

July 15, 2021

European Commission
Charlemagne building
Rue de la Loi 170
1040 Brussels
Belgium

Re: JIPA Comments to Public consultation on the revision of the EU legislation on design protection

We, the Japan Intellectual Property Association (JIPA), are one of the world's largest organizations of IP users with a membership of 1,345 companies (as of June 30, 2021), most of which are Japanese companies. In light of the fact that our member companies file numerous design applications both domestic and internationally, JIPA has carefully considered "Request for Comments on Public consultation on the revision of the EU legislation on design protection" published by the European Commission.

We, JIPA, respectfully submit our comments on European Commission proposed revisions to the rules, as below.

European Commission is kindly requested to take our comments into consideration when deciding on the revisions to the rules.

Sincerely yours,



Makoto Fukuoka
Managing Director
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<General questions to all>

1. Please indicate whether your knowledge of the design protection systems in the EU comes from the fact that you or members of your organization (at least 1 choice(s))

- Create/own designs
 - Use designs of others
 - Give (legal) advice
 - Work in intellectual property office, ministry, court or other authority
 - Lecture/research the topic
 - Other
 - I don't have any knowledge of the design protection systems
- If other, please explain (1000 character(s) maximum)

2. What would in your view most help to raise the usage of design protection?

(between 1 and 3 choices)

- Increasing clarity and transparency of rules and making them future-proof (e.g. as to what can be protected)
- Streamlining and simplifying registration procedures
- Harmonising registration procedures
- Adjusting fee levels/structure
- Raising awareness about availability, benefits and ways of protecting designs
- Other
- No opinion

Please explain your answer: (5000 character(s) maximum)

In order to raise the usage of design protection, it is the most important to raise the availability of design protection, and specifically, it is considered useful to introduce substantive examination. In the European Community Design System, substantive examination is not carried out at the examination stage, so the validity of a right is very unstable. Since the right is unstable in terms of the validity, it is difficult to utilize the right. This is one of the reasons that we refrain from filing of design applications.

Thus, the introduction of substantive examination contributes to an increase in the usage of design protection.

In addition, allowing users to easily understand the predictability on whether a design right is infringed would also contribute to an increase in the usage of design protection.

<More specific questions to all>

Spare parts protection

3. Should there be changes to design protection for repair spare parts?

No changes: The current status quo, as provided for by Article 14 of the Design Directive and Article 110(1) of the Community Design Regulation, should be maintained on a permanent basis, i.e. Member States should remain free to retain national rules extending design protection to the reproduction of spare parts for the purpose of repair, while no such protection should continue to exist at Union level

Yes, open the market of 'must-match' spare parts for competition, limited to new designs: A 'repair clause', as contained in Article 110(1) of the Community Design Regulation, and allowing the identical reproduction of protected parts of complex products for the purpose of repair, should also be inserted into the Design Directive.

The inserted repair clause should have legal effect only for the future (i.e. be applicable to designs granted after its entry into force).

The Regulation and the Directive should be explicit in that the repair clause only extends to parts of complex products whose shape is dictated by the product's overall appearance (so-called 'must-match' parts).

Member States should be obliged to ensure that consumers are duly informed about the origin of the parts so that they can make an informed choice between competing spare parts

Yes, open the market of 'must-match' spare parts for competition, extending it to both existing and new designs: Same changes as the previous option, except that the repair clause to be inserted into the Directive should have retroactive legal effect (i.e. be applicable to designs granted before and after its entry into force)

Other

No opinion

Please explain your answer and specify economic and other benefits:

(5000 character(s) maximum)

Repair spare parts should be protected by a design right in the same manner as other objects due to the following reasons.

(1) From international viewpoint, protection of repair spare parts by a design right is not available only in Europe, and this damages the harmonization. It is considered that the damage of harmonization results in a lower usage of design protection in Europe. It is therefore beneficial that protection of repair spare parts by a design right improves the usage of design protection in Europe.

(2) It is considered that recycling economy is an important issue; however, protection of designs of repair spare parts leads to an economic growth. In addition, in a finished product, some parts of it have a minute creative portion that is less likely to appear as a design right of the entire finished product, and we consider that these parts should also be protected by a design right. Some non-genuine repair spare parts do not have the same performances as genuine parts while they only have generally the same shape as a whole. Consumers who have purchased these non-genuine parts sometime suffer a disadvantage. Further, a person who would like to purchase genuine parts may have a misconception or confusion between a genuine part and a non-genuine part, and therefore, a system that respects an intention of a purchaser is needed.

<Protectable types of design>

4. The evaluation of the EU legislation on design protection points to the need for clarifying that the eligible subject matter of design protection also covers new types of (graphic) designs (notwithstanding the absence of physical embodiment) such as in particular animated graphical user interfaces and icons.

Do you think the subject of design protection should extend beyond visually perceptible matter to include, for example, also sound designs (e.g. jingles or voices)?

Yes

No

Other opinion

No opinion

Please explain your answer: (5000 character(s) maximum)

Due to the following reasons, protection of "sound designs" is not needed.

- (1) "Design" in Article 1 (a) of the Design Directive and Article 3 (a) of the Community Design Regulation is "appearance," and it should be limited to a matter that produces a visual beauty.
- (2) Regarding sounds, it is appropriate that "a distinguishable sound" should be protected by a trademark right from the viewpoint of the international harmonization.

If yes, please explain the benefits of such extension. Are there any potential drawbacks? :
(5000 character(s) maximum)

5. For the sake of greater transparency and accessibility of the EU legislation on design protection, the law could provide for a more systematic (nonexhaustive) categorisation of design types.

This could be achieved by drawing a clearer distinction between the three principle design categories, that is graphical design (which may include inter alia logos, graphical user interfaces, surface patterns and typographic typefaces), design related to physical objects (which may include inter alia packaging and sets of articles), and

get-up (which may include inter alia interior design).

Would you find this appropriate and useful?

- Yes
- No
- Other opinion
- No opinion

Please explain your answer: (5000 character(s) maximum)

Not only the three principle-design categories, but also intermediate class and minor class should be used for further detailed distinction. For example, major states including Europe give an international classification (classification based on the Locarno Agreement). However, the Locarno Agreement fails to define rules for giving a classification, and classification systems of these states are not standardized and their classification is rough. Thus, prior design search by use of the classification of the Locarno Agreement is disadvantageously inefficient. In Japan, the Japanese design classification that classifies articles more finely in a detailed manner is given to a design gazette, and prior design search can be carried out efficiently. Then, the classification in Europe should have the same level of detailed distinction as the Japanese design classification.

6. The evaluation of the EU legislation on design protection shows stakeholders' support for a clarification in the law that designs for 'sets of articles' are protectable. Furthermore, as the law refers to designs for 'get-up' without defining its meaning, a clarification to that effect would be considered useful.

6.1. What is your view of the following definition of a 'set of articles'?

A 'set of articles' is a set of physical objects, ordinarily sold and intended to be used

together, coordinated in their overall appearance.

- Appropriate
- Not appropriate
- No opinion

Please explain your answer: (2000 character(s) maximum)

6.2. What is your view of the following definition of ‘get-up’ (supposed to include also the arrangement of the interior of a room, shop or restaurant in accordance with the International Classification for Industrial Designs under the Locarno Agreement)?

A ‘get-up’ consists of the arrangement of separate items to form a coordinated overall appearance.

- Appropriate
- Not appropriate
- No opinion

Please explain your answer: (3000 character(s) maximum)

<Limitations on rights>

7. There are limitations to design rights, meaning that these rights cannot be exercised (i.e. are unenforceable) against certain uses of the design.

Based on your experience or knowledge, how would you rate the use of these limitations?

	Easy to use	Not easy to use	No Opinion
Acts done privately for non-commercial purposes (Article 20 (1)(a) Community Design Regulation/Article 13(1)(a) Design Directive)	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Acts done for experimental purposes (Article 20 (1)(b) /Article 13(1)(b))	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Acts of reproduction for the purpose of making citations (Article 20 (1)(c) /Article 13(1)(c))	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Acts of reproduction for the purpose of teaching (Article 20 (1)(c) /Article 13(1)(c))	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

Please explain your answer on acts done privately for non-commercial purposes: (3000

character(s) maximum)

Please explain your answer on acts done for experimental purposes: (3000 character(s) maximum)

Please explain your answer on acts of reproduction for the purpose of making citations : (3000 character(s) maximum)

Please explain your answer on acts of reproduction for the purpose of teaching : (3000 character(s) maximum)

8. Based on your experience or knowledge, how do you consider the scope of the current limitations?

	Appropriate	Too Broad	Too Narrow	Other	No Opinion
Acts done privately for non-commercial purposes	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Acts done for experimental purposes	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Acts of reproduction for the purpose of making citations	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Acts of reproduction for the purpose of Teaching	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Please explain your answer on acts done privately for non-commercial purposes :

(3000 character(s) maximum)

(1) It is necessary to restrict "private importing" of a design right-infringing product, though it is for "non-commercial purpose," since the possibility of private importing with commercial purpose cannot be removed.

(2) It is necessary to restrict advertisement items with the purpose of sales promotion, which do not directly produce a profit though not for "non-commercial purpose."

Please explain your answer on acts done for experimental purposes :

(3000 character(s) maximum)

The scope of "experimental purposes" is unclear and therefore, it is difficult to answer. However, it is necessary to restrict acts of entities conducting experiments as businesses.

Please explain your answer on acts of reproduction for the purpose of making citations :(3000 character(s) maximum)

Please explain your answer on acts of reproduction for the purpose of teaching :

(3000 character(s) maximum)

With respect to teaching conducted with commercial intention, exercise of right should not be limited even though the purpose of conduct is for teaching.

9. In order to achieve the right balance between the rights and interests of design holders and users, should the catalogue of limitations be complemented by declaring any of the following uses of the design as permissible (as long as the use complies with honest commercial practices and does not unreasonably prejudice the right holder's interests)?

	Yes	No	No View
Presenting one's own product as an alternative or as accessory or spare part to the product of the competitor	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Illustrations for comparative advertising	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Comment, critique, or parody	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

Using the design to foster innovation (e.g. creation of new designs) with help of new technologies such as artificial intelligence (along the line of the text and data mining exception in copyright law)	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Other	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

Please explain your answer on presenting one's own product as an alternative or as accessory or spare part: (3000 character(s) maximum)

Please explain your answer on comment, critique, or parody (3000 character(s) maximum) :

Please explain your answer on illustrations for comparative advertising : (3000 character(s) maximum) :

Please explain your answer on using the design to foster innovation with help of new technologies: (3000 character(s) maximum) :

Please explain your answer on other uses: (5000 character(s) maximum) :

<Relationship to copyright>

10. Are there overlaps between copyright and design protection, which make a choice

difficult?

- Yes
- No
- Other
- No option

Please explain your answer and the implications involved:: (5000 character(s) maximum) :

From the viewpoint of the international harmonization, it should be discussed whether it is appropriate that design protection and copyright protection are provided in an overlapping manner.

11. How would you assess the following concerns:

	Very serious	Rather serious	Rather not serious	Not serious at all	No view
that in view of the conditions for granting copyright protection, potential right holders opt for copyright protection instead of design protection, to a degree that the special design regime created for designers and design-oriented industries runs void	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
that the conditions for granting copyright protection in addition to design protection lead to overreach of protection and distortion of competition (in particular by allowing overlap of protection beyond the 25 years' maximum term of design protection)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

Please explain your answer on the concern that the design regime runs void: (5000 character(s) maximum)

Please explain your answer on the concern of overreach of protection and distortion of

competition: (5000 character(s) maximum)

12. According to current rules (Article 17 Design Directive and 96(2) Community Design Regulation), an object protected under design law must also be eligible for copyright protection. Each Member State however sets the conditions under which such protection is granted, including the level of originality required.

Should there be changes to these rules?

- No changes
- Yes, remove margin of discretion for Member States to determine conditions for copyright protection
- Yes, remove margin of discretion for Member States to determine conditions for copyright protection, and adopt guidelines clarifying relevant case law of the Court of Justice of the European Union
- Yes, remove margin of discretion for Member States to determine conditions for copyright protection, and set in the law the specific standards under which designs can be protected by copyright law
- Other
- No option

Please explain your answer and the benefits involved:

(5000 character(s) maximum)

<Procedures>

13. To what extent do you use Member States' national design systems in parallel or in combination with the Community design system to register the same design?

	Very often	Often	Rarely	Never	No Opinion
register the same design as national design in various Member States (including through International Hague system)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
I register the same design as national design(s) first and subsequently also as registered	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

Community design based on convention priority					
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Please explain reasons for registering the same design in various Member States to the indicated extent: (3000 character(s) maximum)

Please explain reasons for registering the same design as national design and registered Community design to the indicated extent: (3000 character(s) maximum)

14. In contrast to national rules, when applying for a Community design registration, it is practically only possible to claim exhibition priority for designs first disclosed at world exhibitions. Do you think this should be changed?

- Yes
- No
- Other
- No opinion

If yes, please explain your answer and tell us how this should be changed:
(5000 character(s) maximum)

We consider that exhibition priority in the European Community Design System should be eliminated. The reason therefor is that those who apply for design right registration and whose business belongs to business type that holds no exhibitions inevitably have no chance to claim exhibition priority, and inequality then occurs among business types. Not all business types hold exhibitions; only part thereof hold exhibitions, therefore resulting in inequality. In addition, businesses in host countries of exhibitions have a geographical advantage and they are expected to often receive benefits from exhibition priority; however, businesses in non-European regions are unlikely to receive benefits from exhibition priority, resulting in the inequality. Considering these points, exhibition priority should be eliminated.

If no or other, please explain your answer: (5000 character(s) maximum)

15. In contrast to the EUIPO and the vast majority of national industrial property offices, the industrial property offices of five Member States still carry out ex officio examination of prior art for the purposes of establishing novelty of a design applied for registration.

What is your view on this?

- Member States should remain free to examine novelty of a design
- Member States should not be allowed to do so any more in alignment with the Community design system
- Other
- No opinion

Please explain your answer and benefits involved: (5000 character(s) maximum)

We would like all of the member states and EUIPO to conduct substantive examination.

Substantive examination: (1) enhances the validity of a registered right and ensures the stability of the right; and (2) reduces the number of potentially invalid registrations, so that it would be benefit to reduce more burdens on search for design rights of third parties than the current state.

16. In some Member States, where it is currently not possible to seek for the invalidation of a registered design before the industrial property office, only a very few invalidity cases are brought before the competent courts.

Do you think Member States should nevertheless be required to establish quick and inexpensive proceedings before their industrial property offices to get registered designs invalidated?

- Yes. In order to also assist in capacity building and cushion potential negative impacts on the part of smaller IP offices, cooperation between the EUIPO and national IP Offices should be extended appropriately
- No. Member States should remain free to provide office-based invalidity proceedings
- Other
- No opinion

Please explain your answer: (5000 character(s) maximum)

It is desirable that even a smaller IP office can carry out appropriate examination.
In order for every office to ensure stable examination, EUIPO should attain capacity building of national IP Offices.

If yes, please specify the (cost) benefits for those wishing to get a design invalidated: (5000 character(s) maximum)

<Fees for registered Community designs>

17. In order to make design protection more accessible to small and medium-sized enterprises (SMEs) and individual designers, the basic fee for the initial five years' registration of a Community design (€350) could be lowered.

This could factor in that larger firms filing more designs have more often access to the bulk discounts available for multiple design applications.

It would also consider that the average cost for registering a national design is substantially lower (below €100).

Alternatively, the fee(s) for renewing the registration of a Community design could be lowered. Renewal fees are currently higher than the registration fee.

Keeping them at a higher level could however be appropriate to help avoid that not utilized registered Community designs are renewed.

What would you consider more appropriate?

- A reduction of the fee to obtain a registered Community design
- A reduction of the fees to renew the registration of a Community design
- Other
- No opinion

Please explain your answer and benefits involved:(5000 character(s) maximum)

We would like you to consider not only a mere reduction of the fees but also the introduction of substantive examination, and also to set fees commensurate with substantive examination.

If you favour a reduction of renewal fees, would you see a need for introducing other (alternative) means to avoid that not utilized designs are renewed?

- Yes
- No
- No opinion

Please explain your answer:(5000 character(s) maximum)

If yes, please indicate which other means could be introduced:

(5000 character(s) maximum)

<Awareness>

18. Would you consider the introduction of a commonly recognized symbol which points to the fact that the design incorporated in a product is registered (design notice) to be a suitable means to raise awareness about the EU design system?

- Yes
- No
- No opinion

Please explain your answer:(3000 character(s) maximum)

A specific benefit resulting from the introduction of "design notice" is not clear, so it is difficult to make comments thereon.

<Invitations to all>

19. If you wish to add any further information or views in relation to design reform aspects not subject of this questionnaire, which you have not already submitted in the

context of the evaluation of the EU legislation on design protection (including previous public consultation), please feel free to do so here:(5000 character(s) maximum)

(1) We wish the introduction of substance examination.

In the European Community Design System, substantive examination is not carried out at the examination stage, so the validity of a right is very unstable. In the system, a registration fee or annual fees have to be paid even for a potentially invalid right, and a right holder is forced to bear an unnecessary cost burden. In addition, the burden in search for potentially invalid rights of other companies has been increased year after year. Further, the European Community Design System does not have a system to confirm the validity of a right of other company at a comparatively low cost and for a short period, like a patent right evaluation report in China. In order to confirm the validity of a right of other company, a trial for invalidation has to be filed, which is a time- and cost-consuming process.

In view of the above, we would like you to introduce substantive examination to examine whether or not an application satisfies the requirements for registration in relation to prior known designs.

(2) We wish the deletion of the requirement "remains visible during normal use" on "the component part, once it has been incorporated into the complex product" defined in Article 3 (3) (a) of the Directive on European Community Design Protection, and Article 4 (2) (a) and (3) of the Community Design Regulation.

"Design" defined in Article 1 (a) of the Design Directive and Article 3 (a) of the Community Design Regulation means only the "appearance." However, even "a component part that is incorporated into a complex product" and "remains invisible during normal use" (e.g., electronic parts such as toner cartridges and motors) should be protected as a design when it is a product, which is separately and independently traded and the "appearance" of which is visually recognizable by a purchaser during a distribution process of or at the point of purchase.

In addition, the requirement "invisible during normal use" does not exist in Japan and South Korea, and an invisible component part should be protected from the viewpoint of the international harmonization.