

Question Q231

National Group: The Netherlands

Title: The interplay between design and copyright protection for Industrial products

Contributors: Ricardo DIJKSTRA, Willem HOORNEMAN, Alexander ODLE, Laurens KAMP, Francis VAN VELSEN, Rogier DE VREY, Ton VAN DER PLOEG, Sjo Anne HOOGCARSPEL, Moïra TRUIJENS, Eliëtte VAAL, Arnout GROEN (Chair)

Reporter within Working Committee: [TBD]

Date: 15 May 2012

Questions

I. Analysis of current law and case law

The Groups are invited to answer the following questions under their national laws:

Cumulative Protection

- 1) Can the same industrial product be protected by both a design right and a copyright? In other words, is the cumulative protection of the same industrial product by copyright and design law allowed in your country?

Yes, the cumulative protection of the same industrial product by both design rights and copyright is possible.

Article 2(7) RBC

- 2) In your country, has copyright protection for applied art ever been refused for a work with a foreign country of origin pursuant Article 2 (7) RBC?

Yes, in several Dutch court decisions copyright protection for applied art has been refused for a work with a foreign country of origin pursuant Article 2(7) RBC.

This has, for example, been the case for flashlights in decisions of the Amsterdam Court of Appeal in *Mag Instrument vs Buzaglo* of 13 september 2001 (*BIE 2002/80*) and *Mag Instrument vs Edco c.s.* (*LJN BK8821, Jure.nl*), and by the same courts for certain party games in *Impag vs Milton Bradley* (Pres. Amsterdam Court, 23 October 1997 (*Informatierecht/AMI,1998,p.49*) and in appeal 21 January 2009, *IER 1999, nr 21, p.129*).

Both matters were brought before the Supreme Court, allowing for an explanation on the meaning of the reciprocity rule in Article 2(7) RBC and on how it should be interpreted.

In *Impag vs Hasbro*, the Supreme Court decided that if a work is only protected in the country of origin under design law, Article 2(7) RBC stands in the way of a claim for copyright protection in another Convention country, in this case The Netherlands. However, the Supreme court continued to rule that this does not discharge a court from investigating whether the work in question also enjoys copyright protection in the country of origin next to protection under design law (29 June 2001, *IER2001/41*).

In *Mag Instrument vs Edco c.s.*, The Supreme Court decided that for the application of Article 2 (7) RBC a judge will have to consider all factors that determine in the country of origin whether and if so, to what extent the party claiming copyright protection in The Netherlands of a work in question as a work of art, enjoys such protection in the country of origin. Among these factors are not only any general or categorical exclusions or thresholds for the protection of works of applied art, but also the specific factors associated with the concrete work that could stand in the way of copyright protection in the country of origin. The burden of proof firstly lies with the party claiming copyright protection (Supreme Court, 28 October 2011, *LJN: BR3059*).

The European Court of Justice (ECJ) has decided in the *Phil Collins and EMI Electrola* decisions of 20 October 1993 (*Cases C-92/92 and C-326/92*), that within the European Union Article 2(7) RBC conflicts with non-discrimination rule of the EEC treaty and thus cannot be invoked in cases where the foreign country of origin is located in the European Economic Area. This has been confirmed by the District Court of Den Bosch in a decision of 11 March 1994 concerning design chairs originating in Italy and sold in The Netherlands (*Giorgetti vs Cantu, IER 1994, nr.15*).

Registration/Examination

- 3) In order to enjoy design right protection for industrial products, is registration of a design necessary? In order for the design to be registered, is a substantial examination necessary?

Registration of a design with the Benelux Office for Intellectual Property (BOIP) is required to enjoy design right protection for industrial products in the Benelux (by virtue of a Benelux design right) – for a maximum of 25 years.

In addition to this, a design is protected as an unregistered design right under the conditions of the Community Design Right Regulation (which Regulation is not further discussed here).

The administrative procedure for registering a Benelux design is very straightforward and easily accessible. The BOIP only checks whether the formalities have been complied with and whether the design does not contravene public policy and accepted principles of morality. These formalities include the requirement of a clear representation of the design, a description of the product, a reference to the name of the applicant and whether the required fees have been paid. In practice these requirements are nearly always fulfilled.

The BOIP does not carry out any substantive assessment. It does not investigate whether the application fulfils the requirements of novelty and individual character or the other requirements for validity of a Benelux design.

The registration of a Benelux design may be of influence to the ownership of the related copyright. Under Benelux design law, the owner of a Benelux design is vis-à-vis third parties (not including the original designer) presumed to be copyright owner. An applicant for a Benelux design registration may therefore be rewarded with copyright ownership as well.

Assignment of a copyright will automatically lead to assignment of the related Benelux design. However, this *ipso jure* assignment of the Benelux design will only have effect vis-à-vis third parties after registration with the BOIP. Vice versa, assignment of a Benelux design will automatically lead to assignment of the related copyright.

Requirements

- 4) What are the requirements to obtain industrial design protection or copyright protection, respectively, for industrial products in each country? What are the differences between these requirements?

Copyright:

The Dutch Copyright Act (DCA) only protects original expressions. The test for originality as applied in case law is whether the work reflects an original expression and bears the personal imprint of the author. The Supreme Court held in the *Endstra*-case (30 May 2008, *IER 2008/58*, §4.5.1) that the requirement “original expression” means that the work may not be derived from another work. The ECJ held that the work should be an intellectual creation of its author (ECJ 16 July 2009, *C-5/08, Infopaq*)

A style as such, cannot be subject to copyright protection. Next to that, elements which are differentiated only by their technical function are excluded from copyright protection (Supreme Court 16 June 2006, *LJN AU8940 (Kecofa/Lancôme)*). To determine whether an element is technical and thus excluded from copyright protection in case law two approaches are used.

In the so-called result-oriented approach only the elements which exclusively reach a technical result (in the sense that there are no alternatives) are excluded from copyright protection. In the more strict apparatus-oriented approach, all elements which are dictated by their technical function are excluded from copyright protection, regardless of the fact whether alternatives are available to reach the same technical effect.

The ECJ (22 December 2010, C-393/09, *Bezpečnostní softwarová asociace*) applied the result-oriented approach and ruled that the criterion of originality is not met if the different methods of implementing an idea are so limited that the idea and the expression become indissociable (par. 49).

In compliance with the Berne Convention, the DCA does not contain any formal requirements to obtain copyright protection. Copyright is obtained by the mere creation of a work.

Design law:

Industrial designs can be protected by a (Community or a Benelux) design to the extent that they are new and have individual character (Articles 4-7 Community Design regulation and articles 3.3 BIOP (implementations of Directive 98/71/EC 13 October 1998 on the legal protection of design)).

A design is considered to be new if no identical design has been available to the public (absolute novelty, a new design must differ from the state of the art). A design is considered to have individual character if the overall impression it produces on the informed user differs from the overall impression produced on such a user by any design which has been available to the public. In assessing individual character, the degree of freedom of the designer has to be taken into consideration. The individual character test is an objective test based on the impression on the informed user.

In design law features of interconnection, component parts which cannot normally be seen and features dictated by technical function are excluded from protection. With regard to the identifying of the excluded technical features in case law the equipment-oriented approach is applied, i.e. all elements dictated by its technical function are excluded from design protection regardless of the fact whether alternatives are available to reach the same technical effect.

A design which meets the requirements shall be protected without registration as an unregistered Community design (be it only for a limited period of 3 years as from the date it was first made available to the public and can only be enforced against copies of the design).

- 5) Are the requirements for copyright protection for industrial products different from the requirements for copyright protection for other ordinary artistic products (fine arts)?

No, these requirements are the same.

Scope of Protection and Assessment of Infringement

- 6) Is the scope of the copyright protection for industrial products different than that for other ordinary artistic products (fine arts)? If so, in what ways?

The DCA does not make any distinction. One could say that the scope of protection is directly linked to the level of originality. Industrial products generally have more technical features than ordinary artistic products. Therefore, although

the requirements provided by the DCA are the same, it can be more difficult to obtain copyright protection for industrial products.

- 7) Are the criteria for assessing infringement of copyright protected industrial products different from the criteria for assessing infringement of a design right?

Yes, the relevant criteria are different.

Copyright:

Under article 13 DCA, the notion reproduction covers “every complete or partial adaptation or copying in a different form which cannot be considered a new original work”. In its landmark case *Una Voce Particolare* the Supreme Court ruled that in the assessment whether there is an infringement the court must take the overall impression into account but only insofar as the overall impression is similar because of similar copyrighted elements of the work (29 November 2002, *NJ 2003/17*).

Design law:

The relevant test under design law is provided in article 10 of Regulation 6/2002 on Community Designs (CDR) and requires an analysis whether the later design produces a different overall impression on the informed user, taking into account the freedom of the designer in developing his design.

The General Court of the European Union held that the freedom of the designer can be limited by requirements as a consequence of the technical function of the design, or by statutory requirements which apply to the design. (Case *T-09/07*, General Court of the European Union, *Grupo Promer Mon Graphic v. OHIM and PepsiCo*, par. 67) Notably, the General Court uses the words “amongst others”, so there is a chance that other limitations might apply as well. This has however not yet been confirmed in case law.

According to the ECJ, the informed user is someone who has a high level of attention, either through his personal experience or through his extensive knowledge of the sector concerned (Case *C-281/10 P*, Court of Justice of the European Union, 20 October 2011, *PepsiCo v. OHIM and Grupo Promer Mon Graphic*).

Elements that are solely dictated by their technical function or by statutory requirements are excluded from the overall impression”. It must then be assessed whether the allegedly infringing design reproduces these elements. If so, it is likely that the design will create the same overall impression on the informed user.

The Court of Appeal in The Hague (30 November 2010, *Hansgrohe v. Tiger*) has held that copying (by others) on a large scale does not lead to dilution of the design right, particularly not if the owner thereof is enforcing it (against some).

The scope of protection awarded by unregistered community designs is the same as for registered community designs. However, the owner of the unregistered design can only enforce his right when he establishes that the use of his design follows from direct copying thereof.

- 8) Is it a relevant defence under copyright or design law that the industrial product was created independently of the older work or design?

Independent creation of a work is a valid defence under copyright only, following the judgment of the Supreme Court in the Barbie-case (Supreme Court, 21 February 1992, *MB International BV v. Mattel Inc.*, NJ 1993/164, par. 4.4) The Supreme Court held that even though a claimant is not required to prove that the similarities between the original and the alleged copy are caused by direct derivation, a defendant may defend himself by claiming that his work was created independently. The Supreme Court held that such a defence must be “well-reasoned” and that the burden of proof rests on the defendant.

In design law, there is an objective novelty test. It is therefore not relevant whether the owner of the design actually knew about the existence of a previous design. Article 7 of CDR provides that a design shall be deemed to have been made available to the public if it has been published or otherwise disclosed, except where these event could not reasonably have become known in the normal course of business to the circles specialised in the sector concerned, operating within the Community. If a previous design meets these criteria, the owner of the later design cannot defend himself by saying that he was not aware of the existence of the design.

Duration of Protection

- 9) How long is the duration of industrial design protection or copyright protection for industrial products, respectively?

Industrial designs are protected for an initial fixed term of five years after registration under the BTIP, with a possibility of four, subsequent five-year renewal periods (Article 3.14 BTIP). In addition, there always is an automatic protection for 3 years under the Community Design Right Regulation, but with a more limited scope of protection (protection of registered and unregistered design rights under this Regulation is not further discussed here). Copyright protection extends to the life of the author plus an additional 70 years (Article 37 Copyright Act). In case of anonymous works or in case of works published by legal entities *without* stating the name of the natural person who created the work, the right expires 70 years after the first publication date (Article 38 Copyright Act). In case the name of the natural person is mentioned, the previous rule applies.

- 10) What happens upon expiration of the IP right having the shorter term? In other words, after the term for industrial design protection expires, does the copyright protection continue?

Yes, in principle copyright protection continues after the term for industrial design protection has expired. However, designs that were registered *before* 1 December 2003 and for which a declaration on maintenance of copyright was not filed, the copyright expires together with the design right.

Measures for adjustment

- 11) In your country, is there any measure for adjustment so that the same industrial product may not be protected, by both a design right and a copyright or, by a copyright after the design right expires?

No, there is none (currently). Article 96(2) CDR expressly stipulates that a design protected by a Community Design shall also be eligible for protection under the law of copyright of Member States. Under Chapter 6 of the BCIP, which chapter deals with the combination (of a Benelux model) with copyright, no restrictions as regards eligibility are given (only restraints as regards transfer of rights or ownership of rights in e.g. an employment situation). Under the old Benelux Design Act (of before 2002) that preceded the BCIP, under Article 21 and 24, in order for copyright protection to be continued after expiry of the Benelux design, a declaration needed to be filed. Under this Benelux act, some copyrights will have expired (unless such a declaration was filed at the time).

II. Proposal for Harmonisation

The Groups are invited to put forward proposals for the adoption of harmonised rules in relation to the protection of the appearance, shape, or ornamentation of industrial products. More specifically, the Groups are invited to answer the following questions:

What should be the requirements for obtaining copyright protection for industrial products?

- 12) For industrial products, should there be any cumulative protection by industrial design rights and copyright?

Our committee is of the opinion that although from a theoretical point of view the benefits of an overlap (and an additional protection for designs) only provides for a very limited additional protection, the overlap has a beneficial component in the fact that (the registration of) the design right provides for more legal security.

- 13) If so, should there be any measures to resolve this overlap? What measures should be taken? For example, once a certain artistic work has enjoyed industrial design protection, should copyright protection be denied for the same work?

The committee sees no reason for resolving or mitigating the overlap. There appears to currently be a discrepancy, however, between the exclusion of protection of technical effect under design law, for which the apparatus-oriented approach applies (see question 4), and the exclusion of technical effect under copyright law, for which the result-oriented approach now applies (after the ECJ ruling in *Bezpečnostní softwarová asociace*), which is at odds with the (broadly) accepted notion that the threshold for copyright should be somewhat higher (given the requirement of artistic or intellectual creation).

