

## Designs: Registrability, trends and developments

*Indian markets are now flooded with a large variety of Indian and foreign products, thanks to globalization and liberalization of the Indian economy. The increase in the purchasing power of the Indian middle class has also led to a growing market in India. Number of alternatives for a single product; have spoiled the consumer for choice. The essence of an article of use is its appearance and design. Apart from the functional aspect of the product, the design plays a significant role in aiding its marketability and sales. In addition to the reliability of the product, the companies also need to make sure that the aesthetic character of the product is maintained and continuously improved upon to the consumer.*

When we talk of Intellectual Property (IP) we talk of the creativity that is invested in developing that property and today a significant part of the world understands the importance of protecting such intangible properties, evident from the growing importance of Intellectual property, their management systems, the initiatives by the respective governments and the rise in the number of applications for protection of IP filed by companies as well as individuals.

'Industrial Design' is one such intellectual property that adds value to a commercial product. The companies spend huge capital to come up with an innovative design to attract the target masses and professional designers are engaged for the same.

### Registrability

In India, the Designs Act, 2000 and Design Rules, 2001 governs the protection of Industrial Designs. The design world is huge and the applications are unlimited, be it the print on the bed cover, the graphic page of the website, the coffee mug on the breakfast table, the mixer in the kitchen, the flower vase by the window, or the greeting cards that we receive plus a lot more of the articles we use daily, but it is fortunate for the Indian Patent Office that not all could be registered. As far as the Indian Design law is concerned there are provisions to safeguard the interest of the people who are owners of the designs that befit the criteria of registration in this territory.

According to the Designs Act, design registration can be obtained for new or original features of shape, configuration, pattern, ornamentation or composition of lines or colors as applied to an article, whether in two or three dimensions or both and at the same time be capable of manufacture by industrial means whether obtained manually, mechanically or chemically which in the finished article "appeal to and are judged solely by the eye". This implies that the design must appear and should be visible on the finished article, for which it is meant. Thus, any design in the inside arrangement of a box, money purse or almirah may not be considered for showing such articles in the open state, as those articles are generally put in the market in the closed state.

Designs are innovations which could either provide a solution to a problem occurring due to external shapes or structure and/or to make it more attractive and aesthetic. The design here would imply any creativity that is applied to a given article as long as it does not denote any specific functional feature but

only the character that enhances or beautifies its presentation. Thus in simpler words, the character of the article in concern, apart from its use and efficiency that appeals to the viewer or customer is its design. Needless to say the articles onto which the designs are applied should have some applicability other than merely carrying the design. For instance a drawing or painting or ordinary paper or canvas, are not the same as wallpaper or wrapping paper or textiles.

The Act lays down the following conditions for registrability of a design seeking protection.

- The most basic and preliminary condition for the eligibility for registration of a design of/on an article is its *novelty and originality* (u/s 4(a)).
- The idea of a design being "new" is assessed from the facts that it is not found anywhere else in the world in the form of published documents or usage in public prior to the filing of the application for registration (u/s 4 (b)).
- The design should be significantly distinguishable from the known designs or their combinations.
- It should not comprise or contain scandalous or obscene matter.

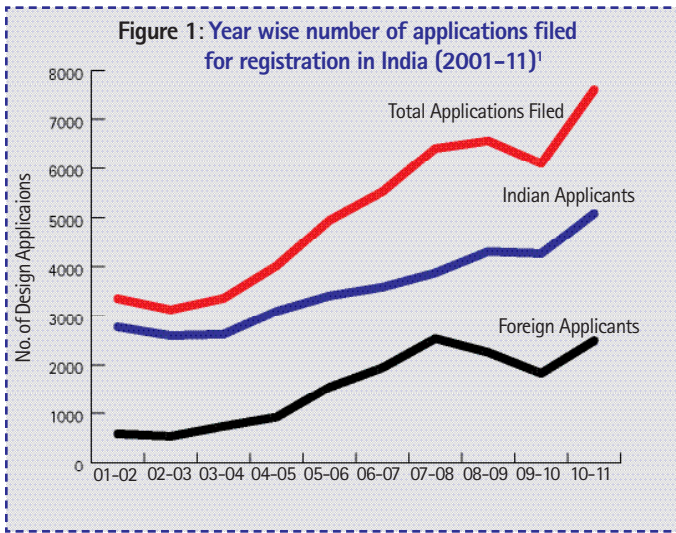
Therefore, a design, to be eligible for registration, has to be novel, original, moral and reproducible. However, there are still certain articles that may be all of these but have been excluded like *book jackets, calendars, certificates, forms and documents, dress making patterns, greeting cards, leaflets, maps and plan cards, postcards, stamps and medals, labels, tokens, cards and cartoons.*

The features of a design to be eligible for protection under Section 2 (d) of the Act, must not:

- include any mode or principle of construction
- in substance be a mere mechanical device
- be a Trade Mark or property mark
- be an Artistic Work under the Copyright Act

According to Section 15 of the Copyright Act 1957, the copyright in any design, which is capable of being registered under the Designs Act, but which has not been registered shall cease as soon as any article to which the design has been applied has been reproduced more than 50 times by an industrial process by the owner of the copyright.

Filing and Registration Trends

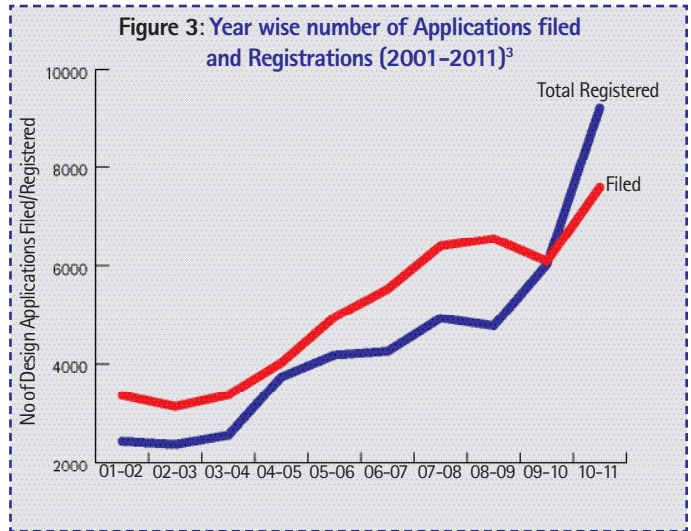


In the last ten years about 50,958 applications have been filed at the Indian Patent Office with an average of around 5,100 applications annually. Interestingly, only about 30% of these are foreign filings and the rest 70% are of Indian origin. Interesting because unlike the filing trends observed for patents, Indians look keener and active on applying for their design registrations, though in absolute terms the numbers are quite dismal. Until 2008, the gap between the Indian and the foreign filings had been reducing but in the subsequent years it has widened due to the fall in the number of foreign filings (Figure 1).

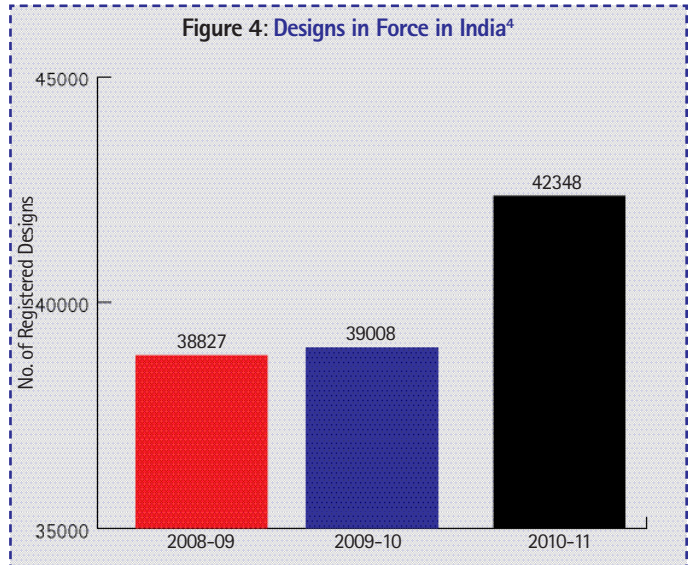
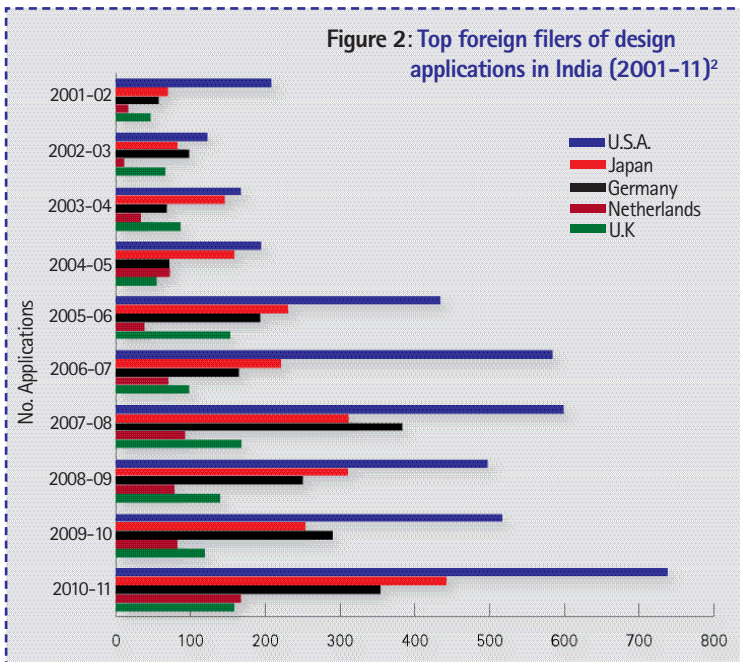
Over the last decade companies from USA, Japan, Germany, Netherland, UK, Switzerland, Republic of Korea, Italy Finland and others have been among the top foreign filers of design applications in India. The leading foreign companies in terms of highest number of filings in 2010-2011 were Honda Motor Co.,

Ltd (63), LG Electronics Inc (41), Kohler Co. (46), Nokia Corporation (35), and Microsoft Corporation (33).

The top filers from India in this regard were Crompton Greaves Limited (Filed 158, Regd. 116), Biba Apparels Pvt. Ltd (Filed 128, Regd. 13), Ma Design India Private Limited (Filed 112, Regd. 131), Ajanta Manufacturing Ltd. (Filed 99, Regd. Nil), and Loom Crafts Furniture (India) Pvt. Ltd. (Filed 86, Regd. 72).



By 2011, about 42,384 designs were in force in our country and about 4,500 designs are registered annually. The design registration process is simplest of all the IP registrations in India. In case an application is in order and there no substantive objections are raised by the Patent Office then a design registration certificate is issued within 6 months. This is also corroborated by IPO's Annual Report (2010-11) which shows that over its previous year, the number of registrations granted have increased by about 52%, indicating a faster processing of design applications and their registration (Figure 3). Of all the 9,206 designs registered in India in the year 2010-11, 6,369 registrations were of Indian entities and 2,837 were that of foreign entities.

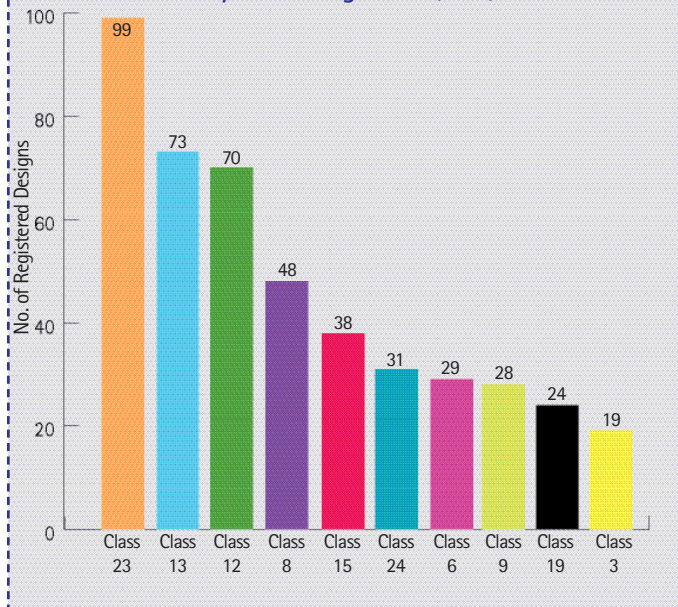


<sup>1</sup>Source: Annual Report – Indian Patent Office (2001-11) <sup>2</sup>Source: Annual Report – Indian Patent Office (2001-11) <sup>3</sup>Source: Annual Report – Indian Patent Office (2001-11) <sup>4</sup>Source: Annual Report – Indian Patent Office (2010-11)

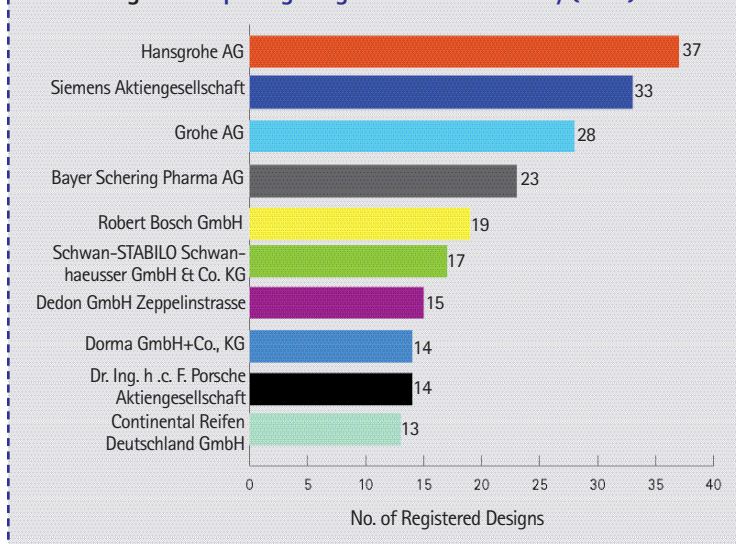
### Designs from Germany

The design applications are classified according to Locarno Classification, an International Classification used for the purposes of the registration of Industrial designs. In 2011, maximum applications from Germany were filed in classes 23, 13 and 12 that amongst other articles provides for sanitary ventilation and air conditioning equipment, equipments for production distribution or transformation of electricity and means of transport or hoisting. The top registrants in this regard are Hansgrohe AG, Dedon GmbH, Henkel Kommanditgesellschaft, Merz & Kell GmbH & Co. and Siemens Aktiengesellschaft.

**Figure 5: Design Registration in Top Ten Classes by German Registrants (2011)<sup>5</sup>**



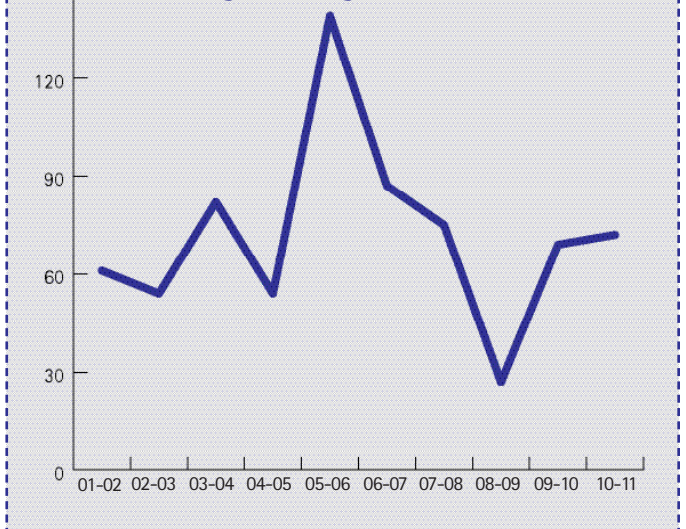
**Figure 6: Top Design Registrants from Germany (2011)<sup>6</sup>**



<sup>5</sup>Source: Patent Office's Journals <sup>6</sup>Source: Patent Office's Journals  
<sup>7</sup>Source: Annual Report – Indian Patent Office (2010-11)

### Trends in Cancellation Proceedings

**Figure 7: Year wise Applications filed for cancellation of registered designs (2006-2011)<sup>7</sup>**



The Indian design registration system does not provide for opposition proceedings any time before the registration of a design. Once the design is registered with the Indian Patent office, the validity of a registered design can be objected under Section 19 of the Act, which deals with Cancellation of registration, the grounds for which are as under:

- prior registration in India;
- prior publication in India or elsewhere prior to date of priority or date of application;
- design not new or original
- design not registrable under the Act; and
- not a design under the clause (d) of Section 2 of the Act that defines 'design'

According to the Indian Patent Office's Annual reports, in the last ten years on an average 70 applications are filed annually for cancellation design registrations.

In the past years, many court decisions pertaining to designs have been issued, most of them related to infringement of registered designs. The decisions are primarily pro-plaintiff with few exceptions where the defendants countered the charges and sought cancellations of the registered designs.

### Developments in the System

The design registration system is time bound and fastest of all other intellectual property registration procedure. The following developments have taken place and/or likely to be introduced shortly in the Indian Design System.

- The Indian Patent Office has, released a manual of design practice and procedure to bring about proper understanding of filing procedure among the stakeholders. It is expected that the manual will bring a level of awareness, both

among officers and the applicants, as regards the correct procedure involved in the prosecution of design applications, reducing the current delay in registration.

- The Digitization of Designs Applications and preparation of e-Register has been completed by the Patent Office. Various activities for comprehensive computerization of the Designs Wing of the Patent Office have been initiated with the assistance of NIC.
- Complete automation of the Designs Wing is in progress and the entire process will be e-enabled.
- The facility to access application status has already been made available online, from this year. Further in line are availability of other such online retrieval systems that enable the user to access full texts and images.
- E-filing would be introduced shortly. The use of e-filing facility is successfully gaining momentum in patents and trademarks and thus is expected to give the number of design registration filings a boost too.
- The Controller in some cases now also grants telephonic hearing/ discussion to comply with the office objections.
- Keeping in view the above factors the Indian Patent office promises a 3-month turnaround time from filing to registration.

### Conclusion

At par with the provisions worldwide, the design protection system in India provides the value quotient to the innovators and designers of India as well those abroad. The improvisations being introduced in the system that were lacking earlier bring about a better processing of the design applications.

Several local and Government organizations take initiatives to promote the designers to use their IP rights by encouraging them to get their designs registered and to ensure that the deserving artisans, creators and originators of the design are not deprived of their bonafide reward. National Institute of Design (NID) is one such organization established by the Government of India in 1961 to encourage research, service and training in Industrial Design. Every year hundreds and thousands of students are trained in disparate design disciplines offered by NID. The Confederation of Indian Industry (CII) in collaboration with Department of Industrial Policy & Promotion (DIPP) & Indian Intellectual Property Office, Govt. of India also confer awards to several organizations, innovators and designers for their outstanding achievements for development of Intellectual property in India. In order to generate awareness about Designs related Intellectual Property Rights public information programmes are also taken up by the Indian Patent Office and where officials are sent to various workshops/ Symposia organized by various agencies.

Despite such initiatives taken to realize the full potential of Indian designers and innovators the rate of filing of design applications by domestic companies has come down and in absolute terms, there is huge scope and space to accommodate our national filings and encouragement in this sector is more than welcome.

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