relaxateze Upholstery Limited* [1976] RPC 377; *L.B. (Plastics) Ltd. v Swish Products Ltd* [1979] RPC 551, HL.

²⁴ *IMI Developments Limited v. FC Harrison Limited* [1970] RPC 299.

²⁵ *Merchant Adventurers Limited v M. Grew & Company Limited (Trading as Emess Lighting)* [1973] RPC 1.

generally.²⁶ Put simply technical drawings for products whether the product was functional or aesthetic were protected by copyright and for the full term: the life of the author plus fifty years.²⁷

This is so significant because the protection for artistic works extended to the work's reproduction in any material form.²⁸ Accordingly, the manufacture of a design from a design drawing was an infringing act subject to one proviso.²⁹ Furthermore, a person copying a functional article would be indirectly copying the design drawing from whence it came.³⁰ Put simply, copyright could be used to prevent the copying of such an article for the full life plus fifty year term³¹ provided there was an underlying design drawing.³² The single proviso was a limited restraint which was easily overcome in that the making of an object in three dimensions did not infringe the copyright in the design drawing if the object would not appear, to persons who are not experts³³ in relation to objects of that description, to be a reproduction of the artistic work.³⁴ In short, functional designs could get copyright protection where the design drawing was copied.

2.3. The conception of design right

The key moment in the history of design right is when these two branches of the family tree were considered together by the House of Lords in *British Leyland v Armstrong*.³⁵ The hearing spanned twenty days in late 1985³⁶ and revolved around car exhaust pipes. British Leyland designed cars, including spare parts for those cars, and it persuaded most spare parts manufacturers to enter licence agreements to use its designs. Armstrong refused but they made exhaust pipes anyway. So they were sued for infringing the copyright in British Leyland's design drawings.³⁷ The case presented the dilemma faced by spare parts manufactures, which was put bluntly by Lord Templeman: many car components could not be made without copying so Armstrong must copy or go out of business.³⁸

²⁶ Hugh Laddie, Peter Prescott and Mary Vitoria, *The Modern Law of Copyright* (Butterworths 1981), [3.16].

²⁷ Copyright Act 1956, s 3(4).

²⁸ Copyright Act 1956, s 3(5)(a).

²⁹ *King Features Syndicate v O & M Kleeman Limited* [1941] AC 417 at 427, Viscount Maugham; *LB (Plastics) Ltd v Swish Products Ltd* [1979] RPC 551 at 631, Lord Salmon.

³⁰ *British Northrop Ltd. v. Texteam Blackburn Ltd* [1974] RPC 57 at 71, Megarry J; *Solar Thomson Engineering Co. Ltd. v. Barton* [1977] RPC 537 at 558-9, CA; *L.B. (Plastics) Ltd. v Swish Products Ltd* [1979] RPC 551, HL.

³¹ The term was not extended to life plus seventy years until the coming into force of the Duration of Copyright and Rights in Performances Regulations 1995 (SI 1995/3297).

³² It would not apply where there were no design drawings, such as where the prototype was made in three-dimensions. In such a case, there would be protection only if it was a work of artistic craftsmanship: see *George Hensher Ltd v Restawile Upholstery (Lancs) Ltd* [1976] AC 64; also see *British Leyland v Armstrong* [1986] AC 577 at 637, Lord Templeman.

³³ The notional non-expert was acknowledged to be an odd concept: *L.B. (Plastics) Ltd. v Swish Products Ltd* [1979] RPC 551 at 630 and 636, Lord Salmon

³⁴ Copyright Act 1956, s 9(8); the provision was subject to quite some adverse comment: *Doring v Honnor Marine* [1965] Ch 1 at 21, Danckwerts LJ calling it "extraordinary"; Lord Salmon calling it "curious" and explains the odd nature of its effect: *L.B. (Plastics) Ltd. v Swish Products Ltd* [1979] RPC 551 at 630 at 635-6; the Whitford Committee suggested its repeal: Whitford Report, [202(vii)].

³⁵ *British Leyland v Armstrong* [1986] AC 577.

³⁶ Judgment was handed down on 27 February 1986 and reported in *The Times*, 28 February 1986; the length of the submissions is evident from the fact the first 36 pages of the report are summaries of Counsel's submissions.

³⁷ The evidence was that car exhausts needed to be replaced up to 10 times during a car's life: *British Leyland v Armstrong* [1986] AC 577 at 615, Lord Bridge (that us every six months to two years: at 628).

³⁸ *British Leyland v Armstrong* [1986] AC 577 at 631, Lord Templeman.

Their Lordships each criticised the state of the law³⁹ and many called for Parliament to intervene. Lord Bridge highlighting how copyright law granted many of the benefits of patent protection without the stringent conditions.⁴⁰ Lord Templeman and Lord Scarman agreeing that “Parliament did not intend the protection afforded by copyright to a drawing should be capable of exploitation so as to prevent the reproduction of a functional object depicted in a drawing”⁴¹ and so both called for Parliament to act to remedy it.⁴² Lord Edmund-Davies recalled Holt CJ’s famous observation that “parliament can do no wrong, though it may do several things that look pretty odd”⁴³ while conceding he did not know Parliament’s intention.⁴⁴ Even Lord Griffiths accepted it was a bizarre result⁴⁵ but called for case law to be set aside rather than require parliamentary intervention.

The House of Lords in *Armstrong*, while not liking it, held that even though functional designs could not be protected under the Registered Designs Act 1949 for fifteen years they were protected under the law of copyright for the full term of life plus fifty years.⁴⁶ Essentially confirming at the highest level what had been developing in the lower courts. This represented the zenith of a period which was summarised a little over a decade later by Laddie J in *Ocular Sciences Ltd v Aspect Vision Care Ltd*.⁴⁷

“The era of industrial copyright had arrived. Litigation proliferated as manufacturers of mundane industrial articles and parts used the copyright in their production drawings to prevent competitors from copying their finished products derived from those drawings. Even 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 is hardly surprising that not everyone was persuaded that this was the proper place for copyright or that it was of benefit to industry.”

It was acknowledged by all sides that the law had “got into a rare mess over industrial designs”⁴⁸ and as the courts had reached an impasse so it now fell Parliament to act.

3. Born to invest

³⁹ They were invited to depart from *Swish* but declined as the law had been long settled: *British Leyland v Armstrong* [1986] AC 577 at 623, Lord Bridge; but Lord Griffiths thought *Swish* should be overturned (at 655).

⁴⁰ *British Leyland v Armstrong* [1986] AC 577 at 623, Lord Bridge.

⁴¹ *British Leyland v Armstrong* [1986] AC 577 at 613, Lord Scarman and Lord Templeman (at 632).

⁴² *British Leyland v Armstrong* [1986] AC 577 at 613, Lord Scarman.

⁴³ *City of London v Wood* (1701) 12 Mod Rep 669 at 687-88 (88 ER 1592 at 1602).

⁴⁴ *British Leyland v Armstrong* [1986] AC 577 at 614, Lord Edmund Davis.

⁴⁵ *British Leyland v Armstrong* [1986] AC 577 at 648, Lord Griffiths; Whitford Report, [96] likewise calls it bizarre.

⁴⁶ The effect was mollified because it was also held in *Armstrong* that copyright owners could be preventing from exercising their rights so as to control the spare parts market (under the derogation from grant doctrine).

⁴⁷ [1997] RPC 289 at 421. The reference to a washer is probably to *British Northrop Limited v Texteam Blackburn Limited* [1974] RPC 57 where the claim related to infringement of design drawings for things including “a rivet, a screw, a stud, with nipples at each end, a block of leather, a washer and a collar” (at 68-9).

a bolt, a metal bar, a length of wire with a thread cut at one end, a length of cable

⁴⁸ Sir Geoffrey Pattie, HC Deb, 28 April 1988, vol 132, col 542.

While the House of Lords in *Armstrong* highlighted the absurdity of the law, it was really the end of a long history.⁴⁹ The journey towards reform had began nearly a decade earlier when problems caused by by protecting functional designs started to be acknowledged.

3.1. A problem considered

The risks of investing in developing functional designs was raise by the Whitford Committee albeit from the perspective of the copyist:

*“Before investing large sums of money a manufacturer will wish to be reasonably certain that he will be able to recover his investment costs and not find himself facing an infringement action. Industrial copyright protection in the United Kingdom at present usually depends on whether an article copied reproduces a copyright drawing, but the public are not in a position to inspect this or even know if a drawing exists. ‘One copies at one’s peril.’”*⁵⁰

The Committee when explaining the issues with industrial copyright went on to create two categories of work. The first would be what would be described as “applied art” that is those things which are purchasing wholly or partially due to their appearance.⁵¹ The second were three dimensional articles where the appearance does not affect the purchaser.⁵² The Committee was split on what to recommend. The minority believing there should be no protection at all for functional designs, but the majority took the view that the protection should be granted but for a shorter duration.⁵³ Thus, on balance, the Whitford Committee was in favour of protecting the investment of the designer rather than that of copyists.

But when the government published its first Green Paper in 1981 it sided with the minority (and copyists) and proposed that functional designs should not be protected at all⁵⁴ and design drawings should only be protected to the extent the article itself could claim copyright protection.⁵⁵ By 1983 the government’s position had shifted and it proposed that functional articles should be protected under the registered designs system.⁵⁶ When the White Paper was issued thirty months later the government had changed tack once more and it put forward a proposal which closely resembled design right as it finally emerged.⁵⁷ It explained why it was now proposing the new right:

“the Government has concluded that some protection should be available to give the manufacturer who has spent money on design the opportunity to benefit from his investment, thus providing an incentive to further investment. It has also concluded that

⁴⁹ However, some saw it as a direct response: Lord Williams “The whole concept of design right developed from that case”: HL Deb, 12 January 1988, Vol 491, col 1092.

⁵⁰ Whitford Report, [137].

⁵¹ Whitford Report, [167] (Category A).

⁵² Whitford Report, [168] (Category B); those things excluded under *Amp Inc v Utilux Pty Ltd* [1972] RPC 103.

⁵³ See Whitford Report, [201].

⁵⁴ *Reform of the Law relating to Copyright, Designs and Performers’ Protection* (1981 Cmnd 8302), [11](p 5).

⁵⁵ *Reform of the Law relating to Copyright, Designs and Performers’ Protection* (1981 Cmnd 8302), [15](p 7); this was the effect of the Copyright, Designs and Patents Act 1988, s 51(1) when it was finally enacted.

⁵⁶ *Intellectual Property Rights and Innovation* (1983 Cmnd 9117), [4.19]. However, the discussion of the law in this second Green Paper seems more confused than that in the earlier paper. The latter paper was issued by the Cabinet Office following a review by Sir Robin Nicholson and not the DTI (Patent Office) which might explain the lack of precision.

⁵⁷ See DTI, *Intellectual Property and Innovation* (1986 Cmnd 9712).

*this protection should extend to spare parts but it readily accepts that the full protection of copyright law would be excessive.*⁵⁸

It went on to state “the basic premise should be that all original designs deserve a period of protection to give the designer a market lead over the copier.”⁵⁹ The subject matter of the proposed right was somewhat confusingly described. It was said it would apply to both functional and aesthetic designs⁶⁰ but immediately thereafter the White Paper states the national treatment rules under the Paris Convention would not apply as that rule extends to aesthetic designs but not to functional designs.⁶¹ While it is clearly the case that aesthetic designs were protected under the Registered Designs Act 1949 and national treatment was and is applied, this does not explain why a right which covers both aesthetic and functional designs would not fall under the rule.⁶² In any event, as it has been suggested that design right has a similar role to utility models,⁶³ the argument that it falls outside international conventions becomes even more difficult to understand.⁶⁴ While the subject matter of the right was not clearly articulated in the White Paper its passage through Parliament once more highlighted that the right was being granted to protect the designer’s investment.

3.2. Investing in parliament

On the second reading of the Copyright, Designs and Patents Bill,⁶⁵ Lord Young, the responsible Minister, once more linked the purpose of the proposed design right to investment.⁶⁶

“...We take the view that all original designs deserve a limited amount of protection, quite simply because it is unfair to the designer if his new product can be copied in its entirety as soon as it comes on to the market. Where is the incentive to invest time, money and effort in producing a new product when others can hitch a free ride?”

And later, Lord Beaverbrook, the junior minister, reiterated:⁶⁷

“The justification for having design right is in essence very simple. Expense, labour and skill are needed to produce designs, even where the design does not merit a patent, and we believe that some protection should be given to encourage investment in design

⁵⁸ DTI, *Intellectual Property and Innovation* (1986 Cmnd 9712), [3.21].

⁵⁹ DTI, *Intellectual Property and Innovation* (1986 Cmnd 9712), [3.26].

⁶⁰ DTI, *Intellectual Property and Innovation* (1986 Cmnd 9712), [3.33].

⁶¹ DTI, *Intellectual Property and Innovation* (1986 Cmnd 9712), [3.34]; the qualification rules were considered in 2014 and slightly modified IPO, *The Consultation on the Reform of the UK Designs Legal Framework Government Response*, April 2013, [49-52]; also see *Mackie Designs Inc v Behringer Specialised Studio Equipment* [1999] RPC 717 at 718-9; and Whitford Report, [164].

⁶² It was suggested by the minister that no country had a coherent way of protecting functional designs: Lord Beaverbrook, HL Deb, 1 March 1988, Vol 494, col 120. So it might be this affected their thinking.

⁶³ David Llewelyn and Tanya Aplin, *Cornish, Llewelyn and Aplin: Intellectual Property: Patents, Copyrights, Trademarks & Allied Rights* (9th Ed, Sweet and Maxwell 2019), [3-031].

⁶⁴ Ultimately, protection was only granted to Member States of (what is now) the European Union (Copyright, Designs and Patents Act 1988, s 217(3)(c), now repealed following the UK leaving the EU) and New Zealand, the Crown Dependencies and the British overseas territories: Design Right (Reciprocal Protection) Order 1989 (SI 1989/990).

⁶⁵ That is the first substantive debate on the Bill,

⁶⁶ Lord Young, HL Deb, 12 November 1987, Vol 489, col 1479.

⁶⁷ Lord Beaverbrook, HL Deb, 12 January 1988, Vol 491, col 1096.

effort....design right”—will provide a level of protection for those who invest in design which is in proportion to that provided for other forms of intellectual property.”

But later he made it clear there remained a need for balance:⁶⁸

“The incentive to bring designs to the market place would be reduced and potentially useful designs which could be exploited by others after the 15-year cut-off period could remain unused.”

Thus, some of the criticisms levelled against the Bill was that the limited duration would not provide enough incentive to invest.⁶⁹ There were also concerns that merely applying a requirement of originality, that is not copying, would lead to a very broad right, as it was put by Lord Beaverbrook:

“In our view the meaning which would be given to the term “original” if this were not qualified—that is, something which is the creator's own work and not a copy—is too generous a test for the acquisition of design right. To put it in an extreme form, it could allow someone to acquire a right for re-inventing—I should really say re-designing—the wheel. Our intention is to avoid giving design right to mundane, routine designs of the kind which are common currency in the particular field in question.”⁷⁰

This is why an additional requirement for protection was introduced,⁷¹ namely that the design must not be commonplace,⁷² that is the design is not a trite, trivial, common-or-garden, hackneyed design which would excite no peculiar attention.⁷³ So while envisaging the right to protect investment and capital the government saw it as something which had the same standard of originality as copyright. Yet, it also acknowledged, that this might protect too much hence the introduction of the commonplace requirement: not all investments are equal in other words. And in a similar vane the new law restricted copyright protection in design drawings or models so that it did not extend to anything made to that drawing or model unless it was itself an artistic work.⁷⁴ The new law also provided that the term of design right would not be entirely exclusive as the last five years of the 10 year (or 15 year) term⁷⁵ would be subject to a licence of right.⁷⁶

⁶⁸ Lord Beaverbrook, HL Deb, 29 March 1988, Vol 495, col 701; also see Ken Clarke, HC Deb, 28 April 1988, Vol 132, col 529.

⁶⁹ Lord Fanshawe, HL Deb, 12 January 1988, Vol 491, col 1119-1120; Andrew Hunter, HC Deb, 28 April, Vol 132, col 564.

⁷⁰ Lord Beaverbrook, HL Deb, 1 March 1988, Vol 494, col 112.

⁷¹ It appears, however, that this was not a test devised for the new right as such but a variation of the subject matter requirements for semi-conductor topographies created by the European Commission: See Proposal for a Council Directive on the legal protection of original topographies of semiconductor products COM (85) 775final [1985] OJ C360/14, 31 December 1985; see Directive 97/54/EEC on the legal protection of topographies of semiconductor products, art 2(2); *Ocular Sciences Ltd v Aspect Vision Care Ltd* [1997] RPC 289 at 429, Laddie J; also see DTI, *Intellectual Property and Innovation* (1986 Cmnd 9712), [3.34].

⁷² Copyright, Designs and Patents Act 1988, s 213(4).

⁷³ *Ocular Sciences Ltd v Aspect Vision Care Ltd* [1997] RPC 289 at 429.

⁷⁴ Copyright, Designs and Patents Act 1988, s 51(1). There was a transitional provision for the first ten years: Copyright, Designs and Patents Act 1988, Sch 1, para 19(1).

⁷⁵ Copyright, Designs and Patents Act 1988, s 216 (in summary, the term is ten years from first marketing or, if it expires earlier, fifteen years from the design being created).

⁷⁶ See Copyright, Designs and Patents Act 1988, s 237; as to the how these have been awarded see: Jeremy Reed “Royalties for design right “licences of right”” [2005] EIPR 298

This could be seen as a response to need to protect the investment by copiers. In this form design right was born.⁷⁷

3. From investment to copyright lite

The language of investment and return permeates the creation of design right and the design documents behind it.⁷⁸ Yet the courts simply saw the right as protecting functional designs without regard to investment. The first decade seeing claims⁷⁹ relating to agricultural feeders,⁸⁰ drinking cups,⁸¹ storage boxes,⁸² ice tanks,⁸³ clothes grips,⁸⁴ electrical connectors,⁸⁵ medical devices,⁸⁶ machine tools,⁸⁷ and so on. The new right was clearly distinguished from registered designs as it did not even require differences to be discernible by the eye⁸⁸ let alone need designs to have eye appeal. Yet in the first reported case, *C & H Engineering v F Klucznik & Sons Ltd*,⁸⁹ design right became firmly linked to copyright by locking together the originality standard of the two rights. As originality might be said to be the *sine qua non*⁹⁰ of copyright this early adoption of the same test for design right (subject to the qualification of not being commonplace) meant the rationale for the existence of each right would rise and fall together. Indeed, in a little over a decade it had become widely acknowledged that design right was a “conceptual cocktail of copyright and registered designs” and that “it is plainly a right in the nature of copyright.”⁹¹

The law surrounding originality in copyright had by the late 1980s been established as protecting an author’s skill, labour and judgement.⁹² But some expressions of this test had also considered investment to be sufficient, for instance, in *Macmillan & Co. Ltd. v. Cooper*⁹³ the Privy Council said:

⁷⁷ On 1 August 1989: Copyright, Designs and Patents Act 1988 (Commencement No. 1) Order 1989 (SI 1989/816).

⁷⁸ As to the particularity of design documents see submissions in *Societa Esplosivi Industriali SPA v Ordnance Technologies Lt* [2004] EWHC 48 (Ch), [160].

⁷⁹ There were few trials so most of these cases are motions (now called applications) before trial and they should not be taken to suggest that design right actually existed in the relevant article.

⁸⁰ *C & H Engineering v F Klucznik & Sons Ltd* [1992] FSR 421.

⁸¹ *Linpac Mouldings Limited v Eagleton Direct Exports Limited* [1992] Lexis Citation 2182.

⁸² *Fellowes Manufacturing Co v Bowater Containers North East Ltd* [1994] Lexis Citation 3357

⁸³ *Baltimore Aircoil Company Inc v Evapco (UK) Ltd* [1994] Lexis Citation 3484

⁸⁴ *Volumatic Ltd v Myriad Technologies Ltd* [1995] Lexis Citation 2814

⁸⁵ *B & H Nottingham Ltd v Sicame Electrical Developments Ltd* [1994] Lexis Citation 272

⁸⁶ *Amoena (UK) Ltd v Trulife Ltd* [1995] Lexis Citation 2309 (mastectomy replacement breast).

⁸⁷ *Jade Engineering (Coventry) Ltd v Antiference Window Systems Ltd* [1996] Lexis Citation 3225

⁸⁸ *Ocular Sciences Ltd v Aspect Vision Care Ltd* [1997] RPC 289

⁸⁹ [1992] FSR 421 at 427; confirmed by the Court of Appeal in *Farmers Build Ltd v Carier Bulk Materials Handling Ltd* [1999] RPC 461 at 475; *Parker v Tidball* [1997] FSR 680 at 689, Robert Englehart QC; *Sales v Stromberg* [2005] EWHC 1624 (Ch); [2006] FSR 7, [34], Roger Wyand QC; *Magmatic Ltd v PMS International Ltd* [2013] EWHC 1925 (Pat), [2014] RPC 23, [84], Arnold J (also see *Whitby Specialist Vehicles Ltd v Yorkshire Specialist Vehicles Ltd* [2014] EWHC 4242 (Pat), [2015] FSR 5, [43]).

⁹⁰ This was a statement by the US Supreme Court in *Feist Publications, Inc. v. Rural Telephone Service Co., Inc* (1991) 499 US 340 at 345; it was cited by the Advocate General in C-310/17 *Levola Hengelo v Smilde Foods*, EU:C:2018:618, fn 15.

⁹¹ *Farmers Build Ltd v Carier Bulk Materials Handling Ltd* [1999] RPC 461 at 480

⁹² *Macmillan & Co. Ltd. v Cooper* (1924) 40 TLR 186 was such a case. So was *G.A. Cramp & Son Ltd. v. Frank Smythson Ltd* [1944] AC 329 at 334, Viscount Simon LC; similarly, in the speeches of Lord Reid and Lord Hodson in *Ladbroke (Football) Ltd. v. William Hill (Football) Ltd* [1964] 1 WLR 273 at 277 (Lord Reid) and 285 and 287 (Lord Hodson). There was a near contemporary consideration of originality in *Interlego v Tyco* [1989] AC 217.

⁹³ (1924) 40 TLR 186 at 188 (emphasis added).

“To secure copyright for this product it is necessary that labour, skill and capital should be expended sufficiently to impart to the product some quality or character which the raw material did not possess”.

And courts had likewise indicated that there was no need for “originality of thought”⁹⁴ to get copyright protection. Thus, until recently, to establish either the originality of a designs or an artistic copyright work, it was necessary to show the designer had expended sufficient skill, effort and aesthetic judgement⁹⁵ (or maybe capital); albeit there were differences between the two right when assessing the substantiality of taking of that originality.⁹⁶ So during its second decade design right became a form of copyright (or maybe it always was) with claims continuing to relate to the functional⁹⁷ but also claims relating to things where the purchasing decision was based on aesthetics rather than function,⁹⁸ such as clothing⁹⁹ and jewellery.¹⁰⁰ It was possible therefore for design right (like copyright) to be seen as protecting certain types of investment but it was not the investment championed before Parliament rather it was more akin to that recognised for intellectual property rights more generally.

3.1 Copyright and investment

The Whitford Report said copyright as necessitated by fair play¹⁰¹ whereas the Nicholson Report a few years later saw the entire intellectual property system as a way to “encourage new products and processes to reach the market and bolster the trade in ideas.”¹⁰² Thus, the view that intellectual property, including copyright and design right, protected investment started to develop. Such an instrumentalist view of intellectual property was far from new¹⁰³ but it has become the dominant “official” line both in the United Kingdom and in the European Union¹⁰⁴

⁹⁴ *LB (Plastics) Ltd. v. Swish Products Ltd* [1979] RPC 551 at 567.

⁹⁵ *Magmatic Ltd v PMS International Ltd* [2013] EWHC 1925 (Pat), [2014] RPC 23, [84]; following *Sawkins v Hyperion Records Ltd* [2005] EWCA Civ 565, [2005] 1 WLR 3281, [28]-[36].

⁹⁶ *L Woolley Jewellers Ltd v A & A Jewellery Ltd* [2002] EWCA Civ 1119, [2003] FSR 15, [15] adopting *C & H Engineering v F Klucznik & Sons Ltd* [1992] FSR 421; also compare Copyright, Designs and Patents Act 1988, ss 16 and 226; also see *Societa Esplosivi Industriali SPA v Ordnance Technologies (UK) Ltd* [2007] EWHC 2875 (Ch), [2008] RPC 12.

⁹⁷ *A Fulton Company Ltd. v Grant Barnett & Company Ltd* [2001] RPC 1, CA (foldable umbrella); *Tyco European Metal Framing Ltd v New Systems Ltd* [2001] EWCA Civ 1752 (bolt); *Ultraframe v Fielding* [2003] EWCA Civ 1805, [2003] RPC 24; *Ultraframe Ltd v Eurocell Building Plastics Ltd* [2005] EWCA Civ 761, [2005] RPC 36 (window locks); *Dyson Ltd v Qualtex (UK) Ltd* [2006] EWCA Civ 166, [2006] RPC 31 (vacuum cleaner spare parts); *Sales v Stromberg* [2005] EWHC 1624 (Ch), [2006] FSR 7 (copper coils); *Landor & Hawa International Ltd v Azure Designs Ltd* [2006] EWCA Civ 1285, [2007] FSR 9 (expandable suitcase).

⁹⁸ The Class A of designs of the Whitford Report see n ???.

⁹⁹ *Nabavi v Guild* [2002] EWCA Civ 316, [2003] FSR 3 (sweater, a cardigan and a shirt); *Lambretta v Teddy Smith* [2004] EWCA (Civ) 886, [2005] RPC 88 (clothing).

¹⁰⁰ *L Woolley Jewellers Ltd v A & A Jewellery Ltd* [2002] EWCA 1119, [2003] FSR 15; *Sales v Stromberg* [2005] EWHC 1624 (Ch), [2006] FSR 7 (jewellery used in complementary medicine).

¹⁰¹ Whitford Report, [13].

¹⁰² *Intellectual Property Rights and Innovation* (1983 Cmnd 9117), [1.8].

¹⁰³ Sheldon Halpern and Phillip Johnson, *Harmonising copyright law and dealing with dissonance: A framework for convergence of US and EU law* (Edward Elgar 2014), pp 25-30; the most extreme example of granting what would now be an intellectual property right to protect investment was the failed Booksellers’ Bill of 1774 which was couched purely in terms of protecting the investment already made in existing purchases of copyright: see Phillip Johnson, *The Booksellers’ Bill 1774: Legislating in the Eighteenth Century a view from Sir Henry Cavendish’s Parliamentary Diary* (Wiley 2022), Ch 6.

¹⁰⁴ See for example, Directive 2021/28/EU on certain permitted uses of orphan works, recital (5); Directive 2001/29/EC on copyright in the information society, recital (4); Directive 2004/48/EC on the enforcement of intellectual property rights, recitals (1), (3) and (9); also see Directive 2014/26/EU on collective management of

both having adopted a rhetoric of investment and incentive with the Gowers' Review in 2006 justifying intellectual property generally as:¹⁰⁵

“Ideas are expensive to produce but cheap to copy....Without protection, others will free ride on the creator’s initial investment and sell the invention or creation at a much lower cost. If the innovator knows that someone else can do this easily, there will be no financial incentive to innovate in the first instance.”

Five years later, the new government instituted their own review of intellectual property conducted by Ian Hargreaves and, once more, it saw designs in the same light as other rights:

*“Like copyright and patents the economic argument for design protection rests on the provision of an incentive to innovation whose social benefits exceed the associated costs.”*¹⁰⁶

As the rationale put forward by government after government for protecting copyright, patents and designs became almost entirely based around protecting investment and not rewarding creativity it becomes more difficult to see design right as attended to investment anymore than copyright or registered designs. It becomes more challenging still when, as a result of EU law, copyright moves (in a contrary direction) towards requiring creativity¹⁰⁷ and the mutually constitutive relationship meant that design right also moved from protecting investment to rewarding creativity.¹⁰⁸ These two rights overlapping was only part of the story as a complex design system had come into being protecting a range of creative efforts.

3.2 Multiplicity of rights

The designs landscape expanded and became more complicated with the harmonisation of registered designs law in 1998¹⁰⁹ and, in effect, the recreation of the Registered Design Act 1949¹¹⁰ in a European image. This was followed five years later by the Community Design Regulation introducing registered and unregistered Community design right.¹¹¹ The EU design right, like the UK rights they replaced, are to protect the appearance of products¹¹² and no

copyright and related rights and multi-territorial licensing rights in musical works for online use, recital (1); Directive (EU) 2019/790 on copyright and related rights in the Digital Single Market, recital (2), (40), (54), (58) and (60).

¹⁰⁵ *Gowers Review of Intellectual Property* (HM Treasury 2006), [1.4],

¹⁰⁶ Ian Hargreaves, *Digital opportunity: review of intellectual property and growth* (“Hargreaves Report”) (IPO 2011), [7.4].

¹⁰⁷ This began with *C-5/08 Infopaq Int'l A/S v. Danske Dagblades Forening* [2009] ECR I-6569; for a full discussion see Elenora Rosati, *Originality in EU Copyright: Full Harmonization through Case Law* (Edward Elgar 2013) (although matters have progressed further still since 2013).

¹⁰⁸ Whether the EU originality standard applies to design right is still open but it appears likely to be that adopted: see *Whitby Specialist Vehicles Ltd v Yorkshire Specialist Vehicles Ltd* [2014] EWHC 4242 (Pat), [2015] FSR 5, [43]; and more recently in *Original Beauty Technology v G4K Fashion Ltd* [2021] EWHC 294 (Ch), [89]-[90]; whereas Martin Howe et al, *Russell-Clarke and Howe on Industrial Designs* (6th Ed, Sweet and Maxwell 2016), [4-047] indicates the skill, labour and judgement test still applies; as to the term of rights being dependent on cultural value see Barbara Lauriat “Copyright for art’s sake?” [2014] EIPR 275.

¹⁰⁹ See Directive 98/71/EC on the legal protection of designs.

¹¹⁰ The Registered Designs Regulation 2001 (SI 2001/3949) replaced almost all of the substantive provisions on design law.

¹¹¹ Regulation (EC) No 6/2002 on the Community design.

¹¹² Regulation (EC) No 6/2002, art 3(a); Directive 98/71/EC, art 1(a).

protection is granted to functional elements.¹¹³ Thus, it became the case that designs could be protected in five ways: (i) designs registered under the Registered Designs Act 1949; (ii) designs registered under the Community Design Regulation; (iii) unregistered designs protected under the Community Design Regulation; (iv) design right under Part 3 of the Copyright, Designs and Patents Act 1988; and (v) copyright.¹¹⁴ The subject matter covered by the first three rights was identical: aesthetic designs could be protected for three years as unregistered designs or be registered for 25 years under either the 1949 Act or under the Regulation for wider geographical protection and a little more money. The one thing that lets design right stand out from the other four is that it is *intended* to protect functional designs.¹¹⁵

Nevertheless, there have been moves to abolish the right. The Hargreaves review concluded that design law was “unnecessary complexity”¹¹⁶ with “a multiplicity of overlapping rights”.¹¹⁷ The government’s response was to consider simplifying the design system and to ask stakeholders whether design right needed to exist alongside the unregistered Community design.¹¹⁸ This in turn led to a call for evidence asking about complexity,¹¹⁹ but also asking for evidence about investments and designs.¹²⁰ This call was followed by a consultation where the government proposed retaining the right but sought views on whether this was the right approach.¹²¹ This whole process ended with an acceptance the right should remain¹²² because the majority of respondents were in favour of its retention¹²³ and the view that requiring every design to be registered would be pointless and expensive. Critically, the rationale for continuing the right was not linked in any way to protecting investment other than by inference that otherwise functional designs would be unprotected.¹²⁴ And while the UK would be free to abolish design right in the future should some future government wish to do so, it now has international obligations to maintain supplementary unregistered design right,¹²⁵ the successor

¹¹³ Regulation (EC) No 6/2002, art 8; Directive 98/71/EC, art 7; see C-395/16 *DOCERAM GmbH v CeramTec GmbH*, EU:C:2018:172.

¹¹⁴ Now the UK has left the EU the picture is just as complicated. While there is no longer registered or unregistered Community designs there are now supplementary unregistered designs and continuing unregistered designs (both modelled on the unregistered Community design).

¹¹⁵ It also lasts longer than unregistered Community design right, which has only a three year term; albeit the exclusive rights for design right only last two years longer.

¹¹⁶ Hargreaves Report, [7.5].

¹¹⁷ Hargreaves Report, [7.4]; even though some submissions to the review attempted to push back the clock by highlighting the differences of term and suggesting it was inequitable: Hargreaves, [7.6].

¹¹⁸ *The Government Response to the Hargreaves Review of Intellectual Property and Growth* (August 2011), p 8 < https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/32448/11-1199-government-response-to-hargreaves-review.pdf>.

¹¹⁹ IPO, *Call for Evidence Designs* (2011), p 6 < https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/32560/hargreaves-designs-c4e.pdf>.

¹²⁰ IPO, *Call for Evidence Designs* (2011), p 8.

¹²¹ IPO, *Consultation on the Reform of the UK Designs Legal Framework* (July 2012), pp 8-9.

¹²² IPO, *The Consultation on the Reform of the UK Designs Legal Framework Government Response*, April 2013, [20].

¹²³ IPO, *The Consultation on the Reform of the UK Designs Legal Framework Government Response*, April 2013, [20].

¹²⁴ IPO, *The Consultation on the Reform of the UK Designs Legal Framework Government Response*, April 2013, [20]; rather its maintenance was for protecting SMEs and others who were unaware of registration.

¹²⁵ There is requirement to keep the right in numerous free trade agreements, including the EU-UK Trade and Cooperation Agreement, art IP, art 29(1); see Phillip Johnson, *Free Trade Agreements, the United Kingdom and Intellectual Property* (Edward Elgar 2021), pp ???.

to unregistered Community design right. So the complex multitude of rights protecting designs will remain. None really being dependent on establishing any form of investment.

4. The end game

Design right was born from copyright over-protecting functional articles. While it has been said to have been an “ill conceived over reaction”¹²⁶ to the problem, the right was created on a tightrope between protecting investment in designs and the restriction of competition. It may have been that describing it in terms of “investment” during its passage through Parliament was little more than a general move for policymaking to be expressed in purely economic terms. A trend which continues to this day. But design right was copyright’s little brother and as it grew up it increasingly emulated its older sister. It is used to protect functional and aesthetic article, the hidden and the visible design, and despite there now being a whole family of rights protecting designs, there is still a place for design right even if appears to protect creativity rather than investment.

¹²⁶ David Bainbridge “Why the design right is failing innovators” [1999] EIPR 423 at 425.