



7 November 2013

Sharon Thomas
Secretariat
Advisory Council on Intellectual Property
PO Box 200
Woden ACT 2606

Via email: mail.acip@ipaaustralia.gov.au

Dear Ms Thomas,

RE: ADVISORY COUNCIL ON INTELLECTUAL PROPERTY REVIEW OF THE DESIGNS SYSTEM

Thank you for the opportunity to comment on the current review of the Australian designs system as outlined in the Advisory Council on Intellectual Property's (the Council) *Review of the Designs System* Issues Paper (Issues Paper).

The Arts Law Centre of Australia's (Arts Law) submission is informed through being unique in the service we provide, 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 increasing the rights afforded to artists whilst also promoting their ability to access those rights.

Arts Law acknowledges the Issues Paper poses 22 questions however we have focused our submission on the question that is of the greatest importance to our clients, being Question 13. In respect of that question, Arts Law is of the view that the copyright/design overlap provisions do not operate satisfactorily. Arts Law is concerned that the current system is out of step with technological advancements, for example, 3D printing and is also not reflective of our international counterparts. Arts Law recommends the Council assess the copyright/design overlap provisions in light of these factors.

Background

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

Our clients not only reside 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, the vast majority of whom are emerging or developing artists and the organisations which support them.

The comments that we make in this submission are informed by our clients' profile, which is predominantly:

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

DESIGN OVERLAP WITH COPYRIGHT – QUESTION 13

The Current Copyright/Design Overlap

It is Arts Law's submission that the current copyright/design overlap provisions in sections 74-77A of the *Copyright Act 1968* (Cth) (Copyright Act) and section 18 of the *Designs Act 2003* (Cth) (Designs Act) have the potential to unfairly burden artists. The current copyright/design overlap provisions allow for certain works to fall under both the protection of the Copyright Act as "artistic works" and also under the Designs Act if the owner exercises his or her option to register the work. This overlap creates an extra regulatory burden for artists in the form of both understanding and protecting their intellectual property rights in a work.

Additionally, under s 77 of the Copyright Act, an unauthorised person making a product embodying an artist's work does not infringe the artist's copyright in their artistic work where a corresponding design of the artistic work has been applied industrially by the artist themselves. The effect of this provision is that while artists may freely make unlimited 2D reproductions of copyright work, an artist will lose protection for making a small number of 3D reproductions of their work. This means they cannot prevent reproductions of their work by others and are unable to commercially exploit their interest in that work.

The policy reason behind the copyright/design overlap provisions has been described as "things which are essentially functional and intended for mass production should not get the very extensive protection of copyright law."¹

¹ Australian Copyright Council, *Designs for Functional Articles*, Information Sheet G027v07, February 2012.

Arts Law submits that these provisions are *a priori* unfair to artists and that in the context of: (1) the trend of international harmonisation of copyright laws allowing for the protection of intellectual property rights in industrially-applied designs through copyright; and (2) technological developments such as the advent of 3D printing; that the policy justification for ss 74–77A of the Copyright Act is no longer relevant and will provide barriers to the protection of intellectual works in Australia in the digital age.

1. The International Context

Arts Law believes that the Australian copyright/designs overlap is currently out of step with our international counterparts and we should move towards the models in those jurisdictions. Foreign jurisdictions that are relevant include the US², France³ and New Zealand⁴ “which provide copyright protection for at least some industrially applied designs.”⁵ Italian and UK laws go even further.

In the European Union, under 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.”⁶ The effect of Directive 98/71 is that member states' copyright law, unlike that in Australia, provide protections under both forms of intellectual property regime, registration and copyright, where such protections are available. This is reflected in, *inter alia*, article 44 of the *Italian Industrial Property Code* allowing for copyright to subsist in industrial designs for the period of the author's life plus 70 years,⁷ and also in s 74 of the *Enterprise and Regulatory Reform Act 2013* (UK) repealing the copyright/design overlap provisions pursuant to s 52 of the *Copyright, Designs and Patents Act 1988* (UK).

² 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 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.”

³ Intellectual Property Code Art. L. 112-1 (Fr).

⁴ Copyright Act 1994 (NZ), s 75.

⁵ Lisa Lennon, Lauren Eade and Anna Smyth, ‘3D Printing: Design revolution or intellectual property nightmare?’ (2013) 51(9) *Law Society Journal* 60, 63.

⁶ Note: this directive also removed the “separability requirement” such as under the *Italian Industrial Property Code*; see *Case C-168/09 Flos SpA v Semeraro Casa e Famiglia SpA* opinion of the advocate general: “18. After the transposition of Directive 98/71 into the Italian legal order, Legislative Decree No 95 of 2 February 2001 on the implementation of Directive 98/71 (8), amended that provision by removing the separability requirement. Thus, as a result of that amendment, point 4 of paragraph 1 of Article 2 of Law No 633/41 was deleted and a point 10 was added. Under this new point, industrial designs which possess in themselves creative character and artistic value are protected by copyright. Legislative Decree No 95/2001 entered into force on 19 April 2001.”

⁷ See *Case C-168/09 Flos SpA v Semeraro Casa e Famiglia SpA* opinion of the advocate general [22].

Indeed, the UK copyright/design overlap provisions do provide copyright protection for artistic works industrially applied for a period of 25 years, in a similar way to New Zealand law.⁸ However, in order to harmonise UK legislation with EU Law in accordance with the recent European Court of Justice decision in *Case C-168/09 Flos SpA v Semeraro Casa e Famiglia SpA*, the UK Government has gone further by repealing s 52 in its entirety and thus removing any reduction to the term of copyright protection, stating “[p]rotecting original artistic works through copyright is one way to incentivise innovation in design.”⁹ Although the legislation repealing s 52 has passed, it will take effect following a consultation period with the broader community in the UK.¹⁰

2. Technological Developments

Additive manufacturing, often referred to as 3D printing, could significantly alter the economic and technological framework within which our intellectual property system operates. This technological advance has the potential to pose similar challenges to our intellectual property regime as changes to the digital economy have been posing in Australia for the past decade. It has been noted that sites such as Thingiverse (www.thingiverse.com) and Shapeways (www.shapeways.com) already cater to the sharing of object files for 3D printing models, and The Pirate Bay is following suit.¹¹

Arts Law recognises the opportunities and threats presented by 3D printing technology. This includes the opportunity to more easily create and disseminate 3D artworks, but is tempered by the potential threat of more easily facilitated unauthorised copying and printing. It is imperative that any review of the copyright/designs overlap takes into account the current technological environment, as there appears to be an arbitrary distinction between the way 2D and 3D works are treated in light of this new technology.

Conclusion

A comparison between foreign jurisdictional regimes and the Australian system demonstrate that the Australian policy justification for the copyright/design overlap provisions is out-dated and out of step with our international counterparts. This highlights the need to review these sections in light of the changes technology now presents. Given that the current provisions are not operating satisfactorily, a review of their application is timely. Arts Law submits that this review would be the perfect opportunity for the Council to consider whether it is necessary to repeal or amend ss 74–77A of the Copyright Act.

⁸ Pursuant to s75 of the Copyright Act 1988 (NZ), the term of copyright protection for artistic works that are applied industrially is reduced to 16 or 25 years, depending on the type of artistic work.

⁹ Intellectual Property Office, ‘Call for Evidence: Transitional provisions for repeal of section 52 of the Copyright, Designs and Patents Act 1988’ < <http://www.ipo.gov.uk/pro-policy/consult/consult-live/consult-2013-s52.htm> > as at 6 November 2013.

¹⁰ Intellectual Property Office, *Call for evidence: Transitional provisions for repeal of Section 52 of the Copyright, Designs and Patents Act 1988*, 7–9.

¹¹ Lennon, Eade and Smyth, above n 5, 61–2.

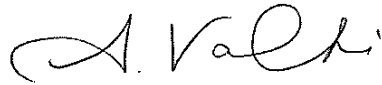
Further information

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 or on (02) 9356 2566.

Yours faithfully



Robyn Ayres
Executive Director



Anika Valenti
Solicitor