

## **Design protection in Australia**

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*This is an edited version of a paper delivered before the Interest Group on Industrial and Intellectual Property of the Australasian Universities Law Schools Association at its conference held in Sydney in August 1981. In it the author considers the history and role of design in society and discusses the recent legislative changes in Australia to the law relating to protection of designs, comparing the innovations with the New Zealand position.*

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### **I. THE ROLE OF DESIGN IN MODERN SOCIETY**

#### *A. Is Designing an Art?*

Over the past couple of years the author has oscillated, like an erratic weathercock, from the view that industrial design is a problem-solving activity owing allegiance only to engineering, to the opinion that its nexus with the fine arts is as important as its dependence on technology. This is however not the place to go into a discussion of aesthetics. It may be pointed out though, that art is an essential element in the structure of all civilizations be they primitive, sophisticated or decadent. Any attempt to write the history of mankind which eliminated reference to art, music, drama, dancing, literature, architecture, artefacts and craftwork would be a travesty. Art is an essential manifestation of the human spirit which succumbs only to miserable poverty. Could it not therefore be argued that design is also an art, if not wholly then at least partially? It is not contended that industrial design, even when undertaken with absolute dedication, is an art of the same order as music or painting. To compare a bicycle with Michelangelo's Pieta or kitchen dishes with a Sung bowl, or other categories of design in ceramics, furniture, glass, jewellery, cutlery, toys, souvenirs, giftware, sporting goods, dress and fashion, textile, clothes, wallpaper, packaging, cartoons, telephones and televisions, trains and machine tools, bathroom fittings and hospital equipment and numerous others with higher artistic creations, would obviously be ludicrous. At the same time, however, industrially produced objects can have the elegance of a mathematical equation, a quality of fitness for purpose in order that they are tuned to the social and emotional needs of a society at a moment in its history.

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### *B. Relationship of Design to Profit*

We all take great pleasure in the attractive articles we own and use which form the subject matter of designs. It is possible to sense the skill and sensitivity of their designers and by empathy experience in ourselves the pleasure and excitement of their creative charm. The early designers were missionaries for a new world in which beauty would conquer ugliness and in doing so produce an environment in which social justice could more easily be ensured.

In the early years of this century however a new breed of designers appeared on stage: they were Americans, their scenario was the relationship of design to profit. They coined the phrase "industrial design" and proved that design could be used as an effective marketing weapon.

A design is not just the creation of the designer. The concept of a product provides the base upon which the manufacturer, the retailer and the financier create the economic services to move the product from the designer to the purchaser-user. A well-designed product must also contribute to the profitability of each of those functions. Such services are provided by self-sufficient entrepreneurs who, by nature and occupation, thrive in activities demanding their specialised skills. The history of successful product lines attests to this assertion. This starting point now seems to be firmly established. As we trace the development of design from its origins as an aspect of primitive craftsmanship to its present position as an element in national economy, we discover that recognition had been given, even before the Industrial Revolution, to the need for the designer to be protected against those who would copy his work for their own profit without recompense to him.

### *C. The Need for Designs*

Design has tended in recent years to become a word to conjure with. Its prestige has been exploited to sell almost everything from cars to candlesticks. In the past, design was often considered to refer to a two-dimensional pattern such as a wallpaper figure. In the present, both its meaning and activity has greatly expanded. Design is now generally recognized as a fundamental human discipline, one of the basic techniques of our civilization. Any activity which initiates a change in man-made things is now considered to be a design activity. Designing means creative action that fulfils its purpose. Creating does not exist in a vacuum. It is part of a human pattern, personal and social. Because we need something, we make it — at least, if we are creative, we do. We have only this choice in living. Either we cut down our requirements or we use our creative instinct, knowledge and skill to produce something that meets our requirements. We make this choice separately as individuals; we make it together as society. All the things — clothes, houses, cities, highways, tools, machines, aeroplanes, and in fact all the "goodies" that we use were invented because of some need.

At this point, we should remind ourselves that all our requirements are not confined to material things. We need lots of "things" besides: happiness, peace, humour and affection, for example. Our needs are emotional and spiritual as

well as material. Creating things to fulfil these human requirements also involves designing — perhaps of a nobler character.

#### *D. Significance of Good Design*

It is trite knowledge that good appearance is a highly saleable commodity and can, and often does, tickle sluggish cash registers. In addition, good appearance often cuts costs, enhances a product's prestige, benefits the customer, and increases employment. Between two products equal in price, function, and quality, the better-looking will outsell the other. Besides, good designs take note of ideologies and sociologies of various peoples. They elevate the aesthetic level of society. Good design has thus emerged as a vital necessity to our society today and in the immediate future. It is a tap-root, providing the creativity and innovation to stimulate all operations which generate, market, service and finance products offered for consumer needs and wants. An important function of each of these operations is to increase public appreciation of the contribution which good design can make to the general standard of living.

## **II. WHY DESIGN?**

There are two basic reasons why people become designers. First, most creative workers are driven primarily by a passionate urge simply to create. This makes designing very satisfying to many intelligent people. Second, opportunities exist in design. Society needs creative people if progress is to be made. It needs them because change is inevitable in the modern world. The designer, the inventor and the entrepreneur, either a single person or as members of a team working together, are, in a material sense, the agents of change. They devise and then produce the new industrial products that become possible following scientific advance. Most people will agree that pleasing innovation and change of appearance lead to the prospect of betterment — a more satisfying standard of living, a finer way of life for everyone.

## **III. WHY PROTECT?**

### *A. The Need for Protection*

If designers were to keep their drawings, prototypes or whatever as closely-guarded secrets and never exploit them commercially, no need for legal protection would perhaps arise. But commonsense tells us that no designer ever intends to keep his designed product on paper. That is just the beginning. He must develop that idea (assuming that it is good) to produce an end result and then market it successfully. Obviously this is a long, expensive and arduous exercise in this competitive business world. Anyone caring to contemplate the process of designing in action from the first formulation of purpose to the final solution will soon realize that a lot of time, labour, skill, imagination and capital is to be expended to create an article embodying a new design. Is it not imperative therefore that those involved in this creative activity — designing products of everyday use at home, at work and at leisure — be suitably rewarded and encouraged?

### *B. Effective Legal Protection is Essential*

Clearly, responsible and discerning design practice is dependent upon effective legal protection. All creativity — however admirable in itself, and however purposively undertaken — requires a considerable degree of protection against plagiarism. Industry and trade would be adversely hit if creative designs were allowed to be exploited by those who had contributed nothing. The development of a marketable design from an original idea usually involves a great deal of expense in its gradual modification as well as in final tooling up and construction of the appropriate plant. Further, by no means do all new, apparently good, ideas or designs succeed commercially. The entrepreneur is by definition a risk taker. If the copyist is to be permitted to move straight in at the production stage of the new and proven product, it is obvious that the innovator will be disillusioned or suffer loss. Such a disincentive to producers of new designs is surely a bar to progress. On the other hand, a good and fair design law can, and surely does, greatly assist industries, businesses, professionals, government and institutions with responsibilities in the field of product design and that would in turn contribute to the advancement of design excellence, especially for goods sold overseas or to tourists.

### *C. The User*

The best reason for protecting design is not merely that it is an intangible property right. It is the public, the consumers, the buyers of things, in whose interest it is to reward creativity. All their lives they are inescapably surrounded by goods with a design. The other arts they can ignore, but not this. They need not read, look at famous pictures, hear great music, go to the theatre, but they cannot avoid design. And yet it is precisely that art which is usually quite neglected in the law field. The best to be hoped for this paper is that it will go some way to correct this unhappy situation.

### *D. The Opposing Values*

There are, however, some counterbalancing considerations. It is obviously undesirable to give so much power to individuals, however talented they may be as inventors and/or designers, that they may be able to put a veto on the exploitation for the human society's good of the inventions or designs for which they have been responsible. Nor, leaving out the veto, should restriction due to patent law or design protection in whatever form be so considerable as to deprive the public of reasonable competition in the production of desirable products for very long periods. This would lead to monopoly.

### *E. The Balancing of Values*

The outcome of these arguments is the generally accepted view that there should be legal encouragement for the innovator by giving him legal protection, provided that such protection does not unduly restrict the proper development of new products and the reasonable and fair exploitation of workable ideas. The two British reports — *Report of the Departmental Committee on Industrial*

*Designs*<sup>1</sup> (chaired by Mr Kenneth Johnston) and the *Report of the Committee to consider the law on Copyright and Designs*<sup>2</sup> (chaired by Mr Justice Whitford) — and the *Australian Designs Law Review Committee Report*<sup>3</sup> (chaired by Mr Justice Franki) have all held the view that legal protection for industrial designs should continue.

#### IV. HISTORY OF DESIGN LEGISLATION

There is a long history of legal protection of industrial designs in the United Kingdom (the first statute was passed in 1787 which granted a monopoly for two months in new and original patterns for printing on linens, cottons, calicoes and muslins) and the protection until 1968 was solely by granting a monopoly, rather than by copyright. The current law governing designs in the United Kingdom is to be found in the Registered Designs Act 1949 (U.K.), the Design Copyright Act 1968 (U.K.) and the Copyright Act 1956 (U.K.).

##### A. *Designs Act 1906 (Aust.)*

In Australia, the subject of designs has until recently remained a Cinderella of the law in industrial and intellectual property protection.<sup>4</sup> The first design law passed by the Commonwealth Parliament after Federation was the Designs Act 1906 (Aust.). This Act used as its source the Patents, Designs and Trade Marks Act 1883 (U.K.) and retained the dual system of protection under the design and copyright laws which had evolved in that country.

##### B. *The Franki Committee*

In 1970 a Committee was appointed, under the Chairmanship of Mr Justice R J A Franki "to examine the Australian law relating to designs and to recommend any alterations of the law that may be thought desirable".<sup>5</sup> The law under reference was the Designs Act 1906 (Aust.) to which, although it had been amended from time to time, no substantial amendments had been made

1 Cmnd. 1808 (1962) (U.K.).

2 Cmnd. 6732 (1977) (U.K.).

3 P.P. No. 1 of 1973 (Australia) — referred to in this article as the *Franki Committee Report*. The same conclusion was reached in New Zealand in the *Report of the Copyright Committee* (chaired by Professor D. J. Dalglish), New Zealand Appendix to the Journals, H. of R., Vol. 4 (1959) para. 309. The exposition of Australian design law in this paper applies generally to New Zealand except that changes introduced by the 1981 Amendment Act have not been introduced in New Zealand.

4 For an instructive article on the subject, see D. C. Pearce "Design Law Reform" (1974) 2 Aust. Bus. Law Rev. 112. See also James Lahor, *Intellectual Property Law in Australia — Copyright* 277 (Butterworths, Sydney, 1977). This is a standard work on copyright and contains a chapter on designs, pp. 277-291 (ch. 13). See also J. W. Miles "Copyright Legislation in New Zealand Affecting Artistic Works" (1963) Vol. 10, No. 4 Copyright Society of the U.S.A. 209 and F. N. West-Walker "Letter from New Zealand" (1973) Vol. 12, No. 6 Industrial Property 174.

5 First Term of Reference, Design Law Review Committee's *Report on the Law Relating to Designs*, P.P. No. 1 of 1973 (Aust.), at 1.

since 1968. The Designs Law Review Committee<sup>6</sup> reported in 1973 that the Designs Act 1906 (Aust.) required a major overhaul to keep pace with the rapid advancement in technology since the turn of this century and also to adequately protect Australian designers at home and abroad.

*C. Amendments to the Designs Act 1906 — Designs Amendment Act 1981 (Aust.)*

The Commonwealth Government did not take any action on the comprehensive recommendations of the Franki Committee until recently, when the Designs Amendment Bill 1981 was introduced in the House of Representatives on 7 April 1981. Happily, the Bill passed through both Houses without amendment and was accorded the Royal Assent on 13 May 1981. Soon after, work began on the drafting of necessary regulations. The new Designs Amendment Act 1981 (Aust.) took effect on 1 April 1982, together with the new Designs Regulations.<sup>7</sup>

*D. Scope of the Paper*

It is proposed in this paper to attempt a summary of the new legislation. The Designs Amendment Act 1981 (Aust.) aims to give effect to the major recommendations of the *Franki Committee Report*. In most regards therefore the *Franki Committee Report* gives a wealth of background information regarding the new provisions in the Act.

The purpose of this Amendment Act is to amend significantly the Designs Act 1906<sup>8</sup> and also incorporate a number of new provisions into the law so as to bring up to date the design legislation in Australia in conformity with the changes in the law that have been brought about in the United Kingdom as a result of legislative and judicial developments in recent years. It may be noted that, as in the United Kingdom, considerable overlap exists in Australia between the designs and copyright systems. It will therefore be helpful to the reader if he acquainted himself with the principles of artistic copyright to clearly understand its practical effect on industrial design protection.<sup>9</sup>

6 Referred to in this article as the Franki Committee. Right from the beginning the law of designs has been considered in association with the law of patents or copyright, with the result that it has inevitably received less detailed attention than these other branches of the law. The appointment of a committee to deal solely with the law of designs was caused, it is understood, by a growing impression on those concerned that the existing system was in some degree defective and insufficient in scope.

7 S.R. 1982, No. 72 (Aust.). It should be noted here that the current Australian design legislation continues to be referred to as the Designs Act 1906. See generally, Aust. P.D. (H. of R.) Daily Hansard, 29 April 1981.

8 Referred to in this article as the Principal Act. All references are to the Act as amended by the 1981 Amendment Act, unless otherwise indicated.

9 The law regulating artistic copyright is to be found in sections 74-77 of the Copyright Act 1968 (Aust.). These provisions, drafted in somewhat unclear language, are aimed at preventing double protection under both the Designs and Copyright Acts (Aust.) for such designs which are registered under the Designs Act (Aust.) or which have been applied industrially and which are also artistic works protected by the Copyright Act (Aust.). It may be noted here that the Designs Amendment Act 1981 (Aust.) does not bring any change in the existing system which prevents dual protection through the provisions in sections 74-77 of the Copyright Act 1968 (Aust.). In New Zealand, the law relating to copyright is contained in the Copyright Act 1962 (N.Z.).

*E. Design Protection in New Zealand*

The current New Zealand design legislation is contained in the Designs Act 1953 (N.Z.) which has its roots in the Registered Designs Act 1949 (U.K.). The scope of this paper does not permit an extreme analysis and discussion of the New Zealand law; however, it is appropriate here briefly to draw attention to the salient features of the New Zealand Act for the purpose of comparison with the altered Australian legal system on designs.

The Designs Act 1953 (N.Z.) provides for the registration of new or original designs and registration so obtained confers on the proprietor the sole right to apply the design to a named article for a maximum term of fifteen years. While the law on designs in Australia and New Zealand is similar in many respects, there are a few important differences. Reference may be made here to only two of them: others will be drawn attention to in the footnotes, wherever appropriate. First, as a general rule, the Australian legal system does not favour cumulative protection, i.e. the owner of a design cannot invoke both the protection of the design registration law and that of the copyright law. On the other hand, in New Zealand, there is a duality of protection of designs by the copyright and by the design law. Both laws apply cumulatively: the proprietor of a design may, at his choice, invoke either law or both simultaneously. It is interesting to note that the New Zealand law of designs goes a step further than the United Kingdom law by providing a full copyright protection after the expiry of design registration. As will be clear from the above, in New Zealand design registration is optional but the design protection under the Designs Act 1953 (N.Z.) will not be available to those who have not obtained registration. However, persons who fail to register their designs may invoke the protection of the copyright law, and this is available without any condition or formality.

The second difference pertains to the definition of "design". The New Zealand Act of 1953, like the United Kingdom Act of 1949, purports to exclude functional designs from the definition of "design". Thus features of shape or configuration dictated solely by the function that the article possessing those features has to perform are excluded from registration. As will be seen below, the present legal position in Australia is that design registration can be granted for articles that may or may not serve a practical purpose. There may therefore be present an element of functionality as distinct from mere appearance of shape.

It is against this background that we must now examine the changes brought in by the Designs Amendment Act 1981 in the Australian design system.

#### **V. SIGNIFICANT CHANGES INTRODUCED BY THE DESIGNS AMENDMENT ACT 1981 (AUST.)**

The significant changes in the designs law which have been brought about by the Amendment Act will be discussed under the following headings:

##### **A. Titular changes or changes relating to nomenclature;<sup>10</sup>**

<sup>10</sup> Sections 4, 18 and 33 and Schedule to the Designs Amendment Act 1981 (Aust.). See also ss. 30(1)(c)(i) and 44 of the Principal Act.

- B. substantive-law changes;<sup>11</sup>
- C. procedural changes;<sup>12</sup>
- D. organisational changes;<sup>13</sup> and
- E. jurisdictional changes.<sup>14</sup>

#### *A. Titular Changes: Design Law Confers a Monopoly*

For no immediately apparent reason, the law of industrial design has long been regarded as forming part of the law of copyright. The protection given under the Designs Act 1906 (Aust.)<sup>15</sup> was referred to as “copyright” although it bore no resemblance to copyright under the Copyright Act 1968 (Aust.).<sup>16</sup> The word “copyright” was therefore a misnomer, although historically the statutory protection of industrial designs occurred at the same time as copyright protection was being extended to works other than literary works. However, it is established that a design registration gives an exclusive right — a monopoly — which is infringed irrespective of whether copying has taken place or not. Section 4 of the Amendment Act therefore rightly amends the title of the Principal Act by omitting “Copyright in Industrial Designs” and substituting “designs”. This provision is obviously designed to clarify the differences between the rights conferred by the Principal Act and the copyright conferred by the Copyright Act 1968 (Aust.). Section 18 of the Amendment Act amends the heading to Part V of the Principal Act by omitting “COPYRIGHT” and substituting “MONOPOLY” — another provision which seeks to clarify the nature of rights conferred by the designs law.<sup>17</sup>

- 11 Sections 5, 5A, 17(1)(a) and (6), 18, 19(2) and (3), 21(1) and (2), 27A, 27B, 30(1)(c), 32B(1), 40, 40A, 40D and 48 of the Principal Act. See also s. 17 of the Amendment Act.
- 12 Sections 8A, 20(2) and (3)(b), 20(4) and (5), 22A(2), 22B(2), 22c, 23(a) and (b), 24(3), 25A, 25B, 27(2), 27A, 27B, 27c, 32, 38, 38A, 38B, 40A, 40B, 40E, 40F, 42, 46A, 46B(1) and 50 of the Principal Act.
- 13 Sections 8(3)-(6), 8A, 42A, 42B, 42c, 42D and 46B(2) of the Principal Act.
- 14 Sections 4, 5, 22B(2), 24(3), 27A(11), 40B(1), 40r, 40j and 40k of the Principal Act.
- 15 No. 4, 1906, as amended. For earlier amendments, see No. 19, 1910; No. 14, 1912; Nos. 53 and 70, 1932; No. 36, 1933; Nos. 42 and 45, 1934; No. 80, 1950; No. 93, 1966; No. 108, 1967; No. 64, 1968; No. 216, 1973; and No. 19, 1979.
- 16 No. 63, 1968, as amended. For earlier amendments, see No. 216, 1973; Nos. 37 and 91, 1976; No. 160, 1977; No. 19, 1979; and No. 154, 1980.
- 17 See also s. 13 of the Amendment Act which inserts a new section in the Principal Act — s. 25, which confers a monopoly right on the owner of a registered design, instead of a ‘copyright in a design’ (cf. s. 12(1) of the unamended Act). Consequently, the Amendment Act amends the Principal Act by omitting “copyright” (wherever occurring) and substituting “monopoly”, see e.g. s. 30(1)(c)(i), as amended by s. 19 of the Amendment Act. See also s. 32 and 33 of the Amendment Act which introduce the amendments set out in the Schedule to amend the relevant sections of the Copyright Act 1968 (Aust.) (ss. 74-77) consequent on the amendment of the definitions in the Principal Act. In New Zealand, the legislation follows a patent approach with respect to protection of designs, although the right in the design is termed a copyright, see s. 11 of the Designs Act 1953 (N.Z.).



## B. Substantive Law Changes

### 1. Definition of "design" — functional designs are now registrable.

The Designs Amendment Act 1981 introduces a new definition of "design" which departs entirely from the previous definition. By section 4 of the Principal Act, "design" is now defined as meaning

features of shape, configuration, pattern or ornamentation applicable to an article, being features that, in the finished article, can be judged by the eye, but does not include a method or principle of construction.

According to this definition, design is not an article, but it "is a conception, suggestion, or idea"<sup>18</sup> embodied in an article, which is capable of being registered. In this respect, design must be distinguished from the other branches of intellectual property. Thus whereas patent and copyright give a legal right in the form of a monopoly over the substance of the article or work itself — how something is constructed or operates — in the case of design, it refers to the outward appearance of goods. Again, protection of design is based on uniqueness of shape judged solely by eye whereas protection for patent results from the uniqueness of invention.

A design is something judged by the eye, and so relates to our visual perception of objects (referred to as "cosmetic engineering" in the United States), such as their shape, pattern, arrangement, decoration, adornment or embellishment. The motto in designing is that things should not only work well, but must look good. A good design is an effective marketing weapon. The designer has always to carefully contemplate the visual effects his design would have upon the user. Take the example of ceramic industry. Designing is not a luxury there, but it is most vital for survival. Most people buy ceramic goods because of colour, shape or aesthetic appeal, e.g. a teapot, a bath, or a ceramic figure. Those who wish to purchase an article for use are often influenced in their choice not only by practical efficiency but by appearance. Common experience shows that not all are influenced in the same way. Some look for artistic merit; some are attracted by a design which is strange. Whatever the reason may be one article with a particular design may sell better than one without it. And much thought, time and expense may have been incurred in finding a design which will increase sales.

In sum, design may therefore be defined as that characteristic of a physical substance which by means of lines, images, configuration, and the like, taken as a whole, makes an impression, through the eye, upon the mind of the observer. The essence of a design resides not in the elements individually, nor in their method of arrangement, but in the total ensemble, in that indefinable whole that awakens some sense of impression, unique in character in the observer's mind.

18 See *Diver Ltd. v. Nurnberger Celluloid Waren fabrik Gebruder Wolff* (1910) 27 R.P.C. 498, 503 (Buckley L. J.). See generally, *Aspro-Nicholas Ltd.'s Design Application* [1974] R.P.C. 645.

The scope of this article does not allow further discussion, but it is considered worthwhile to give below some examples of products which have been registered as designs in the last few years. Some of these which have been judicially considered and held as valid designs are: "Bottom for toilet pan"<sup>19</sup>; "a hot water bottle with diagonal ribbing"<sup>20</sup>; "two-tier draining rack"<sup>21</sup>; "women's stays-corset having the gores or gussets cut horizontally and from the front of the busk towards the back of the corset"<sup>22</sup>; "baking tray"<sup>23</sup>; "bust bodice or bust support for women's wear — brassiere"<sup>24</sup>; "wallpaper — floral bedroom stripe"<sup>25</sup>; "roulette wheel rotor"<sup>26</sup>. Other examples of well known designs granted registration in recent times are: car safety seat, a chair, an electric kettle, a milk bottle carrier, an animal ear tag, a puzzle, a pencil sharpener, a wall telephone set, a toy animal figure, a lady's girdle, a caravan roof, a bread wrapper, a telephone list finder, a canoe, a tyre, a fishing vessel, a bath, to name a few.

One of the most significant changes brought about by the Amendment Act therefore is the introduction of this new definition of "design". The definition should be read in conjunction with the new section 18 of the Principal Act, as amended, which makes it clear that design features which serve a functional purpose should not be taken into account when determining the registrability or validity of a design. Thus a design may now include features of shape or configuration that also serve, or serve only, a functional purpose. In other words, functionality is not a bar to registration under the new design law.

Section 1(3) of the Registered Designs Act 1949 (U.K.), while defining a "design", excludes such designs from registration which "are dictated solely by the function which the article to be made in that shape or configuration has to perform". In other words, features of shape and configuration "dictated" (in the sense of caused or prompted) solely by the function are excluded. The English courts have therefore held the registration bad if a particular shape had been conceived for and actually served, only a functional purpose. It should be noted here that the British law is generally followed in New Zealand in this regard. This part of the definition was considered at length in *Amp Inc. v. Utilux Pty. Ltd.*<sup>27</sup> Amp (the respondents-plaintiffs) had designed certain electric terminals for incorporation in Hoover washing machines. They were small in size and

19 *Malleys Ltd. v. J. W. Tomlin Pty. Ltd.* (1961) 35 A.L.J.R. 352.

20 *Cow (P.B.) & Co. v. Cannon Rubber Manufacturing Ltd.* [1959] R.P.C. 347.

21 *R. B. Watson & Co. v. Smith Bros. (Wirewares) Ltd.* [1963] R.P.C. 147.

22 *In the matter of Bayer's Design* (1907) 24 R.P.C. 65.

23 *Matthew Swain Ltd. v. Thomas Baker & Sons* [1967] R.P.C. 23.

24 *Kestos Ltd. v. Kempat Ltd.* (1936) 53 R.P.C. 139.

25 *Wallpaper Manufacturers Ltd. v. Derby Paper Staining Co.* (1925) 42 R.P.C. 443.

26 *Kent and Thanet Casinos Ltd. v. Bailey's School of Dancing Ltd.* [1965] R.P.C. 482.

27 [1972] R.P.C. 103. See also *Kestos Ltd. v. Kempat Ltd.* (1936) 53 R.P.C. 139; *Stenor Ltd. v. Whitesides (Clitheroe) Ltd.* [1947] 2 All E.R. 241, (1948) 65 R.P.C. 1; *Cow (P.B.) & Co. v. Cannon Rubber Manufacturing Ltd.* [1959] R.P.C. 347; *Rosedale Associated Manufacturers Ltd. v. Airfix Products Ltd.* [1957] R.P.C. 239; *Tecalemit Ltd. v. Ewatts Ltd.* (No. 2) (1927) 44 R.P.C. 503. For judicial thinking on this point in Australia, see *Clive Investments Pty. Ltd. v. Paul Segear Pty. Ltd.* (1966) 36 A.O.J.P. 1577. In New Zealand, the definition of design is contained in s. 2 of the Designs Act 1953 (N.Z.), which is the same as the British provision.

not visible to the user when fixed. The factors influencing Hoover manufacturers were simply whether the price was competitive and whether they did their practical job properly. The question was whether the design had been validly registered. The appellants (Utilux) contended that the design contained certain features which were dictated solely by the function which the terminal made in that shape had to perform.

The trial judge (Lloyd-Jacob J.) dismissed Amp's action and ordered their design to be expunged from the register. But the Court of Appeal held that the design had been validly registered and that Amp's copyright (i.e. design monopoly) had been infringed. On appeal, the House of Lords allowed the appeal and restored the trial judge's judgment. The Lords were unanimous in holding that, in deciding whether a design appealed to and was judged solely by the eye, it was the eye of the customer, not of the judge, that counted. The Court of Appeal had held the design valid because it would have been possible to devise terminals in a variety of shapes which performed the required function; therefore, the shape was not dictated solely by function. This view was rejected by the House of Lords. The Lords' reasoning is not entirely clear, but the following summary attempts to set forth the views of the Court. If purchasers are likely to be influenced in favour of buying an article because of its appearance — that is, if it appeals to the eye over and above the fact that it appears suitable for performing some practical function — then the design (assuming that it is new or original) is registrable. On the other hand, if the shape of the article is attributable simply or mainly to its practical operation, it is normally "dictated solely by the function [the article] has to perform". So the criterion is whether a particular shape was conceived for, and actually serves, only a functional purpose. If so, protection by a design registration is impossible. The situation is not saved by the fact that other shapes can be called to mind for fulfilling the same function, because these other shapes are, again, being utilized for functional reasons alone. The House thus held the registration invalid because it found that Amp had simply set out to make the terminal that would do the job better, and that no feature of shape had been provided for a purpose other than this function.

It now clearly appears from the simple reading of the definition of "design" and section 18 of the Principal Act, as amended, that the decision of the House of Lords interpreting the corresponding U.K. design legislation does not apply to Australia. It is to be noted here that the Franki Committee was also critical of the U.K. definition of "design" and it recommended (i) that it should be the appeal to the eye of the court that should determine whether a design has been applied and (ii) that mere function should be no bar to the registration of particular features of shape or configuration as a design, provided that the design was otherwise registrable.<sup>28</sup> The Amendment Act does not seem

28 *Op. cit.*, supra n.3, paras. 42-46. See generally, *Malleys Ltd. v. J. W. Tomlin Pty. Ltd.* (1961) 35 A.L.J.R. 352; *Cooper v. Symington* (1893) 10 R.P.C. 264; *In re Wolanski's Design* (1953) 88 C.L.R. 278; *Swain (Matthew) Ltd. v. Thomas Barker & Sons Ltd.* [1967] R.P.C. 23. For a recent Australian authority, see *L. J. Fisher and Co. Ltd. v. Fabtile Industries Ltd.* (1979) 49 A.O.J.P. 3611.

to adopt the first recommendation, but it clearly incorporates the second, although only later judicial decisions will settle the true scope of this important provision.

## 2. *Industrial application is no longer a formal requirement.*

Traditionally, one of the requirements for a registrable design has been that it must be "applied" to an article by an industrial process or means. The Franki Committee observed that the word "applied" was a rather inapt description where features of shape are concerned; an article is made in a particular shape or has a shape given to it, but not applied to it.<sup>29</sup> The Committee therefore recommended that the phrase be omitted from any new definition as it served no useful purpose.<sup>30</sup> As noted above, the Amendment Act has exactly done that.

The Amendment Act has further deleted the word "industrial" from the definition of "design" and also from other provisions, wherever occurring.<sup>31</sup> It is however difficult to say whether this deletion would make any difference in practical terms. That the means must be industrial entails nothing more than this, that it must be possible to mass-produce the design.<sup>32</sup> An unassisted hand application is unlikely to be employed on a commercial scale because of its crude results and also because one can never be sure that the same design will be reproduced on each article. By way of interest, it may be mentioned that the Copyright Regulations<sup>33</sup> define, for the purposes of section 77 of the Copyright Act (Aust.), the words "applied industrially" as application to (a) more than fifty articles, all of which do not together constitute a single set, or (b) goods made in lengths or pieces, other than handmade goods.

## 3. *Classification of articles abolished*

The Amendment Act provides for the abolition of the present requirement of registration according to a class system.<sup>34</sup> In this regard again the Australian

29 Op. cit., supra n.3, para. 35. See also *Amp Inc. v. Utilux Pty. Ltd.*, supra, at 106 (Lord Reid); *In re Clarke's Design* [1896] 2 Ch. 38.

30 Op. cit., supra n.3, para. 36. In New Zealand, see Designs Act 1953, s. 2 "Design".

31 See e.g. s. 44 of the Principal Act. See also s. 32 of the Amendment Act which incorporates certain consequential amendments in the Copyright Act 1968 (Aust.) (ss. 74-77), notably the omission of 'Industrial' from the heading to Division 8 of Part III of the Act. The drafters of the Amendment Act have perhaps not noticed that the title to s. 77 would require an amendment too. It is of interest to note that the New Zealand design legislation does not use the word "industrial" in the definition of "design" or elsewhere.

32 A. D. Russell-Clarke *Copyright in Industrial Designs* (5th ed., Sweet & Maxwell, London, 1974) 17.

33 S.R. 1969, No. 58 (Aust.). A similar provision was to be found in New Zealand, Design Regulations 1954 (S.R. 1954/224 (N.Z.)) regulation 78, but this regulation has now become redundant because copyright protection is also available for designs under the Copyright Act 1962 (N.Z.).

34 Section 9 of the Amendment Act omits subsection (1) of s. 17 of the Principal Act and substitutes a different provision. It is interesting to note that the New Zealand legal system of designs does not require that the design be registered under a particular class of goods — see Designs Act 1953 (N.Z.), s. 5(1).

Parliament has implemented the recommendation of the Franki Committee.<sup>35</sup> Thus section 9 of the Amendment Act substantially amends section 17 of the Principal Act, particularly by incorporating the effects of a number of judicial decisions on the interpretation of the requirement of novelty or originality in a design, and by abolition of the system of registration according to classes. Under the Designs Act 1906 (Aust., unamended), designs were registered in classes, and registration in any one class enabled the proprietor of the design to prevent others from applying his design to articles within that class, but it did not enable him to prevent its application to articles in other classes in which the design was not registered.

It appears that the Amendment Act has considerably widened the possible avenues of anticipation of a registered design. Under section 17(1) of the amended Principal Act, a design is not to be considered as new or original if the same design (or a design which differs from it in only immaterial details or which is an obvious adaptation) has been registered, published or used in Australia in respect of the same or any other article. This is irrespective of the nature of such other article or its purpose, and classes having been abolished, is irrespective of any class. It should also be stated here that the Amendment Act, unlike the cognate New Zealand and United Kingdom provisions,<sup>36</sup> provides, in addition to the elements of prior registration and prior publication as a bar to a new registration, the element of prior use in Australia. So now a design will not be registrable if it differs only in immaterial details from another design, or is an obvious adaptation of another design if that other design had, *inter alia*, been used in Australia before the priority date in respect of the application for registration.<sup>37</sup>

#### 4. *Binding the Crown and Crown user*

The Amendment Act introduces a new provision into the Principal Act (section 5A) which specifically states that the Designs Act (Aust.) binds the Crown. In addition to securing uniformity in the industrial property protection laws,<sup>38</sup> this provision resolves the anomaly referred to by the Franki Committee.<sup>39</sup>

Another significant feature of the Amendment Act is that it introduces a detailed and elaborate set of provisions relating to the use of registered designs for the services of the Crown and the rights of third parties in respect of such

35 Op. cit., supra n.3, paras. 57-59. See *Stenor Ltd. v. Whitesides (Clitheroe) Ltd.* [1947] 2 All E.R. 241, (1948) 65 R.P.C. 1; *Saunders v. Wiel* [1893] 1 Q.B. 470, (1893) 10 R.P.C. 29.

36 Section 5(2), Designs Act 1953 (N.Z.) and s. 1(2), Registered Designs Act 1949 (U.K.).

37 See the new s. 17(1)(a) and (b) of the Principal Act. See also the new s. 25D(1) of the Principal Act.

38 Note that there are similar provisions in the Copyright Act 1968 (Aust.) (s. 7), Patents Act 1952 (Aust.) (s. 7) and Trade Marks Act 1955 (Aust.) (s. 7). It should also be noted that in New Zealand the Designs Act 1953 (N.Z.) already contains a specific provision which states that the Act binds the Crown (s. 11(2)).

39 Op. cit., supra n.3, para. 221.

use.<sup>40</sup> The new provisions are very similar to those which apply in the case of patents.<sup>41</sup> It may be mentioned, however, that the Government is not likely to make such substantial use of its powers given to it under the new provisions as it does in the case of patents.

The main feature of these provisions is that they confer very wide powers on the Commonwealth or a State or a person authorized in writing by the Commonwealth or a State to make use of a design. Section 40A of the Principal Act, as amended, provides that the use of the design shall be made upon such terms as may be agreed, either before or after use, between the Commonwealth or State and the owner, or may in default of agreement be determined by a prescribed court.<sup>42</sup> Where any use of a design is so made, then, unless it appears to the Commonwealth or the State to be contrary to the public interest so to do, the Commonwealth or State must notify the owner as soon as possible after the use by the Government has begun, and furnish him with such information as to the extent of the use as he may from time to time reasonably require. Subsection (7) perhaps makes the exercise of authority a non-justiciable issue by stating that no action or proceeding for infringement would lie in respect of the making use of a design by the Commonwealth or a State. The right to Crown user includes the right to sell articles to which the design has been applied.<sup>43</sup> The Amendment Act unfortunately does not define anywhere the scope of the words "use of the design for the services of the Commonwealth or State".<sup>44</sup>

Section 40c of the Principal Act makes it clear that a design registration will not affect the right of the Crown to sell or use articles forfeited under the customs or excise laws. Mention may also be made here of another provision in this new part which confers very wide powers on the Governor-General. Section 40d empowers the Governor-General to give a direction for compulsory acquisition of a design. Although the new provision does provide for payment of compensation on just terms to the owner, and makes it a justiciable matter, it again does not specify the purpose or purposes for which the compulsory acquisition power may be exercised and whether or not the exercise of such a power could be challenged in a court of law.

##### 5. *Term of registration*

The Amendment Act provides that the initial period of registration of a design should be for one year only from the date of registration, and that this

40 See the new Part VIA — "The Crown", introduced by s. 24 of the Amendment Act (ss. 40, 40A-40F of the Principal Act). For New Zealand provisions see Designs Act 1953 (N.Z.), ss. 16-19.

41 It is interesting to note that the Franki Committee did not consider that there was any need to include in any new legislation provisions relating to Crown user, *op. cit.*, supra n.3, para. 222.

42 Section 40A(2) and (4).

43 See s. 40A(8) of the Principal Act.

44 In the United Kingdom the corresponding provisions in the Registered Designs Act 1949 (U.K.) do specify what use will be considered to be a use for the services of the Crown: see s. 12 read with the First Schedule to the Act.

period should be capable of extension to give a maximum period of protection of 16 years.<sup>45</sup> During the initial period of one year, any interested person is given the opportunity to notify the Registrar in writing of any matters that affect the validity of the design. The Amendment Act in this regard introduces, through the back door, the provision regarding "opposition" which is commonly to be found in patent and trade mark statutes. The crucial date of registration is the date of filing the application and should not be confused with the date on which the registration certificate is issued.<sup>46</sup> The Amendment Act also introduces an express provision (section 27B) regarding restoration of registered designs, thus filling in a serious lacuna to which attention was drawn by the Franki Committee.<sup>47</sup>

#### 6. *Marking of articles not required now*

The Amendment Act repeals the requirement for the owner of a registered design to cause articles to be marked with the prescribed mark denoting that the design is registered.<sup>48</sup> The Franki Committee had also recommended the abolition of the compulsory marking provision (i.e. section 29 of the unamended Act).<sup>49</sup> The Amendment Act also amends section 45 of the Principal Act by prescribing a higher penalty for falsely representing that a design applied to an article is registered.<sup>50</sup> In the United Kingdom too, it is not compulsory to mark articles with some reference to the registration of its design. However, it is submitted, marking is highly desirable from the point of view of claiming damages in infringement proceedings.

#### 7. *Miscellaneous*

A number of other changes in the substantive law brought about by the Amendment Act are: (i) the introduction of the terms like "monopoly",<sup>51</sup> "set of

45 See the new s. 27A of the Principal Act. In New Zealand, designs are granted for a term of five years from the date of filing and may be renewed, upon payment of the prescribed fees, for two five-year periods to a maximum of fifteen years (Designs Act 1953 (N.Z.), s. 12).

46 Unfortunately, the new section has been badly drafted in this regard and is not free from doubt.

47 *Op. cit.*, supra n.3, paras. 123-125. It should be noted in this connection that the Designs Act 1953 (N.Z.) does not contain any provision relating to restoration of registered designs.

48 Section 17 of the Amendment Act repeals s. 29 of the Principal Act. In New Zealand too, there is no marking requirement as a pre-requisite for protection under the Designs Act 1953 (N.Z.). However, a failure to properly mark the product with all the requisite details is a proper defence in an infringement action (s. 13).

49 *Op. cit.*, supra n.3, paras. 171-173.

50 See in this regard Pearce, *op. cit.*, supra n.4, at 122-23. In New Zealand, see Designs Act 1953, s. 44.

51 "Monopoly", in relation to a registered design, means the exclusive right to apply the design to an article in respect of which the design is so registered." (s. 4 of the Principal Act).

articles”,<sup>52</sup> “statement of monopoly”<sup>53</sup> and “statement of novelty”<sup>54</sup>; (ii) the introduction of the concept of priority dates<sup>55</sup>; (iii) the addition of the words “or hires, or offers or keeps for hire” in section 30(1)(c) of the Principal Act dealing with infringement of monopoly in designs; (iv) providing an additional alternative remedy of an account of profits in the new section 32B(1), which was not available earlier<sup>56</sup>; and (v) the insertion of section 48 which gives effect to the provisions of the Paris Convention for the Protection of Industrial Property, and provides for member countries of that Convention to be proclaimed as such under the Act.

### C. Procedural Changes

The Amendment Act has made a number of important changes relating to registration procedures.

#### 1. *Application for registration*<sup>57</sup>

The Amendment Act has simplified the registration procedure. It provides that the application should be made in the name of the owner, embody a new or original design, and specify the article or set of articles that the design is to be applied to. The representations<sup>58</sup> to accompany each application may be photographs or drawings but in certain cases specimens can be filed or may be officially demanded.

- 52 “‘Set of articles’ means a number of articles that are of the same general character and ordinarily on sale, or intended to be used, together, being articles to each of which there is applied a design that is the same as, or that differs only in immaterial details or in features commonly used in the relevant trade from, the design applied to the other articles or to any of them.” (s. 4 of the Principal Act). In New Zealand, see Designs Act 1953, s. 2.
- 53 “‘Statement of monopoly’, in relation to a design, means a statement relating to the representations of an article to which the design is applied that indicates—  
 (a) those features of the representations in respect of which the applicant for registration of the design wishes to claim a monopoly; and  
 (b) those features of the representations that are to be disregarded in considering the extent of the monopoly protection.” (s. 4 of the Principal Act).
- 54 “‘Statement of novelty’, in relation to a design, means a statement relating to the representations of an article to which the design is applied that indicates those features of the representations in respect of which novelty or originality is claimed.” (s. 4 of the Principal Act).
- 55 Priority date in respect of an application for design registration is the date on which the application is filed with the Registrar’s office (see the new s. 21 of the Principal Act). The Designs Act 1953 (N.Z.) does not contain any provisions relating to priority dates.
- 56 See s. 31 of the unamended Principal Act. Cf. Designs Act (N.Z.), s. 13(1).
- 57 Section 11 of the Amendment Act repeals almost all the sections of the Principal Act dealing with registration and substitutes a comprehensive set of provisions. Under the Designs Act 1953 (N.Z.), registration of designs is provided for by ss. 5 to 8.
- 58 “‘Representation’, in relation to an article to which a design is applied, means a drawing, tracing or specimen of the article to which the design is applied or a photograph of such a drawing, tracing or specimen.” (s. 4 of the Principal Act).



Another novelty introduced by the Amendment Act is that where two or more persons own interests in a design, all of the persons owning such interests, acting as co-owners, are entitled to make an application for the registration of the design.<sup>59</sup> Under the new provision, an applicant may lodge a statement of monopoly if he thinks it desirable.<sup>60</sup> The Registrar is also entitled to require the applicant to furnish such a statement if he considers it appropriate that such a statement be furnished.<sup>61</sup> The Registrar is also entitled to require the applicant to furnish a "statement of novelty" which would make the design examiner's task simpler and also assist in establishing whether or not another article infringed the registered design.<sup>62</sup>

## 2. *Joint applicants and co-ownership*

The Designs Act 1906 (Aust.), before the introduction of the Amendment Act 1981, did not regulate the individual rights possessed by co-owners. Very often co-owners had disputes but the old law did not lay any clear guidelines regarding the disposal of the joint property. Difficulties also arose out of how to license a jointly owned registered design if one of the co-owners was not in favour of licensing. To avoid these and other problems, the Amendment Act makes adequate provisions for dealing with such eventualities. First of all, the Amendment Act makes a provision for a joint application for design registration.<sup>63</sup> Then the new sections 25A and 25B of the Principal Act set out the relative rights of co-owners of a registered design. The general principle laid down by section 25A is that, in the absence of an agreement to the contrary, co-owners are entitled to an equal undivided share in the monopoly in the design.<sup>64</sup> Again, a co-owner is entitled to make use of the design for his own benefit without accounting to the other or others, unless the agreement provides otherwise.<sup>65</sup> But, as far as the grant of licences is concerned, one co-owner cannot grant a licence or assign an interest in the design, except with the consent of the other or others.<sup>66</sup> The next new section (section 25B) empowers the Registrar to give directions to co-owners of registered designs in order to settle disputes between those owners, subject to a right of the parties to be heard. A direction of the Registrar under this section is reviewable by the Administrative Appeals Tribunal under the new section 40K of the Principal Act.

59 See the new s. 20(2) of the Principal Act. See also the discussion, *infra*. The New Zealand Act of 1953 does not provide for any system of registration by co-owners, but see s. 27(1) where reference is made to "co-proprietor".

60 The new s. 20(4), Principal Act. The Franki Committee also made this recommendation, *op. cit.*, *supra* n.3, paras. 99, 101.

61 The new s. 20(5)(b) of the Principal Act.

62 The new s. 20(5)(a) of the Principal Act. See also the *Franki Committee Report*, *op. cit.*, *supra* n.3, paras. 100-101.

63 Section 20(2) of the Principal Act. See also the consequential amendment in s. 23(a) of the Principal Act.

64 Section 25A(1), Principal Act.

65 Section 25A(2), Principal Act.

66 Section 25A(3), Principal Act.

### 3. *Miscellaneous*

The other procedural changes introduced by the Amendment Act are: (i) As noted earlier, the Amendment Act provides that, instead of the present initial registration being for a period of five years, first registration is to be for a period of twelve months.<sup>67</sup> During these twelve months, it will be open to any person to file his objection in the prescribed manner against any further extension of the registration term.<sup>68</sup> At the expiration of the first twelve months of registration, the Registrar may grant a further period of registration for six years (commencing from the date of filing of the original application) if he considers that it is still proper to do so having regard to any "opposition" that he may have received.<sup>69</sup> Two further extensions of five years are allowable, thereby increasing the maximum term from the present fifteen years to sixteen years.<sup>70</sup> (ii) The Amendment Act inserts a new provision (section 32 of the Principal Act) which allows a defendant in an infringement action to counterclaim for rectification of the register by expunging the entry of the registration of the design from the register. (iii) The Amendment Act contains a new provision providing for filing of divisional applications.<sup>71</sup> The old law did not contain a provision dealing with a situation where an application made in respect of more than one design was rejected in relation to one but not all of the designs included in the application. It was not clear whether the Registrar would have then permitted the applicant to divide his application.<sup>72</sup> The new provision now expressly introduces the concept of a divisional application thereby permitting the applicant to divide his application into several applications. The section also provides that a divisional application will be deemed to have been filed on the original date.<sup>73</sup> (iv) The Amendment Act introduces a new provision empowering the Registrar to register a mortgage, licence or other interest in a registered design.<sup>74</sup>

### D. *Organizational Changes*

The Amendment Act amends certain provisions of Part II dealing with "Administration" so as to simplify the administration of the Designs Office. Besides clarifying the powers and functions of the Registrar, it creates a position of a Deputy Registrar of Designs, who shall have all the powers and functions of the Registrar, subject of course, to the control of the Registrar.<sup>75</sup> Also, the

67 The new s. 27A(1) of the Principal Act.

68 Section 27A(4) of the Principal Act.

69 Section 27A(8) of the Principal Act.

70 Section 27A(12) and (13) of the Principal Act.

71 Section 22c of the Principal Act. Note that there is no such provision in the Designs Act 1953 (N.Z.).

72 See Professor D. C. Pearce's article, *op. cit.*, supra n.4, at 117, where the author states that the application would fail in regard to all other designs too.

73 Section 22c(2) of the Principal Act.

74 Section 38A of the Principal Act. The New Zealand Act of 1953 contains a more elaborate provision in this regard: see s. 27.

75 The new s. 8(3) of the Principal Act. The old law left the appointment of a Deputy Registrar to the discretion of the Governor-General, see s. 8(3) of the unamended Act. In New Zealand, the nomenclature is "Commissioner of Designs": see ss 3 and 4 of the Designs Act 1953 (N.Z.).

Amendment Act provides that the Deputy Commissioner of Patents shall be the Deputy Registrar of Designs until the Governor-General determines otherwise.<sup>76</sup> The Franki Committee pointed out that, unlike the Trade Marks Act (Aust.), there is no provision in the Designs Act (Aust.) for an Assistant Registrar of Designs. The Committee was of the opinion that it was desirable to have as much uniformity as possible in the industrial property legislation, and suggested that a provision be included for the appointment of an Assistant Registrar in any future legislation relating to designs.<sup>77</sup> The Amendment Act not only provides that there shall be one or more Assistant Registrars of Designs,<sup>78</sup> but also inserts another provision which empowers the Registrar to delegate to an Assistant Registrar of Designs any of his powers or functions under the Act, other than the power of delegation.<sup>79</sup>

The Amendment Act inserts certain provisions which appear to elevate the status of the Registrar as an administrator to that of a semi-judicial officer. Section 42A of the Principal Act now allows the Registrar to summon witnesses, take evidence on oath, require the production of documents or articles and award costs. The new section 42B creates offences and prescribes penalties in respect of an unlawful failure to appear in answer to a summons or an unjustified failure to produce documents or articles. Refusal to give evidence when required by the Registrar to do so is also made an offence with a penalty of \$100.<sup>80</sup> Section 42D of the Principal Act provides a mechanism for recovery of costs awarded by the Registrar. Section 46B requires that notice of appeal to a prescribed court from a decision of the Registrar be given to the Registrar and that the Registrar is entitled to appear and be heard.<sup>81</sup>

### *E. Jurisdictional Changes*

The Amendment Act not only abolishes the now obsolete right of appeal to the Law Officer,<sup>82</sup> but also introduces the words "prescribed court" to refer to jurisdiction-related matters. The term "prescribed court" is defined in the interpretation section, as meaning the Supreme Courts of the States and the Territories and the Supreme Court of Norfolk Island.<sup>83</sup> The Amendment Act amends the Principal Act by omitting "Supreme Court" (wherever occurring) and substituting "prescribed court". Section 40G of the Principal Act confers jurisdiction under

76 Section 8(4), Principal Act. Note that there is no such post of a "Deputy Commissioner of Designs" under the New Zealand designs legislation.

77 *Op. cit.*, supra n 3, paras. 223-225.

78 Section 8(6), Principal Act.

79 Section 8A of the Principal Act. It should be noted that the Deputy Registrar of Designs does not enjoy the delegation powers of the Registrar: s. 8(3).

80 Section 42c of the Principal Act.

81 See also s. 32A of the Principal Act. Under the New Zealand designs legislation, the powers and duties of the Commissioner of Designs are contained in ss. 36 to 41 of the Act of 1953.

82 Section 25 of the Principal Act has been repealed by s. 13 of the Amendment Act.

83 Note that the new s. 5B of the Principal Act extends the application of the Act to Norfolk Island.

the Act on prescribed courts and provides for the exercise of that jurisdiction.<sup>84</sup>

The Amendment Act provides that an appeal lies to a prescribed court from a refusal by the Registrar (i) to amend an application for registration of a design;<sup>85</sup> (ii) to register a design;<sup>86</sup> and (iii) to grant an extension of the period of registration of a design.<sup>87</sup> In addition to the above, jurisdiction is conferred on the prescribed court in an action or proceeding for the infringement of the monopoly in a registered design.<sup>88</sup> The Amendment Act inserts another new section<sup>89</sup> which allows the owner of a design to apply to a prescribed court for a declaration that his design has been used by the Commonwealth or a State. It also permits the Commonwealth or a State to apply to the prescribed court for expunging the registration from the register by way of a counterclaim. Another provision permits the transfer of proceedings between different prescribed courts and provides for the transfer between those courts of documents relating to the proceedings.<sup>90</sup>

Appeals from the Registrar's decisions on these disputes lie to a prescribed court in the first instance and then to the Federal Court of Australia, subject to the leave of that Court.<sup>91</sup> The Amendment Act does not make it clear whether or not a case could go to the third level, namely the High Court. Section 40J of the Principal Act sets out the powers of a prescribed court on the hearing of an appeal from a decision or a direction of the Registrar. Another important change which the Amendment Act has brought about is that it confers jurisdiction on the Administrative Appeals Tribunal to review the Registrar's decision on the following three matters: (i) where a direction has been given to co-owners of registered designs to settle their disputes;<sup>92</sup> (ii) where an application for the restoration of a design (whose term has not been extended after the first six years of registration) has been dismissed;<sup>93</sup> and (iii) where upon restoration of a lapsed registration, a party opposes the decision of the Registrar.

84 See also the new s. 5 of the Principal Act, as amended. In New Zealand, every appeal under the Designs Act 1953 (N.Z.) against the decision of the Commissioner of Designs lies to the High Court (s. 35).

85 Section 22B(2) of the Principal Act. See also s. 40I(2) of the Principal Act.

86 Section 24(3) of the Principal Act, as amended. See also s. 40I(2) of the Principal Act. In New Zealand, see Designs Act 1953, s. 7(6).

87 Section 27A(11). See also s. 40I(2). There is no need for such a provision in New Zealand, see s. 12(2) of the Designs Act 1953 (N.Z.).

88 Section 31 of the Principal Act. An appeal would lie to the Federal Court of Australia from a judgment or order of a prescribed court: s. 40I(1) of the Principal Act.

89 Section 40B of the Principal Act.

90 Section 40H of the Principal Act. In New Zealand, see s. 18 of the Act of 1953.

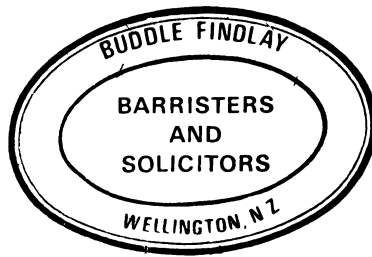
91 Section 40I(2) of the Principal Act. The Amendment Act provides that an appeal would lie to a prescribed court from the Registrar's decision under ss. 22B(2), 24(3) and 27A(ii) of the Principal Act. Under the New Zealand legislation, see Designs Act 1953, s. 35(4).

92 Sections 25A and 25B read with s. 40K(a) of the Principal Act.

93 Section 27B(2) read with s. 40K(b) of the Principal Act.

**VI. CONCLUSION**

Every man-made object has originated from a design. Designing involves a creative activity and its fruits are enjoyed by all of us at each and every moment. But still it is sometimes considered as a superficial, an elitist, or a non-essential activity. Good design legislation can only partly remove this misconception. But at the same time, if the legislation is not readily understood, is unduly complicated and is difficult to apply, the result would be that this industry would suffer a great setback. To require a designer to work with a statute which is intricate and incomplete is like asking an engineer to do his calculations with a warped and illegible slide-rule. Design is necessarily linked to an industry and therefore to the economic system of which that industry is a part. It is heartening to note that the Designs Amendment Act 1981 (Aust.) makes a good attempt in reflecting the needs of those who not only make life more beautiful and interesting but also promote the quality of life of their fellow-beings.



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