



The Intellectual Property Act 2014

Following a huge amount of debate and controversy, the Intellectual Property Bill 2013-14 finally received Royal Assent on 14 May 2014. The majority of the provisions of the new Act came into force on 1 October 2014, including the ones which make the most difference to those of us practising in the field of IP. They are, inevitably, the introduction of new criminal sanctions for certain types of infringement of registered designs and the definition of those qualifying for UK unregistered design right. The IP Federation was heavily involved in lobbying activities which led to satisfactory amendments being made to the wording of the relevant provisions being considered by the House of Commons during January and March.

Clause 3 – Qualification for UDR

The IP Federation successfully opposed changes to the Qualification provisions for Unregistered Design Right (UDR).

Clause 3 of the IP Bill 2013-14 sought to change the definition of “qualifying person”, extending qualification for UDR to a much broader body of foreign claimant, whilst also liberalising the “first marketing” qualification route.

The IP Federation identified that these proposed amendments would not only extend UDR protection to companies previously excluded from protection, for the good policy reason that the national law of their own countries of registration did not offer comparable rights to UK companies, but would also strategically disadvantage UK manufacturing companies.

The IP Federation successfully lobbied to ensure that amendments were introduced into Section 3 of the Intellectual Property Act 2014 to protect the beneficial system of reciprocity and ensure that British businesses were not disadvantaged.

Clause 13 – Criminal Sanctions

In the face of huge pressure from ACID (Anti Copying in Design), it proved impossible for the IP Federation to persuade Parliament that it would be wrong to introduce criminal sanctions for infringement of registered designs. However, we were successful in three important respects relating to Clause 13.

Firstly, with the support of the IP judges and other leading IP professionals, we were able to secure agreement from Parliament that the wording of the statute should state expressly that the sanctions should apply only to those who deliberately or intentionally infringed the registered design in question. On that basis, the word “intentionally” was inserted as a qualifier to the term “copy” so as to exclude unintentional or inadvertent copying from criminal liability. The hurdle to be cleared for establishing criminal liability is therefore set high – as we believe it should be.

Secondly, in order to further protect legitimate businesses, the IP Federation championed an amendment which ensures that designs which are not essentially identical to a registered design cannot give rise to criminal sanctions. Instead of wording which captures designs which are “substantially” the same as the registered design, the Act specifies that only designs which are the same as, or “differ only in immaterial detail” from, the design can give rise to the sanction.

Thirdly, ACID lobbied very hard to have criminal liability extended to UDRs as well as registered designs. The IP Federation produced papers and attended meetings with MPs and IPO officials to explain in detail why and how this would be detrimental to UK businesses.

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As a result, formal proposals to introduce criminal sanctions for infringement of UDRs were rejected. However, we are aware that ACID remain determined to press for the introduction of criminal sanctions for UDRs, a position the IP Federation will continue to oppose.

The IP Federation welcomes the vast majority of the provisions of the IP Act. Many of the new provisions offer significant improvements to our laws and ways of working. If there is one disappointment, it is that the provisions allowing the marking of products with patent numbers on a website do not extend to the marking of products with registered design numbers in the same way. We believe wholeheartedly that this was a simple oversight which nobody spotted - not even the IP Federation! - until the opportunity to correct it had passed. We intend to press gently for corrective measures to be taken as soon as practically possible to allow products to be marked with registered design numbers on a website.

Gill Smith and Ruth Barcock, 4 November 2014