

Chapter V

Fashion Design Protection under the Designs Act 2000

5.1 Introduction

The Designs Act 2000 was enacted with the objective of protecting non-functional elements in a product that possesses aesthetic elements that are intended to be mass-produced. Non-functional elements in a product include the arrangement of shapes, patterns, decorations, or lines or colours applied to two or three-dimensional form by any industrial process or means, whether manual, mechanical or chemical, separate, or combined, which in the finished article appeal to and are judged solely by the eye.¹³⁷ The definition of a design under section 2(d) excludes ‘artistic work’ explicitly from being protected as a design. It is noteworthy to highlight that this exception was not present under the Designs Act 1911. In *S.S. Sarna Inc. & Anr. v. Talwar & Khullar Pvt. Ltd., & Anr.*,¹³⁸ the Delhi High Court opined that the legislative intent behind the Designs Act 2000 is clear that commercial exploitation of an artistic work by the owner of the copyright has to be granted protection under the Designs Act 2000 and should be made devoid of protection under the Copyright Act 1957. However, under the Copyright Act 1957 registration of the work is not mandatory, unlike the Designs Act 2000, which mandates registration as a prerequisite to claim protection.

Unlike artistic work under the Copyright Act 1957 designs cannot independently exist. Section 2(d) of the Designs Act 2000 states that a design consists of merely ornamental features and is applied to another article through an industrial process or means, whether manual, mechanical or chemical, separate or combined. However, work under the Copyright Act. 1957 loses its copyright right protection if such work is capable of being registered as a design under the Designs Act 2000

¹³⁷ The Designs Act 2000, § 2 (d).

¹³⁸ (Suit No. 1481 of 1991 decided on August 8, 1991).

once a design is put through the industrial process more than 50 times. So an inference can be drawn that there is no copyright protection in the unregistered designs under the Designs Act 2000, and they also lose copyright protection under the Copyright Act 1957 once the 51st unit is manufactured. However, the issue is it takes at least a year to obtain design protection, and the fashion life cycle changes every three months. Upon registration, the designs are protected for ten years, and additional five years of protection can be claimed. Still, this extended length of protection is not necessary as the lifespan of a fashion design is too short.

5.2 Legislative Intent behind Enacting the Designs Act 2000

Designs Bill 1999 was introduced on the floor of the Rajya Sabha, and upon the approval of the house on 20 December 1999, it moved to Lok Sabha, and they passed the Bill on 28 April 2000. There have been appraisals and criticisms of the Bill in both houses. Understanding the reasoning of the Parliament in enacting the Designs Act 2000 is very crucial at this juncture. The then Minister of State in the Ministry of Commerce and Industry, Dr Raman, introduced the Designs Bill 1999 with the intention to consolidate and amend the law relating to the protection of designs. The Designs Bill 1999 was introduced to repeal the existing Designs Act 1911, a colonial piece of legislation. There were two issues that were raised in the Rajya Sabha; firstly, about considering the Controller of Patents and Trademarks as the Controller of Designs. Many Rajya Sabha members perceived that it would overburden the Controller and would give him wide powers under all the Acts and, secondly, about the copying of designs. With computerisation and technological advancement, it was possible to renew the already existing designs and to claim a fresh registration. A few members of the Rajya Sabha criticised the Bill for increasing the punishment for the piracy of designs. Under the Designs Act 1911, piracy of designs was punished with a fine of not more than five hundred rupees. Also, there was an option for the registered proprietor to choose to bring an injunction for recovery of damages. In such a case, damages that were awarded could not go beyond thousand rupees. However, the fine amount was

increased to a maximum of fifty thousand rupees. As a clarification for the increase of fines, Dr Raman stated that computerisation and technological advancements have altered the world unimaginably, and to keep up pace with modernisation, fines have been increased as a deterrent measure.

In the Lok Sabha during the discussion of the Bill, many legislators unanimously agreed that to create designs, a person has to put in labour and effort and thus deserve to be protected. A special mention was also made of the saree designs, collar designs and ornamental designs. It is a clear indication that the parliament intended to protect the fashion industry by passing the Designs Bill 1999. Though Designs Bill 1999 never intended to cater to the specific or special needs of the fashion industry, it certainly did not ignore the fashion industry. Even in the Lok Sabha, the fines for the piracy of designs caught attention. G.M. Banatwalla, Lok Sabha member from Kerala, commented that the imposition of twenty-five thousand rupees in case of piracy of designs was a sheer mockery of getting the industrial designs registered with our authorities. On the whole, the labour and effort taken by a person to create a design should be respected and considered before fixing a penalty. He further remarked that such a petty fine would leave the designers high and dry. He observed that the Designs Bill 1999 had no provision for a designer to approach a court for an injunction and no provision for criminal sanctions. He referred to Trade-Related Aspects of Intellectual Property Rights (TRIPS) and stated that it warranted injunctions under Article 44¹³⁹ and criminal sanctions under Article 61.¹⁴⁰ The current Designs Act 2000 has enabled the registered proprietor to appear before the court not inferior to District Court to seek an injunction, but there is no provision for criminal sanction under the Act.

The Designs Act 2000 is not a tailor-made legislation to protect any industry in specific, let alone the fashion industry. A few special and peculiar features of the fashion industry itself make it difficult for the Designs Act 2000 to grant protection to fashion designs. The ever-changing and ever-evolving nature of the

¹³⁹ The Agreement on Trade-Related Aspects of Intellectual Property Rights, Fr. India, Apr. 15, 1994.

¹⁴⁰ *Id.*

fashion industry needs to be considered before granting protection to fashion designs. The Designs Act 2000 makes registration mandatory for the designs to claim copyright protection under it. However, the fashion cycle changes every three months and a fresh trend is flushed into the market. Though the Act grants copyright protection for ten years upon registration and five more years upon the renewal of registration, fashion designs are not protected adequately. Immediate short term and strict protection have to be granted to protect the fashion designs adequately. In this light, this chapter analyses if unregistered design protection, as followed by the UK and the EU, could be a possible solution for the problem at hand. This chapter considers both the EU and the UK separately with respect to unregistered designs because the UK changed its unregistered design law after Brexit. The EU laws need not be transposed as domestic legislation; it applies directly to all the member nations, effective immediately. However, as a result of Brexit, the EU laws no longer apply to the UK. Currently, in the EU, unregistered design rights are a community right, but in the UK alone, it is a national unregistered design right. The intention of this research is only to suggest measures to the already existing laws and not introduce a new mechanism to protect fashion designs in India. Consequently, the U.S. is not considered for comparison in this chapter as they grant design patents to protect the designs.

5.3 Concept of Unregistered Designs in the European Union

In 1991, the Green Paper on the Legal Protection of Industrial Design, a working document of the services of the Commission, was published.¹⁴¹ The main intention of this paper was to consider the various needs of the industries and suggest mechanisms to protect all the sectors to the best. The paper acts as preliminary research that outlines possible legislative options to protect designs in the EU. It is a commendable move to have considered the needs of various sectors of the economy before enacting a piece of legislation to protect designs. The paper has considered the fashion industry exclusively in many instances and suggested measures to protect fashion designs adequately. In the fashion industry, a designer

¹⁴¹ EUR. PARL. DOC. III/F/5131/91/EN.

would create a number of fashion designs in a season, and it would be arduous for the designer to register all the designs. So, the paper suggested that fashion designers should be allowed to test the success of their fashion design before investing in the registration process. Considering the term of protection, the paper commented that a few sectors would require a longer term of protection and a few others, a shorter term of protection, to commercialise their creation. As in the fashion industry case, the paper suggested that a shorter term of protection would be sufficient as fashion changes every season and the designs of the previous season are rendered outdated. The paper also discarded the view that the number of copies of a design should determine the term of protection; rather, it considered haute couture or high fashion to deserve to be protected under the design law, even if only one copy of the design is created. The paper took into account the suggestion made by the Max Planck Institute that two years of protection would be sufficient for the fashion industry. Discussing this matter, the paper suggested that the unregistered designs should be protected for three years as the design law would not be industry specific.¹⁴² Furthermore, the paper also focused on the subconscious infringement of design in the fashion industry. It is possible for a fashion designer to recreate a fashion design that he had seen somewhere else without any intention or consciousness of doing so. In this light, the paper clarified that subconscious copying, if proven, the designer alleged of the offence cannot claim design protection. In the fashion industry, the paper observed that it was possible for two fashion designers to arrive at a similar design independently; without substantially copying the other designer. In such cases, fashion designers should not be deprived of design protection, provided that they can prove beyond reasonable doubt that they arrived at the designs independently. The crucial and paramount reflection was that the fashion industry would generate a large number of designs each season, and so it would be back-breaking and expensive for fashion designers to register each of their designs. Thus, the paper recommended Unregistered Community Design (UCD) as a solution. To allow the industry to check the design's success before its registration and avoid multiple design

¹⁴² *Id.*

registrations, the EU introduced UCD under the Community Design Regulation (CDR).¹⁴³

The main objective of the CDR was to enable identical protection for designs across the EU and abolish any discriminatory protection among the member nations. The intention of the CDR was to promote technical innovation and investment in the innovation and, for that purpose, grant IP protection for the designs. It unambiguously clarifies that design rights can be granted to designs that have no aesthetic quality but not to designs that dictate technical function.¹⁴⁴ It acknowledged that the design law so drafted should be able to protect all the industries; those industries that require a shorter duration of protection and other industries a longer duration of protection. In view of this, the CDR grants unregistered designs for a shorter period of time and registered designs for a longer period of time. A community design right, be it registered or unregistered, cannot be granted if the design is not new or novel and does not possess individual character.¹⁴⁵ The design, whether it has an individual character, should be determined based on its overall impression on the informed user and he should be able to differentiate the design in question from the existing design corpus.¹⁴⁶ Consideration while determining individual character should be given to the nature of the product to which the design is applied, the industry sector and the degree of freedom available to the designer in developing the design. The CDR also recognises the expenditure and the complex procedure to register a design and observes that not all designers find it desirable to register all their designs. The regulation offers a twelve month grace period for the designers to check the marketability and success of their designs.¹⁴⁷ If the design is proven successful, the design can be registered within twelve months of its disclosure. Such disclosures will not prejudice the novelty and individual character of the design during registration. Furthermore, with respect to infringement, the unregistered design could be only protected against direct and conscious copying. If a design is

¹⁴³ (2001) OJ EC No L 3 of 5.1.2002.

¹⁴⁴ *Id.*

¹⁴⁵ *Id.*

¹⁴⁶ *Id.*

¹⁴⁷ *Id.*

unregistered and another designer also happens to create a similar design independently and is not a substantial copy of the design, then the unregistered design right holder cannot stop the subsequent designer from claiming protection. However, in case of infringement of registered designs, copying will be considered an infringement, even if it's done in good faith.¹⁴⁸

According to art. 3(a) of the CDR, 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. Reading this provision along with Art. 8 would mean that the features and ornamentation are protected irrespective of their aesthetic quality, but they cannot be protected if they dictate technical function.¹⁴⁹ Art. 4 provides conditions to qualify as a community design, be it a registered design or unregistered design. Unless the design is novel and has individual character, it cannot be protected. Art. 5 and Art. 6 deal with novelty and individual character, respectively. In the case of an unregistered design, it is considered novel if no identical design is made available to the public before the date for which protection is sought. To claim registered design right, a design is considered novel only if no identical design is made available to the public before the date of filing of the design registration application. Additionally, the same rule applies if the designer has claimed a priority date. A design is considered to be identical if it differs only in immaterial details. Art. 6 states that a design is deemed to have individual character if it produces a different overall impression on an informed user compared to the already available designs. While ascertaining the individual character, due importance has to be given to the degree of freedom that a designer had in developing such a design. The term of protection for an unregistered design is three years from the date of disclosure of the design to the public with the EU. It is deemed to be disclosed to the public if it has been published, exhibited, used in the trade or otherwise disclosed in the normal course of business, and such events resulted in disclosing the design to those specialised in the sector operating

¹⁴⁸ *Id.*

¹⁴⁹ *Id.*

in the EU. However, an unregistered design is not considered to be disclosed if it's made available to third parties under express or implied confidential non-disclosure agreements. With respect to registered designs, they enjoy protection for five years upon registration and can be renewed every five years for a total term of twenty-five years. An industry where the designs go outdated soon and large quantities of designs are manufactured can claim unregistered design protection. In contrast, an industry where the life of the design is sustainable over the years can claim registered design protection. According to Art. 19, an unregistered design is protected only against direct and conscious copying, whereas a registered design is protected against both good faith and bad faith copying.

The sine qua non to claim CDR is the novelty and individual character. Upon disclosure or making a design available to the public, a design loses its novelty. To provide more clarity on the circumstances that would lead to a design disclosure and when a design would lose its novelty, we need to analyse the pronouncements of the CJEU. Individual character in a design is determined by the eye of an informed user. A design is said to have individual character only if it creates a different overall impression on the informed user compared to that of the already existing designs in the domain. Confusion arises as to who should be considered an informed user and when it can be stated that a design is creating a different overall impression on the informed user. To remove subjectivity and bias, the CJEU has formulated objective tests to determine individual character.

5.4 Decoding the Conditions to Claim UCD Protection in the EU

5.4.1 Novelty

Article 5 of the CDR states that a design is deemed novel if no identical design has been published before the date of the design disclosure.¹⁵⁰ In the EU, the novelty required for a patent is relatively higher than for a design. Novelty, in the

¹⁵⁰ Parmeshwar Kumar Mahto, *Designs and Patent: A Comparative Study*, 2 INT'L J.L. MGMT. & HUMAN. 203 (2019).

case of a design, depends on the industry to which the design belongs.¹⁵¹ Two similar designs can claim UCD protection if the designers arrive at their respective designs independently without substantially copying from one another. There are a few industries where creativity is minimum and limited as a result of standardisation, technical and physical barriers. In such industries, even if two designs look similar or identical, one design will not preclude the other design from claiming UCD.

5.4.2 Immaterial differences

A design is not considered novel or new if it only differs from the existing designs in only immaterial differences. Determining what amounts to immaterial details creates complications, provided the word ‘immaterial differences’ is not defined in the CDR. The Courts have interpreted what amounts to immaterial differences over time. A combination of pre-existing designs, changing only the colours or size, is considered an immaterial difference and not new. Designs are considered identical and not novel if they merely differ in immaterial details. What amounts to material and immaterial details are to be determined by the experts. The Green Paper suggests that not only identical designs but also substantially similar designs are to be considered. In a few industries, a small difference makes a design novel. In such cases, expert opinions are considered definitive as they are capable of finding the material differences, unlike a common man who might not observe the minute details. The Green paper also suggested that in a few industries where there is standardisation and technical and physical barriers, a small difference or improvement should be considered an independent development. So, the expert opinion needs to be taken to determine if the two designs are alike or if they have material differences between them.¹⁵²

5.4.3 ‘Novelty’ - Establishing the Date of Disclosure

¹⁵¹ ECLI:EU:C:2014:75

¹⁵² Green Paper, *Supra* note at 141.

A design is novel if it has not been disclosed to the public. In this light, what amounts to disclosure to the public has to be understood. In the case of *Gebäckpresse II*, the German Court determined novelty according to the CDR.¹⁵³ The plaintiff, in this case, was a Hong Kong-based company in the business of manufacturing domestic products, including the product at issue, a specific press for bakery products. The plaintiff filed for a design of their press in China on May 8, 2002. Thereafter they entered into distribution with a UK-based company in June 2002. In 2003, the parties had some disagreements and failed to resolve it. Consequently, their agreement was terminated. Further on, the defendant started selling a press for bakery products that another company manufactured. The plaintiff alleged that the presses sold by the defendant were identical to their products and were a violation of their UCD in the EU. The plaintiff contended that according to Art. 11 (1), unregistered design rights would commence from the date on which the design is made publicly available in the Community. The plaintiff stated that they disclosed their designs in the Community in June 2002 when they sold their products to the defendant. The Court of First Instance agreed with the plaintiff, but the Hamburg Court of Appeal ruled otherwise. The Appellate Court considered the design application made by the plaintiff in China on May 8, 2002, and held that such disclosure would preclude novelty. The Appellate Court confirmed that the publication of a design outside the EU would be considered as prior art and thus destroys the novelty of the design. Aggrieved by this decision, the plaintiff appealed to the Federal Supreme Court. This Court reversed the decision of the Appellate Court and ruled that the disclosure did not meet the criteria of Art.11. Making the design known to the public outside the EU will not disrupt the novelty of a design. As the design was made publicly known to the Community in June 2002, there existed UCD from that date till three years.

In the next prominent case, the Intellectual Property Enterprise Court (IPEC) referred two questions to CJEU with respect to the case *Beverly Hills Teddy Bear Company (BHTB) v PMS International Group plc*.¹⁵⁴ There was no moot between

¹⁵³ Sarah Stapel, *Preliminary ruling to the CJEU on geographical boundaries of UCD novelty assessment*, 15(4) JIPLP, 240, 241 (2020).

¹⁵⁴ [2019] EWHC 2419 (IPEC).

the parties about the facts. Both parties agreed to the following; in October 2017, the toys were displayed at the ‘Mega Show’ in Hong Kong. The toys were again displayed for the first time in the EU at the Nuremberg Toy Fair in January 2018. Disclosing their toys at the ‘Mega Show’ was adequate enough to show that the design was known in the normal course of business to the business circles specialising in the same sector in the EU. The issue revolves around the allegation of the defendant that the plaintiff’s toys lacked novelty, as it was first disclosed in October 2017 at the Hong Kong ‘Mega Show’. According to the defendant, the disclosure of the toys at the toy fair of Nuremberg cannot be considered proof of novelty as it was already known to the business circles specialising in the same sector in the EU when it was displayed at the Hong Kong fair in 2017. The contention of the plaintiff was that the disclosure at the Hong Kong fair does not preclude novelty as the design must be made known to the public in the EU. In light of these facts, the IPEC addressed two principal questions to the CJEU for preliminary review; firstly, whether the meaning ‘made known to the public’ as used under Art. 11 (2) was confined to the territorial boundaries of the EU. Secondly, when it does amount to disclosure to the public, according to Art. 5(1) (a) read with Art. 7(1). Before CJEU could throw light on this prominent issue, the parties settled the dispute out of court; consequently, IPEC withdrew its request for the preliminary review that was pending before the CJEU. Applying the *Gebäckpresse II* decision, it might have been decided in favour of the plaintiff. They disclosed their design in the Community in 2018 when they exhibited the toys at the Nuremberg Toy Fair. The disclosure of the toys at the Hong Kong ‘Mega Fair’ will not commence the UCD in the EU.

The clash between Art.7 and Art. 11 had to be harmonised to claim UCD rights efficiently. On the one hand, Art. 7 construes public disclosure outside the EU to determine novelty and on the other hand, Art 11. stipulates that UCD shall commence from the date on which the design is publicly made available in the Community. Art. 7 has no territorial implication to determine novelty, whereas Art. 11 has the EU as a geographical limit to determine novelty. To bring consonance between Art.7 and Art. 11, the EU introduced Art. 110a(5) in the

CDR in 2022.¹⁵⁵ Accordingly, the disclosure in the Community alone will give rise to UCD. A design that has not been made public within the territory of the Community shall not enjoy protection as an unregistered Community design. But this move is criticised as it violates Art. 3(1) of TRIPS.¹⁵⁶ This paper is restricted to studying the benefits of UCD in the EU. So, further research should be undertaken to analyse if Art. 110a(5) is in violation of TRIPS.

5.4.4 Individual Character

A design is considered to have individual character if the design has created a different impression on the informed user when compared to the existing design corpus. Overall impression of the design is examined to determine if the design has an individual character. The more creative freedom in an industry, the greater should be the individual character and on the contrary, with less creative freedom, small differences are adequate to show that the design has individual character. Individual differences are ascertained from the lens of an informed user. An informed user is interpreted as a person who often uses the product incorporating the design. If a layman is considered an informed user, a design with minor differences also might get protection, or if a person skilled in the art is considered an informed user, then very few designs might meet criteria. To balance the extremes, the EU has considered ‘an informed user’ as the person to determine individual differences.¹⁵⁷

Designs deserve their value because of their individual character, that is, the material differences between the design in question and the existing design corpus. Initially, during the drafting state of the regulation, the designs that could produce the overall impression that differed significantly on the informed user were deemed to have individual character. Upon submission from the Economic and Social Committee, the word ‘significantly’ was removed. This move is

¹⁵⁵ Annette Kur, *Finally back to TRIPS-compliance? EU design law and the criterion of publication ‘within EU territory’*, 18 (1) *JIPPL*. 11, 13 (2023).

¹⁵⁶ *Id.*

¹⁵⁷ *Id.*

significant because the textile industry lobbied to remove the word ‘significantly’. In the textile industry, designers are inspired by the already existing designs and culture. Thus, if a design has to have a significant overall impression on the informed user, the bar to prove individual character, that is, the design is entirely different from the already existing designs, would be very high. But as a result of the removal of the word ‘significantly’, the threshold for individual character was lowered. Fashion designers who draw inspiration from existing designs or the culture can prove individual character without much effort.

The test to determine individual character is the overall impression on the informed user. To prove a design's individual character, there must be some extent of separation of the design from the existing designs. There should be an appreciable difference between the design in question and the existing design corpus. A design is said to have individual character if it is different from the already existing designs, and secondly, it has a different overall impression on the informed user. However, whether the design is different is determined by the overall impression a design has on the informed user. The Courts in the EU have clarified who can be an informed user and when an overall impression would be considered different. To understand the concepts, the research considered the cases pertaining to both registered and unregistered design because the criteria for protection are novelty and individual character for Registered Community Design (RCD) and UCD.

5.4.5 Cases pertaining to Individual Character and Informed User

In *Senz Technologies BV v. OHIM, Impliva B*, the Court was asked to rule on the individual character of a design. Impliva filed for invalidity of designs before the Invalidity Division of the Office for Harmonization in the Internal Market (OHIM) on the ground that the umbrella designs of Senz Technologies were devoid of individual character under Art. 6 (1) of the CDR. OHIM and the Board of Appeal ruled that the designs were novel according to Art. 5 (1) but had no

individual character, so the designs were invalidated.¹⁵⁸ They reasoned that the design was granted a patent in the U.S. and that it became prior art and a part of the already existing design corpus. A design is said to have individual character if it has a different overall impression on an informed user. An informed user would compare the design in question with already existing designs to analyse if the design in question has a different overall impression on him. If the answer is positive, then the design is said to have individual character. According to the Board of Appeal, the informed user would pay attention to the structure of the umbrella and not to its minute details. So, it ruled that the designs of the parties created the same overall impression on the informed user. The patent and the design had the same bear-shaped umbrella top and had an asymmetrical shape, amongst other similarities. Aggrieved by this invalidation of their registered designs, Senz Technologies appealed to the General Court on two grounds; firstly, the circles specialised in the sector might not know the US patent for the purposes of Article 7(1), and secondly, the patent and their design created an overall different impression on the informed user. On the first ground, the Court ruled against Senz Technologies, reasoning that a patent registration would certainly mean that there was some prior art disclosed within the specialised circles of the umbrella manufacturers in the EU, as needed under Art. 7 (1) of the CDR. The informed designer in the field of umbrella-making would know and check patent registries, and thus the umbrella makers must have known about the patent. As a result, the umbrella design is devoid of individual character.¹⁵⁹ With respect to the second ground of appeal, the Court ruled in favour of Senz technologies by holding that the umbrella created a different overall impression on the informed. Before reaching this conclusion, the Court examined the design as viewed from overhead and held that there were improvements and dissimilarities between the patent and the umbrella design. Rejecting the Board of Appeal's decision that the patent and the umbrella design had similarities, the Court held that the Board of Appeal relied on the informed user's perception from underneath the umbrella while using it. When a product is used, chances are that it might be devoid of its

¹⁵⁸ EU: EU:T:2015:310.

¹⁵⁹ Feyzan Hayal Sehirali Celik, *The Role of the Material, Color and Pattern Changes in the Assessment of Individual Character of Designs*, 28 BANKA HUK. Dergisi 5, 15 (2012).

distinctiveness from the user's perspective. The Court further suggested that the authorities should consider the informed user's perspective on the look and appearance of the design and not on its usage.

The Court, in a landmark case *PepsiCo Inc v. Grupo Promer Mon Graphic SA*¹⁶⁰, discussed, in length, who could be considered as an informed observer for the purpose of Art. 6. The case was with respect to the registration of Pog Discs. PepsiCo filed for RCD rights, but Grupo Promer contested and opposed the registration on the ground that Pog Discs were not novel and lacked individual character. The invalidity division of the OHIM sided with Grupo Promer and granted a declaration to the effect of invalidation. An appeal was filed by PepsiCo before the Board of Appeal, which overturned the decision of the OHIM and held that Grupo Promer's design and PepsiCo's designs did not conflict with each other. The Board also considered the degree of freedom that a designer would enjoy in developing a design, as required under Art. 6 (2). Accordingly, the Board of Appeal held that the designers' freedom in the Pog Discs sector was restricted, and as a consequence, minute differences also could create a different overall impression on the informed user. Annuling the decision of the Board of Appeal, the General Court after considering the similarities and the differences between the designs in question and the degree of freedom that a designer would enjoy while creating the design, held that the subtle differences were not able to create a different overall impression on the informed user. An appeal was filed before the CJEU.

The CJEU first determined who should be considered an 'informed user'. In the case of patents, the expert would be a 'person having ordinary skill in the art' (PHOSITA) and in trademarks, the opinion of the 'average consumer' is considered. However, these two are on extremes; patent law focuses on experts, and trademark law accepts the observations of the average consumer. The CJEU found a mid-path for CDR and held that an informed user is a person who is not a technical expert and not merely an average consumer, but rather a person who is

¹⁶⁰ ECLI:EU:C:2011:679.

likely to have an interest in the designs in question and is likely to have sufficient knowledge of the relevant market. In this case, informed users would be children between the ages of five and ten years or marketing managers of those companies who distributed Pog Discs. With respect to the decision, CJEU refrained from commenting anything on the facts unless the appellant had shown clearly that the evidence had been distorted. An informed user is a person who appreciates and has personal experience and expertise in the designs in question.

In *Dyson Ltd v. Vax Ltd*¹⁶¹, the Court had an opportunity to discuss the amount of freedom that a designer had while creating a design. Dyson Ltd had filed for a design application in the UK in 1994 under their old design law. They contended that Vax Ltd infringed their registered design. Neither of the parties disputed the facts. Considering the similarities and differences, the UK High Court held that the overall impression created by both designs on the informed user differed; thus, both designs had individual character. On an appeal, the Court of Appeals overturned this decision and held that while determining individual character in a design, due consideration has to be given to the freedom enjoyed by the designer while creating a design. In certain industries with standardisation policies and physical and technical barriers, freedom available to a designer is less. In such an industry, a few improvements and little differences should be considered as an independent development as long as it has a different overall impression on the informed user. The Appellate Court, after considering the opinions of the informed users, held that the overall impression produced by the registered design of Dyson Ltd on the informed user was smooth, curving and elegant. In contrast, the overall impression produced by the design of Vax Ltd on the informed user was rugged, angular and industrial, even somewhat brutal. With this extent of the different overall impression of the informed user, the Appellate Court dismissed the case.

¹⁶¹ [2011] EWCA Civ 1206.

5.4.6 Application of Individual Character and Informed Users to the Fashion Industry

Patent Law considers expert opinion and trademark law considers the overall impression of the average consumer. For the purposes of design law, a mid-path has been chosen. For the purpose of design law, the overall impression produced by the design on the informed user has to be different from the rest of the designs. An informed user is a person who is neither expert nor just any other average consumer. An informed user is someone who knows about the designs in that relevant market. He should not be a person of average attention but a particularly observant person, either because of his own personal experiences or because he has extensive knowledge of that sector¹⁶². In *J Choo (Jersey) Limited v. Towerstone Limited & Others*, the Court was called upon to determine informed users in the fashion industry. The design in question was a handbag, and according to the Court of Appeal, the informed users of handbags would be a person who is knowledgeable in the handbag designs and not a woman on the streets or the handbag designers themselves.¹⁶³

In *Karen Millen Fashions Ltd v. Dunnes Stores*¹⁶⁴, the plaintiff designed striped shirts in blue and brown that were put on the market for sale in Ireland. As the designs were available in the market, the defendants made copies of the same and sold them in the market. The case went through multiple appeals and was finally dealt with by the CJEU, which applied an overall impression test from an informed user's perspective to determine design infringement. If the informed user finds that the overall impression of the defendant's design is similar to that of the plaintiff's design, there is deemed infringement. The courts held that the plaintiff's design has individual character as the overall impression the design has on the informed user differs from that of other existing designs. The CJEU stated that the design should be considered in its entirety. Protection cannot be curtailed because each feature of the design already exists. The overall impression of the

¹⁶² PepsiCo, *supra* note 160.

¹⁶³ [2008] EWHC 346.

¹⁶⁴ [2014] IESC 23.

informed should be drawn from the earlier designs in their entirety and not by a combination of features considered in isolation. In other words, the overall impression should result from the entire design and not the individual features of the design. Such a decision is beneficial, especially to the fashion industry. Fashion designers usually draw inspiration from already existing designs.¹⁶⁵ A fashion design could be, to some extent, a combination of features of already existing designs. With a decision like this, fashion designers can be assured that their designs will be protected as long as they are novel combinations of existing features.¹⁶⁶ Fashion designers have to show the design has an individual character based on the whole of the design.

Individual character is determined by the overall impression that a design has on the informed users. While determining individual character, due regard has to be given to the freedom that the designer has while creating a design, as required by Art. 6 (1) of CDR. In the case between *H&M and Yves Saint Laurent (YSL)*, the Court had to decide if the handbag of YSL was devoid of individual character. The analysis of the overall impression of the informed users should be considered in light of the freedom available to the designer in that field. This case clarified the test to determine individual character in four steps. Firstly, the relevant sector to which the products in which the design is incorporated have to be identified. Secondly, informed users are to be recognised. As stated earlier, an informed user is a person who has knowledge about the prior designs. The third step is determining the freedom a designer enjoys in that field while creating the design. Lastly, in light of the three stages, similarities and differences should be considered.¹⁶⁷

To conclude, UCD is viable for the fashion industry as the fashion industry is fluid and volatile. Fashion designers cannot know the success of their fashion designs

¹⁶⁵ Richard Hing & Leighton Cassidy, *Karen Millen Fashions Ltd v. Dunnes Stores, Dunnes Stores (Limerick) Ltd: Clarifying the Assessment of Individual Character in EU Designs*, 105 TRADEMARK REP. 1446 (2015).

¹⁶⁶ Maria Mercedes, *Fashion designs and brands: The role of the informed user and the average consumer*, 23 J. World Intellect. Prop, 815, 820 (2020).

¹⁶⁷ ECLI:EU: T:2015:617.

until the consumers receive them well. For a UCD, the protection begins from the date of its disclosure. Fashion designers can claim UCD design protection for three years from the date of its disclosure, often sufficient for the fashion industry.¹⁶⁸ Fashion designers can test the success of their design in the 12-month grace period and decide whether to register or not. The UCD grants protection against copying, but such protection is adequate for the fashion industry. For a few industries, including the fashion industry, protection is required from the date of the disclosure without having to register the design, which is time-consuming. Rather than the lengthy and broader scope of protection that a registered design offers, shorter protection and the absence of a time-consuming registration process helps to protect fashion designs under UCD.¹⁶⁹ Since fashion is ever-changing with trends, UCD is a workable solution.

5.5 Unregistered Design Protection in the UK

In the UK, unregistered design rights are granted only to three-dimensional designs. It protects designs in their entirety, both internal and external shapes. The shape and configuration of a three-dimensional design are protected for ten years after it was first sold or fifteen years after it was created, whichever ends first. In this type of design, a designer mandatorily grants licences in the last five years, and this is termed a ‘licence of right’. In an infringement suit of an unregistered design, the proprietor must prove that he is the owner of the design and that deliberate duplication has occurred. It infringes unregistered design only when the design is copied exactly.¹⁷⁰ However, it cannot be considered an infringement if the defendant has arrived at the design independently. The UK grants unregistered design rights protection only to the original designs that are a non-commonplace, not common in that particular field. Unlike the EU, which prescribes novelty as a criterion, the UK considers originality and non-commonplace as the criteria to

¹⁶⁸ Maria Mercedes, *supra* note 166 at 825.

¹⁶⁹ Francesca Montalvo Witzburg, *Protecting Fashion: A Comparative Analysis of Fashion Design Protection in the United States and the European Union*, TRADEMARK REP, 107 (6), 1132-1148 (2017).

¹⁷⁰ Pedro Malaquias, *Consumer 3D Printing: Is the UK Copyright and Design Law Framework Fit for Purpose?*, 6 QUEEN MARY J. INTELL. PROP. 321 (2016).

grant protection to unregistered designs. However, the UK considers novelty and individual character like the EU for registered designs. After Brexit, the UK is recognising the UCDs granted before 2021 and also granting design protection to both unregistered and registered designs. Brexit has changed the UK's design protection laws, but the impact of Brexit on the UK design laws is outside the scope of this research.¹⁷¹ Further research can be conducted to analyse the extent of Brexit's impact on the UK's design law.

5.5.1 Conditions to claim unregistered design protection in the UK

An unregistered design to claim protection should be original and fulfil the condition of non-commonplace. Originality and the non-commonplace have not been defined under the CDPA. Through the precedents, an inference can be drawn that the originality requirement for designs is the same as originality for copyright. Originality, though not defined, does not create complications, but the word 'non-common place' has created multifold problems. Precedents with respect to originality and non-commonplace will be discussed to understand how the courts interpret the terms. For this purpose, the researcher has considered either landmark cases or cases pertaining to the fashion industry.

5.5.2 Originality - the sine qua non for unregistered designs

The UK follows the doctrine of the sweat of brow to determine originality. Under the doctrine of the sweat of the brow, a work is considered original if it is not a substantial copy of other work and is a result of the independent labour of the author who has put in skill, judgement and labour. Originality, as interpreted for the purposes of copyright law, applies to design law. The Court of Chancery Division, United Kingdom, in *University of London Press v. University Tutorial Press*, held that a work is considered original for copyright law if the work is not a

¹⁷¹The Good, the bad and the Ugly of Brexit for Intellectual Property Law in Fashion, The Fashion Law Seminar, The Federal Bar Association, Dec. 20, 2016, <https://www.hgf.com/wp-content/uploads/2021/05/The-Good-the-Bad-and-the-Ugly-of-Brexit-for-Intellectual-Property-Law-in-Fashion-%E2%80%94-The-Fashion-Law.pdf>

substantial copy of other work and the author has arrived at the work independently. As long as the design is not a substantial copy of the pre-existing designs and is an independent work of the designer, it is deemed original. The Court in *C & H Engineering v. F Klucznik & Sons Ltd*¹⁷² ruled that the word ‘original’ as required under section 213 (1) of the CDPA 1988 has the same meaning as interpreted for the purposes of copyright law. To claim unregistered design protection, a design needs only to be original and not necessarily novel. A design is not original if only indistinguishable changes are made. The changes made should be material and substantial to claim protection as an unregistered design.¹⁷³ Trivial changes to a design will not render the design original.¹⁷⁴ Originality alone will not qualify a design for unregistered design protection, but it should also fulfil the criteria of non-commonplace. The originality criteria for designs are rather settled compared to non-commonplace.

5.5.3 Non-common place of the unregistered design

A design is considered not original if it is a commonplace in the design field at the time of its creation¹⁷⁵. A design will not be regarded as commonplace because there is a disclosure of similar or identical designs in the trade magazines.¹⁷⁶ Instead, a design that is trivial or common and would not grab the attention of those interested in the relevant art is likely to be considered commonplace.¹⁷⁷ The court in *Farmers Build Ltd v. Carrier Bulk Materials Ltd*¹⁷⁸, to determine whether a design is commonplace, due consideration has to be given to the extent of substantial similarity to the preexisting independent designs in the same field. It is left to the Court to ascertain whether a design is likely to be commonplace, and the test of comparing the design at hand to the existing designs should be done objectively by the courts. When a visual comparison of two designs is made, a

¹⁷² [1992] FSR 421.

¹⁷³ *Interlego AG v Tyco Industries* [1989] AC 217.

¹⁷⁴ *Ocular Sciences Ltd v Aspect Vision Care Ltd* [1997] RPC 289.

¹⁷⁵ *Id.*

¹⁷⁶ [1999] 22(5) IPD 22051.

¹⁷⁷ *Belinda Gray, Ocular Sciences Ltd v Aspect Vision Care Ltd; Geoffrey Harrison Galley v Ocular Sciences Ltd*, 23(1), *MelbULawRw*, 241 (1999).

¹⁷⁸ [1999] RPC 461.

design will likely be considered commonplace if it creates a similar overall impression. Comparison has to be done objectively by those who are in the relevant art, including the experts' opinions. If such comparison results in the plaintiff's design being similar only to the defendant's design, then the design is considered not to be commonplace. The word 'non-commonplace' is undefined under the CDPA Act 1988, but it's interpreted as equal to non-obviousness for patents.¹⁷⁹ To understand the interpretation of the words 'originality' and 'non-commonplace', we have to turn to precedents.

The first case to discuss 'non-common place' at the Court of Appeal and to extend unregistered design protection to purely functional designs is *Farmer Build Ltd v. Carier Bulk Materials Handling Ltd & Ors*¹⁸⁰. The design at issue was a rotary screen slurry separator. Plaintiff manufactured it under the name 'Target' and the defendant under the name 'Rotoscreen'. The plaintiff alleged that the defendant infringed their design 'Target' by manufacturing and selling 'Rotoscreen', which was similar to their design 'Target'. The case, in length, deliberates on when a design should be considered original and non-commonplace. The Court stated that the design is original if it's not copied from already existing designs. A design fulfils the criteria of non-commonplace if it is not similar or different from already existing independent designs in the relevant field. The relevant field should not be construed very broadly or too narrowly. If it's constructed too broadly, the sample size for comparison would be many designs, and if it's constructed too narrowly, most of the designs would fulfil the criteria. So, it's imperative to identify the relevant market correctly. The Court, in this case, considered slurry separators as a relevant field. Determination of whether a design is commonplace or not should be done through 'objective assessment'. The Court stated that a mere combination of already existing designs would not necessarily mean that the design is commonplace, as long as such combination is non-commonplace. For the purpose of determining commonplace, a design as a whole should be considered and not in

¹⁷⁹ C & H Engineering, *supra* note 172.

¹⁸⁰ [1998] EWCA Civ 1900.

its parts. Thus, non-commonplace is far from novelty as required by the patent law.

The word 'non-commonplace' would only imply that the design is not merely a copy and is different from existing designs. Firstly, the design in question should be compared with already existing designs in the same field. Secondly, if the design is different from all the existing designs, then the design can be considered non-commonplace. If it is certain that the design is slavishly a copy of already existing designs, then the design is neither original nor non-commonplace. In Court in *Ocular Sciences v. Aspect Vision Care* held that any design which is trite, trivial, common-or-garden, hackneyed of the type is likely to be commonplace as it would not attract the particular attention of those in the relevant field. A combination of features or shapes in a design might already be available in the public domain, but that will not make the design itself commonplace. The designer judiciously selects and combines a number of designs that are there in the public domain. Designs will be protected as long as such a combination is not commonplace.¹⁸¹

5.5.4 Application of Originality and Non-Commonplace to the Fashion Industry

In *Jo-Y-Jo Limited v. Matalan Retail*¹⁸², the Court held that the embroidery of flowers on the vest was a surface decoration. The surface decoration is expressly excluded under CDPA 1988. In *Lambretta Clothing Co v. Teddy Smith*¹⁸³, the Court held that the track tops designed based on the colours of the Union Flag were held to be commonplace. Blue was used for the body, red for the arms and white for the zip. The Court stated these colours already existed, and the intention of the Parliament was to grant protection for the shape and configuration of a design rather than colouration. The track top's shape was also considered commonplace as it was copied from existing designs. The logos printed on the

¹⁸¹ *Ocular Sciences*, *supra* note 174.

¹⁸² [2000] E.C.D.R. 178.

¹⁸³ [2004] EWCA Civ 886.

track tops were considered surface decoration and thus excluded from the design protection. The Court stated that the colours in the track tops could not exist apart from the shape of the garment. The surface decoration, a combination of tri-colours, could not exist apart from the shape of the track tops. So, the Court decided that the track tops do not qualify for unregistered design protection. However, in *Guild v. Eskandar Ltd*¹⁸⁴, the Court pronounced that garments could claim unregistered protection as long as it is original if sufficient independent skill and labour were applied to an already existing design to modify it completely. It will be eligible to be called 'original'. Like in copyright law, even in design law, the skill and labour that must be applied to create a design are not high. An objective test has to be conducted to examine if a design is non-commonplace. Non-commonplace design can be proved by comparing the designs to already existing designs. Such comparison must be done by those in the relevant field but should have no connection with the parties.

The judgement in *Guild v. Eskandar Ltd*¹⁸⁵ has benefited the fashion industry. Fashion designers who draw inspiration from already existing designs are not hit by non-commonplace arguments. If the fashion designer has applied skill and labour to modify the existing design, his designs will qualify for unregistered design protection. However, there are specific sectors or industries where creative freedom is lesser compared to other industries. For such industries, like in the EU, the court should also consider the creative freedom available to the designer. In case a design is purely functional, then the creative freedom available to the designer is less, and if a design is ornamental or decorative, then the creative freedom available to the designs is more. If a fashion design is both functional and decorative, due importance has to be given to the creative freedom available to the fashion designer. If the court had considered the creative freedom available to the designer in *Lambretta Clothing Co v. Teddy Smith*¹⁸⁶, maybe the decision would have been different. The Union Flag could be represented only in those tricolours. The creative freedom available to the designer who is making a track top using

¹⁸⁴ [2001] f.s.r. 38.

¹⁸⁵ *Id.*

¹⁸⁶ *Lambretta*, *supra* note at 183.

those tricolours is substantially less. So, the creative freedom available to the designer while creating a design should also be given equal importance.

5.5.5 Comparison of unregistered design protection between the UK and EU

The UK and the EU protect both registered and unregistered designs. The intention of granting unregistered designs is to protect those industries that require immediate and lesser-term protection. The fashion industry creates numerous designs every year, but the designers would not know if their designs would be successful unless sold to the consumers. Unregistered design right commences upon disclosure of their design, provided it fulfils the further criteria as required by the law. As long as the UK was part of the EU, the criteria to claim UCD was a novelty and individual character. However, after Brexit, the criteria to claim unregistered design protection in the UK are originality and non-commonplace.

Table 1 - Table comparing the UK and the EU unregistered design rights

Points of difference	Unregistered designs in the UK	Unregistered designs in the EU
Name of the right	Unregistered Design Right	Unregistered Community Design
Governing legislation	Copyright, Designs and Patents Act 1988	Council Regulation (EC) No 6/2002 & Commission Regulation(EC) No 2245/2002
Type of design	Three-dimensional designs	Both two-dimensional and three-dimensional
Sine qua non for protection	The designs should be original	The designs must be novel or new

Conditions	Original Non-commonplace of the design	Novelty and individual character
Extent of protection	Shape and configuration of products; both externally and internally Functional designs are protected	Protected in its entirety, including its lines, contours, colours, materials, texture and shape. Designs that are functional are not protected.
Term of protection	15 years from the design was first recorded in a design document or an article was first made to the design. 10 years if the design is placed in the market in the first five years of its creation.	Three years from the date of public disclosure
Acts amounting to infringement	Only copying will be considered as infringement	Only copying will be considered infringement
Proof in the case of Infringement	Creation and ownership over the design Deliberate duplication	Creation and ownership over the design Deliberate duplication

Limitations placed	Licences of Right must be given to anybody who seeks a licence of an unregistered design in the last 5 years of protection	Absence of such provision
Others	An unregistered design cannot later become registered design	An unregistered design can be registered within 12 months of its first disclosure.

The purpose of understanding the unregistered design law in both the EU and the UK is to analyse which legal regime offers better protection to fashion designs. India, under the Designs Act 2000 follows a hybrid model of both UK and EU laws with reference to provisions relating conditions to be fulfilled for a design to be registered.

5.6 Observations

It is commendable that the EU considered several industries before enacting the regulation. It perceived the need of those industries where numerous creations are made and would require immediate protection upon disclosure. It is equally appreciated that the UK is continuing to grant unregistered design protection even after Brexit. However, both regimes have certain drawbacks regarding unregistered design protection granted to the fashion industry. The EU requires a design to be novel. So, it is difficult for designers to prove that their fashion designs are new or novel. With respect to the second criterion, individual character, the EU considers the creative freedom available to the designer in the relevant field while creating the design. Fashion designers usually enjoy high-level creative freedom, but when the creative freedom is curtailed for any reason, they can always prove the same before the court and prove their design has individual character. The grace period of twelve months granted in the EU to

register the designs upon disclosure is beneficial, especially to the fashion industry. Fashion designers are unaware of the success of their fashion designs unless they are sold in the market. Upon disclosure of their fashion design, they have twelve months to apply for registration. In the UK originality and non-commonplace are the criteria to claim unregistered design rights. Fashion designers who modify the existing designs by investing labour and creativity can prove originality in the UK but would fail to prove novelty, as required by the EU to claim unregistered design rights. So, having originality as the criterion is favourable to the fashion industry. However there are two drawbacks in the UK, firstly, there is no grace period available like in the EU and, secondly, unregistered design protection is granted only to three-dimensional designs and not to two-dimensional designs and surface decoration.

In India, designs are protected under the Designs Act 2000. According to section 4, the criteria to claim copyright over design is; firstly the design either has to be novel or original, secondly, has not been disclosed anywhere in India or in any other country, thirdly, is significantly distinguishable from the already existing designs and fourthly, does not contain scandalous or obscene material.¹⁸⁷ It is advantageous for the fashion industry that a design can be either novel or original. Those fashion designs that are expressed differently but not entirely new or novel can claim protection because of 'originality'. The second and fourth criteria can be fulfilled by fashion designers without any problem. The third criterion, 'significantly distinguishable from already existing designs', is problematic for the fashion designs to fulfil. The EU draft regulation stated the design should have a significant overall impression on the informed user to prove that the design had individual character. Fashion designs that are created by drawing inspiration from already existing designs might not be significantly distinguishable from already existing designs. So, the textile industry in the EU lobbied to have the word 'significantly' omitted from the regulation. A fashion design might differ from already existing designs, but not differ significantly from already existing designs. There should be an amendment to remove the word 'significantly', or the Indian

¹⁸⁷ The Designs Act 2000, § 4.

Courts should interpret the word ‘significantly’ by considering the relevant field to which the design belongs or by considering the freedom available to the designer in the relevant field.

The lifecycle of a fashion design would often be weeks or months. They need to be protected upon disclosure. The Designs Act 2000 mandates registration to claim copyright for the designs. Registration would require a year on average, but fashion is ever-evolving and changes in weeks. Ritu Kumar, a well known Indian fashion designer also stated in an interview that design registration is a time-consuming and expensive process.¹⁸⁸ A registered design is protected for ten years upon registration which can be extended to another five years upon renewal. Protection for this longer tenure is not required in the case of fashion designs. Fashion designs get copied very rapidly and circulated quickly. Immediate short-term protection is sufficient for fashion designs. If India can implement unregistered design protection for a lesser term, it would help the fashion industry grow immensely. The Designs Act 2000 could consider granting unregistered designs for a lesser tenure.

¹⁸⁸ Sunaina Kumar, It’s fake... again, The Times of India, Feb. 02, 2006, <https://timesofindia.indiatimes.com/delhi-times/its-a-fake-again/articleshow/1397255.cms>