
STATUTORY INSTRUMENTS

2005 No. 2339

DESIGNS

The Community Design Regulations 2005

Made - - - - *15th August 2005*
Laid before Parliament *23rd August 2005*
Coming into force - - *1st October 2005*

The Secretary of State, being a Minister designated for the purposes of section 2(2) of the European Communities Act 1972 ^{M1} in relation to measures relating to the legal protection of designs ^{M2}, in exercise of the powers conferred on him by that section makes the following Regulations:

Marginal Citations

M1 1972 c. 68.
M2 S.I. 2000/1813.

Introductory and interpretation

1.—(1) These Regulations may be cited as the Community Design Regulations 2005 and shall come into force on 1st October 2005.

(2) In these Regulations—

“the Community Design Regulation” means Council Regulation (EC) 6/2002 of 12th December 2001 on Community Designs; and

“Community design”, “registered Community design” and “unregistered Community design” have the same meanings as in the Community Design Regulation.

Remedy for groundless threats of infringement proceedings

2.—(1) Where any person (whether entitled to or interested in a Community design or not) by circulars, advertisements or otherwise threatens any other person with proceedings for infringement of a Community design, any person aggrieved thereby may bring an action against him for any such relief as is mentioned in paragraph (2).

(2) Subject to paragraphs (3) and (4), the claimant shall be entitled to the following relief—

- (a) a declaration to the effect that the threats are unjustifiable;
- (b) an injunction against the continuance of the threats; and

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(c) such damages, if any, as he has sustained by reason of the threats.

(3) If the defendant proves that the acts in respect of which proceedings were threatened constitute or, if done, would constitute an infringement of a registered Community design the claimant shall be entitled to the relief claimed only if he shows that the registration is invalid.

(4) If the defendant proves that the acts in respect of which proceedings were threatened constitute or, if done, would constitute an infringement of an unregistered Community design the claimant shall not be entitled to the relief claimed.

(5) Proceedings may not be brought under this regulation in respect of a threat to bring proceedings for an infringement alleged to consist of the making or importing of anything.

(6) Mere notification that a design is—

- (a) a registered Community design; or
- (b) protected as an unregistered Community design,

does not constitute a threat of proceedings for the purpose of this regulation.

(7) In the application of this regulation—

- (a) to Scotland, the expression “injunction” shall be construed as “interdict”, “claimant” shall be construed as “pursuer”, and “defendant” shall be construed as “defender”;
- (b) to Northern Ireland, any reference to “claimant” includes a reference to a plaintiff.

Falsely representing a design as a registered Community design

3.—(1) It is an offence for a person falsely to represent that a design applied to, or incorporated in, any product sold by him is a registered Community design.

(2) It is an offence for a person, after a registered Community design has expired, to represent (expressly or by implication) that a design applied to, or incorporated in, any product sold is still registered in the manner provided for in the Community Design Regulation.

(3) A person guilty of an offence under paragraph (1) is liable on summary conviction to a fine not exceeding level 3 on the standard scale.

(4) A person guilty of an offence under paragraph (2) is liable on summary conviction to a fine not exceeding level 1 on the standard scale.

Privilege for communications with those on the special list of professional design representatives

4.—(1) This regulation applies to communications as to any matter relating to the protection of any design.

(2) Any such communication—

- (a) between a person and his professional designs representative, or
- (b) for the purposes of obtaining, or in response to a request for, information which a person is seeking for the purpose of instructing his professional designs representative,

is privileged from, or in Scotland protected against, disclosure in legal proceedings in the same way as a communication between a person and his solicitor or, as the case may be, a communication for the purpose of obtaining, or in response to a request for, information which a person is seeking for the purpose of instructing his solicitor.

(3) In paragraph (2) “professional designs representative” means a person who is on the special list of professional representatives for design matters referred to in Article 78 of the Community Design Regulation.

Use of Community design for services of the Crown

5. The provisions of the Schedule to these Regulations shall have effect with respect to the use of registered Community designs and unregistered Community designs for the services of the Crown and the rights of third parties in respect of such use.

Amendment of section 35 of the Registered Designs Act 1949

6. In section 35 of the Registered Designs Act 1949^{M3} (fine for falsely representing a design as registered), after subsection (2) there shall be inserted—

“(3) For the purposes of this section, the use in the United Kingdom in relation to a design—

(a) of the word “registered”, or

(b) of any other word or symbol importing a reference (express or implied) to registration,

shall be deemed to be a representation as to registration under this Act unless it is shown that the reference is to registration elsewhere than in the United Kingdom and that the design is in fact so registered.”.

Marginal Citations

M3 1949 c. 88.

15th August 2005

Gerry Sutcliffe
Parliamentary Under Secretary of State for
Employment Relations and Consumer Affairs
Department of Trade and Industry

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SCHEDULE

Regulation 5

USE OF COMMUNITY DESIGNS FOR SERVICES OF THE CROWN

Use of Community design for services of the Crown

1.—(1) A government department, or a person authorised in writing by a government department, may without the consent of the holder of a Community design—

- (a) do anything for the purpose of supplying products for the services of the Crown, or
- (b) dispose of products no longer required for the services of the Crown;

and nothing done by virtue of this paragraph infringes the Community design.

(2) References in this Schedule to “the services of the Crown” are limited to those which are necessary for essential defence or security needs.

(3) In this Schedule—

“Crown use”, in relation to a Community design, means the doing of anything by virtue of this paragraph which would otherwise be an infringement of the Community design; and

“the government department concerned”, in relation to such use, means the government department by whom or on whose authority the act was done.

(4) The authority of a government department in respect of Crown use of a Community design may be given to a person either before or after the use and whether or not he is authorised, directly or indirectly, by the holder of the Community design to do anything in relation to the design.

(5) A person acquiring anything sold in the exercise of powers conferred by this paragraph, and any person claiming under him, may deal with it in the same manner as if the Crown was the holder of the Community design.

Settlement of terms for Crown use

2.—(1) Where Crown use is made of a Community design, the government department concerned shall—

- (a) notify the holder of the Community design as soon as practicable, and
- (b) give him such information as to the extent of the use as he may from time to time require,

unless it appears to the department that it would be contrary to the public interest to do so or the identity of the holder of the Community design cannot be ascertained on reasonable inquiry.

(2) Crown use of a Community design shall be on such terms as, either before or after the use, are agreed between the government department concerned and the holder of the Community design with the approval of the Treasury or, in default of agreement, are determined by the court.

(3) In the application of sub-paragraph (2) to Northern Ireland the reference to the Treasury shall, where the government department referred to in that sub-paragraph is a Northern Ireland department, be construed as a reference to the Department of Finance and Personnel.

(4) In the application of sub-paragraph (2) to Scotland, where the government department referred to in that sub-paragraph is any part of the Scottish Administration, the words “with the approval of the Treasury” are omitted.

(5) Where the identity of the holder of the Community design cannot be ascertained on reasonable inquiry, the government department concerned may apply to the court who may order that no royalty or other sum shall be payable in respect of Crown use of the Community design until the holder agrees terms with the department or refers the matter to the court for determination.

Rights of third parties in case of Crown use

3.—(1) The provisions of any licence, assignment or agreement made between the holder of the Community design (or anyone deriving title from him or from whom he derives title) and any person other than a government department are of no effect in relation to Crown use of a Community design, or any act incidental to Crown use, so far as they—

- (a) restrict or regulate anything done in relation to the Community design, or the use of any model, document or other information relating to it, or
- (b) provide for the making of payments in respect of, or calculated by reference to such use;

and the copying or issuing to the public of copies of any such model or document in connection with the thing done, or any such use, shall be deemed not to be an infringement of any copyright in the model or document.

(2) Sub-paragraph (1) shall not be construed as authorising the disclosure of any such model, document or information in contravention of the licence, assignment or agreement.

(3) Where an exclusive licence is in force in respect of the Community design—

- (a) if the licence was granted for royalties—
 - (i) any agreement between the holder of the Community design and a government department under paragraph 2 (settlement of terms for Crown use) requires the consent of the licensee, and
 - (ii) the licensee is entitled to recover from the holder of the Community design such part of the payment for Crown use as may be agreed between them or, in default of agreement, determined by the court;
- (b) if the licence was granted otherwise than for royalties—
 - (i) paragraph 2 applies in relation to anything done which but for paragraph 1 (Crown use) and sub-paragraph (1) would be an infringement of the rights of the licensee with the substitution for references to the holder of the Community design of references to the licensee, and
 - (ii) paragraph 2 does not apply in relation to anything done by the licensee by virtue of an authority given under paragraph 1.

(4) Where the Community design has been assigned to the holder of the Community design in consideration of royalties—

- (a) paragraph 2 applies in relation to Crown use of the Community design as if the references to the holder of the Community design included the assignor, and any payment for Crown use shall be divided between them in such proportion as may be agreed or, in default of agreement, determined by the court; and
- (b) paragraph 2 applies in relation to any act incidental to Crown use as it applies in relation to Crown use of the Community design.

(5) Where any model, document or other information relating to a Community design is used in connection with Crown use of the design, or any act incidental to Crown use, paragraph 2 applies to the use of the model, document or other information with the substitution for the references to the holder of the Community design of references to the person entitled to the benefit of any provision of an agreement rendered inoperative by sub-paragraph (1).

(6) In this paragraph—

“act incidental to Crown use” means anything done for the services of the Crown to the order of a government department by the holder of the Community design in respect of a design;

“payment for Crown use” means such amount as is payable by the government department concerned by virtue of paragraph 2; and

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“royalties” includes any benefit determined by reference to the use of the Community design.

Crown use: compensation for loss of profit

4.—(1) Where Crown use is made of a Community design, the government department concerned shall pay—

- (a) to the holder of the Community design, or
- (b) if there is an exclusive licence in force in respect of the Community design, to the exclusive licensee,

compensation for any loss resulting from his not being awarded a contract to supply the products to which the Community design is applied or in which it is incorporated.

(2) Compensation is payable only to the extent that such a contract could have been fulfilled from his existing manufacturing capacity; but is payable notwithstanding the existence of circumstances rendering him ineligible for the award of such a contract.

(3) In determining the loss, regard shall be had to the profit which would have been made on such a contract and to the extent to which any manufacturing capacity was under-used.

(4) No compensation is payable in respect of any failure to secure contracts for the supply of products to which the Community design is applied or in which it is incorporated otherwise than for the services of the Crown.

(5) The amount payable shall, if not agreed between the holder of the Community design or licensee and the government department concerned with the approval of the Treasury, be determined by the court on a reference under paragraph 5; and it is in addition to any amount payable under paragraph 2 or 3.

(6) In the application of this paragraph to Northern Ireland, the reference in sub-paragraph (5) to the Treasury shall, where the government department concerned is a Northern Ireland department, be construed as a reference to the Department of Finance and Personnel.

(7) In the application of this paragraph to Scotland, where the government department referred to in sub-paragraph (5) is any part of the Scottish Administration, the words “with the approval of the Treasury” in that sub-paragraph are omitted.

Reference of disputes relating to Crown use

5.—(1) A dispute as to any matter which falls to be determined by the court in default of agreement under—

- (a) paragraph 2 (settlement of terms for Crown use),
- (b) paragraph 3 (rights of third parties in case of Crown use), or
- (c) paragraph 4(Crown use: compensation for loss of profit),

may be referred to the court by any party to the dispute.

(2) In determining a dispute between a government department and any person as to the terms for Crown use of a Community design the court shall have regard to—

- (a) any sums which that person or a person from whom he derives title has received or is entitled to receive, directly or indirectly, from any government department in respect of the Community design; and
- (b) whether that person or a person from whom he derives title has in the court's opinion without reasonable cause failed to comply with a request of the department for the use of the Community design on reasonable terms.

(3) One of two or more joint holders of the Community design may, without the concurrence of the others, refer a dispute to the court under this paragraph, but shall not do so unless the others are made parties; and none of those others is liable for any costs unless he takes part in the proceedings.

(4) Where the consent of an exclusive licensee is required by paragraph 3(3)(a)(i) to the settlement by agreement of the terms for Crown use of a Community design, a determination by the court of the amount of any payment to be made for such use is of no effect unless the licensee has been notified of the reference and given an opportunity to be heard.

(5) On the reference of a dispute as to the amount recoverable as mentioned in paragraph 3(3)(a)(ii) (right of exclusive licensee to recover part of amount payable to holder of Community design) the court shall determine what is just having regard to any expenditure incurred by the licensee—

- (a) in developing the design, or
- (b) in making payments to the holder of the Community design in consideration of the licence (other than royalties or other payments determined by reference to the use of the design).

(6) In this Schedule “the court” means—

- (a) in England and Wales, the High Court or any patents county court having jurisdiction by virtue of an order under section 287 of the Copyright, Designs and Patents Act 1988^{M4},
- (b) in Scotland, the Court of Session, and
- (c) in Northern Ireland, the High Court.

Marginal Citations

M4 1988 c. 48.

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations make provision for the operation of Council Regulation (EC) No. 6/2002 of 12th December 2001 (O.J. No. L 3, 5.1.2002, p.1) on the Community design (“the Community Design Regulation”).

Regulation 2 provides a remedy for any person who is aggrieved by groundless threats being made to bring infringement proceedings in relation to Community designs.

Regulation 3 creates two new offences related to falsely representing a design as a registered Community design.

Regulation 4 creates a privilege for communications between a person who is on the special list of professional design representatives maintained in pursuance of Article 78 of the Community Design Regulation and his client.

Regulation 5 in conjunction with the Schedule to these Regulations provides for the Crown use of Community designs in accordance with Article 23 of the Community Designs Regulation. Similar provisions are applied to national unregistered designs under sections 240 to 244 and section 252 of the Copyright, Designs and Patents Act 1988 (c. 48) and to registered designs in accordance with the First Schedule to the Registered Designs Act 1949 (c. 88).

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Regulation 6 amends section 35 of the Registered Designs Act 1949 so that the use of the term “registered” in relation to a design is deemed to mean registered under that Act unless it is shown that it is registered elsewhere than the United Kingdom.

A Regulatory Impact Assessment is available. Copies of the assessment have been placed in the libraries of both Houses of Parliament and are also available from the Intellectual Property and Innovation Directorate, The Patent Office, Concept House, Cardiff Road, Newport NP10 8QQ.

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