



UPCOMING CHANGES IN EU DESIGN LAW – KEEPING UP WITH MODERN TECHNOLOGY

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1. Introduction

In response to the rapidly evolving digital landscape and the emergence of 3D printing technology, the European Commission (EC) has recently proposed significant updates to the existing EU design law. On 28th November 2022, the European Commission published its proposal, aiming to adapt current legislation to the challenges and opportunities presented by the digital age. The proposal aims to modernize the existing legal framework and ensures that it remains relevant and effective in the light of technological advancements and changing consumer behavior. The changes to EU design law are going to be wide-ranging and cover a variety of areas. This comprehensive overhaul does not only reflect the need for modernization but also seeks to strike a balance between promoting innovation and protecting intellectual property rights. With a particular focus on the repair clause and the implications of 3D printing, this article will explore the upcoming changes in EU design law and their potential impact.

2. Upcoming Changes

a) Wording and new definitions

In the past, it has already been possible to protect “moving designs” (e.g. changes to graphical user interfaces by filing up to seven different views of a graphical user interface), but under the new definition, “design” may now explicitly include movement, transition or any other sort of animation, in addition to lines, contours, colours, shape, texture, materials of the product itself and/or its decoration. The change is made to Article 2 Directive (Article 3 Regulation), which suggests a new definition for “design” and “product” in order to future-proof design protection against technological advances and to provide greater legal certainty and transparency. The definition of “product” is also broadened and covers “any industrial or handicraft item other than computer programs, regardless of whether it is embodied in a physical object or materializes in a digital form” and explicitly includes graphical user interfaces, which have – as mentioned above – already been registrable in the past. All these changes in the wording are intended to make clear that the appearance of digital products is covered. This made it also necessary to have a new definition of “representation”, which is now included in the Directive in Article 26 :

“The representation of the design (...) shall consist in any form of visual reproduction of the design either in black and white or in colour. The reproduction can be static, dynamic or animated and shall be effected by any appropriate means, using generally available technology, including drawings, photographs, videos, or computer imaging/modelling”.

The examples of what actually can constitute a product will also be expanded to include the spatial arrangement of items to form, in particular, an interior environment. This reflects the growing desire for items such as the designs of the interiors of stores to be able to benefit from design protection and the growing protection of such layouts in other countries. “Sets of articles” and interior environments (such as store interiors) are thus part of the product definition. This expansion

recognizes the growing importance of intangible designs in the digital landscape and aims to provide creators with the necessary legal framework to protect their digital designs. Also, 3D printing and new technologies like the metaverse are specifically addressed.

Another change in wording is made to the design right itself. Registered Community Designs (RCDs) will in future be referred to as Registered EU Designs (REUDs) and Unregistered Community Designs (UCDs) as Unregistered EU Designs (UEUDs). This reflects the fact that the words „European Community“ are now obsolete. It follows a similar change several years ago to the name of Community trademarks (CTMs) – now EU trademarks (EUTMs).

b) The Repair Clause

One of the main changes to material law affects design protection of spare parts. The EU has harmonized national laws on design protection, which ensures equivalent protection to right holders in all EU Member States. However, the Directive does – so far - not address the case of so-called “must-match” visible parts (e.g. car body panels, windscreens), which often need to be replaced in case of an accident, and which must exactly match the design of the original component. This results in a patchwork of national legislation differing on this specific issue. The so-called “repair clause” concerns the repair of complex products and the question to what extent right holders can prevent the use of a (necessary) spare part based on their design rights. This is a controversial issue and has been quite controversial for many years. Some EU Member States have introduced a “repair clause” in their design law, whereby the manufacturer of a product (e.g. the vehicle manufacturer) gets protection on the overall design of the car and on first fitted visible parts, but the protection does not extend to the corresponding visible “must-match” spare parts. Consumers can choose between competing suppliers of spare parts and repairers. Other Member States do not have a repair clause in their design law, hence allowing original manufacturers to enjoy full design rights on these parts not only on the market of new vehicles, but also on the corresponding spare parts on the aftermarket. This might eliminate any possible competition as only the original manufacturer can replace visible must-match parts.

Until now Member States could only agree on not making changes to national law unless they liberalized the market for repair parts (the so-called “freeze plus”, Article 14 current Directive).

The repair clause now proposed by the Commission in both, the Directive and the Regulation, deviates from the current practice. The transitional repair clause in Article 110 of the existing Regulation is converted into a permanent provision but, in view of the case law of the Court of Justice of the European Union (CJEU) regarding *Acacia v Audi* and *Porsche*, it is only applicable if the appearance of the component part depends on the appearance of the complex product. Therefore, the clause can be used as a defence to infringement claims only if this condition is met and if consumers are informed of the origin of the component part. This change applies to REUDs and UEUDs. It is intended to increase competition in the spare parts market, with only some Member States currently allowing free competition in this area. The repair clause is a fundamental element of the proposed update, focusing on promoting the reparability and longevity of products. By allowing the use of spare parts and tools to repair a product, the repair clause emphasizes sustainability and supports the principles of a circular economy.

c) Goods in transit

Another important change is that the draft provisions mirror the amendments already made with respect to trademarks in the 2016 EU trademark package (Articles 16(3) Directive and 19(3) Regulation). Accordingly, proprietors of an REUD can stop, in essence, counterfeit goods in transit, even if the goods are not intended to be placed on the EU market. This is - unless evidence is provided - showing that the proprietor of the REUD is not entitled to prohibit the placing of the products on the market in the country of destination – for example due to prior consent and/or certain license agreements. In consequence, REUDs can also be enforced against goods that originate from, and are destined to, non-EU countries.

d) 3D Printing

Another crucial aspect of the proposed update is clarifying the scope of design rights concerning 3D printed objects. The current EU design law may not adequately address the unique nature of 3D printed objects, leading to uncertainty regarding their legal status. The update seeks to provide clarity and establish a framework for design protection in the context of 3D printing. 3D printing technology presents both opportunities and challenges for design law. On one hand, 3D printing enables greater accessibility and democratization of manufacturing, empowering individuals and small businesses to create and customize products. On the other hand, it raises questions about copyright infringement and the protection of digital designs.

Considering the above, it is obvious that the prior/current EU design right regulations do not provide sufficient protection against copying by means of 3D printing. The Commission thus proposed to limit the private use exception by adding a requirement of compatibility with fair trade practices and normal exploitation of a design. The proposals published by the European Commission (EC) go further and extend the list of exclusive rights of the design holder. They introduce new exclusive rights, namely the right to prevent

“creating, downloading, copying and sharing or distributing to others any medium or software recording the design for the purpose of enabling a product [in which the design is incorporated or to which the design is applied] to be made” Articles 16 Directive and 19 Regulation).

In summary, it can be said that 3D printing of a design will be seen as a form of use, requiring permission from the holder of the design first in order to lawfully 3D print the design.

e) Visibility

At present, EU design law requires that component parts of complex products (for example, a printer cartridge) must remain visible during normal use to be separately eligible for protection. EU law does not explicitly provide for such visibility requirement for non-complex products. This is now confirmed and clarified by the proposed changes:

“While otherwise design features of a given product do not need to be visible at any particular time or in any particular situation of use in order to attract design protection, an exception should apply to the design protection of component parts of a complex product that need to remain visible during normal use of that product.”

As can be taken from the above, the draft text confirms that design features otherwise do not need to be visible at any particular time or in any particular situation to attract protection. While protection is only granted for those design features which are shown visibly in the design application, the additional requirement that the design features must remain visible during normal use applies only to component parts of complex products. In the end, it is not a change in law, but merely a clarification of already existing standards.

f) National invalidity proceedings

The proposed changes to EU design law also include measures to improve the administrative situation of design rights in the Member States. Member states will be forced to provide for administrative invalidity proceedings. This is because, in some Member States, the validity of a registered design can be contested only in court proceedings which are in some countries quite time-consuming and expensive. The new system should offer an efficient and expeditious procedure handled by the national IP offices. This mirrors the requirement for trademarks already introduced and implemented several years ago.

g) Multiple design applications in several Locarno classes

The current REUD system allows for multiple applications only when designs belong to the same Locarno class. This leads to splitting applications by one and the same applicant that would otherwise go together. As requested by the Commission, the EUIPO analyzed 2020 applications. The assumption was that all applications filed within a two-month window of each other by the same owner could be grouped as one application. The length of the window selected was based on the analysis of filings in different classes by the same filers. The finding was that in 2020 around 2400 owners filed on average three applications instead of just one. Their filings were responsible for 22% of all applications in 2020. If the unity of class requirement would be lifted, the number of applications is expected to drop by 14% as owners would be able to apply only once, while the number of designs protected is not affected.

Considering this analysis, the Commission now decided that it will be possible to file multiple designs in the same REUD application without being limited to products of the same Locarno Class (thus allowing a bulk discount). This will bring administrative and financial benefits to the Applicants.

h) additional (minor) changes

The Commission has implemented several other changes, among them are the following minor changes:

- The proposal also includes a new symbol for use by design right holders. This symbol (the letter “D” in a circle) shall inform the public of the protection conferred on the design. While the symbol is already in unofficial use, it will become officially common by EUIPO. It is comparable to the letter “R” in a circle known in relation to trademark protection for decades.
- The existing Fees Regulation will be repealed, and the fees will be set out in the new Regulation in the form of an annex. It is proposed to reduce the level of the application fee and to simplify the schedule of fees to make design protection more affordable. This is quite surprising, as the official fees have never been high considering the amount of Member States covered by an REUD. It remains to be seen whether reducing fees will eventually result in higher filing numbers.
- The proposal will remove the discretion that permits Member States to provide unregistered design protection at national member state level. Unregistered design protection will still be available on a pan-EU basis. Given that no member state currently provides for unregistered design protection at national level, the impact of this is marginal.

3. Conclusion:

The upcoming changes in EU design law signal a proactive response to the digital age and the rise of 3D printing technology and other technologies. The proposed update, with its emphasis on the repair clause and the protection of digital designs, reflects the European Commission’s commitment to fostering sustainability, innovation, and the protection of intellectual property rights. As the world continues to evolve, these changes will pave the way for a more robust and forward-thinking legal framework that embraces the opportunities and challenges of the digital era.

However, it remains to be seen how these changes will actually be implemented and enforced in practice. It will be important for businesses and designers to stay up-to-date with the latest developments in EU design law and ensure that they are complying with the new rules and regulations. The proposed changes to EU design law are surely helpful to have an effective legal framework that supports the protection of modern technology. It is interesting to see that some topics have not been touched by the Commission’s proposal, but which might have been suitable for further clarification:

- a) **7-views** Currently the representation of an REUD may contain no more than seven different views of the design. In other countries outside the EU it is possible to file more than seven views, which might be beneficial in properly

registering complex, dynamic or designs with moving parts. Therefore, it might have been a good idea to also touch this issue and to consider allowing more than seven views. A further harmonization on an international level could also help to reduce the difficulties when using the Hague Agreement with International Designs.

b) **Priority:** Applicants enjoy generally a 6-month priority right for the purpose of filing a registered EU design. This is stipulated in Article 41 of Regulation No 6/2002, which however, refers to claiming priority from prior design rights only. In the *Kaikai* case (T-579/19) the EU General Court found that despite this wording of the Regulation, the design applicant's priority period may be as long as 12 months if the priority right is based on an earlier patent application. Since Article 4(C)(1) of the convention lays down a 12-month priority period for patents, and since it is based on the principle that, where priority is based on a different kind of right, the earlier filing determines the priority period regardless of the kind of right involved in the later filing, the General Court came to the conclusion that in this case a 6-month period should not be imposed. It would have been eligible to have this topic covered and to have it clarified by the legal framework and stipulated in the law.

As the digital age continues to reshape the creative and business landscapes, the need for modernizing and adapting EU design law becomes paramount. The European Commission's proposal to update EU design law represents a significant step towards addressing the challenges and opportunities brought about by the digital revolution. By expanding design protection, harmonizing procedures, enhancing enforcement mechanisms, and adapting to new design practices, the proposed changes aim to provide creators, businesses, and consumers with a robust framework that safeguards innovation, fosters creativity, and supports economic growth in the European Union. At present, these new rules are not in force. The proposals are still undergoing review by the European Parliament and the Council. It is anticipated that the new regime will enter into force in Spring 2024.