

#### **DESIGN PROTECTION: ESSENTIALS AND PROHIBITION**

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#### ABSTRACT

The Designs in India are protected under the Designs Act, of 2000. With the advent of technology and other devices that run via the internet, a new era of designs has become prominent. One such example is NFT (Non-fungible Token). The Current Indian law does not offer protection to such new-area designs and hence requires an amendment to protect new-area Industrial designs. The paper analyses and lays down the possible changes to the existing law for design authors and users which should lead to adequate protection of their rights, the effect of which will be measured in the number of registrations after such amendment.

Keywords: Intellectual Property, Industrial Design, Design Protection, Paris Convention, Non-Fungible Token

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#### 1. INTRODUCTION

Designs are probably the least well-defined out of the standard types of intellectual property and are subject to variation. Variations, when made through understanding and analyzing the market, produce innovative designs.<sup>1</sup> These designs with their uniqueness and inherent efficiency, revolutionize the industry by catering to consumers' needs.<sup>2</sup> Some of these designs have produced the ability for the companies to disrupt the market such as the ball-point pen, bendy straw, angel poise lamp, post-it notes, and Tupperware.

The above paragraph has provided the need for law entailing designs in a minuscule manner. To completely understand and analyze the laws on the protection of the same, it is pertinent to look at what constitutes a design under Intellectual property law. A design in a very general manner, could be a plan, specification, or construction, or it could be an arrangement of parts in a structure.<sup>3</sup> It could be prepared by taking something from its existing state and moving it to another state. This applies to modern artefacts; whose existing state is indistinct and previously created whose state stands to be made strides. An Industrial Design is the commercial or aesthetic viewpoint of a piece.<sup>4</sup> Aestheticism may comprise 3-D highlights such as the shape or surface of writing, or of 2-D features, such as designs, lines, or colour. Commercial use of designs could be found in different unmistakable preparations and over the different trades or commerce like crafted works, extraordinary ornamentations, adornments, restorative, and building apparatuses.

An Industrial design right is an intellectual property right that protects the visual plan of objects including the structure, appearance, and fashion of the devices, machines, and instruments.<sup>5</sup> They guarantee a reasonable return on speculation. A viable framework of protection benefits the consumers and advances reasonable competition.<sup>6</sup> The definitions which are mentioned under the law for the above terms are dealt with in the subsequent sections of the paper. One of the prominent Industrial Design rights that entail protection is 'Registration'.<sup>7</sup> Registering a design provides the owner of the design with a clear right to restrain others from making/using identical and similar

<sup>&</sup>lt;sup>1</sup> Lester C. Thurow, 'Needed: A New System of Intellectual Property Rights' (*Harvard Business Review*, October 1997) <a href="https://hbr.org/1997/09/needed-a-new-system-of-intellectual-property-rights">https://hbr.org/1997/09/needed-a-new-system-of-intellectual-property-rights</a>> accessed 13 April 2022.

<sup>&</sup>lt;sup>2</sup> Chung, J.-C., Huang, Y.-F., Weng, M.-W., Lin, J.-C., 'The Sustainable Innovation Design in Catering Service. Sustainability' (*MDPI*, 2022) 278 <a href="https://doi.org/10.3390/su14010278">https://doi.org/10.3390/su14010278</a> accessed 13 April 2022.

<sup>&</sup>lt;sup>3</sup> Noah Webster, 'Design' <a href="https://www.merriam-webster.com/dictionary/design">https://www.merriam-webster.com/dictionary/design</a> accessed 14 April 2022.

<sup>&</sup>lt;sup>4</sup> Eileen Krumm, 'What is industrial Design?' (*IDSA* 2022) <a href="https://www.idsa.org/what-industrial-design">https://www.idsa.org/what-industrial-design</a> accessed 14 April 2022.

<sup>&</sup>lt;sup>5</sup> Google India Private Limited v The Deputy Commissioner of Income Tax [2018] ITAT-Bangalore.

<sup>&</sup>lt;sup>6</sup> Paul Crampton, 'Striking the Right Balance between Competition and Regulation: The Key is learning from our Mistakes' [*OECD* 16 October 2002] < https://www.oecd.org/regreform/2503205.pdf> accessed 14 April 2022.

<sup>&</sup>lt;sup>7</sup> Woon C. Yew, 'The importance of design registration - design, register or lose!' (*Lexology* 30 July 2010) <a href="https://www.lexology.com/library/detail.aspx?g=38f83852-cc1d-45d5-8663-bf0cba8dbf89">https://www.lexology.com/library/detail.aspx?g=38f83852-cc1d-45d5-8663-bf0cba8dbf89</a> accessed 14 April 2022.

designs, whether as a result of copying or as pure coincidence.<sup>8</sup> It also provides a quick, relatively inexpensive way of securing protection for the look of an article and can be invoked irrespective of whether the look of the infringing article is a result of intentional copying or unintentional near-identity.<sup>9</sup>

There are different methods of design protection around the globe. Traditionally, design law protects a particular design applied to a particular item, be it a bicycle, cloth, or perfume bottle. However, in some countries, following a directive, the focus has shifted to protecting new and original designs as such and irrespective of the "article/product" to which the designer applied the design. To bring uniformity in deciding a common but standard law to protect and operate designs, the international community has met multiple times. Such efforts resulted in different agreements among different countries made from time to time, such as the Hague Agreement concerning the International Deposit of Industrial Designs 1925 followed by the London Act 1934; Hague Act 1960; Complementary Act of Stockholm 1967; Geneva Act 1999; and Common Regulations under the Hague Agreement 2003. The other Agreements include Locarno Agreement establishing an International Classification for Industrial Designs 1968. In India, the laws governing designs include the Designs Act 1911, which was repealed, and the Design Act 2000 was brought into application.

The paper deals with the protection offered to Design as Intellectual Property. The author undertook the research with the help of domestic laws such as statutes, case laws, and international agreements along with their implementations in various countries. The author has provided complete detail about the development of protection insight in the field of Design. The author later focused on understanding the essential elements that are required to be considered for adequate protection of an Industrial design as an Intellectual property. The author has also analyzed various protection mechanisms that could be offered to entail design protection. The author thereafter concluded the paper with suggestions that would be helpful to meet certain requirements of the modern world.

### 2. BACKGROUND OF INDUSTRIAL DESIGNS AND DEVELOPMENT OF LAW

The traces of man-made design, at least from the facts that had been established, would point out to the time when there was the invention of the wheel.<sup>10</sup> We as humans, from primitive to modern times, have come up with infinite designs. The idea of protection however developed with the advent of mass production during the industrial revolution. It opened up and started to sensitize

<sup>&</sup>lt;sup>8</sup> Iag Co. Ltd. v Triveni Glass Ltd (2004) 3 CALLT 71 HC.

<sup>&</sup>lt;sup>9</sup> Reckitt Benckiser (India) Ltd. v Wyeth Limited [2007] 35 PTC 317.

Rotary: Club of Paramaribo Residence 'History and Meaning of Rotatory Wheel' <a href="https://portal.clubrunner.ca/7134/page/history-and-meaning-rotary-wheel">https://portal.clubrunner.ca/7134/page/history-and-meaning-rotary-wheel</a> accessed 14 April 2022.

large consumer markets.<sup>11</sup> The design of consumer products accordingly started to assume substantial importance and systems started to be put in place whereby protection could be achieved for a particular design provided that it was new or original.<sup>12</sup> Protection had been further offered where a copy of the design was deposited and the usual formal procedures associated with securing a registered intellectual property right were followed.<sup>13</sup>

The history and the advancement of the protection of designs could be traced back to 1787 when, in India, Industrial Designs and the designing of cloth were secured. It was initiated to ensure the planning and printing of cloths and cotton and over time, the design law has amplified. <sup>14</sup> The Copyright and Design Act, 1839 was the first act that entailed the protection of textures and materials. <sup>15</sup> This act restricted copyright protection to the designs and successfully initiated the registration of designs. <sup>16</sup> It was later with the advent of the Patterns and Designs Act, 1872, that modern designs also became the subject matter of protection. <sup>17</sup> The 1872 Act defined "New manufacture" to include any new and original pattern or design, or the application of such pattern or design to any substance or article, or manufacture. <sup>18</sup> A while later, the 1872 Act was supplanted by a modern solidified act called The Inventions and Designs Act, 1888. This 1988 act was nothing but a clear reflection of the British model of 1872 Act in India. <sup>19</sup> Following the British Patent and Design Act, 1907 in India, <sup>20</sup> Indian Patent and Designs Act, 1911, had been introduced (i) to revoke the previous acts relating to licenses, (ii) to establish an isolated office for the execution of law relating to designs, (iii) to establish that the office is headed by the controller who regulates registration and protection to designs, <sup>21</sup> and (iv) to entail copyright protection to designs. <sup>22</sup>

<sup>&</sup>lt;sup>11</sup> Boris Müller, 'Design in Four Revolutions: Interaction design is the design discipline of the third industrial revolution' (*Medium* 27 January 2017) <a href="https://borism.medium.com/design-in-four-revolutions-fb0f01a806d2">https://borism.medium.com/design-in-four-revolutions-fb0f01a806d2</a> accessed 14 April 2022.

<sup>&</sup>lt;sup>12</sup> Tanushree Chauhan, 'What is the impact of Industrial Revolution on architecture?' (*Rethinking the Future*) <a href="https://www.re-thinkingthefuture.com/designing-for-typologies/a3740-what-is-the-impact-of-industrial-revolution-on-architecture/">https://www.re-thinkingthefuture.com/designing-for-typologies/a3740-what-is-the-impact-of-industrial-revolution-on-architecture/</a> accessed 14 April 2022.

<sup>13</sup> Brandy Willetts, 'How the Industrial Revolution Impacted Graphic Design' (*Medium* Jan 19, 2020) < https://medium.com/@brandywilletts/how-the-industrial-revolution-impacted-graphic-design-

<sup>6140</sup>fad2cca#:~:text=Graphic%20design%20and%20production%20became,demanded%20(Meggs%20and%20Pur vis).> accessed 14 April 2022.

Vijay P Dalmia, 'Design Laws in India' (*Mondaq* 14 December 2017) <a href="https://www.mondaq.com/india/patent/655856/designs-law-in-india-everything-you-must-know">https://www.mondaq.com/india/patent/655856/designs-law-in-india-everything-you-must-know</a> accessed 14 April 2022.

<sup>&</sup>lt;sup>15</sup> Copyright and Design Act 1839.

<sup>&</sup>lt;sup>16</sup> Copyright and Design Act 1839, s. 2.

<sup>&</sup>lt;sup>17</sup> The Inventions and Plans Act 1872 (United Kingdom).

<sup>&</sup>lt;sup>18</sup> The Inventions and Plans Act 1872, s 2 (United Kingdom).

<sup>&</sup>lt;sup>19</sup> The Inventions and Designs Act 1888.

<sup>&</sup>lt;sup>20</sup> the British Patent and Design Act 1907.

<sup>&</sup>lt;sup>21</sup> Indian Patent and Designs Act 1911.

<sup>&</sup>lt;sup>22</sup> Indian Patent and Designs Act 1911, s 2(4).

### 2.1 Scope of Patent and Design Act, 1911

The Act of 1911 defines 'design' means only the features of shape, arrangements, pattern, or ornament applied to any article by any industrial process or means, whether manual, mechanical, or chemical, separate or combined, which in the finished article appeal to and are judged solely by the eye; but does not include any mode or principle of construction or anything which is in the substance of mere mechanical device and does not include any trademark or property mark.<sup>23</sup> The Act has encouraged the registration of designs, products that have been classified into fourteen diverse classes, and a candidate interested to protect his design, may register the indistinguishable design under different classes.<sup>24</sup> The act also entails the use of "registered" or "regd" along with a mark to entail protection.<sup>25</sup>

The law entailing protection to designs in common law countries has brought the idea of bringing the same into the international regime. The laws that protect designs (Industrial Designs) include the Hague Agreement concerning the International Deposit of Industrial Designs 1925 followed by the London Act 1934; Hague Act 1960; Complementary Act of Stockholm 1967; Geneva Act 1999; and Common Regulations under the Hague Agreement 2003. The other Agreements include Locarno Agreement establishing an International Classification for Industrial Designs. The next section covers the agreements in detail.

## 2.2 Impact of International Agreements on India

There has been constant and consistent development in the Intellectual property regime as far as India is concerned. Independence, enactment of the Constitution, and other policies have accelerated growth to accumulate intangible property. When it was time for the world to experience the arena of MNCs, India, following along the same lines, adopted The LPG Scheme. The scheme has provided international businesses to mark their potential growth in India. It has also provided consumers with unlimited options and numerous alternatives. The Anti-trust laws have also been subsequently amended and this has revolutionized the consumers' outlook and the seller's approach. Laws encode businesses to establish their integrity and reliability in the consumer market. Thus, this instance contributed to the gradual development of design as an

<sup>&</sup>lt;sup>23</sup> Indian Patent and Designs Act 1911, s 2(5).

<sup>&</sup>lt;sup>24</sup> Indian Patent and Designs Act 1911, s 77.

<sup>&</sup>lt;sup>25</sup> Indian Patent and Designs Act, 1911 s 48(1)(b).

<sup>&</sup>lt;sup>26</sup> Dr. Peter Drahos, 'The Universality of Intellectual Property Rights: Origins and Development' (*WIPO*) < https://www.wipo.int/edocs/mdocs/tk/en/wipo\_unhchr\_ip\_pnl\_98/wipo\_unhchr\_ip\_pnl\_98\_1.pdf> accessed 14 April 2022.

<sup>&</sup>lt;sup>27</sup> Swaminathan S. Anklesaria Aiyar, 'Twenty-Five Years of Indian Economic Reform' (*CATO*, 26 October 2016) <a href="https://www.cato.org/policy-analysis/twenty-five-years-indian-economic-reform">https://www.cato.org/policy-analysis/twenty-five-years-indian-economic-reform</a> accessed 14 April 2022.

<sup>28</sup> ibid.

intellectual property for the sellers to appease the aesthetic senses of the consumer. The manufacturers and marketers focused on product presentation and appearance falling within the lines of international principles.<sup>29</sup> Thus, the Designs Act, 2000 emanated from these efforts and adopted the principles established by the International Conventions.

# 2.3 The Designs Act, 2000

The act has been made in an attempt to follow the TRIPS agreement for IP protection. The aim of the act includes (i) promoting designs and design activity by removing impediments, (ii) efficient legal system to protect Industrial Designs, and (iii) ensuring protection entailed with definite scope and object.<sup>30</sup> The object of the Act is to protect the aesthetic appearance of an article if it is original or novel.<sup>31</sup> The law presumes that an aesthetic appearance is the result of intellectual efforts. The protection is primarily to advance industries and keep them at a high level of competitive progress.<sup>32</sup>

It came into force as an amending and consolidating Act. The framers of the Act enacted such a law with a clear intention to promote considerable progress in the field of science and technology and make India adaptable to the changing scenario in international trade and globalization of the Indian economy.<sup>33</sup> The Act also puts the Indian Design protection scheme on par with the international trends in design administration.<sup>34</sup>

The 2000 Act grants the proprietor of the registered designs an exclusionary right of selling, licensing, allotting, and utilizing the same in any item.<sup>35</sup> In India, registration of an industrial design is conceivable to ensure whether it is unused or unique, given it may be a non-functional feature such as shape, configuration, design, ornamentation, or composition of lines or colors, connected to an article whether in two or three dimensional or in both shapes, by any mechanical procedure or means-whether direct, mechanical or chemical, partitioned or combined.<sup>36</sup> India, under this act, has adopted the 'first to record, to begin with, to get' framework, which suggests that the creator or maker of a design should record the application for registration at the most

<sup>&</sup>lt;sup>29</sup> Lester C. Thurow (n 1)

<sup>&</sup>lt;sup>30</sup> Designs Bill 2000, Statement & Objects.

<sup>&</sup>lt;sup>31</sup> Designs Act 2000, Preamble.

<sup>&</sup>lt;sup>32</sup> IAG Company Ltd. v. Triveni Glass Ltd. [2005] (30) PTC 143.

<sup>&</sup>lt;sup>33</sup> 'Discussion On the Designs Bill, 2000' (Lok Sabha 2000) <a href="https://indainkanoon.org/doc/265248/">https://indainkanoon.org/doc/265248/</a> accessed 14 April 2022.

<sup>&</sup>lt;sup>34</sup> Suchi Rai, 'India: Industrial Design Protection in India: The Designs Act, 2000' (*Mondaq*, 26 November 2018) <a href="https://www.mondaq.com/india/patent/758452/industrial-design-protection-in-india-the-designs-act-2000#:~:text=Introduction,that%20are%20not%20purely%20utilitarian.> accessed 14 April 2022.

<sup>&</sup>lt;sup>35</sup> Designs Act 2000, Chapter 3.

<sup>&</sup>lt;sup>36</sup> Designs Act 2000, s 2(d).

prompt conceivable time in the schedule to intercept other persons claiming rights on that specific design.<sup>37</sup>

#### 3. DESIGN PROTECTION IN INTERNATIONAL REGIME

The concerns over the protection of designs as Intellectual property in the international regime arose around the 20<sup>th</sup> century. Many countries protect the so-called "industrial designs" using a registration system that varies quite widely from country to country. These countries register a design in a virtually automatic route where little searching is carried out. There is one notable exception and that is in the United States wherein, the Patent Office carefully examines applications for "design patents" and issues an official action on a design patent application, citing earlier designs that bear some resemblance to the design applied for and asserting that the differences are insubstantial. Prosecuting design applications in the United States is costlier than prosecuting design applications elsewhere. No country follows a parallel procedure as that of the United States.<sup>38</sup>

To provide uniformity among the countries, there have been certain agreements that are enacted to entail design protection such as the Hague Agreement, the Paris Convention, and the Lucarno Agreement.

#### 3.1 The Paris Convention

The Paris Convention has been enacted in 1983 to constitute a union for the protection of Intellectual property such as patents, utility models, industrial designs, trademarks, service marks, trade names, indication of source or appellations of origin, and the repression of unfair competition. The convention entails the protection of Industrial design by all countries of the union.<sup>39</sup>

India though not signed the convention, discussed the instrument on September 7 of 1998, and on December 7, 1998, the convention was marked as in force.<sup>40</sup>

#### 3.2 The Hague Agreement

<sup>&</sup>lt;sup>37</sup> Designs Act 2000, s 5.

<sup>&</sup>lt;sup>38</sup> Philippe J.C. Signore, 'Protection of Industrial Designs in the United States' (July 2005) 27(7) European Intellectual Property Review, 256.

<sup>&</sup>lt;sup>39</sup> Paris Convention for the Protection of Industrial Property of (20 March 1883), art. 5.

<sup>&</sup>lt;sup>40</sup> Stockholm Act, 1967. The Act wherein the declaration provided for in article 28(2) relating to the International Court of Justice.

Another vital universal report which gives satisfactory protection to the industrial-property is the Hague Agreement concerning the Worldwide Registration of Industrial Designs which was embraced within the year 1999.<sup>41</sup> The Hague Agreement concerning the International Registration of Industrial Designs was first adopted in 1925 and later in the years 1934, 1960, and 1999.<sup>42</sup> It is constituted by three international treaties (i) the Geneva Act of 1999, (ii) The Hague Act of 1960, and (iii) the London Act of 1934.

The Agreement provides applicants to register their designs under international registration of designs, thus enabling the design authors and proprietors to protect their designs with minimum formalities.<sup>43</sup> The Agreement also provides for an international classification for Designs. The Agreement allows registration of an industrial design by filing a single application through The Industrial Design Deposit System (also called the "Hague System").<sup>44</sup> The system is administered by World Intellectual Property Organization ("WIPO").

# 3.3 The Industrial Design Deposit System

There are new major multinational systems for protecting designs such as the "International Design deposit system" run by WIPO which protects up to 69 countries.<sup>45</sup> The countries are governed under the Hague Agreement and the European Community design system. The system is administered by WIPO in Geneva.<sup>46</sup> It operates by granting an international registration covering those countries chosen by the applicant.<sup>47</sup> The International Bureau in Geneva tells the local national design offices in the designated countries that a design has been registered, and the local design office can, if it has concerns, raise them with the design owner. However, such objections are very rare.<sup>48</sup>

<sup>&</sup>lt;sup>41</sup> 'Summary of the Hague Agreement Concerning the International Registration of Industrial Designs' (*WIPO*, 1925) <a href="https://www.wipo.int/treaties/en/registration/hague/summary\_hague.html">https://www.wipo.int/treaties/en/registration/hague/summary\_hague.html</a> accessed 14 April 2022.

<sup>&</sup>lt;sup>42</sup> There are two Hague Agreements which are currently in operation- the 1960 Act and the 1999 Act. The 1934 Act was frozen in the year 2009 and streamlined all the administration of the international design registration system.

<sup>&</sup>lt;sup>43</sup> The Geneva Act of the Hague Agreement Concerning the International Registration of Industrial Designs [1999] WIPO PUB. No. 453 (E).

<sup>&</sup>lt;sup>44</sup> The Geneva Act of the Hague Agreement Concerning the International Registration of Industrial Designs [1999] WIPO PUB. No. 453 (E), Rule 7.

<sup>&</sup>lt;sup>45</sup> The Geneva Act of the Hague Agreement Concerning the International Registration of Industrial Designs [1999] WIPO PUB. No. 453 (E), Rule 19.

<sup>&</sup>lt;sup>46</sup> The Geneva Act of the Hague Agreement Concerning the International Registration of Industrial Designs [1999] WIPO PUB. No. 453 (E), Rule 19(1).

<sup>&</sup>lt;sup>47</sup> The Geneva Act of the Hague Agreement Concerning the International Registration of Industrial Designs [1999] WIPO PUB. No. 453 (E), Rule 19 (2).

<sup>&</sup>lt;sup>48</sup> The Geneva Act of the Hague Agreement Concerning the International Registration of Industrial Designs [1999] WIPO PUB. No. 453 (E), Rule 19 (3).

It is also important to note that the United Kingdom is not a member of the Hague Agreement (though their proposal to join), but the European Union is, and accordingly, any UK resident individual or company can use it, even though the United Kingdom is not a direct signatory.

### 3.4 Community System of the EU

The EU however does not follow the Hague system, as it has a separate system i.e., the Community system of the EU.<sup>49</sup> It entails the Community Designs Office which is located in Alicante, Spain, which commenced operations on April 1, 2003. It provides design protection of an identical scope to that provided under British law throughout the European Union.<sup>50</sup>

One point to note is that if a design is possibly invalid (due to being too close to an earlier published design), then an application to cancel the design registration can be filed before the office, i.e., one does not have to apply to the court.<sup>51</sup> If one fears being accused of design infringement, then applying to the Office to invalidate the design may be a good tactical move, especially because in case the design owner sues, the court may well decide to suspend the proceedings until the Community Office has made a decision.<sup>52</sup>

The success of a new design regime for the community member countries will not be easily measured for several years, but it is to be hoped that major benefits will flow from the harmonization and centralization now achieved in Europe.<sup>53</sup>

The TRIPS Agreement: The TRIPS (Trade-Related Aspects on Intellectual Property Rights) oblige individuals to apply for the protection of independently-created industrial designs that are modern or unique. It provides that the individuals may give those designs that are not unused or original in case they don't essentially vary from known designs or combinations of known design features which such protection might not amplify to plans managed basically by specialized or useful consideration.<sup>54</sup>

14 April 2022.

<sup>&</sup>lt;sup>49</sup> Council regulation (EC) No. 6 of 2002. The detailed operation is governed by implementing regulations made under that Regulation, and the Regulation is specifically designed to be wholly compatible with the earlier European Community Harmonization Directive on designs.

<sup>&</sup>lt;sup>50</sup> Bardelle Pagenberg, 'European Union: Design Protection in Europe' (*Mondaq*, 14 August 2018) <a href="https://www.mondaq.com/germany/trademark/727850/design-protection-in-europe#:~:text=The%20Community%20design%20gives%20the,a%20maximum%20of%2025%20years.">https://www.mondaq.com/germany/trademark/727850/design-protection-in-europe#:~:text=The%20Community%20design%20gives%20the,a%20maximum%20of%2025%20years.</a> accessed

<sup>&</sup>lt;sup>51</sup> ibid.

<sup>&</sup>lt;sup>52</sup> 'Community design (EU)' (*BOIP*) <a href="https://www.boip.int/en/entrepreneurs/registration-maintenance/outside-benelux/community-design">https://www.boip.int/en/entrepreneurs/registration-maintenance/outside-benelux/community-design</a> accessed 14 April 2022.

<sup>53 &#</sup>x27;What can be registered community design' (*EUIPO*) <a href="https://euipo.europa.eu/ohimportal/en/what-can-be-a-registered-community-design">https://euipo.europa.eu/ohimportal/en/what-can-be-a-registered-community-design</a> accessed 14 April 2022.

<sup>&</sup>lt;sup>54</sup> Agreement on Trade-Related Aspects of Intellectual Property Rights [1869] U.N.T.S. 299, art. 1.

Part II section 4 of the Agreement deals with Industrial Designs. The agreement provides for the requirements of protection which are 'novelty' and 'originality'.<sup>55</sup> It also provides for the right to registered owners of design to prevent third parties from using, selling, making, and importing articles. The duration of protection available shall amount to a period of at least 10 years.<sup>56</sup>

# 3.5 The Locarno Agreement

The Locarno Agreement (establishing an international classification for Industrial Designs) of 1968 offers an international classification of Industrial Designs.<sup>57</sup> It classifies Industrial Designs into thirty-two classes and two hundred and nineteen subclasses. Classification in this way starts to make "subject matter" searching of designs a possibility, though this will remain for some considerable time a somewhat inexact exercise.<sup>58</sup> The Agreement has the same force and duration as that of the Paris Convention.<sup>59</sup>

All States parties (60) to the agreement are individuals of the Committee of Experts.<sup>60</sup> These parties continuously revise and bring in a modern version every five years.<sup>61</sup>The modification is carried out by a Committee of Experts as given under Article 3.<sup>62</sup> The framework is product-based and is generally simple to enable growth to incorporate unused items by including modern classes, subclasses, or product portrayals, as required.<sup>63</sup>

Moreover, since design protection is restricted in time, old designs will not stay in for long and thus item patterns and commercial conflicts can be generally effectively tracked on the Locarno Classification.

### 4. ESSENTIALS REQUIRED FOR DESIGN PROTECTION IN INDIA

The previous sections have provided the basic meaning of design, object, and the complete background about design protection. The author has also provided a complete picture of such

<sup>&</sup>lt;sup>55</sup> Agreement on Trade-Related Aspects of Intellectual Property Rights [1869] U.N.T.S. 299, art. 25.

<sup>&</sup>lt;sup>56</sup> Same has been adapted by India. Agreement on Trade-Related Aspects of Intellectual Property Rights [1869] U.N.T.S. 299, art. 26.

<sup>&</sup>lt;sup>57</sup> Locarno Agreement, art. 1.

<sup>&</sup>lt;sup>58</sup> Locarno Agreement, annex.

<sup>&</sup>lt;sup>59</sup> Locarno Agreement, art. 10.

<sup>&</sup>lt;sup>60</sup> Locarno Agreement, art. 3 (1).

<sup>&</sup>lt;sup>61</sup> Vietnam - The Locarno Classification 13th edition used' (*Lexology*, 29 December 2021) <a href="https://www.lexology.com/library/detail.aspx?g=e99eb600-1ff0-4f34-badf-fb3686d41dcf">https://www.lexology.com/library/detail.aspx?g=e99eb600-1ff0-4f34-badf-fb3686d41dcf</a>> accessed 14 April 2022.

<sup>&</sup>lt;sup>62</sup> Locarno Agreement, art. 3.

<sup>&</sup>lt;sup>63</sup> Locarno Agreement, art. 4.

protection in international as well as Indian regimes. The current section looks into the essentials and other factors that are required for adequate design protection in the contemporary world.

Design, under the Designs Act of 2000 (India) is defined in a very wide sense. It includes configuration, features of shape, ornament, pattern, or composition of lines or colors applied to any two-dimensional or three-dimensional article, by any industrial means or process such as chemical, manual, mechanical, separate, or combined, which in the finished article appeal to and are judged solely by the eye.<sup>64</sup>

The above definition entailed the basic characteristics of a design. Designs do not cover any trademark, <sup>65</sup> property mark, <sup>66</sup> or artistic work. <sup>67</sup> The Act provides that the Design implies conception, suggestion, and idea of shape but not the article. <sup>68</sup> non-vision range designs do not fall under the purview of the Act. <sup>69</sup> The eye should be the eye of an average consumer and not that of an experienced/seasoned dealer or an expert.

Certain other essential characteristics determine the extent of protection for a design.

### 4.1 Appearance of the Design

One of the fundamental purposes for making design an Intellectual property is the aesthetic and visual senses of a product and its relation with consumer acquisition.<sup>70</sup> Visual characterization influences a person to act against opportunity costs.<sup>71</sup> A well-branded product doesn't need extra effort to be put into marketing as design plays an important role in brand-building.<sup>72</sup> The company "Boat" could be considered as an example that established its brand in consumers by providing them with a wide variety of wearables in custom designs.<sup>73</sup> The value of design could be estimated

<sup>&</sup>lt;sup>64</sup> Designs Act 2000, s. 2(d).

<sup>&</sup>lt;sup>65</sup> The Trade and Merchandise Marks Act 1958, s. 2(1)(v).

<sup>&</sup>lt;sup>66</sup> Indian Penal Code 1869, s. 479.

<sup>&</sup>lt;sup>S</sup> The Copyright Act 1957, s. 2.

<sup>&</sup>lt;sup>68</sup> Rotela Auto Components (P) Ltd. and Anr. v Jaspal Singh and Ors [2002] (24) PTC 449 [Del]

<sup>&</sup>lt;sup>69</sup> Re. Stenor Ltd. v Whitesides (Clitheroe) Ltd., [1948] 63 RPC 81.

<sup>&</sup>lt;sup>70</sup> Peter H. Bloch, 'Seeking the ideal form: Product Design & Consumer Response' [July 1995] 59 (3) Journal of Marketing 16, 25.

<sup>&</sup>lt;sup>71</sup> Doreen Fagan, 'Real-Life Examples of Opportunity Cost' (*Federal Reserve Bank of St. Lious*, January 29, 2020) <a href="https://www.stlouisfed.org/open-vault/2020/january/real-life-examples-opportunity-cost">https://www.stlouisfed.org/open-vault/2020/january/real-life-examples-opportunity-cost</a>> accessed 14 April 2022.

<sup>&</sup>lt;sup>72</sup> Kristopher Jones, 'The Importance of Branding in Business' (*Forbes*, Mar 24, 2021) <a href="https://www.forbes.com/sites/forbesagencycouncil/2021/03/24/the-importance-of-branding-in-business/?sh=ba1381367f71">https://www.forbes.com/sites/forbesagencycouncil/2021/03/24/the-importance-of-branding-in-business/?sh=ba1381367f71> accessed 14 April 2022.

<sup>&</sup>lt;sup>73</sup> Mahenoor Mansuri, 'Boat Marketing Strategy - How boAt is Ruling the World' (*Startuptalky*, 4 January 2022) <a href="https://startuptalky.com/boat-marketing-strategy/">https://startuptalky.com/boat-marketing-strategy/</a> accessed 14 April 2022.

from the influence that it causes upon the consumer.<sup>74</sup> Appearance and practical efficiency decide such influence.<sup>75</sup> Most of the fashion industry runs on this principle.<sup>76</sup>

# 4.2 International Covenants – Adaptability

The New Act has adopted the principles established under international conventions. It has provided transboundary protection to the design owners. It has also made conventional countries adopt the Locrano classification.

### 4.3 Registration

Registration is one of the prerequisites as it enables the proprietor to use it as evidence to claim ownership. Registration is provided under Chapter II dealing with sections 3 to 10 under the Act.<sup>77</sup> The important element that is required for registration is the ability to determine aestheticism for a consumer.<sup>78</sup>

For a design to qualify for registration under the Designs Act, the design must be new and original. The introduction of ordinary trade variants into an old design will not make the new design novel or original. The word 'Original' implies that the person had created something that is consisting of an individual character to exercise intellectual activity which had not occurred to anyone before. It would mean to be something that no person has created earlier for any purpose whatsoever. New would imply something which is not necessarily original but which has been applied to an article for the first time. There should be some original mental application involved when conceiving a new design. There should be some original mental application involved when conceiving a new design.

The protection offered to a design, once registered lasts for 10 years with an option of renewal.<sup>84</sup> After registration of the design, it gets recorded in the register of public records to provide a public inspection.<sup>85</sup> A design can be restored within a year from its last date of expiry.<sup>86</sup> Cancellation of

<sup>&</sup>lt;sup>74</sup> Bloch (n 72)

<sup>&</sup>lt;sup>75</sup> Samsonite Corporation v Vijay Sales [1998] (18) PTC 372 [Del].

<sup>&</sup>lt;sup>76</sup> Corning, Incorporated, U.S.A v Raj Kumar Garg, [2004] 54 SCL 378.

<sup>&</sup>lt;sup>77</sup> The Designs Act 2000, Chapter II.

<sup>&</sup>lt;sup>78</sup> Glaxo Smithkline Consumer Healthcare and Co. KG v Amigo Brushes Private Limited and Anr [2004] (28) PTC 1 (Del).

<sup>&</sup>lt;sup>79</sup> The Designs Act 2000, s. 4.

<sup>&</sup>lt;sup>80</sup> The Designs Act 2000, s. 2 (g).

<sup>81</sup> The Designs Act 2000, s. 5 (1).

<sup>82</sup> Wimco Ltd. v Meena Match Industries AIR [1983] Del 537.

<sup>&</sup>lt;sup>83</sup> Western Engineering Company v America Lock Company [1973] ILR 11 Del.

<sup>&</sup>lt;sup>84</sup> The Designs Act 2000, s. 7.

<sup>&</sup>lt;sup>85</sup> The Designs Act 2000, s. 16.

<sup>&</sup>lt;sup>86</sup> The Designs Act 2000, s. 12.

a design registration is possible only before the Controller. The grounds for cancellation include that the subject matter of the design is not registerable or is not qualified under the Act.<sup>87</sup>

The above-mentioned features have been introduced with the intent to give the necessary impetus to trade and industry in this country and to bring the Indian design legislation in conformity with internationally accepted principles.

#### 5. THE PROTECTION SYSTEM FOR DESIGNS IN INDIA

Designs require registration to hold them as a piece of substantive evidence in courts. <sup>88</sup> Every design must possess originality and novelty to have a successful registration certificate. It is the primary feature for ensuring protection. <sup>89</sup> A registration application must meet the formal grounds and if that application reveals no problems, a designs registration certificate is then issued, usually a few weeks after the application has been filed. <sup>90</sup> As already entailed, any design is registrable if it has the two necessary properties of being new and having originality. <sup>91</sup> Originality is the overall impression that the design produces on different informed users and that differs from the overall impression produced on such a user by any other design which has been made available to the public before the relevant date. It is noteworthy that the definition of Originality is not tied down to any particular article or product to which the design might be applied. <sup>92</sup> Thus, a design of a perfume bottle in the shape of the Eiffel Tower would not have originality, even if no one had ever thought of producing an Eiffel Tower-shaped bottle before.

Parallel to this, novelty means that no identical design or design whose features differ only in immaterial details has been made available to the public earlier on. Note that it does not matter whether the design was applied to something completely different earlier on.

The certificate is attached to a set of representations of the design, usually photographs or drawings. <sup>93</sup> In cases where the designer wants protection early, but does not want disclosure of the designs to occur until they are launched-e.g., the fashion industry it is possible (on payment of an extra fee) to defer publication of the design for up to 12 months from the date of application. <sup>94</sup>

<sup>&</sup>lt;sup>87</sup> The Designs Act 2000, s. 19.

<sup>&</sup>lt;sup>88</sup> The Designs Act 2000, s. 10 (4).

<sup>&</sup>lt;sup>89</sup> Colgate-Palmolive (India) Ltd. v Anchor Health and Beauty Care Pvt. Ltd [2016] 65 PTC 69.

<sup>&</sup>lt;sup>90</sup> Gorbatschow Wodka Kg v John Distilleries Limited [2011] 4 Mah LJ 842 (Bom).

<sup>&</sup>lt;sup>91</sup> Ravinder Kumar Gupta v Ravi Raj Gupta and Ors. [1986] (1) ARBLR 473 (Delhi).

<sup>92</sup> Pentel Kabushiki Kaisha & Anr. v M/S Arora Stationers & Ors [2019] 261 DLT 753.

<sup>93</sup> Ravinder Kumar Gupta v Ravi Raj Gupta and Ors. [1986] (1) ARBLR 473 Delhi.

<sup>&</sup>lt;sup>94</sup> 'IP and Business: Intellectual Property in the Fashion Industry' (*WIPO Magazine*, May 2005), <a href="https://www.wipo.int/wipo\_magazine/en/2005/03/article\_0009.html">https://www.wipo.int/wipo\_magazine/en/2005/03/article\_0009.html</a> accessed 14 April 2022.

The secondary feature to ensure protection is the proprietor. The proprietor of the design, i.e. the person who can apply to register it, will normally be the actual designer, but not in the case (1) where the designer is employed and the design is created in the course of that employment (where the employer owns the design), nor (at present there is a proposal to align the position with copyright) (2) in the case of any commissioned work where the commissioner owns the design. <sup>95</sup> If a design was created by a computer where there was no human author, the person who made the arrangements necessary for the creation of the design is deemed to be the author and thus the proprietor of the design. <sup>96</sup>

The third basic requirement is maintaining the database of prior registrations. The Intellectual Property Office maintains a database of design applications and registrations, and the data is available via the Internet for all registered designs in force. Propies of the representations filed in respect of any design registration may easily be found and viewed if the registration number is known and searching on the Locarno Classification is also possible. However, it is not yet possible because there is no classification for the designs themselves (only for the articles to which they may be applied) to search for similar designs. However, a manufacturer who wants to check whether a proposed item would infringe any registered design in force can ask the Registry to carry out a check. The Collector's view expressed as a result of such a search is not conclusive, but it is a prudent step to take if it is proposed to launch a new item in a field where design protection is often taken out. The conclusive is a proposed to launch a new item in a field where design protection is often taken out.

#### 5.1 Form of Protection

When a registration certificate is issued (usually within a few months of applying), the proprietor of that registration then acquires the exclusive right to use the design and any design which does not produce the informed user a different overall impression. <sup>101</sup> Such right includes the making, offering, putting on the market, importing, exporting, or using of a product in which the design is incorporated or to which it is applied and it includes stocking such a product for any of those purposes. <sup>102</sup>

<sup>95</sup> Aananda Expanded v Unknown [2002] (24) PTC 427 CB.

<sup>&</sup>lt;sup>96</sup> Institution of Mechanical Engineers (India) v State of Punjab [2019] 16 SCC 95.

<sup>&</sup>lt;sup>97</sup> 'About the WIPO IP Statistics Data Center' (WIPO) <a href="https://www.wipo.int/ipstats/en/help/">https://www.wipo.int/ipstats/en/help/</a> accessed 14 April 2022.

<sup>98</sup> Maganbhai Ishwarbhai Patel v Union of India and Anr [1969] AIR 783.

<sup>&</sup>lt;sup>99</sup> Designs Act 2000, s. 17 (2).

<sup>&</sup>lt;sup>100</sup> Dwarkadas Dhanji Sha v Chhotalal Ravicarandas and Co. [1941] 43 BOMLR 280.

<sup>&</sup>lt;sup>101</sup> Designs Act 2000, s. 9.

<sup>&</sup>lt;sup>102</sup> Loksabha Discussion (n 33).

The nature of the informed user will depend on the particular type of design in question and seems curious to depend also on the field of use, but it is probably rare that it's going to be a normal end user. However, infringement will be established, even if the article in question is not of the type identified in the registration and, particularly noteworthy, irrespective of whether the infringement was derived by copying from the original, or has, just by chance, come to give the informed user the same "overall impression". 104

It is of very great importance to remember that infringement of a registered design can take place without any ill intent or bad faith and any copying taking place. If two parties independently conceive the same or substantially the same new teapot shape, for example, and one registers while the other produces, then since the shapes are substantially the same, the teapot as produced will infringe the registered design. In such a case, the so-called "innocent infringer" is absolved of damages but can still be enjoined from further manufacture. <sup>105</sup>

# 5.2 Exploitation

As noted above, once the proprietor has his design registration, he can stop other people from producing or offering for sale items that infringe on it. The proprietor can permit such activity to take place in return for a license fee, either a lump sum, a royalty, or a combination of the two, or, in certain cases, some other form of consideration. <sup>106</sup> Licenses and other documents affecting the registered design may be registered on the register kept for that purpose. <sup>107</sup> Registration is valuable if court proceedings are contemplated since documents in respect of which no entry has been made in the Register of Designs shall not be admitted in any court as evidence of the title of any person to a registered design or share or interest in a registered sign unless the court otherwise directs. <sup>108</sup> Quite clearly, the court will always take registration of a license, or an assignment, in the register as prima facie evidence of entitlement. <sup>109</sup> As just noted, an assignment can be registered, and, indeed should be, to claim entitlement if the registration is sold or otherwise transmitted. <sup>110</sup>

 <sup>103</sup> Maria Merceded Frabboni, 'Fashion Designs and Brands: The Role of the Informed user and the average consumer'
 (2020) 23 (6) The journal of World Intellectual Property 815, 826.
 104 ibid. 828.

<sup>&</sup>lt;sup>105</sup> John Fitzgerald, "Innocent infringement' and the Community unregistered design right: the position in the UK and Ireland', [April 2008] III (4) Journal of Intellectual Property Law & Practice 236, 245 <a href="https://doi.org/10.1093/jiplp/jpn017">https://doi.org/10.1093/jiplp/jpn017</a> accessed 14 April 2022.

<sup>&</sup>lt;sup>106</sup> Nigel Eastaway and Richard Gallafant, Intellectual Property Law and Taxation (8th Ed. Sweet and Maxwell) 37.

<sup>&</sup>lt;sup>107</sup> Designs Act 2000, s. 30 (1).

<sup>&</sup>lt;sup>108</sup> Designs Act 2000, s. 30 (3).

<sup>&</sup>lt;sup>109</sup> Designs Act 2000, s. 10 (4).

<sup>&</sup>lt;sup>110</sup> Designs Act 2000, s. 30.

#### 6. CONCLUSION AND SUGGESTIONS

Therefore, the above discussed were some of the background, essentials, conditions, and other aspects of designs. Designs consist of novelty, originality, and uniqueness. Design acquires commercial properties (and becomes industrial designs) for branding, product presentation, and advanced industries. When such designs entangle with commercial or aesthetic viewpoints, they entail protection under Intellectual property law. Such law provides for registration, and registration endows the design authors/owners with various rights, obligations, and liabilities. Once the design is registered, the protection extends to any type of article so long as the design of the potentially infringing article gives the informed user the same overall impression. Design registration is probably the quickest and cheapest form of protection available for a manufactured product. It is restricted in its scope, but it may serve as a rapidly usable weapon to keep down competition from competitors who copy your products.

The protection of industrial designs could be traced back to the late 18<sup>th</sup> century. Laws were made to secure cloth, cotton, textures, and other materials. Modern designs started to get protection in the early 20<sup>th</sup> century. They were initially protected as a copyright, then as a patent. With the advent of international law instruments such as the Paris Convention, Hague Agreement, and the Lacarno Agreement, designs are now protected under separate laws.

In India, the contemporary law that deals with design protection is the Designs Act, 2000. The Act only protects the design's aesthetic value and not its functionality, however, the functionality of the product may be protected by patent. It is much easier to prosecute a copyist under a clear design registration than under copyright or unfair competition law, even if either of the latter can be made to apply, which is not always the case.

The protection of Industrial designs makes a difference in the financial advancement which encourages inventiveness in the mechanical field. From the above discourse it is obvious that The Hague framework for international registration of plans gives the greatest focal points and benefits to the international merchandisers to obtain enrollment and get security inside the contracting states through a single application. It makes the strategy straightforward and productive in enrolling and getting protection for the designs made by a person at a worldwide level. In any case, India is not a part of the Hague framework of worldwide enlistment of the plan. However, it gives wider protection to industrial designs beneath the Designs Act of 2000. But it'll be way better to have international protection in India to create the assurance accessible in all the contracting parties to the Hague framework and to supply much security to the worldwide dealers in India.

# Suggestions:

#### 1. Free and fair market.

The current law does not address the commercial viability of the designs. Though designs are recognized as separate intellectual property and endorsed registration, most Indian companies and their products often suffer issues related to design piracy and others. The authorities have to be provided with better tools to assess the effects on the markets

### 2. Proper and consistent laws

Though the Designs Act, 2000 purported to remove impediments and provide an efficient legal system, it does not meet the requirements of the time. One of the grey areas where the law remains inapplicable is the NFTs (Non-fungible tokens). Though creating an NFT require a lot of creativity and effort, and also meets the essential requirements such as novelty and originality, the law is still unclear whether it protects NFT or not.

# 3. Systematic and adaptable changes

There must be some systematic and adaptable changes that are to be made in the current law, about the fashion industry. Firstly, the Design law of India only provides for civil remedies. It is high time to consider the actions of corporate fraud committed by the companies in the fashion industry and provide adequate punishments as a part of corporate criminal liability. Secondly, there must be some protection to be offered to the information provided by the author concerning the registration, as the same causes an adverse impact in manipulating fashion trends.

#### 4. Adaptation of technology

There must be an adaptation of technology into the process of registration. Introducing Artificial Intelligence to the process would make the system more efficient, fool-proof, and fast. It also traces the transfers, assignments, and other aspects under a single click. It would also keep track of all the subsequent changes and modifications to a design, publicly and instantaneously available.