

Legal Protection of Industrial Designs

Mr. Riichi Ushiki*
Patent Attorney
USHIKI International Patent Office

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* Patent Attorney at the USHIKI International Patent Office. Received a BS in law from Chuo University. Member of the Design Protection Committee of Japan Design Protection Association and the Design Committee of Asian Patent Attorney Association (APAA). Also, a lecturer on Design Law at the Japan Patent Attorneys Association and Japan Institute of Invention and Innovation. APAA Representative of the Committee of Experts (1995/1996/1997) for the Adoption of a New Act of the Hague Agreement. APAA Representative for the Diplomatic Conference (1999) on the Hague Agreement.

I . International Protection of Industrial Designs

In Japan, industrial designs are protected primarily under the Design Law but depending on their types, partly under the Copyright Law, the Unfair Competition Prevention Law and the Trademark Law. Because the principle of examination is employed for designs, the Design Law, in fact, serves a great role in the protection of designs.

As in the United States, the concept of design protection is incorporated into the law based on patent-oriented approach. It is however questionable whether this legislative concept prevails in the wider world. In European countries, design laws are copyright-oriented and EU rules on designs have been drafted based on a design-oriented approach.

This means that the protection of designs varies widely both in form and type, in a way incomparable with patent and trademark protection. This results in many difficulties in advancing toward the uniform international protecting of designs, though the following treaties and agreements concerning design protection are currently in force.

1 The Paris Convention for the Protection of Industrial Property of 1883_____

Article 1 of the Paris Convention (Stockholm Act of 1967) stipulates that “The protection of industrial property has as its object patents, utility models, industrial designs, trade marks, service marks, trade names, indications of source or appellations of origin, and the repression of unfair competition.”

In Article 5quinquies, the Convention provides that “Industrial designs shall be protected in all the countries of the Union.”

However, the Paris Convention, not clearly providing a definition of industrial designs, leaves it to each individual country of the Union to decide how to protect them under a domestic law.

In Article 5B the Convention says that “The protection of industrial designs shall not, under any circumstance, be subject to any forfeiture, either by reason of failure to work or by reason of the importation of articles corresponding to those which are protected.”

Thus, the convention prohibits countries of the Union from imposing sanctions which forfeit protection of an industrial design under domestic law due to a failure to work or the importation of an article incorporating the said industrial design which should be otherwise protected.

2 The Hague Agreement Concerning the International Deposit of Industrial Designs of 1925

Based on the provision of Articles 19 of the Paris Convention, some of the countries of the Union gathered in The Hague in 1925 to make a special arrangement for the protection of industrial designs. This is “The Hague Agreement Concerning the International Deposit of Industrial Designs.”

In 1934, the Hague Agreement was revised in London

with Articles 1 reading: “Nationals of any of the contracting countries, as well as persons who, upon the territory of the restricted Union, have satisfied the conditions of Articles 3 of the General Convention, may, in all the other contracting countries, secure protection for their industrial designs by means of an international deposit made at the International Bureau of Industrial Property at Berne.” This article was later revised in the Hague in 1960 to read: “(1) The contracting States constitute a Special Union for the international deposit of industrial designs.” and “(2) Only States members of the International Union for the Protection of Industrial Property may become party to this Agreement.”

The Hague Agreement was an arrangement made mainly by, out of the contracting States of the Paris Convention, countries which were in favor of a nonexamination system for the protection of industrial designs, not requiring the substantive examination of applications as for their registration such as, in particular, novelty. While the majority of the Hague act contracting states still remain party to the London Act of 1934, some other countries have acceded to either the Hague Agreement of 1960 or the Geneva Protocol of 1975.

As of January 15, 1999, the number of countries party to this Agreement and the Protocols is 29. These countries are divided into three groups as shown in the attached TABLE I.

TABLE I

Group I: Countries effective only London Act, 1934

Group II: Countries effective only Hague Act, 1960

Group III: Countries effective both London Act and Hague Act

	Group I	Group II	Group III
1	Spain		
2	Morocco		
3	Tunisia		
4	Indonesia		
5	Egypt		
6	Holy See		
7		Belgium	
8		Netherlands	
9		Luxembourg	
10			Germany
11			Switzerland
12			France
13			Liechtenstein
14			Monaco
15			Suriname
16			Hungary
17			Senegal
18			Benin
19		Italy	
20		Democratic People's Republic of Korea	
21		Romania	
22		Yugoslavia	
23			Côte d'Ivoire
24		Republic of Moldova	
25		Slovenia	
26		Bulgaria	
27		The former Yugoslav Republic of Macedonia	
28		Greece	
29		Mongolia	

As a result of the Hague Agreement, the London Act and the Geneva Protocol, the relationships of the Hague Agreement contracting states exist:

- (1) between states belonging to the first group and states belonging to the second group, and
- (2) between states belonging to the first group and states belonging to the third group.

a) The contents of the London Act of 1934

The London Act is an international arrangement based on the principle of the so-called “copyright approach.”

The Hague Act of 1934 is characterized by the fact that a design is granted a design right in the contracting states immediately after the design is deposited at the International Bureau. In other words, the international deposit of an industrial design is a unilateral declaration of its ownership by its creator. For an industrial design deposited as such, no examination is conducted in each designated country.

b) The contents of the Hague Act of 1960

The Hague Act changed the basis for the protection for industrial designs from the so-called “copyright approach” to the “patent approach.” The Hague Act is a revision with the diversifying needs of the contracting states coordinated and adjusted to provide each country a chance to grant an industrial design effective international protection by the international deposit of the industrial design. This act took effect from August 1, 1984.

The key point of the Act 1960 is that while the deposit of an industrial design at the International Bureau has the same effect as completing all the relevant procedures in each designated country, countries where it is possible to deny protection under domestic law are obligated to notify the International Bureau of their refusal of international design protection within six months from the receipt by their government offices of the periodical bulletin that publishes the registration of the industrial design in question. In other words, countries whose domestic laws require a substantive examination for the registration of an industrial design are allowed a right to deny the protection of an industrial design simply based on its international deposit.

c) A revision of the Hague Agreement and the holding of diplomatic conferences

Since April 1991, the WIPO has been holding regular meetings of a Committee of Experts every year to geographically expand the effects of the Hague Agreement by incorporating as a contracting state such countries as Japan, the United States, South Korea and Britain where a strict substantive examination covering novelty and creativity is required for the registration of an industrial design. The fifth conference of the Committee of Experts held in June 1995 was expected to work out a final solution to the issue. In the presence of a dispute, the expected final agreement was not reached and the six and seventh meetings were held in November 1996 and November 1997 respectively.

At the diplomatic meeting held from June 16 to July 6 1999 in Geneva, the new act was concluded.

3 The Locarno Agreement Establishing an International Classification for Industrial Designs of 1968_____

Revised in 1979 in Stockholm, this agreement sets forth an international classification for articles representing industrial designs. It is composed of main classes and sub-classes and alphabetical list of goods.

This classification does not bind the scope of protection granted for industrial designs under the domestic laws of the contracting states (Article 2 (1)).

Under the Hague Act as described above, industrial designs are to be registered according to this classification. The number of states party to the Locarno Agreement is 35 as of January 15, 1999. Japan has not acceded to the agreement.

4 TRIPS Agreement under the World Trade Organization Agreement_____

As result of negotiations based on the GATT Uruguay Round talks, the World Trade Organization Agreement was concluded on December 25, 1993 in Geneva. In connection with this, a separate agreement called the “TRIPS Agreement” was concluded, obligating its contracting states to provide a high level of protection and enforcement over a wide variety area of industrial property. Specifically, it covers (1) copyright and related rights, (2) trademarks, (3) geographical indications, (4) industrial designs, (5) patents, (6) layout-designs of integrated circuits, (7) protection of undisclosed information and control of anti-competitive practices in contractual licenses. As of October 5, 1995, a

total of 109 countries are party to the agreement.

In Section 4 of part II, the Agreement sets forth regulations concerning “industrial designs.”

Article 25 Requirements for Protection:

1. Members shall provide for the protection of independently created industrial designs that are new or original. Members may provide that designs are not new or original if they do not significantly differ from known designs or combinations of known design features. Members may provide that such protection shall not extend to designs dictated essentially by technical or functional considerations.

2. Each Member shall ensure that requirements for securing protection for textile designs, in particular in regard to any cost, examination or publication, do not unreasonably impair the opportunity to seek and obtain such protection. Members shall be free to meet this obligation through industrial design law or through copyright law.

Article 26 Protection:

1. The owner of a protected industrial design shall have the right to prevent third parties not having his consent from making, selling or importing articles bearing or embodying a design which is a copy, or substantially a copy, of the protected design, when such acts are undertaken for commercial purposes.

2. Members may provide limited exceptions to the protection of industrial designs, provided that such exceptions do not unreasonably conflict with the normal exploitation of protected industrial designs and do not unreasonably prejudice the legitimate interests of the owner

of the protected design, taking account of the legitimate interests of third parties.

3. The duration of protection available shall amount to at least ten years.

5 The Berne Convention for the Protection of Literary and Artistic Works of 1886

Article 2 (1) of the Berne Convention stipulated that “The expression ‘literary and artistic works’ shall include every protection in the literary, scientific and artistic domain, whatever may be the mode or form of its expression, such as ... works of applied art...”

Articles 2 (7) of the same convention provides that “Subject to the provisions of Article 7 (4) of this Convention, it shall be a matter for legislation in the countries of the Union to determine the extent of the application of their laws to works of applied art and industrial designs and models, as well as the conditions under which such works, designs and models shall be protected. Works protected in the country of origin solely as designs and models shall be entitled in another country of the Union only to such special protection as is granted in that country to designs and models; however, if no such special protection is granted in that country, such works shall be protected as artistic works.”

According to the provisions of Article 2 (7) of the Berne Convention, it is considered a principle to protect industrial designs as applied artistic works. While leaving it to each member country to regulate detailed conditions for the protection of industrial designs, it uniformly calls for the term of protection to be not less than 25 years by prescribing

that “this term shall last at least until the end of a period of twenty-five years from the making of such a work (Article 7 (4)).” (See Article 51 of the Japanese Copyright Law and provisions thereafter.)

6 The Universal Copyright Convention of 1952—

This convention was originally concluded at a UNESCO meeting held in 1952 to coordinate the Berne Convention with the Pan-American Convention and was revised in 1971 in Paris. Japan has acceded to this convention.

The conclusion of this convention was intended to harmonize the two conflicting international arrangements. At the same time, however, it was designed to prevent affecting the already existing conventions. Therefore, it does not cause any conflict between the two conventions.

- (1) Published works of nationals of any Contracting State and works first published in that State shall enjoy in each other Contracting State the same protection as that other State accords to works of its nationals first published in its own territory, as well as the protection specially granted by this Convention. Unpublished works of nationals of each Contracting State shall enjoy in each other Contracting State the same protection as that other State accords to unpublished works of its own nationals, as well as the protection specially granted by this Convention. (Articles II (1) and (2))

- (2) The term of protection for works protected under this Convention shall not be less than the life of the author and twenty-five years after his death. However, this does

not apply to works of applied art, which shall not be less than ten years. (Article IV (2) and (3))

- (3) Any Contracting State ... shall regard these requirements as satisfied with respect to all works protected in accordance with this Convention ... if the authority of the author or other copyright proprietor bear the symbol © accompanied by the name of the copyright proprietor and the year of first publication placed ... (Article III (1))

II . Report on Diplomatic Conference for the Adoption of a New Act of the Hague Agreement Concerning the International Deposit of Industrial Designs, Geneva, June 16 to July 6, 1999

1. At The Beginning

I attended the captioned Diplomatic Conference as an APAA representative of an observer.

For opening the captioned Diplomatic Conference, an orientation meeting hosted by WIPO was opened on June 15, 1999. In this orientation meeting, reports were made on history of the Hague Agreement, effectiveness among several Acts and progress of the experts committee held seven times during the period between 1991 and 1997. Then, it was reported that a draft of the new Act and a draft of the new Regulations were finally completed on December of last year and so it became possible to open the captioned Diplomatic Conference.

In the diplomatic meeting started on June 16, 1999, Article by Article discussion of the new Act was finished substantially in the first one week.

A new Geneva Act and Regulations were adopted on July 2, 1999 and a final agreement was signed on July 6, 1999.

2. Outline of Hague Agreement

2.1 Paris Convention for the Protection of Industrial Property (Paris Union)

Article 5-5 of the Stockholm Act 1967 stipulates that

industrial designs shall be protected in all the countries of the Union. However, no definition is made on “industrial designs” in Paris Convention and details of protection are entirely left to the domestic law of each member country.

2.2 Hague Agreement Concerning the International Deposit of Industrial Designs (Hague Union)

In accordance with the stipulation of Article 19 of the Paris Convention, some countries of the Union concluded a special agreement concerning the protection of industrial designs at Hague in 1925. This is called as the “Hague Agreement Concerning the International Deposit of Industrial Designs”.

The Hague Agreement is revised at London in 1934 and further revised at Hague in 1960.

The Hague Agreement is concluded mostly by those west-European countries among all the countries of the Union, that adopt the non-examination system for registration of designs in which no substantive examination is performed particularly with respect to novelty. In the present Hague Agreement, the London Act 1934 is effective. For several countries, the Hague Act 1960 is effective under the Geneva Protocol 1975.

The member countries for those Acts and Protocol are 29 as of January 15, 1999. Those member countries can be categorized into three groups as per appended TABLE I. Consequently, the Union relation among the member countries is categorized into 3 groups by the respective Acts

of the Hague Agreement.

3. Outline of Geneva Act of Hague Agreement——

3.1 The Hague Agreement (1925) is a treaty for establishing an international deposit and registration system of designs. This Agreement aims at simplifying the registration procedures, as well as cost reduction resulting from it, by centralizing the various procedures for protection of designs to International Bureau of WIPO instead of the national Offices of the individual countries of the Union. The Geneva Act 1999 is the third Act following the first London Act 1934 (6 countries) and the second Hague Act 1960 (13 countries).

3.2 The Geneva Act is made by revising and developing the Hague Agreement. The main points of the revision are briefly stated below. For further details, please refer to the new Act and Regulations.

- (1) The term for notifying International Bureau of the reasons for refusal is changed from 6 months to 12 months, computing from the date on which the designated national Office, who performs the substantive examination, receives the periodical bulletin from WIPO.
- (2) It is permitted that such an intergovernment organization as EU becomes a contracting country.
- (3) Non-examination countries and examination countries are separated one from the other and Chapter 2 is specially provided for the latter, in which special items, which can be requested to the applicants, are stipulated.

- (4) The member countries are permitted to set their own requirements for registration with respect to unity of the design to be registered.
- (5) Any contracting country can prohibit its applicant from filing an application designating his own country by declaring it to International Bureau.
- (6) An application for international registration can be submitted directly to the International Bureau but it may also be submitted indirectly to it through the national Offices of the contracting countries. There is no difference in effect of the two applications.

3.3 An “international application” filed to International Bureau under this system by an applicant who is a national of one of the contracting countries is subjected to formal examination made by International Bureau. The application, which has passed the formal examination, is granted an “international registration” on the date on which the international application is filed. And the application thus registered has the same effect as a national application which is filed and registered under the national law in the designated country.

The international registration is published by issue of an international bulletin and at the same time, it is sent to the designated country. The designated country notifies International Bureau as to whether it refuses or accepts the effect of the international registration within a prescribed period from the date on which the international registration is dispatched to the designated country.

In the case where no notice of reasons for refusal is made within the period for issuing the notice of reasons for refusal, the international registration has the same effect in the designated country as the one which is registered in that country under the national law from the date on which the above period expires at the latest.

The duration of the international registration is minimum 15 years (to be renewed every 5 years). If the national law provides a longer period than that, the international registration is also entitled to have that longer period.

4. Enforcement of Geneva Act_____

This Act shall enter into force after three months from the date on which 6 countries of the Union have deposited their Instruments of ratification or accession to WIPO. However, three out of the 6 countries must have 3,000 or more of domestic applications.

III. Three Approaches to the Protection of Industrial Designs under the Design Law

1. Introduction

I encountered a report written by Dr. Arpad Bogsch, "Designs and Models" printed in the April 1959 "Industrial Property Quarterly" by BIRPI (the former organization of WIPO) several years after it was published. Upon reading that report I first came to see two ways of thinking in regards to the principles of industrial design (hereinafter "designs") protection.⁽¹⁾ This report was written during Dr. Bogsch's employment as legal counsel of the US Copyright Office, and in it he noted the U.S.'s as well as world-wide trends of design protection.

A trend in the United States at that time involved discussing the parts of Patent Law that protected designs as a form of an invention and using these provisions to create an independent Design Law system (this issue has continued to be investigated, but, up to the present, there is no amendments yet to Patent Law).

On the other hand, one world-wide trend was a movement unified by the three organizations of the Paris Convention, the Berne Convention and the Universal Copyright Convention. It materialized with the establishment of a "Joint Study Group" after the 1958 Lisbon Diplomatic Conference and aimed to integrally investigate three objects of protection: "Works of Art, Works of Applied

⁽¹⁾ The Author introduced the "Report" of Dr. Arpad Bogsch in the final series of "Industrial Design - Study of its beauty and protection -" PATENT [1968] 30, No. 3, Vol. 21 started from No. 9, Vol. 20 [1967].

Art and Designs”.

The “Joint Study Group” held its first meeting in April 1959 at the UNESCO House, Paris (the chairman: Prof. Eugen Ulmer, the director of MPI). Twenty-one countries each had representatives present at the meeting but the delegates were chosen to exchange private and expert opinions, not for their capacity to represent their nation or government.

William Wallace, Deputy Director-General of the U.K. Industrial Property and Copyright Office gave an opening address at this meeting. He emphasized the significance of the Joint Study Group as a place to discuss detailed issues of protection for works of applied art and designs which, up until then, were merely secondary considerations under treaties relating to copyrights and industrial property rights. It was vital for the group to study methods for more effective protection of creators of designs and works of applied art in each country.

As expected, during the first discussion, the United States insisted that a strict borderline be drawn between designs and works of applied art that would be protected under design rights, and designs and works of art which could be protected under copyright, so the public would know whether an object would be protected only under Design Law or not. On the other hand, also as expected, European countries insisted that it would be better in some cases to give cumulative protection under both laws since double protection was not actually so much an obstacle as some feared.

In the course of these contradicting arguments, there was one proposal by France that it should be left to the discretion of each country whether protection should be allocated under one or both laws, which was eventually adopted at the conclusion. Deputy Director-General Wallace also raised the issue of whether the protection of designs and works of applied art should be covered under the principle of “copyright approach” or that of “patent approach”.

Both approaches each had difficulties in determining whether respective objects of protection satisfied inherent requirements. That is, “originality” in the former case, and “novelty” in the latter case. According to the “copyright approach”, “originality” means one’s physical and mental creation made without imitating the prior work of another. According to the “patent approach”, “novelty” means that a design must be “new” when compared with prior designs regardless of place and time. Dr. Bogsch explained that if a new design goes beyond a prior design and is recognized as having a “striking advance”, the “originality” of that new design shall mean its “novelty”.

The Author has expressed an opinion in regard to Q. 73 at the AIPPI General Assembly in Paris in May 1983 as follows: “Mr. William Wallace once said that industrial design protection shall be determined based on whether it takes place under the copyright or the patent approach. I am now in the opinion, however, that rather than to make alternative choices of the two, it is necessary to find a compromise point in order to solve problems relating to appropriate protection. If this could be realized, it would be possible to settle matters

such as terms of protection or the possibility of double-protection easily.”⁽²⁾

Prof. Herman Cohen Jehoram expressed an opinion in November 1983 as follows: “The experts of industrial property must simply admit that industrial design is an applied art and therefore subject to protection under copyrights. On the other hand, copyright experts must understand that protection of industrial design is a primary industrial issue. ...It will be impossible to find a unified solution of this problem unless a drop of water is added to the wine of each expert on both sides.”⁽³⁾

In June 1991, when the European Commission made an announcement concerning industrial design protection in the European Community, they decided to adopt a “design approach” for protection. This approach was based on the policy of the MPI Ad Hoc Working Team, appointing Prof. Friedrich-karl Beier as its head, entrusted to draft European Design Regulation. It apparently stood as a choice different from the two prior approaches.⁽⁴⁾

⁽²⁾ Riichi USHIKI "Report on Q. 73, AIPPI General Assembly in Paris" AIPPI Monthly Journal [1983] 17, No. 9, Vol. 28. On the platform at the General Assembly, Dr. Bogsch (the Director General of WIPO) sitting at the left end of the row of the directors of AIPPI, was kindly present at the time of the Author's speech.

⁽³⁾ Herman Cohen Jehoram: "Protection of Industrial Designs Between Copyright and Design Laws: A Comparative Study" COPYRIGHT November 1983. Japanese translation by Riichi USHIKI, AIPPI Monthly Journal [1984] 7, No. 2, Vol. 29. In May 1984, after publishing this translation, the Author flew to Europe to meet the three professors (the members of ALAI) appearing in this text. First, the Author met Professor Jehoram in Amsterdam, then Professor Jungman in Stockholm, and eventually Professor Cornich in London.

⁽⁴⁾ Upon being trusted with the drafting of European Design Regulations, the Max Planck Institute appointed four experts to organize the ad hoc working team, that is Prof. F.K. Beire (the former Director-General), Dr. K. Haertel (the former Director-General of German Patent Office), Prof. M. Levin (Professor of the University of Stockholm) and Dr. A. Kur (MPI elected research staff). The working team presented a tentative proposal in April 1990, and held a symposium in July 1990 at the Ringberg Castle. Discussion included many jurisprudence experts, attorneys and judges as well as three staff of EC Commission. Professor Beier reported that, although the tentative proposal was thoroughly discussed, the contents were kept close to their original state. F. K. Beier: The Future of Intellectual Property in Europe - Thoughts of the Development of Patent, Utility Model and Industrial Design Law, 174 IIC Vol. 22, No. 2/1991. Thereafter, the tentative proposal of MPI was partially amended by the European

Therefore in considering legislative studies of design protection, the Author shall go into these approaches and how they each work in protecting designs. This shall include the first two, patent and copyright, approaches and common misunderstandings they face as well as the new third approach.

2. Patent Approach

2.1 First, according to Dr. Annette Kur, the strictest definition of the “patent approach” to design protection would include the three, following characteristics:⁽⁵⁾

- (1) Design rights are subject to standard substantial examinations, and are obtained by registration;
- (2) There is no grace period and a clear novelty is required; and
- (3) Rights are exclusively held. That is, a third party may be sued for infringement even if unaware of the existence of a violation.

Dr. Kur presented this outline in the EC Green Paper for design protection as proposed in 1991 (hereinafter “GP”)⁽⁶⁾, as a response in accordance to the “patent approach” as many

Commission (for example, the term of non-registered design protection was extended from two years to three years), and eventually the European Commission expressed in a June 1991 draft entitled "GREEN PAPER ON THE LEGAL PROTECTION OF INDUSTRIAL DESIGN: Working document of the services of the Commission". For reference, the Author formerly suggested the third approach existing between the first two, but there had been no clear concept of the "design approach" when the Commission expressed the above draft. However, this concept did have a place in the thoughts of the Author, but it is a matter of common sense, the Author was evaded by the adequate wording.

⁽⁵⁾ Annette Kur: The Green Paper's 'Design Approach' - What's Wrong with it?, 374 COMMENTS [1993] 10 EIPR.

⁽⁶⁾ There was the explanation of outlines of the Green Paper in "The Report on the Legal Protection of Designs in EC" by Riichi USHIKI, AIPPI Monthly Journal [1991] 6, No. 11, Vol. 36.

understood it.⁽⁷⁾ Dr. Kur explained that the solution proposed in GP, was begun to criticize fundamental adherence to the patent approach and avoidance of issues of double-protection in design and copyright. Hence Dr. Kur, as a member of the MPI Working Team which prepared the draft said to have given life to GP, had no choice but to argue against the opinions of Prof. H.C. Jehoram and James Lahore (described afterwards).

2.2 According to Dr. Kur, the proposal by GP was substantially different from the “patent approach”.⁽⁸⁾ The proposal has two protection systems, i.e. registered designs and unregistered designs. Although there is no substantial examination, registered designs must satisfy novelty requirements (Art. 5, GP; Art. 6, Draft) and possess distinctive character, (Art. 7, GP; Art. 6, Draft)⁽⁹⁾ essential requirement for even unregistered designs. Further, it is possible to file application for the design registration within 12 months from publication by insisting no loss of novelty (Art. 8. GP and Draft). Registered design rights become exclusive (Art. 22, GP; Art. 21, Draft), and on the other hand, an unregistered design right has only relative effects (Art. 20, Draft). Dr. Kur questioned whether such a system should be reasonably referred to as the “patent approach”.

The question by Dr. Kur continued. Would legislation

⁽⁷⁾ For example, H.C. Jehoram: The EC Green Paper on the Legal Protection of Industrial Design. Half Way down the Right Track - A View from the Benelux, 75 OPINION [1992] 3 EIPR. J. Lahore: The Herchel Smith Lecture 1992: Intellectual Property Rights and Unfair Copying: Old Concepts, New Ideas, 428 ARTICLES [1992] 12 EIPR. Thereafter, Jehoram: Cumulation of Protection in the EC Design Proposals, OPINION 514 [1994] 12 EIPR.

⁽⁸⁾ *supra*, Kur 374.

⁽⁹⁾ In the final draft of the Regulations, it was amended as "Individual character" (Art. 6). There was no change in regard to "Novelty", but it was transferred to Art. 5.

regulating registration and exclusivity automatically have the “patent-style” effect? If there was no doubt that trademarks had registration systems and exclusive effects, then, should Trademark Laws follow the patent approach instead of their own?⁽¹⁰⁾

2.3 Professor Jehoram noted that the CDP system apparently indicated a “patent-style” approach, which was similar to provisions adopted to the unified Benelux Design Law. As an example, he referred to a provision relating to the prior user’s right (Art. 25, GP; Art. 26, Draft) as similar to Patent Law, and mentioned such articles of the Law would result in fundamental misunderstandings of characteristics and design activities which were not technical inventions but those of human imagination. An invention may be created many times over, but since a design is a human expression, it shall be considered individual and unique, since it has been neither designed nor use prior to its creation. Accordingly, it may be concluded that the design is undoubtedly and quintessentially included as a matter of copyright protection.⁽¹¹⁾

In regard to unregistered design rights, Professor Jehoram further mentioned that this method had been technically created by the drafters of the 1984 U.S. Semiconductor and Chip Protection Act. It was intended to make up for the lack of copyright protection in alliance countries where design protection was not available regardless of how well registration requirements for novelty

⁽¹⁰⁾ *supra*, Kur 374.

⁽¹¹⁾ *supra*, Jehoram 76.

and individual character were met. This could be said to be a tepid hybrid between industrial property right and copyright.⁽¹²⁾

Mr. Lahore agreed with Professor Jehoram. First because he agreed to the remark that GP had problems protecting the exclusivity of the functional designs⁽¹³⁾, and, second, because the system proposed by GP was apparently indicating the “patent approach”. He also stated that, regardless of whether or not it was agreeable to consider a design as a matter of copyright protection, the protection of designs under patent-inspired legislation could not be a proper solution where identical or similar practical or technical functions could not be accomplished by various shapes.⁽¹⁴⁾

3. Copyright Approach_____

3.1 The “copyright approach” to design protection is fundamentally derived from “unité l’art” of French Law. According to 1949 UK Registered Design Law, it is referred to as “Copyright in Industrial Designs” (according to Art. 268 of CDPA 1988, it is referred to as “the Exclusive Right”). This approach is also referred to as “Copyright in the Design” in 1953 Design Law of New Zealand. Although Dr. Kur did not mention characteristics of the “copyright approach”, they might be explained as follows:

(1) Design rights begin upon creation or publication;⁽¹⁵⁾

⁽¹²⁾ supra, Jehoram 76.

⁽¹³⁾ supra, Lahore 430, A Horton: Industrial Design Law: The Future for Europe, 442 [1991] 12 EIPR.

⁽¹⁴⁾ supra, Lahore 430, supra, Jehoram 75.

⁽¹⁵⁾ The design right here shall mean the Design Right in UK CDPA 1988 PART III, which is also referred to

- (2) Novelty is not required, but originality is; and
- (3) Since rights are only relative, it is possible to take legal action against imitations in bad faith, otherwise one may not sue for infringement.

No EU countries with Registered Design Law omit novelty as a requirement for protection regardless of the presence or lack of substantial examinations. No country has provisions of Registered Design Law under a pure copyright approach.

3.2 GP does not exclude double-protection by both Registered Design and Copyright Laws, and, in fact, double protection can be obtained in France, Benelux Countries and Ireland.⁽¹⁶⁾ France and Benelux Countries apply the principle of “*unité l’art*,” which refers to the fact that entitlement to copyright protection for applied and other art works shall be determined under the same criteria. Also, according to the French Law, all articles entitled to design protection may not necessarily be equally protected under Copyright Law.⁽¹⁷⁾ On the other hand, in spite of the provision of Article 21, the current precedents show that Benelux courts are more prudent than French courts accepting copyright protection for the functional shapes of articles.⁽¹⁸⁾ Further, there is no grace period in Benelux Law, and design rights are exclusive.

as “Design Right in Original Designs (Chapter I)”. Accordingly, since the Unregistered Design Right in the DRAFT of EC Regulations requires novelty and individual character, and the contents of the two are different from each other, the Design Right in UK may be treated as rights close to copyrights having a relative effect, and the Unregistered Design Right in the DRAFT of EC Regulations may be treated as rights close to registered design rights having a relative effect.

⁽¹⁶⁾ As long as the Law concerns, the EU countries which do not accept double protection are: Germany, Italy, Spain, Nordic Countries and UK.

⁽¹⁷⁾ *supra*, Kur 375.

⁽¹⁸⁾ *supra*, Kur 375. Copyright protection in regard to the appearance of the watch was not accepted, the possibility of protection as a design is generally recognized.

(Art. 14). On the other hand, according to French Law, the publication of a design by the creator shall not lead to the loss of novelty, and design rights only protect the creator against imitation by another party.

In the UK, the three-dimensional articles protected as copyrighted art works under CDPA 1988⁽¹⁹⁾ shall only be sculptures (Art. 4(1)(a)) and craft-related works (Art. 4(1)(c)). The manufacturing of three-dimensional articles based on design documents or models, or the copying of those articles is not an infringement on their copyright (Art. 51(1)). If the works of art such as cartoon characters are commercially produced as industrial products, such characters may be protected for 25 years from the end of the first marketing year of that product, but thereafter any party may manufacture those products freely without infringing on rights to the original work (Art. 52(1) and (2)). This 25-year period corresponds to Article 7(4) of the Berne Convention providing a period of protection for applied art works. Further, the right of unregistered designs (Arts. 213-245) and the rights of registered designs (Arts. 265-273) are both recognized in the United Kingdom. Both rights are protected as design and different from copyright protection. That is, the term of protection for design rights is 10-15 years, the term of protection for ordinary copyrights is for the lifetime of the creator plus 50-70 years, and the term of protection for works of applied art is 25 years at its shortest (Art. 7(4), the Berne Convention).⁽²⁰⁾

⁽¹⁹⁾ As to the UK CDPA 1988, see Riichi USHIKI "Study of Design Law (4th Edition)" 347, JIII [1994] for details.

⁽²⁰⁾ Article 2(7) of the Berne Convention provides that "Subject to the provisions of Article 7(4) of this Convention, it shall be a matter for legislation in countries of the Union to determine the extent of the

3.3 The focus of copyright protection is the close relationship between the creator and the work. This relationship is characteristic to copyrights not seen in any other industrial property. It may be understood that this is a matter of “droit moral” (personal rights) and the term of copyright protection related specifically to the lifetime of the author.

A design is also a creative form of human expression and, in this sense, the Author would think that works of art and designs have a common base,⁽²¹⁾ so there is no reason to exclude cumulative protection both by Copyright and Design Laws. Professor Jehoram stated that “designs are the quintessential subjects of copyright protection; they come from acts of imagination, not technical invention. One invention may be repeated time and again, but designs, made by human expression, shall be individual and unique”.⁽²²⁾ However, the Author will not agree to this opinion.

In general, it is not correct to believe that “technical inventions and acts of imagination” stand opposite to each other.⁽²³⁾ Skilled designers think of the developing relationship between form and function as important to their work. If ten talent designers were to create a design

application of their laws to works of applied art and industrial designs and models, as well as the condition under which such works, designs and models shall be protected. Works protected in the country of origin solely as designs and models shall be entitled in another country of the Union only to special protection as is granted in that country to designs and models...”.

⁽²¹⁾ supra, "Study of Design Law" by USHIKI, Chapter I "The Substance of Design" is indeed developing this theory.

⁽²²⁾ supra, Jehoram 76.

⁽²³⁾ supra, Kur 376.

meeting a predetermined function, it is possible that half of them would reach a similar works as for aesthetic visual impression. This possibility does depend on the type of design. If the product requires higher functional and technical considerations, the possibility of reaching identical or similar shapes will increase. Therefore, it may be said that design and invention are essentially common to each other.⁽²⁴⁾

Design protection for the utility products, however, does not cover the technical effects, but only the shapes of these such articles. If the same technical effects can be also accomplished by another shape, there exists no infringement of design right. Hence EC sets up the protection system of utility models (petty patent; Gebrauchsmuster) in order to secure protection for the technical effects of utility products that do not reach a level of patentability.⁽²⁵⁾

The types of legal protection given to creative activities must be considered with a focus on particular aspects of purpose and objects for protection.⁽²⁶⁾ What is the purpose of Patent Law? What is the purpose of Copyright Law? In the course of market trade in modern society, it is clear that the significance of design has increased as a tool to assist in the sales of goods. This is what makes a design different from any other artistic work. This difference may be confirmed

⁽²⁴⁾ *supra*, Kur 376.

⁽²⁵⁾ On 19 July 1995, EC published the Green Paper entitled "The Protection of Utility Model in Single Market" in regard to the protection of utility models (petty patents). In the Green Paper, the drafter remarked that it would be necessary to harmonize national laws as the first step for the achievement of community-level protection systems. According to the drafter, there are at present twelve countries among fifteen member countries having utility model registration systems, and the contents are classified into three schemes. Jeremy Newton: *Towards an European Utility Model*, 446 [1996] 8 EIPR.

⁽²⁶⁾ *supra*, Kur 376.

by comparing what is important. As already discussed above, most other artistic works emphasize the relation between the creator and the work, but a design emphasizes the relation between the work and the public.⁽²⁷⁾

With this way of thinking, it is questionable whether the opinion of Professor Jehoram that the main reason for design protection lies solely in the individual expression of its creator is correct. One great merit of the copyright approach, necessary in consideration of design protection is its ability to inform the public, practitioners and judges of the fact that industrial product designs are the result of creative activities.⁽²⁸⁾ A product's creative design appeals to the public while distinguishing it from those of other companies. Therefore, it is the creation that exists first, the distinction that exists second, and the visual impression that connects the two.

4. Design Approach

4.1 It has been necessary to protect the designs of technical product on the one hand, and the designs of textiles and other fashion related products on the other. Therefore, the MPI working team investigated ways to easily observe both and named the special concept of design as the "design approach" which was neither the patent approach nor the copyright approach. Accordingly, aspects of design protection were classified into two categories, and protection

⁽²⁷⁾ According to Dr. Kur, the "individual character" as the requirement for design protection had been indeed intended to be drawn as the function to be recognized as the "special" character substantially different from other shapes of products (supra, 377). The term "individual character" appearing in Article 6 of GP and the Draft of Regulations was altered to the term "distinctive character" in the tentative proposal of MPI.

⁽²⁸⁾ supra, "Study of Design Law" by USHIKI, 122 for details.

by copyright was treated as an exceptional third.⁽²⁹⁾

The first aspect provided limited unregistered protection for two years from the first publication or use, in order to protect designs against identical or nearly identical imitations. This protection was given only to designs deemed novel and original and, in principle was intended to protect products with a short lifecycle, such as fashion-related products, against unfair competition.⁽³⁰⁾

The second aspect was accomplished through the application, registration and publication of designs before the European Design Office. The maximum term of protection is 25 years, and similar to unregistered designs above, requirements of novelty and originality must be met. There is a 12-month grace for applications to protect against the loss of novelty.

The initial concept of the third aspect was to permit designs to be complementarily protected under the copyright. This concept was eventually reserved subject to settlement under each national law, since it was difficult to harmonize

⁽²⁹⁾ *supra*, Beier 175.

⁽³⁰⁾ MPI suggested to confer protection under unregistered design rights for two years in regards to designs of fashion-related and short-lifecycle products, and the term of protection was extended for three years under GP and the Draft of Regulations. Since this term of protection applies to prohibiting unfair competition such as the copying by third parties. It seems at a glance to correspond to Sec. 2(1)(iii) of Japanese Unfair Competition Prevention Law, but the contents of protection were different in content from them. According to the EU Draft of Regulations, the design must satisfy requirements of both novelty and individual character, likewise in the case of registered designs. Hence the Author is in the opinion that, according to the construction of the Law, it is also natural that illegal copies of other designs by a third party would occur when that design is novel and unique, having not existed before. Thus the third party may argue the same points of design registration requirements, that is the novelty (Sec. 3(1) of Design Law) and the creative ability (Sec. 3(2) of Design Law). See Riichi USHIKI "The New Unfair Competition Prevention Law and the Protection of Designs", 33, No. 6, Vol. 46 PATENT [1993]. Ministry of Economy, Trade and Industry explained that it was the term for collection of investment made the provision of three years as the imitation prohibition a necessary term under the Law, but neither MPI nor GP explained such reasons. It will be sufficient to explain that the imitation prohibition term of three years was politically determined as being correspondent to the term of imitation of short-lifecycle products.

copyright protection with conditions for adopting it to design. Protection under copyright would be limited to cases where any substantial merits to protect the design rights after the expiration of the 25-year maximum term of registered design rights. Problems of cumulative protection were also discussed, but eventually withdrawn because of difficulties that could not be settled.⁽³¹⁾

4.2 The question of to which side a design must belong, related to the question of whether a design belongs to only one side. Hence it may be said that the placement of design at its inherent position has been denied for a long time. Dr. Kur described that a drafter of GP selected the pure “design approach” by avoiding such “useless dilemma” of “patent v. copyright”.⁽³²⁾

However, in consideration of design protection, is the dispute between approaches, though not “useless” concluded within the above comments? The Author absolutely disagrees. This is one fundamental question to be considered, not only in European countries where the concept of the copyright approach is deeply rooted, but also in the United States and Japan where the concept of the patent approach strongly exists.

4.3 Both MPI and GP adopted the original “design approach” as a concept of design protection instead of the conventional patent or copyright approaches. When seeing by which provision this concept is reflected in the first Draft

⁽³¹⁾ *supra*, Beier 176.

⁽³²⁾ *supra*, Kur 376.

of Design Regulations, the following provisions may be noted:

- (1) Novelty (Arts. 5, 7)
- (2) Individual character (Arts. 6, 7)
- (3) Grace periods for the loss of novelty (Art 8)
- (4) Limitation of design subjects to technical functions (Art. 9)
- (5) Limitation of designs contrary to public order or morality (Art. 10)
- (6) Scope of protection covering designs with similar total impression (Art. 11)
- (7) Unregistered design systems (Arts. 12, 20)
- (8) Registered design systems (Arts. 13, 21)
- (9) Belonging of design rights (Art. 14)
- (10) Indication of creator's name in the Register (Art. 19)
- (11) Limitation of registered design rights (Arts.22, 23)
- (12) Exhaustion of rights (Art. 24)
- (13) Prior user's right (Art. 25)

The above regulations at a glance seem to suggest that this Draft of Regulations would be essentially based on the patent approach, but it may still be understood as based on the copyright approach, chiefly because there is the provision of unregistered design systems (Arts. 12, 20) by which the right to prohibit any third party from copying or using designs without obtaining consent is conferred on the proprietors of unregistered designs for 3 years. It is easy to see that these designs protected as unregistered are theoretically equal to those registered, because both are subject to common protection requirements.

As discussed above, the protection of unregistered designs is basically aimed at protection against imitation and fraud. Imitation and fraud occurs as marketing begins where the response of consumers may be easily influenced, especially in the case of fashion-related business. If it is recognized that such designs must be protected for a period longer than 3 years, such design protection can be transferred to long-term protection as a registered design within 12 months from the start of marketing. It should be understood that such selective transfers of protection systems may not be realized under legislation according to the copyright approach.⁽³³⁾

Although the Draft is rooted in the design approach, there is a hint of the copyright approach in the provision of the maximum term of registered design right protection for 25 years from the application (registration) date (Arts. 13, 53). As already discussed, this period coincides with the minimum protection term for works of applied art under the Article 7(4) of the Berne Convention.⁽³⁴⁾

Dr. Kur mentioned that, as was clear from many positive responses to GP, and from emphasized opinions at the hearing, there had been almost no questions raised against the concept that the protection of designs should be, in

⁽³³⁾ *supra*, Kur 378.

⁽³⁴⁾ In October 1987, WIPO held the Intergovernmental Committees of Experts in Geneva entitled "Questions Concerning the Protection of Works of Applied Art". This conference was jointly held by WIPO which administers the Berne Convention on the protection of copyrights, and UNESCO which administers the UCC. It placed the protection of works of applied art at its center, with initial considerations of the relationship between the works of applied art and the industrial design. This Committee of Experts has no direct relation to the "Joint Study Group" referred to at the beginning of this paper established by the three Conventional Organizations, i.e. the Paris Convention, the Berne Convention and the UCC, but it may be said that there is an old but new relation between the two in regard to these topics. There is the report of this Committee in "Protection of Designs and Works of Applied Art (1) - (4)", Riichi USHIKI, Nos. 1

principle, based on the registration system. It may be concluded that the designers as well as the industries in Europe would welcome the new system under the “design approach”.⁽³⁵⁾

5. Directive of the EC on the Legal Protection of Designs

The European Parliament and the council have adopted “DIRECTIVE 98/71/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on the legal protection of designs” on October 13, 1998. The Directive came into effect on November 17, 1998 and Member States have to revise their own design laws by October 28, 2001.

The following is the preamble of the Directive.

- (1) Whereas the objectives of the Community, as laid down in the Treaty, include laying the foundations of an ever closer union among the peoples of Europe, fostering closer relations between Member States of the Community, and ensuring the economic and social progress of the Community countries by common action to eliminate the barriers which divide Europe, whereas to that end the Treaty provides for the establishment of an internal market characterised by the abolition of obstacles to the free movement of goods and also for the institution of a system ensuring that competition in the internal market is not distorted; whereas an approximation of the laws of the Member States on the

- 4, Vol. 33 AIPPI [1988].
⁽³⁵⁾ *supra*, Kur 378.

legal protection of designs would further those objectives;

- (2) Whereas the differences in the legal protection of designs offered by the legislation of the Member States directly affect the establishment and functioning of the internal market as regards goods embodying designs; whereas such differences can distort competition within the internal market;
- (3) Whereas it is therefore necessary for the smooth functioning of the internal market to approximate the design protection laws of the Member States;
- (4) Whereas, in doing so, it is important to take into consideration the solutions and the advantages with which the Community design system will provide undertakings wishing to acquire design rights;
- (5) Whereas it is unnecessary to undertake a full-scale approximation of the design laws of the Member States, and it will be sufficient if approximation is limited to those national provisions of law which most directly affect the functioning of the internal market; whereas provisions on sanctions, remedies and enforcement should be left to national law; whereas the objectives of this limited approximation cannot be sufficiently achieved by the Member States acting alone;
- (6) Whereas Member States should accordingly remain free to fix the procedural provisions concerning registration, renewal and invalidation of design rights and provisions concerning the effects of such invalidity;

- (7) Whereas this Directive does not exclude the application to designs of national or Community legislation providing for protection other than that conferred by registration or publication as design, such as legislation relating to unregistered design rights, trade marks, patents and utility models, unfair competition or civil liability.
- (8) Whereas, in the absence of harmonisation of copyright law, it is important to establish the principle of cumulation of protection under specific registered design protection law and under copyright law, whilst leaving Member States free to establish the extent of copyright protection and the conditions under which such protection is conferred;
- (9) Whereas the attainment of the objectives of the internal market requires that the conditions for obtaining a registered design right be identical in all the Member States; whereas to that end it is necessary to give a unitary definition of the notion of design and of the requirements as to novelty and individual character which registered design rights must comply;
- (10) Whereas it is essential, in order to facilitate the free movement of goods, to ensure in principle that registered design rights confer upon the right holder equivalent protection in all Member States;
- (11) Whereas protection is conferred by way of registration upon the right holder for those design features of a product, in whole or in part, which are shown visibly in

an application and made available to the public by way of publication or consultation of the relevant file;

- (12) Whereas protection should not be extended to those component parts which are not visible during normal use of a product, or to those features of such part which are not visible when the part is mounted, or which would not, in themselves, fulfil the requirements as to novelty and individual character; whereas features of design which are excluded from protection for these reasons should not be taken into consideration for the purpose of assessing whether other features of the design fulfil the requirements for protection;
- (13) Whereas the assessment as to whether a design has individual character should be based on whether the overall impression produced on an informed user viewing the design clearly differs from that produced on him by the existing design corpus, taking into consideration the nature of the product to which the design is applied or in which it is incorporated, and in particular the industrial sector to which it belongs and the degree of freedom of the designer in developing the design;
- (14) Whereas technological innovation should not be hampered by granting design protection to features dictated solely by a technical function; whereas it is understood that this does not entail that a design must have an aesthetic quality; whereas, likewise, the interoperability of products of different makes should not be hindered by extending protection to the design of

mechanical fittings; whereas features of a design which are excluded from protection for these reasons should not be taken into consideration for the purpose of assessing whether other features of the design fulfil the requirements for protection;

- (15) Whereas the mechanical fittings of modular products may nevertheless constitute an important element of the innovative characteristics of modular products and present a major marketing asset and therefore should be eligible for protection;
- (16) Whereas a design right shall not subsist in a design which is contrary to public policy or to accepted principles of morality; whereas this Directive does not constitute a harmonisation of national concepts of public policy or accepted principles of morality;
- (17) Whereas it is fundamental for the smooth functioning of the internal market to unify the term of protection afforded by registered design rights;
- (18) Whereas the provisions of this Directive are without prejudice to the application of the competition rules under Articles 85 and 86 of the Treaty;
- (19) Whereas the rapid adoption of this Directive has become a matter of urgency for a number of industrial sectors; whereas full-scale approximation of the laws of the Member States on the use of protected designs for the purpose of permitting the repair of a complex product so as to restore its original appearance, where

the product incorporating the design or to which the design is applied constitutes a component part of a complex product upon whose appearance the protected design is dependent, cannot be introduced at the present stage; whereas the lack of full-scale approximation of the laws of the Member States on the use of protected designs for such repair of a complex product should not constitute an obstacle to the approximation of those other national provisions of design law which most directly affect the functioning of the internal market; whereas for this reason Member States should in the meantime maintain in force any provisions in conformity with the Treaty relating to the use of the design of a component part used for the purpose of the repair of a complex product so as to restore its original appearance, or, if they introduce any new provisions relating to such use, the purpose of these provisions should be only to liberalise the market in such parts; whereas those Member States which, on the date of entry into force of this Directive, do not provide for protection for designs of component parts are not required to introduce registration of designs for such parts; whereas three years after the implementation date the Commission should submit an analysis of the consequences of the provisions of this Directive for Community industry, for consumers, for competition and for the functioning of the internal market; whereas, in respect of component parts of complex products, the analysis should, in particular, consider harmonisation on the basis of possible options, including a remuneration system and a limited term of exclusivity, whereas, at the latest one year after the

submissin of its analysis, the Commmission should, after consultation with the parties most affected, propose to the European Parliament and the Council any changes to this Directive needed to complete the internal market in respect of component parts of complex products, and any other changes which it considers necessary;

(20) Whereas the transitional provision in Article 14 concerning the design of a component part used for the purpose of the repair of a complex product so as to restore its original appearance is no case to be construed as constituting an obstacle to the free movement of a product which constitutes such a component part;

(21) Whereas the substantive grounds for refusal of registration in those Member States which provide for substantive examination of applications prior to registration, and the substantive grounds for the invalidation of registered design rights in all the Member States, must be exhaustively enumerated,

6. Concept of the Japanese Design Law—————

Now looking back to Japanese Design Law, in order to see on which approach the law is legislated, it may be said to stand almost completely on the patent approach. As discussed above, there are three characteristics of the patent approach according to Dr. Kur, and current Design Law satisfies two characteristics of them, i.e. (1) and (2), and as for (3), the Design Law provides the grace period (Sec.3(1,2) Sec.4). This structure might be understood to be close to that

of the design approach, but to the contrary there are many provisions, similar to Patent Law or to which provisions of Patent Law apply *mutatis mutandis*. One, for example, is the fact that the starting point of protection is not the application date, nor is the unregistered design system provided. Japanese Design Law even provides protection for similar designs by a single design right, or the refusal of registration for designs similar to publicly-known ones, and this is because Design Law is based on the concept that the scope of creativity in which registered designs or publicly-known designs exist should be protected positively or negatively.

It is yet possible to slightly sense the copyright approach in copyright-related right adjustment provisions (Sec.26) where anticipating of conflicts with copyrights. This provision may be used practically when considering the approach of design rights toward copyrights. The most basic legal issue on this matter is “Character Merchandizing Rights”, and a broad perspective of the close relationship of the two rights may be viewed through the study of this issue, which would contribute to a more thorough understanding of the meaning of intellectual property.⁽³⁶⁾

In any case, as long as Japanese Design Law does not have an original system substantially independent of Patent Law, Japanese Design Law will be endlessly treated as the legislation of design protection under the influence of the patent approach concept. This is substantially identical to

⁽³⁶⁾ For details concerning the legal issues relating to the character merchandizing rights, see Riichi USHIKI "Character Strategy and Character Merchandizing Rights" JIII [2000].

U.S. legislation which provides only one chapter in the Patent Law.

There was no change of this concept in the revised Japanese Design Law put into effect January 1, 1999, and, on the contrary, the current Design Law even introduced the partial design registration system similar to U.S. practice, which may be understood to strengthen the concept of the patent approach.

7. Conclusion_____

7.1 If the Draft of EU Design Regulations is utilized as a guide to future design protection in Japan, and indirectly affects future revisions of Japanese Design Law, it will be possible to change the Design Law as suitable for Japan adopting examination and registration principles. The Author would mention several suggestions as the conclusion by taking account of this matter.

First, the system of registration after substantial examination shall be maintained as before. Thus the protection term of design right shall be 15-25 years after the registration date.

Second, a new system allowing registration without substantial examination shall be provided. It should be further investigated as to whether this unexamined registration system should be applied only to the articles having the fashionable characters such as the textile designs,

or should be subject to the selection by the applicant.⁽³⁷⁾ The protection term of design right by this unexamined registration system shall be 10 years from the date of registration. (The reason for not being 3 years is that the 10-year protection may be distinguished from the protection of shape of goods under Sec. 2(1)(3) of Unfair Competition Prevention Law; it is clear that Unfair Competition Prevention Law merely prohibits imitation, but as long as the design right is conferred, even unexamined registration must inherently satisfy registration requirements such as novelty and creativity).

Third, the grace period for the loss of novelty shall be 12 months from the date of the designer's publication by the creator or the successor in title. This 12-month period may be considered as a period necessary in general for sales market preparation and for testing the demand in the market. A six month term would be too short. The creator may use this term for deciding whether the application by ordinary examination should be filed, or the application without examination should be filed, or the application should not be filed at all.⁽³⁸⁾

Fourth, the design right conferred by unexamined registration shall have the same exclusive effect as that of the design right registered under the ordinary examination.

⁽³⁷⁾ For details concerning the two-way design protection system, see Riichi USHIKI "The Future Study of Design Protection" 26, No. 2, Vol. 40 PATENT [1987]; Riichi USHIKI "Suggestion for the Design Protection System in Japan" 27, No. 11, Vol. 48 PATENT [1995].

⁽³⁸⁾ As for the matter of textile design protection required under Article 25(2) of the WTO Agreement, it may be also possible to consider the introduction of the unregistered design right system appearing in the Draft of EU Regulations, but if Design Law will not introduce this protection system even under special legislation, there will be no choice but to leave it to Copyright Law.

The enforcement of unexamined design rights should be handled carefully, and it will be better to further investigate the conditions of enforcement.

7.2 The delegates of European countries, at the Committee of Experts for the Revision of the Hague Agreement Concerning the International Deposit of Industrial Designs, as well as on the Draft of EU Design Regulations, unanimously assert the establishment of low-cost yet effective design protection obtained by simple procedures. This is the reason why those in related industries desire unexamined registered design rights or unregistered design rights. Common morality would be so good as to respect novel and original designs created by others. It seems this is because people in related industries prefer to act by voluntarily thinking what is good and what is bad, without requiring determination by Government or Law.

