



Australian Copyright Council's comments for the implementation of accepted recommendations from ACIP's Review of the Designs System

20 December 2019

The Australian Copyright Council (ACC) is grateful to IP Australia for the opportunity to make comments on proposed options for the implementation of accepted recommendations from the ACIP Review of the designs system.

1. About the Australian Copyright Council

The ACC is an independent, non-profit organisation representing the peak bodies for professional artists and content creators working in Australia's creative industries including the National Association for the Visual Arts, the Design Institute of Australia and the Authentic Design Alliance.¹ The ACC believes that balancing the interests of creators, consumers and service providers promotes a sustainable economy of the arts; a critical strand of Australia's cultural fabric. We value creative Australia and are dedicated to the protection of our unique cultural landscape, where copyright protection is a reliable constant which allows for proper remuneration to creators.

2. Designs consultation

IP Australia is seeking feedback on proposed options to implement accepted recommendations from the 2015 *Review of the Designs System* report (the ACIP Report)² by the former Advisory Council on Intellectual Property (ACIP). This consultation covers three topics:

- (i) the scope of designs protection;
- (ii) early flexibility for designers; and
- (iii) simplifying and clarifying the designs system.

In October 2019, IP Australia released a consultation paper for each topic. The ACC notes the questions for consultation in each paper, however, the ACC comments generally only to the extent that the questions touch on copyright.

¹ See the Schedule for a full list of the ACC's affiliates.

² https://www.ipaustralia.gov.au/sites/default/files/acip_designs_final_report.pdf.

3. Background – the copyright/designs overlap³

There are some products that fall into ‘the copyright/design overlap’; i.e. a product can be protected under copyright as an artistic work⁴ or it can be protected under designs law as a design.

A product generally cannot be protected by *both* copyright law and designs law at the same time. This is because the *Copyright Act 1968* (Cth) (Copyright Act) contains provisions which are intended to prevent dual protection for objects intended to be protected under the *Designs Act 2003* (Cth) (Designs Act): ss 74-77A of the Copyright Act and s 18 of the Designs Act.

The policy behind the copyright/design overlap provisions is that, whether registered under the Designs Act or not, objects which are essentially functional and intended for mass production should not get the extensive protection of copyright law.

We refer to the ACC’s previous submissions in the designs review process.⁵

Whilst the ACC understands that the ACIP Report was confined to the Designs Act,⁶ the ACC has previously outlined that it encourages reform that includes the:

- removing or modifying the consequential loss of copyright protection following the registration of a design, (section 75 of the Copyright Act); and
- removing or modifying the mutual exclusivity of copyright protection and the application of artistic works as industrial designs, (section 77 of the Copyright Act).

4. Scope of designs protection

The paper, *Public consultation: 1. Scope of designs protection*,⁷ includes a proposal for the protection of virtual designs as outlined in Recommendation 14 of the ACIP Report. Appendix 4 of the paper contains a discussion of the legislative overlap between the Designs Act and Copyright Act. The discussion is in the context of copyright protection of computer-generated screen displays and virtual reality components (uncertain given their intangible nature) and of graphical user interfaces as a whole (uncertain given their functional nature).

Any changes to the scope of designs protection, whether in relation to partial designs or virtual, non-physical and active state designs, have the potential to affect the copyright/design overlap provisions.

³ See the ACC [Design Objects & Copyright](#) information sheet at www.copyright.org.au.

⁴ Note that s 77 of the Copyright Act excludes works of artistic craftsmanship and buildings or models of buildings from the overlap provisions.

⁵ See January 2015 and October 2013.

⁶ p33 at 2.6.

⁷ https://www.ipaustralia.gov.au/sites/default/files/acip_designs_final_report.pdf https://www.ipaustralia.gov.au/sites/default/files/scope_of_designs_protection.pdf p33 at 1.2.

Note that the copyright/design overlap provisions of the Copyright Act, do not limit copyright protection in ‘a building or a model of a building, or a work of artistic craftsmanship’.⁸ The phrase ‘work of artistic craftsmanship’ is not defined in the Copyright Act.

If the scope of designs protection is to be extended to virtual designs, then an issue arises; whether a virtual design can also be a building or a model of a building or a work of artistic craftsmanship. If so, then by extending protection to such designs they may potentially have dual copyright and design protection.

To this end, we note that there is an international shift towards dual protection under both copyright and designs law.⁹ Further, it has been identified that there is not the ‘same concern for the dual protection afforded to artistic works which are registered as trade marks, notwithstanding that (subject to renewals) the term of protection for registered trade marks is indefinite’.¹⁰

The ACC has read the draft response of the Design Institute of Australia (DIA) and endorses their supporting reasons and general comments in relation to their support for the protection of virtual designs.

It is the view of the ACC that virtual designs should be protected (without commenting on whether Option 2 or Option 3 for Recommendation 14, is the more appropriate scope for design protection).

5. Early flexibility for designers

The IP Australia *Public consultation: 2. Early flexibility for designers*¹¹ paper discusses the introduction of a grace period in which public disclosure of a design is disregarded in determining whether a design is new and distinctive. This is to provide designers with more flexibility in the early life of a design and protect them from loss of rights through inadvertent disclosure.

Any grace period has the potential to affect the operation of the copyright/design overlap provisions.

Where copyright subsists in an artistic work and a corresponding design is or has been registered under the Designs Act, it is not an infringement of that copyright to reproduce the work by embodying that, or any other corresponding design¹² in a product: see section 75 of the Copyright Act.

⁸ See s 77(1)(a) and note 5 above.

⁹ Advisory Council on Intellectual Property *Review of the Designs System: Options Paper*, December 2014 <https://www.ipaustralia.gov.au/sites/default/files/options-paper-for-the-review-of-the-designs-system.pdf> p. 35.

¹⁰ Peter Knight, *Copyright: The Laws of Australia* (Thomson Reuters Australia, 2013) at [23.1.110].

¹¹ https://www.ipaustralia.gov.au/sites/default/files/early_flexibility_for_designers.pdf

¹² See s 74(1) of the Copyright Act.

To be registrable under the Designs Act, a design must be 'new and distinctive' when compared with the 'prior art base' for the design.¹³ However, Section 18 of the Designs Act creates an exception where using a copyright protected artistic work (other than by selling 3D reproductions of it) will not stop a corresponding design from being new and distinctive.¹⁴

The ACIP Report recommended that steps be taken to make section 18 of the Designs Act consistent with the overlap provisions of the Copyright Act.¹⁵ The ACC submits that this should be done before the introduction of a grace period to avoid confusion.

The ACC acknowledges that the introduction of a grace period may be of benefit to designers wishing to register their designs. The ACC notes the operation of a grace period would be much simpler if section 18 of the Designs Act was made consistent with the overlap provisions of the Copyright Act.

6. Simplifying and clarifying the designs system

The third paper issued by IP Australia in October 2019 is *Public consultation: 3. Simplifying and clarifying the designs system*.¹⁶

Part 3.2 deals with clarification of registered and certified designs. The ACIP recommended changing the terminology for a registered but uncertified design to make it clear that the design registration does not, until certification, confer enforceable rights. The ACIP suggested that the term 'uncertified design' should be used.¹⁷

The ACC notes that consequential amendments will be required to the copyright/design overlap provisions in the Copyright Act to deal with any changes to the design examination process or design terminology.

¹³ Section 15 of the Designs Act.

¹⁴ Advisory Council on Intellectual Property *Review of the Designs System: Options Paper*, December 2014, <https://www.ipaustralia.gov.au/sites/default/files/options-paper-for-the-review-of-the-designs-system.pdf> p30 at 2.5.

¹⁵ Recommendation 15.

¹⁶ https://www.ipaustralia.gov.au/sites/default/files/simplifying_and_clarifying_the_designs_system.pdf

¹⁷ https://www.ipaustralia.gov.au/sites/default/files/acip_designs_final_report.pdf Recommendation 4, p 14

7. Conclusion

In conclusion, the ACC supports initiatives to remove the inconsistencies between the Copyright Act and the Designs Act in order to facilitate increased flexibility for designers and simplify and clarify the designs system in accordance with the accepted recommendations.

The ACC welcomes continuing discussions with IP Australia on these and any related issues. If you have any queries or require further information, please let us know.

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SCHEDULE - ACC Affiliates

As at the date of this response, the Australian Copyright Council members are:

1. Aboriginal Artists Agency
2. APRA|AMCOS
3. Ausdance National
4. Australia New Zealand Screen Association
5. Australasian Music Publishers Association Ltd
6. Australian Cinematographers Association
7. Australian Directors Guild
8. Australian Guild of Screen Composers
9. Australian Institute of Architects
10. Australian Institute of Professional Photography
11. Australian Music Centre
12. Australian Photographic Judges Association
13. Australian Publishers Association
14. Australian Recording Industry Association
15. Australian Screen Directors Authorship Collecting Society Limited
16. Australian Society of Authors
17. Australian Society of Travel Writers
18. Australian Writers' Guild
19. Authentic Design Alliance
20. Christian Copyright Licensing International
21. Copyright Agency
22. Design Institute of Australia
23. Media Entertainment & Arts Alliance
24. Musicians Union of Australia
25. National Association for the Visual Arts
26. National Tertiary Education Union
27. Phonographic Performance Company of Australia
28. Illustrators Australia
29. Screen Producers Australia
30. Screenrights