

Designs Act amended: restorations now possible

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The Designs Act 1953 (the Designs Act) has been amended by the Design Amendment Act 2010 (the Amendment Act). The Amendment Act received its royal assent on 19 April 2010 and comes into force on 19 April 2011 or an earlier date appointed by the Governor General in Council.

Present situation

Prior to amendment, the Designs Act had no provision for the restoration of a lapsed design application or a lapsed design registration. For registered designs, there is a six month extension of time for late payment of renewal fees, but once this extension has expired, the registration irrevocably lapses. This occurs even if the failure to pay the renewal fee was unintentional.

This is a concern, because when the design registration lapses, not only does the design owner lose its rights under the Designs Act, but the owner also effectively loses the copyright that exists in the drawings of the design.

Copyright is an automatic right for original artistic works that have been industrially applied, for example, a product design or working model. Copyright in such a work may be infringed under the Copyright Act 1994 when a third party copies the three-dimensional article to which the

copyright work has been applied.

However, by virtue of section 74 of the Copyright Act, once a design registration lapses, it is not copyright infringement to make a three-dimensional object from the drawings that form part of lapsed design registration. Although copyright protection is still enforceable if a third party copies the three-dimensional article itself, if the article is copied from the design registration drawings, there is no recourse under the Copyright Act.

The changes in the Amendment Act

The amended Designs Act now provides for the restoration of lapsed applications and lapsed design registrations. For both a lapsed application and a lapsed registered design, the lapse must be unintentional and the application for restoration must be made without undue delay.

Essentially, if the design owner applies within the prescribed period and can provide satisfactory evidence that the lapse was unintentional and the application was made without undue delay, the application for restoration will be published and the design restored after an opposition period.

There is also provision to protect third parties who begin to use the design of the lapsed registration before it is restored.

The Amendment Act is a significant improvement to the Designs Act.