

Question Q231

National Group: Sweden

Title: **The interplay between design and copyright protection for Industrial products**

Contributors: Johan AXHAMN, Magnus DAHLMAN, Sanna WOLK, Helena WASSÉN ÖSTRÖM

Reporter within Working Committee: Sanna WOLK

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Questions

I. Analysis of current law and case law

The Groups are invited to answer the following questions under their national laws:

Cumulative Protection

- 1) Can the same industrial product be protected by both a design right and a copyright? In other words, is the cumulative protection of the same industrial product by copyright and design law allowed in your country?

In Sweden cumulative protection by copyright and design protection of the same product is possible. Sec. 10 of the Swedish Act on Copyright in Literary and Artistic Works (1960:729) provides that copyright subsists in a work even if it has been registered as a design. This is not mentioned in the Swedish Design Protection Act (1970:485).

Sec. 1(6) of the Copyright Act states further that anyone who has created a work of applied art ("brukskonst") shall have copyright in that work.

Article 2(7) RBC

- 2) In your country, has copyright protection for applied art ever been refused for a work with a foreign country of origin pursuant Article 2 (7) RBC?

No.

Registration/Examination

- 3) In order to enjoy design right protection for industrial products, is registration of a design necessary? In order for the design to be registered, is a substantial examination necessary?

There exist no national system in Sweden concerning protection for industrial products through an unregistered design right. However, design right protection for industrial products is, besides registration, also available in Sweden through the protection of unregistered Community designs in accordance with Council Regulation (EC) No 6/2002 of 12 December 2001 on Community designs. Unregistered Community design is protected for a limited period of three years as from the date on which the design was first made available to the public within the Community. The requirements for obtaining an unregistered design right is the same as for a registered Community design right, namely novelty and individual character.

No substantial examination follows upon the application for registration of a national design in Sweden. The only requirements for an application for registration of a design is a written application in which the creator of the design is indicated and which also contain information about the applicant and their right to the design (if different from the creator), information about the product for which the design is used or in which the design is included as well as pictures/drawings and/or a model of the design (Secs. 10 and 13 of the Design Protection Act). The prescribed fees should also be paid.

The Swedish Patent and Registration Office (the Swedish PTO), in principle, only conduct a formal examination of the above requirements. In the limited substantive examination conducted the Swedish PTO examine if the design is contrary to morality or public order and if the design contains so-called official designations (Sec. 4 of the Design Protection Act). Furthermore, if the application concerns an assembly of different designs the Swedish PTO examine whether or not the goods for which the different designs are used belong to the same Locarno class (Sec. 11 of the Design Protection Act).

Requirements

- 4) What are the requirements to obtain industrial design protection or copyright protection, respectively, for industrial products in each country? What are the differences between these requirements?

The requirements for design protection is that the design should be new and have individual character (Sec. 2 of the Design Protection Act).

A design is considered new if no identical design has been made publicly available before the date of filing or the priority date (in case priority is claimed). Two designs are to be considered identical even if there are differences between them, in case they differ only in immaterial details.

A design is considered to have individual character in case the overall impression of the design, in the eyes of the informed user, differs from the overall impression produced by any other design that has been made publicly available before the date of filing or, if priority is claimed, the priority date. When assessing the individual character the scope of variation available to the creator should be taken into account.

It should also be noted that a design right should not exist for such features of the appearance of a product which is solely dictated by the technical function of the product (Sec. 4(a) of the Design Protection Act).

The requirements for copyright protection is that the work should be independent and original. It must come from the author himself and be a result of his personal and creative effort. This includes a certain degree of distinctive character which implies a requirement of a certain degree of originality (in Swedish “verkshöjd”). The exact required level of originality could differ between different literary and artistic fields and has not been expressly specified in the Copyright Act. Instead this has been left to the legal practice to develop and copyright protection, since it is an unregistered right, has primarily been a question concerning practical evaluation in conflict situations. The existence of copyright protection, which has to be evaluated from case to case, includes an assessment of the required level of originality, but also, and perhaps primarily, the case law available concern an evaluation of the scope of protection.

The major difference between the requirements for design and copyright protection respectively is the requirement of novelty. In respect of design protection an objective novelty is required, while for copyright protection a subjective novelty is sufficient.

As to the possible difference between the distinctive character and the level of originality required for design and copyright protection respectively reference is made to point 7) below.

In general it could be mentioned that the practice has, during the last decades, been quite generous when it comes to the question of granting protection, while the scope of protection has been narrowed for both copyright and design rights.

- 5) Are the requirements for copyright protection for industrial products different from the requirements for copyright protection for other ordinary artistic products (fine arts)?

In Sec. 1 of the Copyright Act it is stated for what copyright protection is offered. In this both literary and artistic work, including works of applied art, are listed. There is no other requirements for copyright protection for the works of applied art listed in the Copyright Act compared to the other kinds of artistic works for which copyright protection is offered.

However, as mentioned above under 4), assessment of copyright protection has been left to the legal practice to decide. As mentioned above practice show that copyright protection is quite generously offered to works of applied art, and that the question of main importance has often been the assessment of the scope of protection. In this part reference is made to point 6) below.

In Sec. 26 c of the Copyright Act it is stated that owners of utility goods (even if copyright protected as work of applied art) could amend the goods without the authors consent.

Scope of Protection and Assessment of Infringement

- 6) Is the scope of the copyright protection for industrial products different than that for other ordinary artistic products (fine arts)? If so, in what ways?

Firstly it should be noted that the copyright protection was not initially meant to protect industrial designs. Such protection was instead meant to be provided under design law. This approach has however changed gradually.

The formal rules stating the exclusivity for a utility design and fine arts are the same, so is the term for protection. The actual scope of protection has however, been treated differently in case law.

As a general rule one could say that the scope of protection depends on the originality of the design of the product in question with special consideration of the possibility to vary the design for the product in question; the lower the degree of originality/less possible variations for a product – the narrower the scope of protection. This has led to that litigations concerning industrial designs are mainly focused on the questions of protection per se and scope of protection, whereas the litigations involving fine arts are mainly directed to questions of infringement of the creator's moral rights.

There are a few examples from Swedish case law. However many of these rulings concern the possibility to have copyright protection and not the subsequent question of scope of protection.

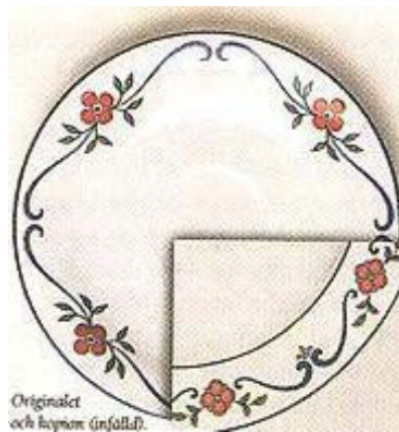
In the Supreme courts ruling in NJA 1994 s. 74, the holder of the design for the pattern to the left invoked its exclusive rights against the company that manufactured and sold cloth with the pattern to the right. The plaintiff's design consists of a natural representation of wild strawberries whereas the pattern to the right consists of a natural representation of ordinary strawberries. The court found that the design of the plaintiff was indeed protected under copyright law especially to the extent that the design consisted of the manner in which the designer had expressed the elements as a natural representation. The court therefore found that the scope of protection was relatively narrow and that the second design did not infringe the copyright of the plaintiff.



In the Supreme Court's judgment in NJA 1995 s. 164 a designer who had designed a knitting pattern for a tunic, subsequently published it in a Swedish magazine. The designer invoked her design against a company that sold knitted tunics which to a large extent was consistent with the pattern published in the magazine (in fact it was not contested by the respondent that its products infringed the earlier design if the court found the first design to be protected under copyright law). The court found that the pattern as published was enjoyed copyright protection but that the protection should be considered as very narrow in order not to hinder creativity, use of ordinary variations of known techniques and good taste.



In the Supreme Court's judgment in NJA 1995 s. 631 a designer invoked its design rights to porcelain design (to the left) against the design to the right claiming an interim injunction. The court found that the design for the first pattern was protected under copyright but that the scope of protection was narrow since the design used simple and traditional patterns and colours. Based on an overall impression of the designs the court found however that the defendant's design infringed the copyright of the original design.



In the Supreme Court's judgment in NJA 2009 s. 159 Maglite invoked its design rights against IKEA. The court summarized the stance and development of Swedish copyright and design law and stated that the copyright protection must be seen together with the scope of protection provided for utility designs under copyright law. If a design can benefit from a low requirement for protection, the scope of protection for such product must be very limited.



- 7) Are the criteria for assessing infringement of copyright protected industrial products different from the criteria for assessing infringement of a design right?

Firstly, it should be established that in assessing a potential infringement in a copyright the courts always take their starting point in the object to which copyright is claimed (e.g. a product). In contrast to this the courts assess the question of infringement of a design right with the starting point in the registered design (n.b. that the assessment for unregistered designs may be more similar to the assessment of copyright infringement).

For copyright protected industrial products the assessment of infringement is varying. If an industrial product benefits from a low threshold for protection under copyright law, the protection only extends to little more than direct imitations of the original product (see the Maglite-judgment). For industrial designs especially fashion products, the originator will have to suffer that competitors have products which design conveys almost the same overall impression. The criterion for assessing a potential infringement is therefore depending on the assessment of the scope of the copyright protection. Concerning copyright infringement it is not enough that two products are very similar. The creator of the latter product must have known about the original product and have replicated it. However, if there is a *prominent resemblance* between the two products, replication is presumed.

The scope of protection for designs means that no one except the holder of a design may use a design, which does not make another overall impression to the skilled user. There is however little case law in this respect (however NJA 1990 s. 168). The infringement assessments under the copyright act could probably be used as inspiration.

- 8) Is it a relevant defence under copyright or design law that the industrial product was created independently of the older work or design?

Yes, but from slightly different perspectives.

For use in the copyright context one could see – based on the aforementioned judgments – that an independently developed design may affect the possibility for protection of the first design and at least affect the scope of protection of such design. The courts have namely to some extent used the “double creation test” for assessing if an industrial product can obtain copyright protection; if there is a risk that another creator independently could develop the same design, that could mean that the design does not qualify for copyright protection.

Another aspect of this defence under copyright law is that if there is a resemblance between two products, the party who claims copyright infringement in a design for an industrial product must often show that the other party had knowledge of the original product. As stated above, if there is a prominent resemblance between the two products, replication is presumed. The burden of proof is then transferred to the other party, who needs to make it probable that the product was created independently of the older work.

Concerning design law the requisite of novelty is objective, i.e. it is not a relevant defence that the product was created independently of the older work. If however the independently developed design was made before application for a registered design that may cause the design registration to be invalid due to lack of novelty. If so there is a specific rule stating that the person whose rights are invalid may continue to use the design on fair and reasonable conditions (Sec. 32 of the Design Protection Act).

Duration of Protection

- 9) How long is the duration of industrial design protection or copyright protection for industrial products, respectively?

Copyright in a work shall in principle subsist until the end of the seventieth year after the year in which the author deceased or if several authors after the year in which the last surviving author deceased (Sec. 43 of the Copyright Act, see also Sec. 44-44 a of the Act).

Sec. 24 of the Design Protection Act states that a design could be protected for one or more five years periods from the date of registration, and for a maximum of twenty-five years.

An Unregistered Community Design is protected for three years from the day it was first made public in the Community.

- 10) What happens upon expiration of the IP right having the shorter term? In other words, after the term for industrial design protection expires, does the copyright protection continue?

The copyright protection continues when the design protection expires (cf. Sec. 10 of the Copyright Act).

Measures for adjustment

- 11) In your country, is there any measure for adjustment so that the same industrial product may not be protected, by both a design right and a copyright or, by a copyright after the design right expires?

No.

II. Proposal for Harmonisation

The Groups are invited to put forward proposals for the adoption of harmonised rules in relation to the protection of the appearance, shape, or ornamentation of industrial products. More specifically, the Groups are invited to answer the following questions:

- 12 a) What should be the requirements for obtaining copyright protection for industrial products?

Industrial designs should be protected by copyright if they fulfil the general requirement of originality.

The protection of an industrial design by copyright is justified by the *raison d'être* of the copyright system to protect and promote original creations. This applies irrespective of whether the design also has a practical use. For the same reason, an industrial design should not be denied copyright protection only because it is also protected by an industrial design right regime.

Copyright protection has the obvious advantage that protection is granted automatically and immediately on creation, with no registration or formalities required. This is particularly important in relation to industries in which products have a short effective life in the market, such as fashion, textiles, furnishing and the toy industry (cf. Art. 25(2) of the TRIPS agreement).

The Swedish Group assesses that a major setback in the current international regime concerning the protection of designs by copyright is the exemption from the principle of national treatment, which otherwise constitutes one of the standard principles in the

international IPR conventions (cf. Art. 2(7) of the Berne Convention, see also Art. 3(1) of the TRIPS agreement). The derogation from the principle of national treatment for copyright protection of designs establishes a basis for unfair trading of such goods.

The risk of overly “generous” protection – and thus obstruction of competition – for industrial designs is balanced by the fact that copyright only gives protection against copying but does not hinder the exploitation of independently created industrial designs.

The Swedish group assess that it would be very difficult or nearly impossible to establish an international standard on the level of originality for obtaining copyright protection for industrial products. The fact that the level of originality is not harmonized at international level is to some extent solved in at least Europe by the general principle that a low threshold of originality correlates to a narrow scope of protection.

The Swedish Group is of the opinion that Art. 25(1) of the TRIPS agreement, last sentence, should be amended in such a way that it becomes clear that copyright protection shall not extend to designs dictated essentially by technical or functional considerations. This should be considered when AIPPI is drafting a resolution.

12) For industrial products, should there be any cumulative protection by industrial design rights and copyright?

Yes, there should be cumulative and parallel protection. However, how this is to be achieved is not apparent. The Swedish group acknowledge that Art. 25 of the TRIPS-agreement require protection for designs, which is new or original. It is a compromise reflecting the difference forms of protection – copyright, “sui generis” design protection, design patents – in force around the world. The Swedish group also acknowledge that the fundamental term “design” varies to a great degree from country to country. Against this backdrop, the Swedish group argue that any harmonisation effort at international level should focus on bridging the existing differences rather than trying to re-invent the wheel by introducing some additional layer of protection.

As stated in our answer to question 12a), the Swedish group holds that an industrial design should enjoy (at least) copyright protection to the extent it is original. However, the field of designs is broad – encompassing a spectrum from pure and high art to objects that are predominantly utilitarian and lack the required level of “originality” to enjoy copyright protection. In addition, copyright protection has the clear disadvantage that it is necessary for the author (or other right holder) to prove copying (at least to some extent) in order to establish infringement. For competitors and second-comers, copyright protection creates uncertainty: the absence of a registration system means that there is no public registry that can be searched to identify prior art and to identify the owners of that art.

The shortcomings of the copyright system could, at least as regards the requirement of “originality”, be solved by a system based on registration combined with a novelty requirement. Once registered, the owner of the design would have a well-defined right to use and license the design, and to prevent others from using it. The fact of registration gives notice to competitors and second comers.

Any international harmonization of industrial design rights beyond copyright should take aim at bridging the different forms of “sui generis” or “patent” design protection. This could be achieved by, for example, establishing a common definition of “design” and an objective standard of novelty for industrial designs (to be protected beyond copyright).

A definition of “design” at international level could perhaps be inspired by Art. 1(a) of the EU Directive 98/71/EC on the legal protection of designs. According to this article, “design”

means “the appearance of the whole or a part of a product resulting from the features of, in particular, the lines, contours, shape, texture and/or materials of the product itself and/or its ornamentation”, and which thus may be either two-dimensional or three-dimensional. By Art. 1(b) of the same Directive, “product” means “any industrial or handicraft item, including in inter alia parts intended to be assembled into a complex product, packaging, get-up, graphic symbols and typographic typefaces, but excluding computer programs”.

Further areas where there is a need for harmonisation at international level for industrial design is the necessary concept of “novelty”. The Swedish Group acknowledges that neither the TRIPs agreement nor the Paris convention specifies this concept in relation to industrial designs, and practices do vary from one country to another. For example, Art. 6 of the EC Directive 98/71/EC requires novelty within the EC. Other countries have an explicit worldwide novelty requirement. The fact that the concept of “novelty” in relation to industrial designs is not harmonized at international level establishes a basis for unfair trading of such goods.

As specified in relation to copyright protection in question 12a), the Swedish Group is of the opinion that Art. 25(1) of the TRIPs agreement, last sentence, should be amended in such a way that it becomes clear that industrial design protection not extend to designs dictated essentially by technical or functional considerations.

- 13) **If so, should there be any measures to resolve this overlap? What measures should be taken? For example, once a certain artistic work has enjoyed industrial design protection, should copyright protection be denied for the same work?**

The Swedish group is of the opinion that a cumulative protection by copyright and design protection of the same product should be possible. However, in the practical situation the cumulative protection should not hinder a normal use of the object covered by several rights.

Firstly, legal presumptions on title should be in place resulting in that the copyright and design right is initially held by one and the same party. This is especially important in the common situations where the design is created by employees, by a consultant within the framework of a consultancy agreement or where rights otherwise arise with an individual or company performing the creative work based on an assignment for a principal. Notably this would be presumptions only from which the parties may choose to deviate by express agreement.

Should nevertheless a situation arise where the copyright and design right are held by different initial right holders, otherwise than based on an express agreement, it is debatable how this should be resolved. In the opinion of the Swedish Group, it is necessary to further look into which prerequisites would be appropriate to achieve a balance of interests, before a system including any of the aforesaid principles is suggested in the copyright/design area as a last resort.

For the above reasons the Swedish AIPPI Group suggests that both the issue of how to regulate and harmonize legal presumptions on title and of resolving nevertheless colliding rights, are made the subject of a separate Question in the AIPPI.

In other areas there are solutions to the problem of colliding rights which could be taken as a starting point for the aforesaid analysis in a new Question. The Swedish AIPPI Group could point at the following examples of such legislative solutions;

- rules on contracts/cross licensing,
- general limitations/ exemptions on exercise of rights,
- statutory or compulsory license rules (Cf. Article 5(A)(4) of the Paris convention as regards patents and Council Regulation (EC) No 2100/94 on Community plant variety rights, Article 29 and related preambles)

- harmonised rules as re. initial ownership (Cf. Article 14(3) of the Regulation (EC) No 6/2002 on Community Designs).

- 14) National Groups are invited to comment on any additional issue concerning the relationship between design and copyright protection for industrial products that they deem relevant.

The Swedish group acknowledge that industrial design laws are possibly the least internationally harmonised of all the intellectual property regimes. At the international level, there remains very real flexibility as to the requirements for design protection, in contrast to other intellectual property regimes, and legal regimes for the protection of design vary widely across jurisdictions.

The concept that there exists a single solution to designs protection that would be optimal across all jurisdictions is itself highly challengeable. What constitutes appropriate designs regime will arguably vary considerably across jurisdictions, depending on factors including level of development and trade policy.

Against this backdrop, we assess that any harmonisation effort at international level should focus on bridging the existing differences for design protection rather than trying to re-invent the wheel by introducing some additional layer of protection.

Summary

Cumulative protection by copyright and design protection of the same product is possible in Sweden. This is mentioned in the Copyright Act, but not in the Design Protection Act. There is no given solution in the Swedish acts if there are different initial holders of the copyright and the design right.

The Swedish group is of the opinion that a cumulative protection by copyright and design protection of the same product should be possible. However, in the practical situation the cumulative protection should not hinder a normal use of the object covered by several rights. Should nevertheless a situation arise where the copyright and design right are held by different initial right holders, otherwise than based on an express agreement, it is debatable how this should be resolved. In the opinion of the Swedish Group, it is necessary to further look into which prerequisites would be appropriate to achieve a balance of interests, before a system including any of the aforesaid principles is suggested in the copyright/design area as a last resort. The group therefore suggests that both the issue of how to regulate and harmonize legal presumptions on title and of resolving nevertheless colliding rights, are made the subject of a separate Question in the AIPPI.

Résumé

La protection cumulative par l'enregistrement de droit d'auteur et de modèles du même produit est possible en Suède. Ceci est mentionné dans la Loi relative aux droits d'auteur, mais pas dans la Loi relative aux dessins et modèles. Les lois suédoises n'apportent pas de solution dans le cas où les titulaires initiaux des droits d'auteur et ceux des dessins et des modèles sont différents.

L'avis du groupe suédois est qu'une protection cumulative des droits d'auteur et de modèles du même produit devrait être possible. Cependant, dans la situation concrète, la protection cumulative ne devrait pas entraver une utilisation normale de l'oeuvre protégée par plusieurs droits. Si néanmoins une situation se présente où les droits d'auteurs et de modèles sont détenus par des titulaires initiaux de droit différents, autrement que sur la base d'un accord express, on peut se demander comment cela devrait être résolu. Selon le groupe suédois, il

est nécessaire de continuer à examiner quelles prerequisites seraient appropriées pour parvenir à un équilibre des intérêts, avant que le système comprenant tout principe précité soit suggéré dans le domaine des droits d'auteur et de modèles comme dernier recours. C'est pourquoi, le groupe suggère que la question de savoir comment régulariser et harmoniser les présomptions légales en titre et de néanmoins résoudre des droits en collision, fassent l'objet d'une Question distincte dans l'AIPPI.

Zusammenfassung

Kumulativer Schutz desselben Produktes durch Urheberrecht oder Designschutz ist in Schweden möglich. Dies wird im Urheberrechtsgesetz, jedoch nicht im Designschutzgesetz, erwähnt. Falls mehrere Rechteinhaber auf das Urheberrecht beziehungsweise auf das Designrecht Anspruch machen, bietet das schwedische Gesetz keine selbstverständliche Lösung an.

Die schwedische Gruppe ist der Auffassung, dass ein kumulativer Schutz desselben Produktes durch Urheberrecht und Designschutz möglich sein sollte. Jedoch sollte der kumulative Schutz in der Praxis den gewöhnlichen Gebrauch eines von mehreren Rechten geschützten Objektes nicht hindern. Es lässt sich darüber streiten, wie die Situation, in der das Urheberrecht und das Designrecht verschiedene ursprüngliche Rechteinhaber hat und dies nicht auf einem ausdrücklichen Übereinkommen beruht, geklärt werden soll. Bevor ein System, das eines der zuvor genannten Prinzipien einschließt, im Gebiet des Urheber-/Designrechts als letzter Ausweg vorgeschlagen wird, ist es der Auffassung der schwedischen Gruppe nach notwendig weiter nachzuforschen, welche Bedingungen angepasst wären um einen Interessenausgleich zu erreichen. Die Gruppe schlägt daher vor, dass sowohl die Frage der Regulierung und Harmonisierung der rechtlichen Eigentumsvermutung als auch die Lösung von gleichwohl kollidierenden Rechten, bei der AIPPI zum Gegenstand von freistehenden Fragen werden.