

Public Consultation on Proposed Changes to Singapore's Registered Designs Regime

1. INTRODUCTION

- 1.1. The Ministry of Law ("MinLaw") and the Intellectual Property Office of Singapore ("IPOS") are seeking feedback on proposed changes to Singapore's registered designs regime. The public consultation period is from **12 October 2015 to 7 December 2015**.

2. BACKGROUND

- 2.1. Design protection, like other forms of intellectual property ("IP") rights, aims to encourage innovation by granting rights owners a *de facto* monopoly over the use of their designs in return for disclosing them and releasing them for public use after a prescribed period.
- 2.2. Singapore aspires to be a global city for design creativity and excellence in Asia. Design is a critical aspect in Singapore's move towards a knowledge-based economy. In this regard, we have seen an increasing sophistication in the use of designs to differentiate products, create economic value, and also to enrich our lives. The protection of good design is worthwhile from both an economic and social perspective.
- 2.3. Singapore's current registered designs regime is governed by the following legislation:
- Registered Designs Act (Revised Edition 2005) ("RDA")
 - Registered Designs Rules
 - Registered Designs (International Registration) Rules
 - Copyright Act
- 2.4. It is timely to conduct a review of the RDA, which was enacted in 2000, in order to ensure that Singapore's registered designs regime continues to meet the needs of our designers, businesses, and the wider society. MinLaw and IPOS are reviewing our regime, with the objectives of:
- (i) supporting modern business practices, in light of technological advances and the increasing sophistication in the use of designs as a business strategy;

- (ii) providing business certainty, particularly in relation to the scope of design protection and threshold of infringement;
- (iii) ensuring that our design protection regime is cost-effective; and
- (iv) balancing the interests of creators and users.

2.5. In our review, MinLaw and IPOS have consulted a range of local stakeholders, including design associations and companies, industry associations, product-focused companies, institutes of higher education, and IP practitioners. We have also obtained feedback from several foreign design associations, IP offices, as well as multi-national companies that actively use and protect designs internationally. The key points of feedback that we have received from our consultations will be presented as we discuss the areas/issues below.

2.6. The preliminary proposals arising from our review are categorised into five areas, namely:

- (i) Scope of protection (**Section 3 – Page 3**)
- (ii) Substantive examination (**Section 4 – Page 21**)
- (iii) Formalities and operational issues (**Section 5 – Page 24**)
- (iv) Infringement and enforcement (**Section 6 – Page 30**)
- (v) Utility model protection (**Section 7 – Page 33**)

3. SCOPE OF PROTECTION

3.1. INTRODUCTION

3.1.1. The concept of “design” has been defined in many ways. The DesignSingapore Council adopts a broad view of designs, and has stated that “[design] is about the things we make, the places we shape, the illustrations we compose, the human interfaces we configure, and the processes and events we organize”.¹ A 2015 OECD publication² notes that designs can be recognised as the intersection between technology and the user, and is valuable as an intangible factor that contributes in most cases to the value-added and success of companies.

3.1.2. The scope of design protection under the Registered Designs Act (RDA) does not purport to address the entire range of activities falling within the broad understanding of design stated above.³ The RDA is intended to cover:

- (a) aesthetic appearance, instead of functional features; and
- (b) designs that are applied by an industrial process onto “articles of manufacture”, instead of “works of art” or artistic works.⁴

3.1.3. The broad objective for providing design rights is to incentivise creativity, specifically design creativity relating to the visual appearance of articles, which cannot be adequately protected by other forms of IP. However, as with other forms of IP, protection must be finely balanced so as to protect the interests of designers in preventing copying while also facilitating further design innovation through the free flow of ideas.

3.1.4. In our review of the scope of design protection, we have re-looked the existing scope of design protection in Singapore in light of, among other things; (i) technological advances, (ii) trends in designs, and (iii) design-related developments in other major jurisdictions.

3.1.5. In addition, the team has also considered the scope of registered design protection in other major jurisdictions as set out in their legislation (summary provided at

¹ See “Strategic Blueprint of the DesignSingapore Initiative” published by the DesignSingapore Council, 3rd September 2008 edition, at page 5.

² “Enquiries Into Intellectual Property’s Economic Impact”, OECD 2015

³ That said, some types of design activity that do not fall within the Registered Designs Act may be protected or addressed under other areas of IP, such as copyrights, trade marks and trade secrets.

⁴ Protection of functional features falls within our patents regime, whilst protection of artistic works falls within our copyright regime.

ANNEX A). References to specific elements present in these jurisdictions will be made as we discuss the various topics below.

3.2. DEFINITION OF “DESIGN” AND “ARTICLE” IN THE RDA

3.2.1. Under Section 2 of our Registered Designs Act (“RDA”):

“design” is defined as “features of shape, configuration, pattern or ornament applied to an article by any industrial process [...]”; and

“article” is defined as “any article of manufacture and includes (a) any part of an article if that part is made and sold separately, and (b) any set of articles”.

3.2.2. Design features that are dictated solely by function are excluded from design protection. In addition, there are provisions to exclude design protection for:

(a) design features that are dictated by the need to match another integral part of the article (e.g. the design of a car door, where it is necessary for the design of the car door to match with the car as a whole) (i.e. “must-match” exclusion)⁵; and

(b) design features that are dictated by the need to ensure fit with another article (e.g. the design of the pins of an electrical plug, where the design is essential for the pins to fit/connect to the electrical socket) (i.e. “must-fit” exclusion).⁶

In both these instances, the exclusions are based on the fact that there are functional aspects to the design features.

3.2.3. At the outset, we think it is prudent to not extend design protection to design features which are driven solely by functional considerations. The protection of functional features is a more powerful monopoly, and rightly belongs to the patents regime, where there is a higher bar to cross before protection is conferred. As such, in our review of the definition of “design” and “article”, we have focused instead on the requirements that a registrable design must be:

(a) “applied to an article by any industrial process”; and

⁵ The “must-match” exclusion is part of the definition of “design” in the RDA, where features of shape or configuration of an article that are dependent upon the appearance of another article of which the article is intended by the designer to form an integral part are excluded from design protection.

⁶ The “must-fit” exclusion is part of the definition of “design” in the RDA, where features of shape or configuration of an article that enable the article to be connected to, or placed in, around or against, another article so that either article may perform its function are excluded from design protection.

(b) applied to an “article of manufacture”.

(a) “Applied to an article by any industrial process”

- 3.2.4. In Singapore, a registrable design must be applied (or be capable of application) to an article “by an industrial process”. This conveys the idea of mass production and the use of industrial machines, e.g. molds or casting machines. It rules out the protection of designs that are applied to handicraft items.
- 3.2.5. Our legislative position seems to be narrower than in a number of major jurisdictions, including the UK, EU, and Australia. Presently, under both the UK and European legislation, design means “the appearance of the whole or part of a *product* [...]”. In Australia, “design” in relation to a *product*, means the “overall appearance of the product [...]”. There is no requirement that designs must be industrially applied.
- 3.2.6. Technological advances, as well as recent trends in design (which will be further discussed in section 3.3.), may have rendered the requirement for a design to be applied by way of an industrial process obsolete, or unnecessarily limiting. For example, 3D printing, which is increasingly commonplace, has enabled designs to be applied to articles outside of an “industrial” context. Therefore, it is timely to reconsider the need for this requirement.

(b) “Article of manufacture”

- 3.2.7. Unlike the position in Singapore, the EU, UK and Australia presently define “design” as the “appearance of... *a product*”, instead of prescribing that a “design” be applied to an “article of *manufacture*”. “Product” is further defined in the EU, UK and Australia to include both industrial and handicraft items.
- 3.2.8. The definition of “design” in these countries has allowed for greater flexibility in constructing the scope of design protection because of the broader meaning of “product”, and the removal of the necessity for the article to be one of “manufacture”. As with the issue of whether to require that a design be industrially applied, the policy consideration is whether the registered designs regime still needs to be closely tied in with the concept of industrial manufacture. Building in some flexibility in the definition, and hence scope, of design could be useful in light of technological advances and the evolving use of designs.

Proposal (1):

We propose to broaden the definition of “design” in our Registered Designs Act to take into account technological advances and design-related developments, in line with current

practices from other developed countries, and to support our ambition of becoming a design hub.

Specifically we propose to:

- (a) Remove the requirement for the design to be “applied by an industrial process”;
- (b) Replace the word “article” with “product”; and
- (c) Remove the requirement that it be “of manufacture”.

In this regard, we can take reference from the UK, EU, and Australian definition of “design” to provide for greater flexibility in constructing the scope of design protection.

Questions

What are your views on proposal (1)?

3.3. EMERGING DESIGN TRENDS

3.3.1. Our designs regime should not only be up to date, but should also be sufficiently forward looking to take into account new developments in a dynamic area. We have therefore also consulted industry stakeholders on what some of the emerging design trends are. These trends show that companies are evolving new strategies to incorporate designs into their business, and becoming more sophisticated in the use of design to differentiate their products and/or services. In the following paragraphs, four specific design trends will be discussed, namely:

- (a) “Experiential” designs;
- (b) “Dynamic” designs;
- (c) “Projected” designs; and
- (d) 3D printing.

(a) “Experiential” designs

3.3.2. The first design trend studied was the emergence of “experiential” designs, which can be broadly defined as designs that focus on the overall user experience and the touch points between the company and its customers. “Experiential” designs are, by nature, intangible, e.g. it centers on a certain customer experience or method of operation. An example of an “experiential” design could be the “look” and “feel” of a Starbucks or Apple store.

3.3.3. “Experiential” designs do not fall within the scope of design protection under our existing RDA. Our position is similar to most other jurisdictions. The challenge in protecting “experiential” designs is their intangibility. It is difficult, if not impossible, to identify a specific “product” or “article” that the design is tied to,

and if protection is conferred on something as vague and subjective as the “look” and “feel” of a space, it would be difficult to ascertain what exactly is being protected. Also, it has been submitted that certain aspects of “experiential” designs, e.g. the interior of a shop, may be more appropriately covered by other types of IP rights (e.g. the law of passing off).

3.3.4. **Feedback from consultations.** Based on our consultations, it is evident that the importance of “experiential” designs in differentiating products/services is increasing.

3.3.5. However, we also received feedback that adopting too liberal a stance (e.g. providing design protection) for “experiential” designs could hinder companies and designers from drawing inspiration from and building upon the design creativity of others. This would have the unintended adverse effect of stifling new forms of design innovation. Further, the possible vagueness of what is protected may cause business uncertainty. Another point worth noting is that apart from the law of passing off, specific elements in an “experiential” design could possibly still be protected under various existing IP regimes, e.g. trade marks or copyright.

Proposal (2):

We propose not to broaden the scope of design protection to cover “experiential” designs.

Question:

What are your views on proposal (2)?

(b) “Dynamic” designs

3.3.6. Another emerging design trend observed is the increasing use of “dynamic” designs, whereby designs are applied onto dynamic or fluid mediums (e.g. water). “Dynamic” designs are not static as the medium onto which it is applied is intrinsically dynamic/fluid. One example of “dynamic” designs cited during our consultations was the design of the spray pattern of a water fountain.

3.3.7. Our RDA, as with the legislation of most major jurisdictions, does not provide design protection for “dynamic” designs. This is due to the high level of subjectivity when representing the design (during application), as well as when determining infringement, given the intrinsically dynamic nature of the medium onto which the design is applied.

3.3.8. **Feedback from consultations.** While there is increasing use and interest in “dynamic” designs, stakeholders did not seem to be making strong demands for

design protection to be accorded to such designs. As with “experiential” designs, the extension of protection in this area does not seem prudent. The industry seems content to develop this area without the need for incentives from the Registered Designs regime.

Proposal (3):

We propose not to broaden the scope of design protection to cover “dynamic” designs.

Question:

What are your views on proposal (3)?

(c) “Virtual” / “Projected” designs

- 3.3.9. The increased use in “virtual” or “projected” designs, i.e. designs that can be projected onto various surfaces (or even into space), is one other design trend. Such “virtual” designs are not applied onto specific articles (or articles of manufacture), but can be projected onto a wide variety of different surfaces/mediums while still retaining the same design features. One example of a “virtual” design is a virtual keyboard that can be projected onto any surface (or even into space), while still retaining the same design features and performing the same function as the traditional physical keyboard.
- 3.3.10. As with “experiential” and “dynamic” designs, “virtual” designs are not captured within the existing scope of design protection set out under our existing RDA.
- 3.3.11. There have been some moves, specifically in the UK and EU, to allow some protection for “virtual” or “projected” designs. This flexibility stems from the broader definition of design in those jurisdictions, i.e. the “appearance of...a product”. The “virtual” or “projected” design itself, e.g. the virtual keyboard, could be regarded as the “product”, and protectable in the UK and EU.
- 3.3.12. ***Feedback from consultations.*** Based on our consultations, it is evident that there is increasing use and interest in “virtual” designs. However, as with the previous two design trends, at present the industry does not seem to be pushing strongly for “virtual” designs to be covered under the RDA.
- 3.3.13. That said, we are prepared to consider extending protection for “virtual” designs. A critical feature of “virtual” designs is that, unlike “dynamic” designs, they retain the same (or substantially similar) design features irrespective of the medium they are projected on. There should be no subjectivity when representing the design during application and when determining infringement. In the same vein, views were expressed to us that it would be “unfair” to deny protection for “virtual” designs

simply because of the medium on which it is carried if (i) the design features remained constant and (ii) the “virtual” design (or product) performed the exact same functions as a physical/tangible product.

Proposal (4):

We propose to amend the definition of “design” in our RDA to provide for greater flexibility in constructing the scope of design protection. “Virtual” or “projected” designs that remain constant, and can be represented during application without subjectivity, may be protected, in line with the UK and EU position on “virtual” designs. This could be achieved by the proposed amendments set out in proposal (1).

Question:

What are your views on proposal (4)?

(d) 3D printing

- 3.3.14. Additive manufacturing, or more commonly known as 3D printing, is one of the most significant technology trends. South-east Asia’s biggest commercial 3D printing facility was very recently opened in Singapore. In our review, we had considered if amendments to the RDA are required in the face of this trend.
- 3.3.15. Despite the buzz surrounding 3D printing, at present, it has yet to enter the domain of widespread personal and home use. Instead, it is most commonly used for prototyping and customised, low volume, production. However, we note that 3D printing is likely to gain traction as the prices of 3D printers and required materials fall. With increased adoption of 3D printing, there could be concerns in relation to whether the articles printed by 3D printing would fall within the scope of the RDA, and whether 3D printing would facilitate the copying and infringement of registered designs.
- 3.3.16. Without a doubt, 3D printing is a highly disruptive technology and will have a tremendous impact on manufacturing, but our current IP laws are sufficiently technology neutral to address some of the concerns brought about by it. For instance, original blueprints are protected by copyright. Third-parties who create digital blueprints of registered designs and distribute them may also be liable for enabling infringement under section 30(2)(b) of the RDA. The unauthorised sale, or making for sale, of objects bearing registered designs are also infringing acts under the RDA. In short, at present, there appears to be no evidence pointing to a current issue in relation to 3D printing and design infringement.

3.3.17. Without evidence on possible gaps in design protection or enforcement, we would prefer not to intervene legislatively in this area, as any premature action may inadvertently stymie developments in this nascent field. Other jurisdictions, for example Australia, have also arrived at the same assessment. However, given the dynamism of this sector and its significant impact on us, we will continue to keep a close eye on how the sector develops.

Proposal (5):

We propose no change to our registered designs regime at this time that specifically addresses 3D printing, but will continue monitoring developments closely.

Question:

What are your views on proposal (5)? With the emergence of 3D printing, do you anticipate issues or challenges that the current registered designs regime cannot handle?

3.4. PROTECTION OF PARTIAL DESIGNS

3.4.1. Singapore does allow for the protection of partial designs. Under section 2(1) of our RDA, a design can be protected if it is applied onto an article, including “any part of an article if that part is made and sold separately”.

3.4.2. There is some uncertainty as to whether a design applied to a portion of an article can be registered if that portion is not made or sold separately from the rest of the article. For example, there is some uncertainty as to whether a design applied to the handle of a cup or to the heel of a shoe can be registered if neither the handle nor the heel is made or sold separately from the cup or the shoe respectively.

3.4.3. IPOS’s Practice Direction⁷ on design representations (i.e. the images of the design submitted with the design application form) clarifies how a partial design may be claimed and protected. The Practice Direction indicates:

“To protect a design which only applies to a part or parts of an article, clearly identify the part or parts of the article in solid lines. The parts for which protection is not claimed may be indicated by means of broken or stippled lines, or shaded portions. Broken or stippled lines and/or shaded portions are for illustrative purposes only.”

⁷ Special IP2SG Practice Direction No. 2 of 2014

[http://www.ipos.gov.sg/Portals/0/FAQ/IP2SG/Special%20IP2SG%20PD%20No.%202%20of%202014%20\(EOS\).pdf](http://www.ipos.gov.sg/Portals/0/FAQ/IP2SG/Special%20IP2SG%20PD%20No.%202%20of%202014%20(EOS).pdf) (Page 11, no. 16)

- 3.4.4. Our position, as implemented and clarified in the Practice Direction, has been to allow protection of designs applied to a part of an article, even when that part is made and sold together with the article. For example, a design that is applied to the handle of a cup is registrable, even when the handle is made and sold together with the cup. The parts of the article for which protection is not claimed should be clearly indicated in the application.
- 3.4.5. Most major jurisdictions, including the EU, UK, US, Japan, and South Korea, allow for the protection of partial designs. The intention to seek protection for the design applied to only one part of an article is often indicated through the use of dotted or dashed lines indicating the parts disclaimed from protection. In contrast, the protection of partial designs is not allowed in Australia and China, although it appears that Australia may be open to re-examining its position.⁸ The split in global practice reflects the view of some jurisdictions that protection for partial designs may lead to over-protection in certain instances.
- 3.4.6. ***Feedback from consultations.*** Based on our consultations, it appears that businesses are increasingly focused on using the design of specific parts or elements of a product to differentiate their products. This “partial design” may be used as a common design element applied across a range of products to build brand recognition. In this regard, the protection of partial designs was argued to be important to support current and future business trends and needs.
- 3.4.7. While the possibility of over-protection of designs was noted, most companies did not consider this to be a problem. They highlighted that partial design protection would generally still allow other designers sufficient freedom to create original designs, given the relatively wide range of design possibilities. In addition, the novelty criteria for design protection would prevent pre-existing “basic” designs from being protected.
- 3.4.8. It was also highlighted that the advancements in manufacturing techniques have enabled increasingly complex products to be made and sold together. Although it was acknowledged that partial design protection is available in Singapore, the issue was whether, in light of these developments, the legislative provision that the design must be applied to an article or a part of an article if “that part is made and sold separately” should be removed so as to add further clarity to the position that partial design protection is available.

⁸ In the Designs Review Final Report by Australia’s Advisory Council on Intellectual Property (“ACIP”) released earlier this year, it was recommended that “IP Australia continues to investigate whether allowing partial product registrations would enhance the harmonisation of application requirements in a way that would substantially advantage Australian applicants”.

3.4.9. While we recognize that modern manufacturing and design trends would support the removal of this requirement, one of the countervailing arguments is that such removal would lead to an overly broad scope of design protection, which, in turn, would not be prudent from the consumer protection point of view. Together with the “must-fit” and “must-match” exclusions introduced at para 3.2.2. above, this registration criterion helps to ensure that design protection only extends to articles that have an independent life as an article of commerce, and not extend to genuine spare parts. We would like to seek further views on these concerns, and whether there are mitigating factors or other considerations which would be relevant to this issue.

Proposal (6):

We propose to affirm the current position in the RDA for allowing partial design protection. We also seek further views on whether the requirement that a design must be applied to an article or a part of an article if “that part can be made and sold separately” should be retained.

Questions:

What are your views on partial design protection?

What possible positive or negative impact could there be in removing the requirement of “made and sold separately”? If there are possible negative consequences, how may these be mitigated?

3.5. PROTECTION OF COLOURS

3.5.1. Under our RDA, colour is not expressly listed as a protectable design feature. In general, a registered design right covers the features identified in the design application/registration certificate, regardless of colour.

3.5.2. The interplay of colours may be protected as a “pattern”. In such cases, protection is accorded to the pattern created by the interplay of the colours. However, protection is not accorded to individual colours *per se*.

3.5.3. In comparison, many countries, including the UK, EU, Australia, Japan, and South Korea, expressly state that colour is a protectable design feature, either through legislation or practice guidelines. It may be worthwhile to note that these countries set a higher bar for protection, such as the requirement for “individual character” in the UK and the EU, and the requirement for “creative difficulty” in Japan.

- 3.5.4. Based on our discussions with the IP offices of major jurisdictions, in practice, the design is considered in its entirety when assessing registrability; and the feature of colour on its own is generally not sufficient to confer novelty and/or distinctiveness. To our knowledge, there is no colour *per se* that has been successfully entered on the design register of the IP offices of major jurisdictions.
- 3.5.5. **Feedback from consultations.** In general, companies found colour to be a useful design feature used in combination with other design features. For some companies, the colour of a design (or part thereof) can be a distinctive characteristic of the companies' brand or a specific product range. Hence, companies generally welcome the option of protecting specific colours in combination with other design features.
- 3.5.6. Some companies noted that, at present, design protection is accorded to the features identified in the registration certificate, regardless of colour. This could be seen as offering a broader scope of design protection, as the inclusion or specification of one or more colours in the design application may actually narrow the scope of design protection.
- 3.5.7. There has been feedback that care needs to be taken not to overly broaden the scope of design protection, and specifically not to allow design protection for single colours *per se*. The grant of monopoly design rights on a colour (on its own) was said to be unwarranted, unmeritorious, and even unfair; and may stifle design innovation. It was also highlighted that providing registered design rights is not required to incentivise the creation of new colours. We agree entirely with these views. However, at the same time, we think it is worth exploring the possibility of granting protection where colour is used in tandem with another design feature, similar to the practice in some overseas jurisdictions.

Proposal (7):

We propose to expressly allow colour to be specified in the application for a design as one feature of a novel design. However, the scope of design protection will not be extended to colour *per se*.

Question:

What are your views on proposal (7)?

3.6. UNREGISTERED DESIGN RIGHTS

- 3.6.1. Singapore practises a first-to-file system and does not provide for unregistered design rights. This is a position common across most other countries, except for

the UK and EU. Under the UK unregistered design right regime, design registration is not necessary for design owners to take action against infringers for a period of up to 15 years (or 10 years from first marketing). Under the EU unregistered community design rights, design registration is not necessary for design owners to take action against infringers for a period of 3 years.

3.6.2. The key advantages of unregistered design rights are:

- (i) Automatic and no cost (as registration is not required)
- (ii) Ability to retrospectively determine the scope of right

During consultations with some foreign companies, it was noted that unregistered design rights provide an optional fall-back position where the company has failed to, or chosen not to, secure registered design rights.

3.6.3. However, the disadvantages of unregistered design rights include:

- (i) Shorter length of protection as compared to a registered design right⁹
- (ii) Increased difficulty in enforcement, due to a higher evidentiary burden¹⁰
- (iii) More limited grounds of infringement, i.e. intentional copying needs to be established.

In addition, introduction of unregistered design rights would compromise certainty as to which designs are protected and which are not. This could result in increased freedom-to-operate uncertainty, and increased costs¹¹ for users and businesses.

3.6.4. Unregistered design rights are generally intended to provide some protection for industries where (a) designs have a short commercial life; and (b) many designs are produced but only a small percentage have any longevity and hence it would be cost-inefficient to file for multiple design registrations.

3.6.5. **Feedback from consultations.** There appears to be little demand for the introduction of unregistered design rights in Singapore, except from companies in the fashion industry. Companies have highlighted that the disadvantages of introducing unregistered design rights, in particular the disadvantages relating to

⁹ The UK unregistered design right provides for a 15-year term of protection, or 10 years from when the product is first put on sale – whichever is shortest – as compared to a 25-year term of protection accorded to UK registered designs. The EU unregistered community design right lasts for three years from the design being made available to the public – as compared to a 25-year term of protection for EU registered community designs.

¹⁰ The right owner will need to provide evidence of design creation, ownership, date of first marketing/public disclosure, as well as proof of infringement.

¹¹ For instance, costs associated with doing an additional freedom-to-operate search and analysis on designs which are not registered, i.e. in a national register. Such a search is likely to be more complex and difficult, hence costing companies more. In addition, there could be additional costs of defending themselves against enforcement actions based upon unregistered design rights.

the increased uncertainty in terms of the scope of existing design rights, are likely to outweigh the advantages of such rights.

- 3.6.6. Also, companies cite the already low cost and relative ease of securing design registration in Singapore as reasons why there is no need to introduce additional unregistered design rights.

Proposal (8):

We propose not to introduce unregistered design rights in Singapore.

Question:

What are your views on proposal (8)?

3.7. INTERFACE BETWEEN REGISTERED DESIGNS AND OTHER IP RIGHTS

- 3.7.1. The scope of design protection, like that of other IP rights, has been calibrated to balance the rights of creators and users. This balance is reflected in the registration criteria, exclusions, term of protection, and the available defences to infringement. However, design protection does not exist in a vacuum, but interfaces with other IP rights such as patents, copyrights, trade marks and even trade secrets. As such, any review of the Registered Designs regime should also touch upon its role and function in the larger context of the entire IP protection framework in Singapore.
- 3.7.2. In this review, our focus will be on the interface between Registered Designs and copyrights, as well as the interface between Registered Designs and trade marks. This is because the interactions between these regimes are the most complex, and there already exist provisions in our laws to address them.

(a) Interface with copyright

- 3.7.3. The function of the Registered Designs regime is to provide protection for *designs applied to an article by an industrial process*, while our Copyright Act provides protection for *original artistic works*.¹²
- 3.7.4. There is a concept that an article onto which a registrable design is applied should be a “useful article” as introduced at Section 70(4) of the Copyright Act.¹³ This is to say, an article carrying the registrable design should have an intrinsic utilitarian

¹² Section 27 Copyright Act. “Artistic works” are defined as a painting, sculpture, drawing, engraving, photograph, building or model of a building, and work of artistic craftsmanship.

¹³ This concept is raised in Professor George Wei’s book (‘Industrial Design Law in Singapore’ (2012)), at Chapter 2.11, page 63 to 64. In Section 70(4), “useful article” means an article having an intrinsic utilitarian function that is not merely to portray the appearance of the article or to convey information.

function other than to carry the design. Where the article has no intrinsic utilitarian function other than to carry the design, the design for that article should not be registrable and protection should be sought under copyright instead.

- 3.7.5. However, both regimes overlap insofar as they provide for the protection of appearances, albeit from different perspectives. This overlap is dealt with under sections 69, 70 and 74 of our Copyright Act. While these sections can benefit from clearer drafting, broadly speaking their combined effect is to reduce the overlap and ensure that the person seeking protection of a design in the industrial context will do so under the Registered Designs regime, whilst the protection of what is artistic will continue to fall within the Copyright regime.
- 3.7.6. To elaborate, under Section 74(1) of the Copyright Act, copyright protection in an artistic work is barred once the corresponding design has been registered under the RDA. This is a clear example where the legislative framework acts prevents concurrent protection under the RDA and the Copyright Act. It also ensures that a design that has enjoyed 15 years' protection under the RDA will enter the public domain after 15 years, and cannot be protected thereafter by the longer term of protection available under the Copyright regime. Our position is similar to that of Australia.¹⁴
- 3.7.7. Under Section 74(2) of the Copyright Act, copyright protection is likewise barred even if protection under the RDA has not been sought, as long as the designer has industrially applied and commercially exploited his design. There is also a presumption built into the law that a design is deemed to be industrially applied if it is applied to more than 50 articles.¹⁵
- 3.7.8. **Feedback from consultations.** Most companies did not raise any issues, or express a particular preferred position, in relation to the current interface between the Registered Designs and Copyright regimes in Singapore.
- 3.7.9. Be that as it may, one issue that arises from an overall review of this area is whether Singapore ought to be more relaxed about allowing concurrent protection under the Registered Designs and Copyright regimes. International practice, in this regard, is split. Several countries, notably the EU member states and the US, allow for it. The UK has also harmonized its regime with the EU and now allows concurrent protection. On the other hand, a number of Commonwealth countries,

¹⁴ For Australia, an equivalent provision can be found in Section 75 of the Australian Copyright Act.

¹⁵ Regulation 12 of the Copyright Regulations

including Australia, New Zealand and Malaysia, have maintained the same position as in Singapore of a stricter approach towards concurrent protection.

- 3.7.10. Our preliminary view on this issue is to retain the status quo. We see no evidence that there are insufficient incentives for the utilisation of the registered designs regime for protecting registrable designs. Perhaps more importantly, we are not sure if it would be prudent to allow for copyright protection to expand to articles or products with an intrinsic utilitarian function, given that copyright protection is not difficult to obtain, confers a broad bundle of rights, and has a much longer life-span than registered design protection. The effect of this on industry could potentially be innovation restrictive, and our view, at this point in time, is to be cautious.
- 3.7.11. The issue of overlapping protection also presents itself where a design has not been industrially applied to an article, and fewer than 50 articles are made. In such a situation, it is not clear whether the claimant should pursue protection under the registered design or copyright regime. In this regard, we think that it would still be useful to rely on the fundamental concept (introduced at 3.7.4.) that copyright protection is meant to protect artistic works, where the article onto which the design is applied serves no other intrinsic utilitarian function but to carry the design.
- 3.7.12. A related issue is whether the “50-article” threshold for mandating that the design of an article falls within the registered design regime is arbitrary, and could be removed. While we are sympathetic with the argument that the number “50” is arbitrary, it may still be useful to provide a “line in the sand”, above which the design is deemed to be industrially applied and must be protected under the registered designs regime. This “50-article” threshold is also common in other Commonwealth countries. Short of removing the “line in the sand” altogether, any other numbers selected would arguably be equally arbitrary. As such, we would recommend retaining the threshold.
- 3.7.13. As a separate matter, based on our consultations, there was a generally low level of understanding, as well as, substantial confusion among companies in relation to the design/copyright interface. This low level of understanding is a point of concern and something that we will seek to address, in consultation with the relevant stakeholders.

Proposal 9:

(a) We propose to maintain the current minimal overlap approach between design rights and copyright, and the underlying policy rationale that protection of designs for articles with

an intrinsic utilitarian function should be within the Registered Designs regime, while protection of artistic works should fall within the copyright regime.

(b) We propose to keep the “50-articles” threshold, beyond which a design is deemed to be industrially applied (and hence lose copyright protection).

(c) We propose to provide further clarity to the design/copyright interface, including a possible redrafting of the relevant legislative provisions (Sections 69, 70, and 74 of the Copyright Act).

Questions

(i) Are the existing provisions on the interface between design rights and copyright satisfactory? Please explain why or why not.

(ii) What are your views on proposal 9(a) to (c)?

(b) Overlap with trademarks

3.7.14. The purpose of trade mark protection is different from that of registered designs. Trade marks are meant to indicate the trade origin of a particular trader’s goods or services vis-à-vis those offered by other traders. It does not provide a monopoly over particular products per se. Also, unlike registered design rights, trade marks can be exercised in perpetuity, which makes trade marks more attractive than registered design rights to the rights holder.

3.7.15. Registered design rights may overlap with trade marks if a design is capable of distinguishing a trader’s goods or services, and hence may also be registered as a trade mark. An example is Nike’s swoosh.

3.7.16. Trade mark protection is available for two-dimensional as well as three-dimensional (3D) signs. However, it may be difficult to obtain registered trade marks in relation to a 3D shape because there are provisions in the Trade Marks Act¹⁶ that serve to exclude trade mark protection over signs that consist exclusively of:

¹⁶ The equivalent of Section 7(3) Trade Marks Act can also be seen in UK and EU legislation. The rationale (as explained by the Court of Justice of the EU in *Phillips v Remington* in relation to Art 3(1)(e) of the EC Directive which is in substance similar to Section 7(3)) is “to prevent trade mark protection from granting its proprietor a monopoly over technical solutions or functional characteristics of a product which a user is likely to seek in the products of competitors. Article 3(1)(e) is thus intended to prevent the protection conferred by the trade mark right from being extended, beyond signs which serve to distinguish a product or service from those offered by competitors, so as to form an obstacle preventing competitors from freely offering for sale products

- (i) the shape that results from the nature of the goods themselves (e.g. a mark in the shape of an apple for apples will be excluded);¹⁷
- (ii) the shape of goods which is necessary to obtain a technical result (e.g. the shape and form of the well-known Lego brick);¹⁸ and
- (iii) the shape which gives substantial value to the goods (e.g. the slender shape of Bang and Olufsen’s loudspeaker was found by the General Court of the EU to be an essential element of Bang and Olufsen’s branding and giving the loudspeaker substantial added value, and hence excluded from trade mark protection).

3.7.17. However, where the 3D shape sought to be registered as a trademark does not consist exclusively of what has been described under (i), (ii) or (iii) above, then it might be registrable.

3.7.18. All registrable trade marks must meet the distinctiveness requirement,¹⁹ and it is generally harder to prove distinctiveness for trademark purposes in relation to a

incorporating such technical solutions or functional characteristics in competition with the proprietor of the trade mark.”

¹⁷ Section 7(3)(a) Trade Marks Act

¹⁸ Section 7(3)(b) Trade Marks Act. As explained by the Court of Justice of the EU in *Philips v Remington*, this provision is intended “to preclude the registration of shapes whose essential characteristics perform a technical function, with the result that the exclusivity inherent in the trademark right would limit the possibility of competitors supplying a product incorporating such a function or at least limit their freedom of choice in regard to the technical solution they wish to adopt in order to incorporate such a function in their product”. The shape of the Philips three-headed shaver was refused trademark protection in the EU under this ground because the essential features of the shape are attributable to the technical result. The fact that there are other shapes which also allow the same technical result to be obtained is no defence.

¹⁹ The distinctiveness requirement is manifest in three of the absolute grounds of refusal in the Trade Marks Act, found in Sections 7(1)(b), 7(1)(c), and 7(1)(d). These are – “trade marks which are devoid of any distinctive character” (Section 7(1)(b)), “trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of services, or other characteristics of goods or services” (Section 7(1)(c)), and “trade marks which consist exclusively of signs or indications which have become customary in the current language or in the bona fide and established practices of the trade” (Section 7(1)(d)). As an example, the objection of devoid of distinctive character was raised in relation to a 2001 Singapore trademark application for the shape of the Nespresso coffee capsule. This is because the target sector of the public would see the mark as signifying certain functionalities, e.g. as a container for holding the coffee mixture, and not as an indication of trade origin, and as the public is likely to recognise the applicant’s housemark, rather than the container, as the trademark.

shape as consumers are generally not in the habit of making inferences as to the trade origin of a good from just the shape of the good.²⁰

3.7.19. The above exclusions for shape are intended to prevent an unfair perpetual trade mark monopoly over a particular product via particular design features, more specifically the shape, of the product. The ECJ in *Bang & Olufsen A/S v OHIM*²¹ accepted that one of the purposes of the exclusions for shapes from trade mark protection was to safeguard the limited terms of protection available under other rights.

3.7.20. **Feedback from consultations.** Similar to the interface between design rights and copyright, most companies did not raise any issues nor express a particular preferred position in relation to the interface between design rights and trade marks. While there was less confusion regarding this interface, there appeared to still be a generally low level of appreciation for this interface.

Proposal (10)

We propose to maintain the current provisions in the Trade Marks Act in relation to exclusions for shape.

Question

What are your views on proposal (10)?

²⁰ This does not mean that shapes can never be protected under the trade marks regime as it is possible to do so by showing acquired distinctiveness (e.g. through advertising and marketing efforts undertaken prior to the trade mark filing, and consumer survey results).

²¹ Case T-508/08, 6 October 2011

4. SUBSTANTIVE EXAMINATION

- 4.1. Currently, the Registrar only conducts a formalities examination for a design application prior to registration. This formalities examination comprises, among other steps, checking that the application form and submitted representations are in order.²² Substantive examination, which involves a search of prior art designs and an examination of the registrability of the design²³, is not required in Singapore.
- 4.2. Without the requirement of substantive examination, applicants are able to obtain quick and cost-effective protection for their designs, although there is less assurance regarding the novelty and validity of the design protection obtained. The issue is whether this assurance is more valuable to applicants than the speed and cost-effectiveness of obtaining design protection without substantive examination.
- 4.3. Internationally, Singapore's practice of not undertaking substantive examination is similar to that in the UK, EU, and China. In contrast, the USPTO, JPO, and KIPO²⁴ perform substantive examination prior to registration. In Australia, while only formalities examination is performed prior to registration, the registered design is only enforceable after the completion of a post-grant substantive examination. In their latest review, the Australian Advisory Council on IP (ACIP) had recommended the introduction of a compulsory substantive examination by the fifth year (i.e. before the first renewal of the registered design).
- 4.4. **Feedback from consultations.** In general, companies savvy with their jurisdiction's registered designs regime view registered designs as a cheap, readily available tool to protect their products. Most of the industry feedback we received indicated a preference for low cost and fast design registration, and were concerned that the introduction of substantive examination will increase costs and time to grant. We are sympathetic to this view. Substantive examination would have an impact on costs and speed.
- 4.5. In addition, some companies expressed doubt over the ability of substantive examination to keep low-quality designs off the register, given that the quality of design databases and comprehensiveness of prior art searches are far less developed in the designs area than say, in patents. This is exacerbated by the

²² The formal requirements are prescribed in Rules 10, 11, 13, 14, 15, 17, 18 and 19 of the Registered Designs Rules.

²³ This is provided under Section 19 of the RDA.

²⁴ However, KIPO is currently in transition from a substantive examination system to a non-substantive examination system.

existence of unregistered design rights in some jurisdictions, the scope of which is difficult to determine, but which can adversely affect the novelty of a design.

- 4.6. However, a few companies, particularly those from countries that do provide for substantive examination, were in favour of substantive examination. This is due to the greater certainty and higher presumption of validity conferred by substantive examination. In addition, it was noted that substantive examination could prevent the registration of generic (or “unworthy”) designs. This could allow companies and other users of the system to avoid unnecessary expenditure of resources to defend infringement actions based on “unworthy” designs.
- 4.7. The concerns regarding (a) the validity of some designs on the register and (b) the possibly unfair burden posed to third parties seeking to revoke, or defend themselves against the assertion of, invalid registered designs, are valid concerns that should be addressed. We are therefore exploring a post-registration design opinion service as a possible means to addressing these concerns.
- 4.8. Such a service is also being introduced (expected introduction in Oct 2015) in the UK, to assist in providing advice on potential design disputes. The UKIPO will provide non-binding opinions on whether a design is being infringed and/or the validity of a design, based on supporting documents (or “evidence”) submitted by the user of the service. The service will give users an indication of the likelihood of success of taking action in potential design right disputes (either as plaintiff or defendants). While the opinion is non-binding, it could help assist in resolving disputes, and ultimately make the designs system more accessible and “friendly”, particularly for individual designers and small and medium-sized enterprises.

Proposal (11):

(a) We propose not to introduce substantive examination of Registered Design applications.

(b) We propose instead to introduce a post-registration design opinion service. This service could include one or both of:

(i) An opinion on the validity of a registered design. (*The Registrar will provide an opinion based on prior art submitted by the applicant.*)

(ii) An opinion on whether a submitted design infringes the registered design.

Questions:

(i) What are your views on proposal 11(a)?

(ii) What are your views on the proposal in 11(b)? In particular, should the post-registration design opinion service include both (b)(i) and (b)(ii)?

(ii) Should the Registrar be granted ex-officio powers to revoke a registered design? If so, under what circumstances should the Registrar be able to exercise his ex-officio powers to revoke a registered design?

5. FORMALITIES AND OPERATIONAL ISSUES

5.1. TERM OF DESIGN PROTECTION

5.1.1. The RDA provides for a 15-year term of protection. This is in accordance with the Hague Agreement, which requires members to offer a minimum protection term of 15 years. The term of protection in other countries is summarised below.

Country	Term of Protection for Registered Designs
Australia	10 years
US	14 years (US design patents resulting from international design applications filed on or after 13 May 2015 under the Hague Agreement will have a 15-year term.)
Korea	15 years
Japan	20 years
EU and UK	25 years

5.1.2. **Feedback from consultations.** It appears that a 15-year term of protection is sufficient for most industries. There was little demand for us to increase the current term of protection. This is supported by statistics, which show that about 51% of the designs on our register were renewed for the first extension, i.e. for years 6 to 10. Subsequently, only about 26% of the remaining pool of registered designs was renewed for the second (and last) extension, i.e. for years 11 to 15. In other words, by year 10, more than 85% of designs entered in our Register drop off the Register due to lack of renewals.

5.1.3. One of the considerations for a longer term of design protection is that it may protect products that enjoy a longer commercial lifespan, such as some household products (e.g. sofas or chairs). At the same time, there were also strong views from across the design community that a longer term of protection would slow the release of designs into the public domain, to the detriment of the wider public, other designers, and consumers. On balance, we think that 15 years protection continues to be appropriate for Singapore. Moreover, this is aligned with the practice of many other developed jurisdictions.

Proposal (12):

We propose to maintain the current 15-year term of protection.

Question:

What are your views on proposal (12)?

5.2. GRACE PERIOD

- 5.2.1. Grace period serves to protect applicants from inadvertently invalidating their own application by disclosing their design prior to the filing of the application (hence rendering the design non-novel). It also allows applicants to test their design on the relevant product in the market, before deciding whether to register their design, without losing novelty.
- 5.2.2. In Singapore, an artistic work or design loses copyright protection when it is industrially applied, i.e. applied to 50 or more articles, and commercially exploited. The application of the artistic work or design to 50 or more articles can sometimes occur sometime *after* the creation of the artistic work; and the designer, at the time of creating the work, may have had intended to rely on copyright. Under such circumstances, the provision of a grace period for the filing of the design application can help prevent the unintended loss of the ability to acquire design protection.
- 5.2.3. However, one should note that the reliance on the grace period in Singapore (and hence disclosure in Singapore) may disqualify the applicant from design protection in other countries which do not provide for an equivalent grace period.
- 5.2.4. Under our current RDA, the applicant has a grace period of six months after the first disclosure, and only when the first disclosure occurs at a select list of international exhibitions.²⁵ In comparison, the EU Member States and the US provide for a 12-month grace period, while Japan and Korea provide for a 6-month grace period. Furthermore, the availability of a grace period is not limited to the disclosure at a closed list of events/circumstances.
- 5.2.5. The draft text of the Designs Law Treaty (DLT) currently before the World Intellectual Property Organization's (WIPO) Standing Committee on the Law of Trademarks, Industrial Designs and Geographical Indications (SCT) proposes a requirement that parties offer either a 6- or 12- month grace period.²⁶ It is not necessary that the disclosure occurs at a select list of international exhibitions.

²⁵ The list of official international exhibitions comprises any official, or officially recognised, international exhibition falling within the terms of the Convention on International Exhibitions signed at Paris on 22nd November 1928, and any protocols to the Convention, as revised or amended from time to time, as provided under Section 8(3) of the Registered Designs Act.

²⁶ Current text of Article 6 (Grace Period for Filing in Case of Disclosure)

A disclosure of the industrial design during a period of six or 12 months preceding the date of filing of the application or, if priority is claimed, the date of priority, shall be without prejudice to the novelty and/or originality, as the case may be, of the industrial design, where it was made:

- 5.2.6. **Feedback from consultations.** Most companies were in favour of broadening, and lengthening, our grace period allowance so that they have the option of market testing their designs over a longer period, in alignment with the other major jurisdictions such as the EU and US. In addition, a grace period would provide protection from accidental disclosures, which could be useful for designers (and smaller companies) who are less acquainted with registered designs protection.
- 5.2.7. While stakeholders acknowledged the risk of losing protection in countries that do not provide for an equivalent grace period, they recognised that this risk could be mitigated through education or awareness building programs.
- 5.2.8. While a grace period affords greater protection to one designer, it may limit the rights of another designer who independently created a similar design during the grace period. The impact on the second designer is currently mitigated by the prior user defence in the RDA, which allows the second designer to exploit the design if preparations to use it were already made in good faith before the filing date of the registered design²⁷.

Proposal (13):

(a) We propose to increase the grace period in Singapore to 12 months.

(b) We also propose to remove the requirement that disclosures can only be made at select international exhibitions.

Question:

What are your views on 13(a) and (b)?

5.3. DEFERRED PUBLICATION

5.3.1. Currently, Singapore allows the deferment of publication of a registered design by up to 18 months from the filing date. This allows applicants to preserve the confidentiality of new designs for a longer period. It also helps to prevent a design

(i) by the creator or his/her successor in title; or

(ii) by a person who obtained information about the industrial design directly or indirectly, including as a result of an abuse, from the creator or his/her successor in title.

²⁷ Specifically, the prior user defence is provided under Section 31(1) of the RDA.

publication from destroying the novelty of an associated patent application²⁸. On the other hand, allowing the deferment of publication creates uncertainty in the market as to the scope of existing design rights as the existence of the right is not revealed until after expiry of the deferment period. Should deferred publication be allowed, steps should be taken to mitigate the impact on third parties and encourage early publication.

- 5.3.2. There is no uniform term for the deferment of publication globally (summary provided below). The current provisions in the draft Design Law Treaty require the option of at least a six-month deferment period. The Hague agreement accommodates, but does not require deferment.

Country	Term of Deferment of Publication
US, Australia	No deferred publication
EU (OHIM)	30 months from filing date
Japan	36 months from registration date

- 5.3.3. **Feedback from consultations.** The ability to defer publication was seen as a generally useful, but not essential, option for companies. There were no issues raised with the current 18-month term for the deferment of publication. Some caution regarding the need to mitigate possible market uncertainties caused by deferred publication was raised. This is currently mitigated under the RDA by Section 39, which provides that damages (for infringement) should not be awarded against a defendant who had no reasonable grounds to believe that a design was registered.

Proposal (14):

We propose to maintain the current allowable term of deferred publication at 18-months from the filing date of the application.

Questions:

(i) What are your views on proposal (14)?

(ii) Are there other ways to mitigate the effects of deferred publication on third parties/market, and encourage early publication?

5.4. FILING OF MULTIPLE DESIGNS IN A SINGLE APPLICATION

²⁸ Depending on the priority date of the design and patent application, the publication of a design (especially in jurisdictions where they are considered a design patent) can be novelty destroying for an associated patent application.

- 5.4.1. An applicant is currently able to file protection for multiple designs in a single application in Singapore, provided that the designs are within the same sub-classification under the Locarno Classification. This is to reduce the applicant's administrative burden when filing for protection for multiple designs. In practice, each design will then be accorded separate application numbers and treated as individual applications to facilitate subsequent activities such as publication, renewals and licensing. The registration and renewal fees are payable on a per design basis, with no reduced fees for each additional design filed in the single initial application.
- 5.4.2. The EU, UK, and WIPO, which do not conduct substantive examination, allow for multiple designs to be filed in a single application, as long as the designs belong to the same class under the Locarno Classification. However, the US and Japan, which conduct substantive examination, do not allow multiple designs to be filed in a single application.
- 5.4.3. **Feedback from consultations.** From our consultations with companies, the ability to file multiple designs in a single application was welcomed because (a) it reduces the administrative work required to file multiple applications and (b) it reduces costs (as most offices offer a discount for subsequent designs in a single application).
- 5.4.4. We believe in facilitating the filing of multiple designs in a single application, and in this regard, we will look at possible ways of doing so. Separately, we will also be reviewing the structure of our renewal fees in order to balance the overall lifecycle cost of a registered design and help encourage the expeditious release of the design into the public domain, which, in turn, could help spur add-on creativity.

Proposal (15):

(a) We propose to maintain the current position of accepting multiple designs from the same Locarno Classification in a single application.

(b) We also propose to consider lowering the application fee for subsequent designs filed in a single application, and review the renewal fee structure.

Questions:

What are your views on proposal 15(a) and (b)?

5.5. RENEWAL

- 5.5.1. Upon registration of a design, a 5-year term of protection is automatically granted from the date of filing. Subsequently, registered designs can be renewed in 5-year blocks. We considered if the current block renewal structure should be revised, for example to an annual renewal structure. This was in recognition that designs with shorter commercial lifespans may not require an automatic 5-year protection. In addition, some design owners may want the flexibility to renew their rights in smaller increments.
- 5.5.2. The automatic 5-year term of protection and 5-year block renewal structure is a common feature in most jurisdictions, including the EU, UK, and Australia. In the US, an automatic 14(or 15)-year term of protection is granted upon successful registration.
- 5.6. **Feedback from consultations.** From our consultations, there did not appear to be issues with the current automatic 5-year term of protection and 5-year block renewal structure. While companies noted the possibility for cost-savings with an annual renewal structure, they acknowledged that this needed to be balanced with the time and resources required to monitor their registered designs and ensure timely renewals each year. Companies also highlighted that the 5-year blocks were in alignment with the life cycle of their products.

Proposal (16):

We propose to maintain the current automatic 5-year term of protection and 5-year block renewal structure.

Questions:

(i) What are your views on proposal (16)?

(ii) Would a shorter term of initial protection (with reduced application cost) be beneficial to companies and encourage more design registration?

6. INFRINGEMENT AND ENFORCEMENT

6.1 Design protection, like other forms of IP rights, aims to encourage innovation and investment by granting designers a *de facto* monopoly over the use of their designs in return for disclosing them for public use after a prescribed period. For an IP right to be useful, it is important for rights owners to be able to effectively exploit their rights, including enforcing them against infringers when the need arises.

6.2 ***Feedback from consultations.*** It was observed that there was a low level of awareness among the Singapore design community about the use of design protection and enforcement. Consequently, there is a low volume of enforcement activity relating to design rights in Singapore. From our consultations, the reasons for this include:

(i) High cost. Given Singapore's small market, it did not make commercial-sense for parties, particularly SMEs and individual designers, to enforce their design rights. It would be more effective for companies to focus their limited resources on developing new designs to stay ahead of the competition.

(ii) Perceived "narrow" scope of design protection. There is a general perception that the scope of design protection is narrow, and only covers "almost identical" copies. As such, there is little value in registering or enforcing designs as (a) it would be easy for others to "design around" a registered design, and (b) it would be difficult to prove infringement.

(iii) Lack of certainty. There is presently a lack of clear guidelines, either by IPOS or through jurisprudence, as to what constitutes infringement.

6.3 From our consultations, the following were cited as factors that would make for a credible enforcement regime:

(i) Sufficiently broad scope of design rights. As the scope of design rights is fundamental to the value of the registered design, companies opined that the scope of design rights should be sufficiently broad – more specifically, infringement should be found when the allegedly infringing design is "substantially similar such that it gave the same overall impression as the protected design".

(ii) Clear guidelines on infringement. Companies have called for accessible and clear guidelines on what constitute infringement of design rights. In the

absence of jurisprudence, the IP office should consider publishing such guidelines.

- (iii) Accessibility of dispute resolution. Companies highlighted the need to have avenue(s) for quick and effective enforcement, and at reasonable cost. Potential damages awarded should also be fair, and worthwhile for legitimate rights owners to enforce their rights.

Accessibility and quality of IP dispute resolution

- 6.4 We acknowledge the various concerns raised and feedback given with regard to how the IP dispute resolution system in Singapore can be made more accessible, especially to individuals and SMEs. This is already the subject of a separate internal review that will address IP dispute resolution challenges that we face at the systemic level. Once the internal review is completed, we will share the findings and recommendations with stakeholders and the public, and seek comments.

Guidance and clarity on design infringement and enforcement

- 6.5 Beyond the IP dispute resolution system, we recognise that clarity on the scope of rights and enforcement options remains an area of concern for creators, as well as users. Lack of awareness or misperceptions about the Registered Designs regime can be addressed by partnering with relevant institutions, such as the Design Business Chamber, to raise awareness and reach out to stakeholders. At the same time, it will be worth exploring the issuance of guidance notes, similar to what the UK IP office is already doing, in areas where there is a need for certainty. Together, these measures will hopefully be useful for companies, particularly SMEs and individual designers, seeking to protect, enforce, and exploit their design rights, and will ultimately enhance the value that the market and industry place on design rights.

Proposal (17):

(a) We propose for IPOS to partner industry associations, such as the Design Business Chamber Singapore and DesignSingapore Council, to conduct more outreach and information sessions.

(b) We also propose providing guidance notes on specific areas relating to the Registered Designs regime, especially in the area of infringement, on IPOS' website, to increase public awareness of acts that would constitute design infringement and to help increase certainty in this area.

(Note: Proposal (11) for IPOS to offer a post-grant opinion (non-binding) service on design infringement also seeks to provide a lower-cost avenue for parties to seek clarity on possible design infringement.)

Question:

Do you have any views or suggestions on how to raise the level of awareness for design protection and/or providing for greater certainty for creators and users?

7. UTILITY MODEL PROTECTION

- 7.1. As part of the review, the introduction of utility model protection was considered as a way to provide some form of protection for so-called sub-patentable inventions. These are inventions which are not covered by design protection due to their functional nature, but do not possess the level of innovativeness required for patent protection.
- 7.2. Utility models are available in some countries including Australia, Germany, Japan, Korea, and China.²⁹ The registration of utility models is typically less stringent as novelty is the only registration criteria, or there is no substantive examination undertaken before registration. As a result, the application process for utility models is usually simpler and less costly. However, the length of protection is typically shorter.
- 7.3. Singapore does not provide utility model protection. According to a recent study commissioned by the IP Academy³⁰, there appears to be a gap in protecting minor inventions (not eligible for patent protection) in products necessitated by function, match or fit; or processes (not eligible for registered design) that are exposed to the public (not protected by trade secrets) and that are sold under a distinctive identity (not protected by trademark or the tort of passing off). The table below summarises the gap in IP protection.

Existing Right	Scope	Gap in Coverage
Patent	Inventions that are novel, inventive and has industrial application	Inventions with a small inventive step
Registered Design	Designs that apply to a product and are novel	- Product features necessitated by function, match or fit - Spare parts, handicrafts, - Processes

²⁹ The list of countries providing for such protection can be found on the World Intellectual Property Organization's (WIPO's) website: http://www.wipo.int/sme/en/ip_business/utility_models/where.htm

³⁰ <https://www.ipacademy.com.sg/research/completed-research/2013-current>

Trademark and protection against passing off	Mark or product likely to confuse	Imitation to create distinctive competing product (distinctive from original product)
Secrecy	Inventions that can be kept secret	Product and process features that are exposed to the public

(Extracted from: IP Academy commissioned study: “Protection of Sub-Patentable Inventions in Singapore”, 2014)

- 7.4. The purported economic reasons for providing utility model protection include:
- (a) To fill the “gap” in IP protection and incentivise innovations falling within said “gap”;
 - (b) To help SMEs, which are said to (i) have more “incremental” or “minor” inventions, and (ii) have shallower pockets and hence not be able to afford the cost of full patent protection.
 - (c) As another option for companies, particularly SMEs, when devising their business and IP strategy.
- 7.5. On the macro-level, the economic rationale for providing utility model protection is to spur R&D in such “sub-patentable” inventions, and in turn encourage the growth of associated companies and industries.
- 7.6. However, most economic analyses seem to suggest that there is no conclusive economic benefit to introducing or providing utility model protection. For example, the Gowers Review (2006, UK) concluded that there was no correlation between the existence of utility model protection and high levels of innovation. In addition, the review highlighted the possibility that utility model protection could stunt future innovation and increase costs for some parties/users. The review ultimately recommended against the introduction of utility model protection.
- 7.7. “The Economic Impact of Innovation Patents” report commissioned by IP Australia (2015)³¹ did not find any correlation or association between innovation patents (i.e. utility model protection) and economic variables such as firms’ sales growth or market entry rates. According to the report, there was no evidence to suggest that there was a significant increase in R&D expenditure across Australia (or in certain industry sectors) due to the introduction of utility model protection. Also, the evidence suggested that the great majority of Australian SMEs and individual

³¹ Report can be found at: http://www.ipaustralia.gov.au/uploaded-files/reports/Economic_impact_of_innovation_patents_-_Report.pdf (accessed: 10 June 2015)

inventors do not benefit from having utility model protection. Instead, the study found that the system imposed a significant regulatory burden, and was a net cost to most SMEs using it.

7.8. Closer to home, some of the key findings from “Protection of Sub-Patentable Inventions in Singapore”, which was commissioned by IP Academy, include:

- (a) Singapore companies very seldom file for utility models in foreign jurisdictions, suggesting that utility model protection is not considered useful in foreign markets.
- (b) There was relatively weak interest in the possible introduction of this new right.
- (c) As a measure to help innovative SMEs, introducing utility model protection would not be well-targeted at the SMEs – in fact, data suggested that about half of the beneficiaries would not be individuals or SMEs.

7.9. The IP Academy study concluded that the benefits of introducing a new IP right for minor inventions are not compelling relative to the costs. It also recommended that the government of Singapore continues with the status quo, and not introduce a new IP right (i.e. utility model protection) for minor inventions.

7.10. **Feedback from consultations.** Most companies were ambivalent about the possibility of utility model protection in Singapore. In addition, they did not utilise utility model protection in other countries. While a few companies mentioned that utility model protection could be a useful low-cost alternative to patent protection, as well as to fill the existing gap in IP protection (specifically for “functional” designs), they did not indicate that the introduction of such protection would incentivise an increase in R&D or innovation by the company.

7.11. Some companies we spoke to noted that utility models could be useful in jurisdictions where patent examination is slow and of lower quality. It was mentioned that the existence of utility model protection could enable companies to launch enforcement actions more quickly. However, it was also noted that utility model protection offered weaker protection (as no substantive examination is required prior to grant), and was generally of a limited value.

7.12. Our preliminary evaluation, in light of feedback from stakeholders and economic studies done to date, is that there would be little, if any, positive impact on innovation and overall economic growth by introducing utility model protection in Singapore. Furthermore, there is little evidence that the introduction of utility model protection would benefit domestic SMEs and individual inventors. In fact, the IP Academy’s research suggests that approximately half of the beneficiaries of

this new IP right would not be SMEs or individuals, but rather large companies, government agencies or research institutions, and foreign entities. The IP Academy’s research is corroborated by the recent “The Economic Impact of Innovation Patents” report released by the Australian Government, which concluded that the great majority of Australian SMEs and private inventors appear to gain little benefit from the system.

- 7.13. It should be noted that any benefits of introducing utility model protection must be balanced with the possible negative effects on other innovators and companies, e.g. the uncertainties caused by the existence of unexamined rights in the system. As utility models are often not subject to substantive examination, the only way to challenge their validity is either via the courts or through a formal invalidation process – both of which can be costly and time-consuming. The benefits of introducing utility model protection should also be weighed against the deprivation to the rest of society/public of being able to utilise (as well as build upon) such incremental or minor innovations. We also note that the introduction of a new IP right would entail administrative/operational costs.

Proposal (18):

We propose that Singapore not introduce utility model protection for sub-patentable inventions, at least until there is stronger economic evidence in support of its introduction.

Questions:

What are your views on proposal (18)?

8. CONCLUSION

- 8.1. We seek your feedback to these proposals to improve the registered designs regime in Singapore and would appreciate any feedback by **7 December 2015**. The feedback may be sent in electronic or hardcopy form to:

<p><u>MinLaw</u></p> <p>Intellectual Property Policy Division, Ministry of Law 100 High Street, #08-02, The Treasury Singapore 179434</p> <p>Email: MLAW_Consultation@mlaw.gov.sg</p>	<p><u>IPOS</u></p> <p>Intellectual Property Office of Singapore (IPOS) 51 Bras Basah Road, #01-01, Manulife Centre Singapore 189554</p> <p>Email: ipos_consultation@ipos.gov.sg</p>
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8.2. Thank you.

Overview of the Definition of “Design”, “Product” or “Article” and Registration Requirements in Major Jurisdictions

Country	Definition of “Design” / “Product” or “Article” Registration Requirements	Exclusions from Design Protection	Other Features / Observations
<p>Singapore (Registered Designs Act (Cap 266, 2005 Rev Ed))</p>	<p>“design” means “features of shape, configuration, pattern or ornament applied to an article by any industrial process [...]”</p> <p>“article” means any article of manufacture and includes (a) any part of an article if that part is made and sold separately; and (b) any set of articles</p> <p><u>Registration requirements</u></p> <ul style="list-style-type: none"> • New 	<ul style="list-style-type: none"> • A method or principle of construction • Features of shape or configuration dictated solely by function • Features of shape or configuration which are dependent upon the appearance of another article of which the article is intended by the designer to form an integral part • Features of shape or configuration which enable the article to be connected to, or placed in, around or against, another article so that either article may perform its function • Where the publication or use of a design would be contrary to 	<ul style="list-style-type: none"> • No express reference to handicraft or handmade articles • No requirement for eye appeal, individual character or distinctiveness • Protection for partial design available

		public order or morality	
UK (UK Registered Designs Act 1949 (2001))	<p>“design” means “the appearance of the whole or a part of a product resulting from the features of, in particular, the lines, contours, colours, shape, texture or materials of the product or its ornamentation”</p> <p>“product” means “<u>any industrial or handicraft item</u> other than a computer program; and, in particular, includes packaging, get-up, graphic symbols, typographic type- faces and parts intended to be assembled into a complex product”</p> <p><u>Registration requirements</u></p> <ul style="list-style-type: none"> • New • Individual character (a design has individual character if the overall impression it produces on an informed user differs from the overall impression produced on such a user by any design which 	<ul style="list-style-type: none"> • Features dictated solely by the product’s technical function • Features of appearance which must necessarily be reproduced in their exact form and dimensions so as to permit the product in which that design is incorporated or to which it is applied to be mechanically connected to, or placed in, around, or against, another product so that either may perform its function. • Where the design is contrary to public policy or accepted principles of morality 	<ul style="list-style-type: none"> • No requirement for the product/part is to be made or sold separately • No express requirement that design be applied by an industrial process • No express eye appeal requirement • No “must-match” bar • Protection for partial design available

	has been made available to the public)		
<p>EU</p> <p>(Council Regulation (EC) No. 6/2002 on Community Designs)</p>	<p>“design” means “the <u>appearance of the whole or a part of a product</u> resulting from the features of, in particular, the lines, contours, colours, shape, texture and/or materials of the product itself and/or its ornamentation”</p> <p>“product” means “any <u>industrial or handicraft item</u>, including <i>inter alia</i> parts intended to be assembled into a complex product, packaging, get-up, graphic symbols and typographic typefaces, but excluding computer programs”</p> <p><u>Registration requirements</u></p> <ul style="list-style-type: none"> • New • Individual character (a design has individual character if the overall 	<ul style="list-style-type: none"> • Features dictated solely by the product’s technical function • Features of appearance which must necessarily be reproduced in their exact form and dimensions so as to permit the product in which that design is incorporated or to which it is applied to be mechanically connected to, or placed in, around, or against, another product so that either may perform its function. • Where the design is contrary to public policy or accepted principles of morality 	<ul style="list-style-type: none"> • No requirement for the product/part is to be made or sold separately • No express requirement that design be applied by an industrial process • No express eye appeal requirement • No “must-match” bar • Protection for partial design available

	<p>impression it produces on an informed user differs from the overall impression produced on such a user by any design which has been made available to the public)</p>		
<p>Australia (Designs Act 2003)</p>	<p>“design, in relation to a product, means “the <u>overall appearance of the product</u> resulting from one or more visual features of the product”</p> <p>“Product” is a thing that is manufactured or hand made</p> <p><u>Registration requirements</u></p> <ul style="list-style-type: none"> • New • Distinctive when compared with prior art base for design as it existed before the priority date (a design is distinctive unless it is substantially similar in overall impression to a design that forms part of the prior art base) 	<ul style="list-style-type: none"> • No express exclusion of design features which serve a functional purpose • No “must-fit” or “must-match” bar • Scandalous designs excluded from registration 	<ul style="list-style-type: none"> • No express eye appeal requirement • No express requirement that design be applied by an industrial process • Protection is only extended to the whole product, subject to the following: <ul style="list-style-type: none"> ○ A component part of a complex product may be considered a “product”, if it is made separately. ○ If an application includes a statement of novelty and distinctiveness which identifies particular features to be new and distinctive, one must “have

			<p>particular regard to that part of the design, but in the context of the design as a whole” in determining validity and infringement.</p> <ul style="list-style-type: none"> ○ Further, “if only part of the design is substantially similar to another design, [the person must] have regard to the amount, quality and importance of that part in the context of the design as a whole”
<p>United States</p> <p>(35 U.S.C. 171 Patents for designs)</p>	<p>“Whoever invents any <u>new, original, and ornamental design for an article of manufacture</u> may obtain a patent...”</p>	<p>(No specific exclusions in statute)</p>	<ul style="list-style-type: none"> • Clarity on specific aspects regarding the scope of design protection specified through case law on design patents (and in the manual of patent examining procedure.) • No express reference to handicraft or handmade articles. • No express requirement that design be applied by an industrial process • No express eye appeal requirement

			<ul style="list-style-type: none"> • Protection for partial design available
<p>Japan (Designs Act)</p>	<p>“Design” in this Act shall mean the shape, patterns or colours, or any combination thereof, of an article³² (including a part of an article, the same shall apply hereinafter except in Article 8), which creates an aesthetic impression through the eye.</p> <p>The design must be “industrially applicable...”</p> <p>The JPO examination guidelines explain: “Industrially applicable means that the same article can be produced in large volumes repeatedly by using industrial technology. The article does not need to be industrially applied in reality, but having a potential for industrial applicability will be sufficient.”</p>	<p>The JPO examination guidelines explain what does not qualify as an “article”:</p> <ul style="list-style-type: none"> ○ Subject matter that is not movable ○ Subject matter that is not solid ○ Subject matter which is a collection of powder or granules ○ Subject matter which is part of an article <ul style="list-style-type: none"> • Features required to enable the article to perform its functions 	<ul style="list-style-type: none"> • No express reference to handicraft or handmade articles. • Protection for partial design available

³² “Article” is not defined in Japan’s Design Act. However, in practice, “articles” are defined as “tangible objects which are movables distributed on markets”, as laid out in the Japan Patent Office’s examination guidelines.