



22 January 2015

Sharon Thomas  
Secretariat  
Advisory Council on Intellectual Property  
P.O. Box 200  
WODEN, ACT

Dear Sharon,

## **DESIGNS ACT - RESPONSE TO ACIP OPTIONS PAPER**

Thank you for the opportunity to respond to the Advisory Council on Intellectual Property's (the ACIP) *Review of the Designs System Options Paper* (Options Paper).

This submission by the Arts Law Centre of Australia (Arts Law) is informed by our unique service to the Australian public, straddling the worlds of both art and law and representing a large group of Australian artists. We base our submission on the objective of both strengthening the rights afforded to artists whilst also promoting their ability to access those rights.

### **Background**

Arts Law was established in 1983 and is Australia's only national community legal centre for the arts. Arts Law provides expert legal and business advice, publications, education and advocacy services to more than 4,000 Australian artists and arts organisations each year, across the arts and entertainment industries.

Our clients reside not only in metropolitan centres, but also contact us from regional, rural and remote parts of Australia and from all Australian states and territories. Arts Law supports the broad interests of artistic creators, many of whom are emerging or developing artists and the organisations which support them.

The comments we make in this submission are informed by the profiles of our clients who are predominantly:

- low-income earners;
- both Indigenous and non-Indigenous Australians;
- from rural, remote or urban environments;
- limited in their ability to enforce their rights (and as a result increasingly vulnerable to the abuse of those rights);

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- dedicated to the creation of art across all disciplines;
- either new, emerging or established arts practitioners or arts organisations;
- operating arts businesses;
- working in both traditional and digital media;
- self-reliant in business; and
- typically have limited legal education and are eager for accessible legal information.

## **The options for Designs Act reform**

Arts Law expresses support for Option 2 as set out in the Options Paper to clarify the laws around designs and bring them in line with international treaties.

## **The copyright/design overlap**

The need for designs clarification is particularly acute when it comes to the copyright/designs overlap. As stated in our submission of 7 November 2013, it is Arts Law's position that the provisions in sections 74-77A of the *Copyright Act 1968* (Cth) and section 18 of the *Designs Act 2003* (Cth) have the potential to unfairly burden artists. Under section 77 of the Copyright Act an unauthorised person making a product embodying an artist's work does not infringe that artist's copyright in their artistic work where a corresponding design of the artistic work has been applied industrially by the artist themselves. This means that although an artist may freely make unlimited two-dimensional reproductions and have those reproductions protected under copyright law, if that artist makes a small number of three-dimensional reproductions that protection is lost. This results in an environment where artists are unable to fully commercially exploit their interest in their own work, and if they do, they run the risk of having their work freely copied and reproduced by others.

The policy reasoning behind the copyright/design overlap as it currently exists in Australia law has been described as "things which are essentially functional and intended for mass protection should not get the very extensive protection of copyright law". Arts Law submits that this is unfair to artists, and also increasingly outdated given a) the international trend to harmonisation of copyright laws including allowances for the protection of intellectual property rights in industrially-applied designs through copyright; and, b) technological developments such as 3D printing which now allow artists to make and reproduce their physical works in large numbers.

It is against this background that Arts Law supports Option 2 which seeks to both address the anomalies of the copyright/design overlap, and also bring Australian law into line with that of international treaties and trading partners. Arts Law refers to our previous submission wherein we drew comparisons with foreign jurisdictions such as the United States<sup>1</sup> and New

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<sup>1</sup> 17 U.S.C. § 102 (US). Under US Law, there still exists a separability requirement for industrial designs to receive copyright protection; see US Copyright Office, *Copyright Law: Chapter 1*, 4–5 <<http://www.copyright.gov/title17/92chap1.pdf>>: "Pictorial, graphic, and sculptural works" include two-dimensional and three-dimensional works of fine, graphic, and applied art, photographs, prints and art reproductions, maps, globes, charts, diagrams, models, and technical drawings, including

Zealand<sup>2</sup> “which provide copyright protection for at least some industrially applied designs”,<sup>3</sup> as well as the European Union<sup>4</sup> and its members states such as France<sup>5</sup>, Italy and the UK where designs protection exists under both forms of intellectual property regime, registration and copyright, where such protections are available.

In supporting the above Arts Law is not advocating the outright repeal of the current copyright/design overlap provisions. Of the three broad options listed by the ACIP to revise the copyright/design overlap Arts Law would support the second, i.e., not excluding artistic works from the copyright system upon industrial application, and instead allowing such works to retain copyright protection for a period not equivalent to the full term of copyright. Such a system is already in place in New Zealand where the copyright protection for an industrially-applied work of artistic craftsmanship is lifted after 25 years<sup>6</sup>, and in the case of any other industrially-applied artistic work, after 16 years<sup>7</sup>. Arts Law also finds potential in the ACIP’s example of limiting copyright protection to a term equivalent to that available to registered designs (currently 10 years).

Allowing industrially-applied artistic works to retain copyright protection for a strictly limited period would go some way to alleviating the current copyright/design confusion without potentially extending copyright protection to purely utilitarian items such as tools and machinery parts. Furthermore, it would also be of particular benefit to artists such as those who seek advice from Arts Law, namely those artists in the early stages of their design career or business, and who often do not have the knowledge or resources to formally register their artistic works as designs. As it is, under current copyright and design law, once such emerging and developing artists industrially apply their artistic works in order to enter and sell in the design market, they have neither copyright protection nor design protection, leaving them unable to protect themselves against copying at a crucial time when they are working to establish their business. Arts Law also notes that the general public has a higher awareness of copyright protection and its purpose compared to designs protection.

Arts Law does not agree that the option of allowing industrially-applied artistic works to retain copyright protection for a period of time will effectively introduce an unregistered design right. Under this option, the protection of the industrially-applied artistic work is rooted in copyright, not design, and thus would only apply to artistic works and works of artistic craftsmanship which but for their industrial application, would be protected by copyright anyway. An artist who has industrially applied his or her artistic work and seeks to take action against an infringer would therefore have to prove their case under principles of

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architectural plans. Such works shall include works of artistic craftsmanship insofar as their form but not their mechanical or utilitarian aspects are concerned; the design of a useful article, as defined in this section, shall be considered a pictorial, graphic, or sculptural work only if, and only to the extent that, such design incorporates pictorial, graphic, or sculptural features that can be identified separately from, and are capable of existing independently of, the utilitarian aspects of the article.”

<sup>2</sup> Copyright Act 1994 (NZ), s 75.

<sup>3</sup> Lisa Lennon, Lauren Eade and Anna Smyth, ‘3D Printing: Design revolution or intellectual property nightmare?’ (2013) 51(9) *Law Society Journal* 60, 63.

<sup>4</sup> Article 17 of Directive 98/71/EC of the European Parliament and the Council of the European Union, “[a] design protected by a design right registered in or in respect of a Member State in accordance with this Directive shall also be eligible for protection under the law of copyright of that State as from the date on which the design was created or fixed in any form.”

<sup>5</sup> Intellectual Property Code Art. L. 112-1 (Fr).

<sup>6</sup> *Copyright Act 1994 (New Zealand)*, section 75(1)(c).

<sup>7</sup> *Copyright Act 1994 (New Zealand)*, section 75(1)(e).

copyright (i.e., that the work being infringed is an original artistic work subject to copyright, that the artist owns the copyright in the artistic work, and that an important, distinctive or essential part of the artistic work has been substantially reproduced), rather than the comparatively easier requirements of designs law (i.e., the work has been registered as a design, and that the infringing work is substantially similar in overall impression to the registered design).

Arts Law also does not agree that allowing industrially-applied artistic works to retain copyright for a period of time will reduce incentive to register such works as a design, especially if such period of time is equivalent to that available to registered designs. Artists, particularly those intending to grow a design brand and business, would still see benefit in paying to register a design for clarity of ownership in the registered design, and for the relatively easier threshold of proving infringement. Should Australia join the Hague Agreement, there would be further incentive in that the registering a design in Australia would lead to easier registration internationally, and therefore better access to as well as protection in international markets.

### **Alignment with international treaties**

Arts Law supports reform to align the Designs Act with international treaties and Australian efforts to join the Hague Agreement. Although current number of countries in the Hague system is relatively small (62),<sup>8</sup> it will in the near-future include Australia's major trading partners such as the US.<sup>9</sup> Arts Law does not see extending the term of designs protection as an onerous trade-off, and considers that the overall long-term benefits of the Hague Agreement, including better access to overseas markets and the option of a single application for international protection, are in the interests of Australian artists and designers.

### **Further information**

Please do not hesitate to contact us if further information or expansion on this submission is required. We can be contacted at [artslaw@artslaw.com.au](mailto:artslaw@artslaw.com.au) or on (02) 9356 2566.

Yours faithfully,



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<sup>8</sup> Contracting Parties to the Hague Agreement:  
[http://www.wipo.int/treaties/en/ShowResults.jsp?lang=en&treaty\\_id=9](http://www.wipo.int/treaties/en/ShowResults.jsp?lang=en&treaty_id=9)

<sup>9</sup> Title I of the US Patent Law Treaties Implementation Act of 2012 was enacted on 18 December 2012 to implement the provisions of the 1999 Geneva Act of the Hague Agreement:  
[http://www.uspto.gov/patents/init\\_events/pct/PLAW\\_112publ211.pdf](http://www.uspto.gov/patents/init_events/pct/PLAW_112publ211.pdf)