Kluwer Copyright Blog

Copyright/design-cumulation under the EU 'Design Package'

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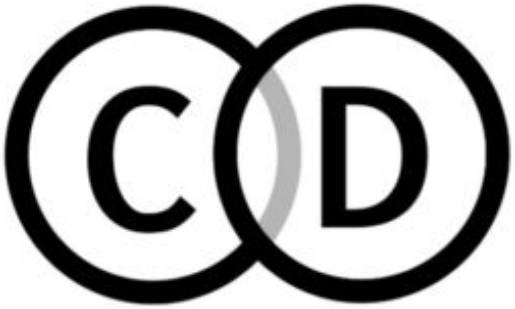
This post is based in part on the Position Statement of the Max Planck Institute for Innovation and Competition *of 23 January 2023 on the 'Design Package', but expresses the authors' own personal views.*



On 28 November 2022, the EU Commission published proposals for amendment of the Design Regulation and for recast of the Design Directive ("Design Package"). From a copyright perspective, three aspects deserve highlighting: first, the proposed changes to Articles 17 of the Design Directive and 96(2) of the Design Regulation, aimed at adjusting the principle of cumulation. Second, the introduction of new limitations and their significance for the effects of cumulative protection. Third, the (now even more pronounced) detachment of design and product and what this means for a theoretical approach to cumulation.

1. "Adjusting" the principle of cumulation

According to Recital 33 of the proposed Regulation, "it is appropriate to adjust the principle of cumulation of protection" under design law and under copyright law, due to the "advanced harmonisation of copyright law".

It is difficult to disagree with that statement, given the ongoing debate in the wake of Cofemel, where the CJEU ruled that subject matter protected under design law can concurrently be protected

as a work under copyright law, as long as it is the expression of the author's own intellectual creation (at 48). At the same time, "concurrent protection can be envisaged only in certain situations" (at 52), since cumulation of protection "must not have the consequence that the respective objectives and effectiveness of those two forms of protection are undermined" (at 51). The meaning of these words and thus how national courts should and will apply *Cofemel* remains unclear. Cumulation remains the subject of substantive discussion.

However, the Design Package does not address substantive questions of cumulation. Instead, the proposals are concerned with the upstream question whether overlap between design and copyright protection is subject to copyright harmonization in the first place.

Before *Cofemel*, it was unclear whether Member States could autonomously determine the preconditions of cumulative copyright protection for designs. Articles 17 of the Design Directive and 96(2) of the Design Regulation appeared to contain a respective competence:

A design protected by a Community design shall also be eligible for protection under the law of copyright of Member States (…). The extent to which, and the conditions under which, such a protection is conferred, including the level of originality required, ***shall be determined by each Member State****.*

The CJEU's move in *Cofemel* to define the conditions for cumulative copyright protection of designs under its unitary concept of a work (developed in Infopaq) has thus been compared to a "small foul" in a football match. Sticking with this analogy, the proposed adjustment of 96(2) of the Design Regulation reads like it changes the rules of the football match:

A design protected as an EU design shall also be eligible for protection by copyright (…), provided that the ***requirements of Union copyright law are met****.*

For those who think that Cofemel was played according to the rules, the proposed amendment is a mere clarification. For the others, this amendment constitutes retroactive approval of the CJEU's proactive approach towards copyright harmonisation (in other words, that the "small foul" in *Cofemel* is being rectified by an ex-post change of rules). In any event, the proposal is accepting the principle of cumulation as laid out in *Cofemel* – not adjusting it.

2. Limitations and the practical effects of cumulation

The proposals further align the exceptions and limitations in copyright and design law. This might help to prevent the potential circumvention of each respective legal regime and could thus mitigate potential negative effects of cumulation.

The proposed catalogue of limitations in design law, inter alia, include referential use and uses for the purpose of a comment, critique or parody. These new limitations come with interpretational problems of their own (see MPI Position Statement, p. 13). It will be interesting to see how established copyright doctrine can help to interpret the limitations, whether structural differences

between design and copyright law limit the possibility of mutual transfer of interpretative arguments and whether fundamental rights effectively even require uniform interpretation across both regimes (see MPI Position Statement, p. 21).

However, the harmonisation of limitations is far from complete. The design package entails a newly formulated repair clause (see MPI Position Statement, p. 17) to liberalise the spare parts market. However, according to the CJEU, such a repair clause in design law does *not* create a positive, freestanding right to use across other IP regimes but only limits design protection. Just like trade mark law, EU copyright law lacks a corresponding limitation. Thus, the possible protection for spare parts by copyright (or trade mark) law could circumvent the repair clause and undermine the goal to liberalise the spare parts market. The effectiveness of the new repair clause will heavily depend on whether spare parts pass the originality test and receive copyright protection.

3. Thinking about cumulation

The proposals broaden the definition of products. Digital designs will explicitly be covered, and so will "graphic works". While, arguably, this proposed amendment is only a clarification, it once more highlights the conceptual conflation of (real life) products and design subject matter (i.e., visual appearance). Digital products only exist by means of their visual appearance, and the same conflation is inherent in graphic works. The "product" is indiscernible from its "appearance". This effectively means that design protection can subsist in all visible subject matter, including graphical works and other works of "fine" art.

The new definition thus highlights the enormous breadth of overlap with copyright protection. It, moreover, clarifies that focusing only on the category of "works of applied art" is too confined and does not describe the area of overlap in full. Consequently, when thinking about cumulation, the point of departure should not be a specific category of subject matter (e.g., works of applied art) but rather the overlap and its effects as is.

Thus, even though the proposals do not solve the substantive issues discussed in the wake of *Cofemel*, at the very least they invite us to have a fresh look at the theoretical framework in which we think about copyright/design-cumulation.

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