



**AUTHENTIC
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**AUTHENTIC DESIGN ALLIANCE (ADA) response to accepted recommendations from
Advisory Council on Intellectual Property's (ACIP) [Review of the Designs System](#)**

December 20, 2020

We thank IP Australia for the opportunity to respond as part of the [public consultation](#) on proposed 'quick wins' and acknowledge that the ongoing [Designs Review Project](#) will address additional issues to determine further proposed changes to the Designs Act.

[REDACTED]

[REDACTED]

Kind regards,

Anne-Maree Sargeant
AUTHENTIC DESIGN ALLIANCE, director



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1. AUTHENTIC DESIGN ALLIANCE (ADA)

Authentic Design Alliance is a social enterprise that exists to promote the value of investing in original furniture, lighting and interior products in the fight against the endemic problem of design theft in Australia.

The ADA is an independent, member-funded association that advocates for radically improved Intellectual Property (IP) protection in for the furnishing sector, and for the word 'replica' to be eliminated as a marketing tool to promote the sale of counterfeit, unlicensed products.

As an education platform, we support designers, makers, manufacturers, distributors, importers and retailers of authentic products and brands to ensure future growth of the Australian furnishing industry.

[ADA Affiliate Partners](#) include peak industry bodies and NFP organisations that include [Australian Copyright Council](#) (ACC), [Australian Design Centre](#), [Design Tasmania](#), [Good Design Australia](#), and [JamFactory](#).

[ADA Members](#) design, make, sell and/or distribute furniture, lighting, designed objects, bath ware, architectural hardware and architectural surface finishes.

The ADA membership group is also supported by retailers, industry advisors, interior designers, architects, developers and landscapers / outdoor furniture suppliers and building professionals.

In 2019 our [presence at national design festivals and trade events](#) received 25,000+ public and industry visitation, and [ADA publications](#) had a national distribution of 20,000 units.

2. AFFILIATE NOTE – AUSTRALIAN COPYRIGHT COUNCIL (ACC)

ADA Affiliate partner Australian Copyright Council has supported our advocacy for amendments to the Australian Copyright Act to appropriately protect our sector in line with other creative disciplines.

Given works of art, photography, film, music, literature and architecture are granted automatic copyright protection, the same IP protection should also extend to designed products and objects.

We will refer relevant ACC comments on this report and thank the ACC for ongoing support and guidance.

3. IP AUSTRALIA FEEDBACK // 'QUICK WINS' AND THE DESIGNS REVIEW PROJECT

IP Australia has invited interested parties to provide [feedback](#) to the proposed options aimed at addressing the issues on three key topics:

1. [Examining the scope of design protection](#)
2. [Early flexibility for designers](#)
3. [Simplifying and clarifying the designs system](#)



'Quick wins' – reforms to the Designs Act being progressed

The ADA understands the Designs Review Project is considering broader, longer term reforms and we're also aware that there are some critical issues that can be addressed sooner. For example, the Government has previously agreed to introduce a **grace period** for design rights.

Longer-term reform and the Designs Review Project

While the proposed 'quick wins' will help in the shorter-term, we understand that other longer-term reforms are needed and ADA stakeholders are aware a second research phase will commence mid-2020.

4. BACKGROUND – copyright / designs overlap

We endorse comments from the Australian Copyright Council and quote from their submission //

"There are some 'aesthetic' objects that fall into 'the copyright/design overlap', i.e. an object can be protected under copyright as a work of artistic craftsmanship or it can be protected under designs law as a design.

A design object 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 things 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, things 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 (January 2015 and October 2013).

Whilst the ACC understands that the ACIP report was confined to the Designs Acts, we highlight that 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)."

Whilst the ADA endorses the removal of the overlap it should be noted that the once products have been produced in quantities exceeding 50 units, they can no longer be considered 'works of artistic craftsmanship' as the products have been industrially produced.

Other creative disciplines such as Art, Literature, Photography, Music, Film and Architecture are automatically protected by copyright. This is a freely applied form of IP protection that exists once a work is created.

The ADA question why works of Design are treated differently to these other creative disciplines.

One of the most common misunderstandings in the furnishing sector is that industrially produced products are protected automatically by copyright. This widely held belief is debunked the once plagiarism occurs.

We firmly believe this must be amended so that works of Design are afforded free, automatic copyright.



5.1. SCOPE OF DESIGN PROTECTION

5.1.1 PROTECTION OF PARTIAL DESIGNS

The protection of **partial designs** considers whether IP protection for only part of a product should be allowed.

The ADA endorses the introduction of protection of partial designs for any product across any category in line with our key trading partners per EU / UK / USA / Japan, Singapore and South Korea.

Currently protection of partial designs is not available in Australia, with design protection currently afforded for the whole product only.

Frequently the defining part of a product, often identifiable across a collection, is the unique and distinct part of the design. This 'detail' (as referenced in our sector) can be key to the entirety of the object and should be protected individually as much as the finished object should be protected.

The ADA recommends the introduction OPTION 3 – PROTECT PARTIAL DESIGNS FOR ANY PRODUCT for the ability to protect one or more visual feature of a product proactively extends design protection outside a single category, protecting the partial design across usage in any sector.

Currently every version of a design must be registered which is out of context with how the current market functions – typically multiple variants of a design can be specified for most products. Along with **PARTIAL DESIGNS the ADA submits that a COLLECTION can be registered within a single application, with the one application fee.**

Similarly – **partial designs with many components should incur one application fee (not multiple)** as multiple applications and fees would be both cost and time prohibitive to most creators, leading them to opt against the registration process which is what is currently occurring.

Please reference some examples of partial designs on the following pages.



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EXAMPLE

EASEL PROJECT by Adam Cornish



An adjustable base that serves as both table and display mechanism for limited edition surfaces. EASEL features a table base that enables the top to sit flat for use as a table and rotated to easel position to display table top art work when not in use.

The table tops are produced in limited edition by architectural surface pioneers [Axolotl](#), and the Adam Cornish designed adjustable table bases are manufactured by [Forest Furniture](#) - with new collections scheduled to launch annually. // [easelproject.com](#) [adamcornish.com](#) IMAGES © Tim Robinson

EXAMPLE

TRACE by Adam Goodrum for TAIT



[TRACE by Adam Goodrum](#) is an award-winning outdoor furnishing collection commissioned by TAIT.

[Adam Goodrum](#), arguably Australia's most recognised and decorated industrial designer is also a committed educator, lecturing final year industrial design at UTS Sydney.

The unique mesh detailing on seating components sets TRACE apart from other indoor / outdoor collections and represents a detail that should entitle stand-alone IP protection.

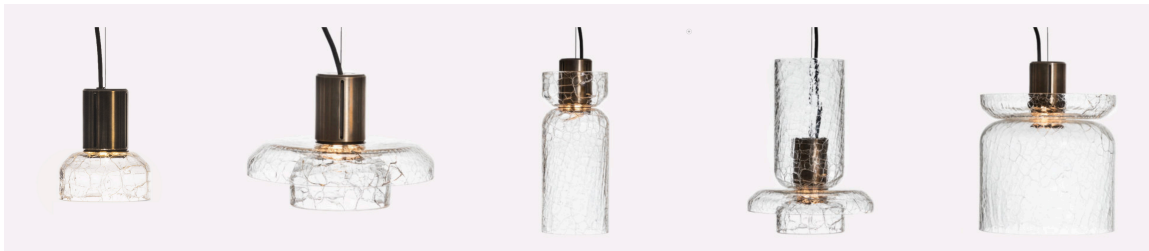
TAIT furniture is made in Melbourne. // [madebytait.com.au](#) IMAGE © Haydn Cattach



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EXAMPLE

GREENWAY lighting collection by Alex Fitzpatrick, ADesignStudio



Sydney-based lighting designer Alex Fitzpatrick creates handmade, locally produced collections. [GREENWAY features a series of components that can be assembled in multiple variants](#) according to the users desired needs.

Realistically there are **infinite possible configurations**. As a small independent design studio **each component should rightfully be able to be both full and partial registration within a single application**.

That same application should be open to future amendments as the collection is expanded.
adesignstudio.com.au IMAGES © ADesignStudio

5.1.2 CLARIFICATION OF 'DISTINCTIVENESS'

The approach taken in *section 19 of the Designs Act*, is to assess whether a design is '**distinctive**' enough when compared to another design. Applicants make a statement of '**newness and distinctiveness**' to facilitate this process.

Distinctiveness is a term used in Section 19 of the Designs Act and is used during examination and infringement proceedings.

Per the ACIP recommendation that IP Australia consider the Law Council of Australia (LCA) suggested revisions and the ADA endorsed this determination as long as assessment is conducted by and industry specialist (see next point).



5.1.2 CLARIFY SECTION 19 OF THE DESIGNS ACT – DEFINE THE STANDARD FOR THE ‘INFORMED USER’

Section 19 of the Designs Act sets out the criteria and standard used to determine whether a design is substantially similar to other products when considering overall impression i.e. Is it **‘distinctive’**. **‘Distinctiveness’** is currently used when examining both design registrations and infringements.

Typically, creators and commissioning brands apply due diligence to ensure products are original and demonstrate newness by prior market research. The underlying principles of ‘original design’ are underpinned by an innovation, a new visual aspect and/or function or new material application.

Currently this determination is made by an **‘informed user’** a term, we believe, requires redefining.

The ADA recommends Option 3 – the application of the European approach where the **‘informed user’** must be an **actual user of the product (or similar products) to which the design relates to.**, however we acknowledge there is still confusion in all three options posed in the report.

Our ultimate determination would be to apply an **industry expert**.

We are opposed to any proposition that leaves the determination in the hands of legal professionals or government employees who have little or no experience within the design sector and acknowledge that the introduction of qualified assessors may incur additional costs during litigation.

5.2 EARLY FLEXIBILITY FOR DESIGNERS – THE INTRODUCTION OF A ‘GRACE PERIOD’

The ADA emphatically endorses the following proposals //

- The introduction of a ‘Grace Period’ to avoid public disclosures made by a designer from prejudicing a later filed application for design protection in Australia.
- Allowing designers to *delay publication* of applications for design protection, so that their design can be kept secret for longer (for example, until it is ready to be launched in the market)
- Removing the rarely used option for designers to *only publish* a design application (& not register it).

Minimum 12 months in line with trading partners

As stated in our Productivity Commission (PCIP) submission July 2016, the design cycle to produce products typically spans 1-2 years from concept to launch.

As part of the development process, to refine any product or collection *(suite of products inclusive of multiple variations), early feedback from customers, industry and distributors is critical to achieving the best commercial success of possible final product / collection.

The ADA supports a **MINIMUM 12 MONTH GRACE PERIOD** that is **applied automatically for no cost.**

Currently, if a design is disclosed or appears in the public domain (inclusive of blogs and social media) products are precluded from applying for design protection in Australia.

A **grace period** would provide a safety net as currently provided in almost 100 countries globally.



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EXAMPLE SEDIS by Anne-Claire Petrie, ANACA STUDIO



"As an independent designer we self-produce the collections we design.

When launching SEDIS this year (2019) – given the time involved refining each product, finalising photography, packaging, pricing and marketing materials, and committed to launching at DENFAIR 2019.

We had two choices – to register the design and defer launching the product for 12 months..... or take the collection to market at a trade fair.

As a small business it is imperative that we take new collections to market at the earliest opportunity so we opted, regrettably, to skip registering the design and launch SEDIS as soon as possible.

We secured an exclusive national distribution partnership with industry leaders Stylecraft, we are aware our IP remains unprotected and vulnerable to the replica market, at risk of being knocked off.

A 12-month grace period would have allowed us to launch at DENFAIR with the confidence we were still able to protect our IP via design registration." ANNE-CLAIRE PETRIE, designer and principle Anaca Studio

ANACA Studio products are designed and made in Melbourne.

anacastudio.com.au

IMAGE © Anaca Studio



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EXAMPLE

Luxxbox



"Our products are designed and made in Brisbane and distributed globally to the office furniture and commercial workplace market. This year we created a collection and filed an application for design registration.

The first round took approximately 13 weeks for our design to be 'registered' which is not an enforceable design right.

From there we enquired about the expected timeline for the second part of the process for the design to be 'certified' – and were notified the timeline could not be confirmed. An estimate was around another 6 months.

During this process we did not receive any updates and made a commercial decision to take the product to market without a registration.

This elongated process may work for smaller businesses who can wait 6, 7, 9 months without monetising their design – but we compete in a global marketplace and watched our US competitors launch similar concepts prior to us having the opportunity to launch the collection with protected IP."

CARA CICCONI, LuxxBox director // luxxbox.com

IMAGE © Luxxbox



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5.2.2 DEFERRED PUBLICATION OF DESIGNS

Once a design registration is processed and successfully applied, the design is ‘published’ online by IP Australia. This process may not support the intended launch date by the registrant and in this instance the ability to retain secrecy around all aspects of the product is paramount

The introduction of a ‘**deferred publication**’ allows a designer to keep their designs confidential until they are ready to launch in the market. In Australia, the Designs Act limits the ability of designers to defer the publications of a registered design because the post-publication currently takes place very rapidly.

Whilst the ACIP recommends automatic publication at six (6) months after the filing date, with the possibility to request earlier publications if desired – we note that **New Zealand allows a maximum of 15 months and EU 30 months from the filing date.**

The ADA endorses proposed option 2 – **OPTIONAL REQUEST FOR DEFERRAL FOR A MAXIMUM OF 6 MONTHS** to enable the registered design to remain secret until the intended launch date.

We agree that Option 2 is of benefit to applicants who find their registered designs are copied before they can enter the market.

6 SIMPLIFYING AND CLARIFYING THE DESIGNS SYSTEM

6.1 CLARIFICATION OF ‘REGISTERED’ AND ‘CERTIFIED’ DESIGNS

Put in simple language, currently the process of registering a design is a two-part process once an application is filed.

Please note we are not experts at the current process and are relaying the registration steps as explained to us by IP Australia.

Once a design is filed it can take up to 6 months for a design to be ‘registered’ – which is not enforceable as a form of IP protection.

The second part of the process is optional - to request to have the design examined and assessed for ‘new ness and distinctiveness’.

This is an additional fee and if the design passes it then becomes a ‘certified’ design.

As noted above by LuxxBox – there appears to be no communication about the eventual timeline for the final certification to be obtained, a major factor contributing to the low uptake of registered designs in the original furnishing sector.

The ADA proposes that simple language be used, and the first part of design registration is clearly misleading.

The extremely long process is not aligned with the common need to launch products as soon as possible in many cases. Clearly this timeline must not only be communicated but also dramatically condensed to enable brands to launch products as soon as possible in line with global competitors.

The ADA submits that definitions of ‘**certified**’ and ‘**uncertified**’ would alleviate the current confusion.



6.2 EXCLUSIVE LICENSEES ABILITY TO ENFORCE DESIGN RIGHTS

(ACIP recommendation 1h on page 15 of paper 3 [Simplifying and clarifying the designs system](#))

ACIP recommended that exclusive licensees have the right to bring court proceedings for infringement.

By example – this would enable importers to act locally for infringed products they hold the exclusive license to distribute in Australia.

Currently the owner of the IP, generally an offshore designer or brand, is the only party that can enforce legal proceedings in this scenario.

Whilst this is a step forward and we welcome this amendment, it isn't realistic as most businesses in our sector do not have either the financial resources to mount extended litigation, and / or lack the human resources to manage this process.

7. NOTE – EMPLOYING BORDER FORCES TO PREVENT COUNTERFEIT IMPORTS

Whilst we note that the introduction of the ability of exclusive licensees to enforce design rights, very few have the time or financial ability to engage in expensive, often long-term litigation, hence our point below.

The ADA has met with IP Australia and requested a review of how products are imported into Australia noting the USA successfully employ border patrol services to prevent counterfeit products from entering the market, with identified counterfeit products immediately destroyed.

Whilst we are not clear on what penalties the USA level to offending parties, it would be clear that penalties would act as a deterrent to distributors of counterfeit design products.

By way of example the ADA suggest reviewing the process applied in the USA by chair manufacturer [EMECO](#) famous for their aluminium NAVY chair created in 1944 for use on US Submarines and is one of the most copied chairs in the world.

Emeco invest in ethical designs, using recycled materials, or in the case of the Navy – manufacturers a chair that should last 50 years or more, that ultimately can be 100% recycled.

CEO Gregg Buchbinder achieves ongoing success by stopping counterfeit products at the border. These products are immediately destroyed.

“The last thing I want to do is to spend our money in litigation,” says Emeco CEO Gregg Buchbinder. “But if you fail to react to something that grievous, you end up losing ownership within a short amount of time.”

As reported in qz.com //



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"Last year, US customs officers seized over \$4 million worth of fake chairs. It was the first year that the agency had ever seized containers-full of such unauthorized reproductions, thanks in part to a novel new training that's turning port inspectors into design connoisseurs."

Over the past 18 months, a five-year-old consortium of furniture manufacturers and design firms called BeOriginal Americas has been training US Customs and Border Patrol (CBP) officers to distinguish real Eames, Starck, and Mies van der Rohe designs from fakes, among others. It's working: According to CBP's Intellectual Property Rights Seizure Statistics report (pdf, p.5), in 2016, customs officials confiscated 42 shipments of unauthorized replicas worth an estimated \$4.2 million. In the same report, the CBP claimed that their "furniture enforcement efforts have helped to protect over 8,000 American jobs" a figure calculated according to workforce data provided to them by US furniture manufacturers." <https://qz.com/quartz/1028802/cheap-eames-aeron-and-barcelona-chairs-inside-the-black-market-for-fake-designer-furniture/>

CONCLUSION

To conclude, the ADA endorses Australian Copyright Council support for the ACIP recommendation to remove the inconsistency between the **Copyright Act** and the **Designs Act** in order to facilitate increased flexibility for designers, noting our enclosed point regarding the limited protection currently afforded to designers due to the absence of automatic copyright protection for industrially designed products.

The ADA welcomes further discussions with IP Australia and is happy to facilitate introductions and meetings with our stakeholders, members and our broader network.

Anne-Maree Sargeant
AUTHENTIC DESIGN ALLIANCE, Director

Acknowledgements

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SeeHoSu, Joyce SeeHoSu
Space Furniture, David Hartikainen
TAIT Furniture

ARTEDOMUS & New Volumes, Thomas Coward
ARTEFACT Industries
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