

Copyright, Designs and Patents Act 1988

1988 CHAPTER 48

PART IV

REGISTERED DESIGNS

Amendments of the Registered Designs Act 1949

265 Registrable designs

(1) For section 1 of the Registered Designs Act 1949 (designs registrable under that Act) substitute—

"1 Designs registrable under Act

- (1) In this Act "design" means features of shape, configuration, pattern or ornament applied to an article by any industrial process, being features which in the finished article appeal to and are judged by the eye, but does not include—
 - (a) a method or principle of construction, or
 - (b) features of shape or configuration of an article which—
 - (i) are dictated solely by the function which the article has to perform, or
 - (ii) are dependent upon the appearance of another article of which the article is intended by the author of the design to form an integral part.
- (2) A design which is new may, upon application by the person claiming to be the proprietor, be registered under this Act in respect of any article, or set of articles, specified in the application.
- (3) A design shall not be registered in respect of an article if the appearance of the article is not material, that is, if aesthetic considerations are not normally taken into account to a material extent by persons acquiring or using articles

of that description, and would not be so taken into account if the design were to be applied to the article.

- (4) A design shall not be regarded as new for the purposes of this Act if it is the same as a design—
 - (a) registered in respect of the same or any other article in pursuance of a prior application, or
 - (b) published in the United Kingdom in respect of the same or any other article before the date of the application,

or if it differs from such a design only in immaterial details or in features which are variants commonly used in the trade.

This subsection has effect subject to the provisions of sections 4, 6 and 16 of this Act.

- (5) The Secretary of State may by rules provide for excluding from registration under this Act designs for such articles of a primarily literary or artistic character as the Secretary of State thinks fit.".
- (2) The above amendment does not apply in relation to applications for registration made before the commencement of this Part; but the provisions of section 266 apply with respect to the right in certain designs registered in pursuance of such an application.

Provisions with respect to certain designs registered in pursuance of application made before commencement

- (1) Where a design is registered under the Registered Designs Act 1949 in pursuance of an application made after 12th January 1988 and before the commencement of this Part which could not have been registered under section 1 of that Act as substituted by section 265 above—
 - (a) the right in the registered design expires ten years after the commencement of this Part, if it does not expire earlier in accordance with the 1949 Act, and
 - (b) any person is, after the commencement of this Part, entitled as of right to a licence to do anything which would otherwise infringe the right in the registered design.
- (2) The terms of licence available by virtue of this section shall, in default of agreement, be settled by the registrar of an application by the person requiring the licence; and the terms so settled shall authorise the licensee to do everything which would be an infringement of the right in the registered design in the absence of a licence.
- (3) In settling the terms of a licence the registrar shall have regard to such factors as may be prescribed by the Secretary of State by order made by statutory instrument.
 - No such order shall be made unless a draft of it has been laid before and approved by a resolution of each House of Parliament.
- (4) Where the terms of a licence are settled by the registrar, the licence has effect from the date on which the application to the registrar was made.
- (5) Section 11B of the 1949 Act (undertaking to take licence of right in infringement proceedings), as inserted by section 270 below, applies where a licence is available as of right under this section, as it applies where a licence is available as of right under section 11A of that Act.

- (6) Where a licence is available as of right under this section, a person to whom a licence was granted before the commencement of this Part may apply to the registrar for an order adjusting the terms of that licence.
- (7) An appeal lies from any decision of the registrar under this section.
- (8) This section shall be construed as one with the Registered Designs Act 1949.

267 Authorship and first ownership of designs

- (1) Section 2 of the Registered Designs Act 1949 (proprietorship of designs) is amended as follows.
- (2) For subsection (1) substitute—
 - "(1) The author of a design shall be treated for the purposes of this Act as the original proprietor of the design, subject to the following provisions.
 - (1A) Where a design is created in pursuance of a commission for money or money's worth, the person commissioning the design shall be treated as the original proprietor of the design.
 - (1B) Where, in a case not falling within subsection (1A), a design is created by an employee in the course of his employment, his employer shall be treated as the original proprietor of the design.".
- (3) After subsection (2) insert—
 - "(3) In this Act the "author" of a design means the person who creates it.
 - (4) In the case of a design generated by computer in circumstance such that there is no human author, the person by whom the arrangements necessary for the creation of the design are made shall be taken to be the author.".
- (4) The amendments made by this section do not apply in relation to an application for registration made before the commencement of this Part.

268 Right given by registration of design

(1) For section 7 of the Registered Designs Act 1949 (right given by registration) substitute—

"7 Right given by registration

- (1) The registration of a design under this Act gives the registered proprietor the exclusive right—
 - (a) to make or import—
 - (i) for sale or hire, or
 - (ii) for use for the purposes of a trade or business, or
 - (b) to sell, hire or offer or expose for sale or hire,

an article in respect of which the design is registered and to which that design or a design not substantially different from it has been applied.

- (2) The right in the registered design is infringed by a person who without the licence of the registered proprietor does anything which by virtue of subsection (1) is the exclusive right of the proprietor.
- (3) The right in the registered design is also infringed by a person who without the licence of the registered proprietor makes anything for enabling any such article to be made, in the United Kingdom or elsewhere, as mentioned in subsection (1).
- (4) The right in the registered design is also infringed by a person who without the licence of the registered proprietor—
 - (a) does anything in relation to a kit that would be an infringement if done in relation to the assembled article (see subsection (1)), or
 - (b) makes anything for enabling a kit to be made or assembled, in the United Kingdom or elsewhere, if the assembled article would be such an article as is mentioned in subsection (1);

and for this purpose a "kit" means a complete or substantially complete set of components intended to be assembled into an article.

- (5) No proceedings shall be taken in respect of an infringement committed before the date on which the certificate of registration of the design under this Act is granted.
- (6) The right in a registered design is not infringed by the reproduction of a feature of the design which, by virtue of section 1(1)(b), is left out of account in determining whether the design is registrable.".
- (2) The above amendment does not apply in relation to a design registered in pursuance of an application made before the commencement of this Part.

269 Duration of right in registered design

(1) For section 8 of the Registered Designs Act 1949 (period of right) substitute—

"8 Duration of right in registered design

- (1) The right in a registered design subsists in the first instance for a period of five years from the date of the registration of the design.
- (2) The period for which the right subsists may be extended for a second, third, fourth and fifth period of five years, by applying to the registrar for an extension and paying the prescribed renewal fee.
- (3) If the first, second, third or fourth period expires without such application and payment being made, the right shall cease to have effect; and the registrar shall, in accordance with rules made by the Secretary of State, notify the proprietor of that fact.
- (4) If during the period of six months immediately following the end of that period an application for extension is made and the prescribed renewal fee and any prescribed additional fee is paid, the right shall be treated as if it had never expired, with the result that—
 - (a) anything done under or in relation to the right during that further period shall be treated as valid,

- (b) an act which would have constituted an infringement of the right if it had not expired shall be treated as an infringement, and
- (c) an act which would have constituted use of the design for the services of the Crown if the right had not expired shall be treated as such use.
- (5) Where it is shown that a registered design—
 - (a) was at the time it was registered a corresponding design in relation to an artistic work in which copyright subsists, and
 - (b) by reason of a previous use of that work would not have been registrable but for section 6(4) of this Act (registration despite certain prior applications of design),

the right in the registered design expires when the copyright in that work expires, if that is earlier than the time at which it would otherwise expire, and it may not thereafter be renewed.

(6) The above provisions have effect subject to the proviso to section 4(1) (registration of same design in respect of other articles, &c.).

8A Restoration of lapsed right in design

- (1) Where the right in a registered design has expired by reason of a failure to extend, in accordance with section 8(2) or (4), the period for which the right subsists, an application for the restoration of the right in the design may be made to the registrar within the prescribed period.
- (2) The application may be made by the person who was the registered proprietor of the design or by any other person who would have been entitled to the right in the design if it had not expired; and where the design was held by two or more persons jointly, the application may, with the leave of the registrar, be made by one or more of them without joining the others.
- (3) Notice of the application shall be published by the registrar in the prescribed manner.
- (4) If the registrar is satisfied that the proprietor took reasonable care to see that the period for which the right subsisted was extended in accordance with section 8(2) or (4), he shall, on payment of any unpaid renewal fee and any prescribed additional fee, order the restoration of the right in the design.
- (5) The order may be made subject to such conditions as the registrar thinks fit, and if the proprietor of the design does not comply with any condition the registrar may revoke the order and give such consequential directions as he thinks fit.
- (6) Rules altering the period prescribed for the purposes of subsection (1) may contain such transitional provisions and savings as appear to the Secretary of State to be necessary or expedient.

8B Effect of order for restoration of right

(1) The effect of an order under section 8A for the restoration of the right in a registered design is as follows.

- (2) Anything done under or in relation to the right during the period between expiry and restoration shall be treated as valid.
- (3) Anything done during that period which would have constituted an infringement if the right had not expired shall be treated as an infringement—
 - (a) if done at a time when it was possible for an application for extension to be made under section 8(4); or
 - (b) if it was a continuation or repetition of an earlier infringing act.
- (4) If, after it was no longer possible for such an application for extension to be made and before publication of notice of the application for restoration, a person—
 - (a) began in good faith to do an act which would have constituted an infringement of the right in the design if it had not expired, or
 - (b) made in good faith effective and serious preparations to do such an act,

he has the right to continue to do the act or, as the case may be, to do the act, notwithstanding the restoration of the right in the design; but this does not extend to granting a licence to another person to do the act.

- (5) If the act was done, or the preparations were made, in the course of a business, the person entitled to the right conferred by subsection (4) may—
 - (a) authorise the doing of that act by any partners of his for the time being in that business, and
 - (b) assign that right, or transmit it on death (or in the case of a body corporate on its dissolution), to any person who acquires that part of the business in the course of which the act was done or the preparations were made.
- (6) Where an article is disposed of to another in exercise of the rights conferred by subsection (4) or subsection (5), that other and any person claiming through him may deal with the article in the same way as if it had been disposed of by the registered proprietor of the design.
- (7) The above provisions apply in relation to the use of a registered design for the services of the Crown as they apply in relation to infringement of the right in the design.".
- (2) The above amendment does not apply in relation to the right in a design registered in pursuance of an application made before the commencement of this Part.

270 Powers exercisable for protection of the public interest

In the Registered Designs Act 1949 after section 11 insert—

"11A Powers exercisable for protection of the public interest

- (1) Where a report of the Monopolies and Mergers Commission has been laid before Parliament containing conclusions to the effect—
 - (a) on a monopoly reference, that a monopoly situation exists and facts found by the Commission operate or may be expected to operate against the public interest,

- (b) on a merger reference, that a merger situation qualifying for investigation has been created and the creation of the situation, or particular elements in or consequences of it specified in the report, operate or may be expected to operate against the public interest,
- (c) on a competition reference, that a person was engaged in an anticompetitive practice which operated or may be expected to operate against the public interest, or
- (d) on a reference under section 11 of the Competition Act 1980 (reference of public bodies and certain other persons), that a person is pursuing a course of conduct which operates against the public interest,

the appropriate Minister or Ministers may apply to the registrar to take action under this section.

- (2) Before making an application the appropriate Minister or Ministers shall publish, in such a manner as he or they think appropriate, a notice describing the nature of the proposed application and shall consider any representations which may be made within 30 days of such publication by persons whose interests appear to him or them to be affected.
- (3) If on an application under this section it appears to the registrar that the matters specified in the Commission's report as being those which in the Commission's opinion operate or operated or may be expected to operate against the public interest include—
 - (a) conditions in licences granted in respect of a registered design by its proprietor restricting the use of the design by the licensee or the right of the proprietor to grant other licences, or
 - (b) a refusal by the proprietor of a registered design to grant licences on reasonable terms,

he may by order cancel or modify any such condition or may, instead or in addition, make an entry in the register to the effect that licences in respect of the design are to be available as of right.

- (4) The terms of a licence available by virtue of this section shall, in default of agreement, be settled by the registrar on an application by the person requiring the licence; and terms so settled shall authorise the licensee to do everything which would be an infringement of the right in the registered design in the absence of a licence.
- (5) Where the terms of a licence are settled by the registrar the licence has effect from the date on which the application to him was made.
- (6) An appeal lies from any order of the registrar under this section.
- (7) In this section "the appropriate Minister or Ministers" means the Minister or Ministers to whom the report of the Monopolies and Mergers Commission was made.

11B Undertaking to take licence of right in infringement proceedings

(1) If in proceedings for infringement of the right in a registered design in respect of which a licence is available as of right under section 11A of this Act the defendant undertakes to take a licence on such terms as may be agreed or, in default of agreement, settled by the registrar under that section—

- (a) no injunction shall be granted against him, and
- (b) the amount recoverable against him by way of damages or on an account of profits shall not exceed double the amount which would have been payable by him as licensee if such a licence on those terms had been granted before the earliest infringement.
- (2) An undertaking may be given at any time before final order in the proceedings, without any admission of liability.
- (3) Nothing in this section affects the remedies available in respect of an infringement committed before licences of right were available.".

271 Crown use: compensation for loss of profit

(1) In Schedule 1 to the Registered Designs Act 1949 (Crown use), after paragraph 2 insert—

"Compensation for loss of profit

- 2A (1) Where Crown use is made of a registered design, the government department concerned shall pay—
 - (a) to the registered proprietor, or
 - (b) if there is an exclusive licence in force in respect of the design, to the exclusive licensee,

compensation for any loss resulting from his not being awarded a contract to supply the articles to which the design is applied.

- (2) Compensation is payable only to the extent that such a contract could have been fulfilled from his existing manufacturing capacity; but is payable notwithstanding the existence of circumstances rendering him ineligible for the award of such a contract.
- (3) In determining the loss, regard shall be had to the profit which would have been made on such a contract and to the extent to which any manufacturing capacity was underused.
- (4) No compensation is payable in respect of any failure to secure contracts for the supply of articles to which the design is applied otherwise than for the services of the Crown.
- (5) The amount payable under this paragraph shall, if not agreed between the registered proprietor or licensee and the government department concerned with the approval of the Treasury, be determined by the court on a reference under paragraph 3; and it is in addition to any amount payable under paragraph 1 or 2 of this Schedule.
- (6) In this paragraph—

"Crown use", in relation to a design, means the doing of anything by virtue of paragraph 1 which would otherwise be an infringement of the right in the design; and

"the government department concerned", in relation to such use, means the government department by whom or on whose authority the act was done."

- (2) In paragraph 3 of that Schedule (reference of disputes as to Crown use), for sub-paragraph (1) substitute—
 - "(1) Any dispute as to—
 - (a) the exercise by a Government department, or a person authorised by a Government department, of the powers conferred by paragraph 1 of this Schedule,
 - (b) terms for the use of a design for the services of the Crown under that paragraph,
 - (c) the right of any person to receive any part of a payment made under paragraph 1(3), or
 - (d) the right of any person to receive a payment under paragraph 2A, may be referred to the court by either party to the dispute.".
- (3) The above amendments apply in relation to any Crown use of a registered design after the commencement of this section, even if the terms for such use were settled before commencement.

272 Minor and consequential amendments

The Registered Designs Act 1949 is further amended in accordance with Schedule 3 which contains minor amendments and amendments consequential upon the provisions of this Act.