



Australian Government

IP Australia

Make your mark

A guide to Intellectual Property for Australia's Industrial Designers

PATENTS

TRADE MARKS

DESIGNS

PLANT BREEDER'S RIGHTS

Robust intellectual property rights delivered efficiently

P

TM

D

PBR

DISCLAIMER

This information guide is designed to help you understand intellectual property issues. You should not regard this publication as an authoritative statement on the relevant laws and procedures. You should also note that the requirements and fees may change from time to time. While we make every effort to ensure the information presented is accurate, you should check the IP Australia website before making an application. While we can't give you advice about your particular circumstances, we can provide general information and answer questions about our processes and fees. IP related advice is best sought from a registered patent or trade marks attorney or an experienced IP professional. © 2008 State Government of Victoria.



Contents

What is IP to me?	2
Get to know your IP	4
Designs	6
Copyright	14
Patents	16
Trade marks	19
Is it mine or is it yours?	25
Mind, manufacture, market	27
Enforcement	30
End to end checklist	32
Useful contacts	33
Key terms	36

FOREWORD

MAKE YOUR DESIGN SKILLS BUSINESS READY

Design is a capability that transforms products and services to improve their functionality, efficiency and style. It is a fundamental building block of innovation, a critical enabler of competitive industries and vital to building liveable, sustainable and cohesive communities.

Since 2003, the number of industrial design consultancies in Victoria has grown by 41 per cent with approximately 22,000 industrial designers employed by the sector in Victoria.

Design Victoria is pleased to partner with IP Australia and DIA to produce the first in a series of Design Victoria How To Kits, “A Guide to Intellectual Property for Australia’s Industrial Designers”.

Design Victoria’s Business Ready program empowers designers with the skills and knowledge to grow their business and build their competitiveness to better engage with local and international industries. Through this free practical guide, industrial designers are provided with valuable information to assist in understanding intellectual property issues.

I would like to thank and acknowledge this publication’s working group, led by Kara Macleod and IP Australia, for their valuable contribution. The group’s diverse and collective expertise and knowledge has contributed to this informative publication – a practical and relevant resource for all industrial designers to protect their design skills and creativity.

Michele Azzopardi
General Manager, Design Victoria

CREDITS

WORKING GROUP

Trevor Choy, Choy Lawyers
Jarmal Richard, jdrlegal
Jim Antonopoulos, TANK Studio and AGDA
Vito Tassone, Creative Head and AGDA
Steve Martinuzzo, Cobalt Niche and DIA

DESIGN

Studio Round

ABOUT DESIGN VICTORIA

Design Victoria is a \$15 million Victorian Government initiative to drive design excellence, create a more globally competitive design sector and encourage the designed growth of Victorian industries. Design Victoria collaborates with major industry associations and bodies representing business, manufacturing and design sectors to deliver tailored seminars and workshops to increase industry's competitiveness, innovation and export performance. For more information, visit www.designvic.com

ABOUT IP AUSTRALIA

IP Australia is the Australian Government agency responsible for administering patent, design, trade mark and plant breeder's rights. By granting these rights, and contributing to the improvement of Australian and international IP systems, IP Australia is supporting Australia's economic development. For more information, visit www.ipaustralia.gov.au

ABOUT DIA

The Design Institute of Australia (DIA) is Australia's professional membership body representing professional designers. It is Australia's only multi-disciplinary organisation of professional designers, representing all disciplines of design. The institute ensures that design professionals have a voice in government and industry. It also provides designers with support, networking opportunities, services and information to improve professional practice. For more information, visit www.design.org.au



What is IP to me?

“When you apply your mind to creating a new and distinctive product, you are also creating IP.”

Steve Martinuzzo, President, DIA Victoria



Industrial designers, including those in design, production, architecture, manufacturing and engineering, are at the cutting edge of Australia's consumer industries.

Former national president of the Design Institute of Australia (DIA), David Robertson, estimates that in 2007, there were about 390 industrial and product design businesses in Australia. Industry Capability Network figures show that in 2005, the manufacturing sector in Australia accounted for 10.9 per cent of gross domestic product and provided 10.6 per cent of Australian jobs.

“Intellectual property, or IP, is a key consideration for our industry, whether you are a consultant, designer-maker, inventor or represent a commercial company,” says the DIA's Victorian president, Steve Martinuzzo.

“When you apply your mind to creating a new and distinctive product, you are also creating IP”

As an industrial designer, your IP could be the look of a new and distinctive chair or the mechanical structure that forms the working of that chair. Each of these creations may have value, which can be protected with IP rights.

Being IP aware means being aware of and protecting your IP assets as you would your other business assets. Protecting your IP stops others from profiting from your work. Having IP rights is similar to putting an electric fence around your property as this both protects your assets and deters others from trespassing.

This guide will help you understand the different types of IP protection available to you, and will help you identify the ones that will be best for your circumstances. The information contained in this guide will also help you decide the best way for you to manage and benefit from your IP.

Get to know your IP



“IP rights are like different tools in a toolbox – each right has different features and uses, and is suited to different circumstances and objectives.

Selecting the most appropriate IP right, like selecting the best tool, is crucial to achieving the best outcomes.”

Industrial designers have a number of options to choose from when considering the best protection for their creative work.

For example, when a designer creates a sketch, it is automatically protected by copyright. If that sketch becomes a logo, which is used in a commercial context, it can be registered as a trade mark. If the sketch is developed into a product, then it can become a registered design.

Keep in mind that you can also register more than one IP right at a time.

Think about what it is about your product or invention you want protected. Is it the visual appearance of the design? Or the way it functions? Perhaps it's both.



Designs

If you're an industrial designer, you already know how much time and effort goes into developing your concepts and products. So you should consider the value of design registration to the output of your hard work.

IP RIGHT: DESIGNS

Definition: The overall appearance of a product. The visual features that form the design include the shape, configuration, pattern and ornamentation.

The publicity trap:

INDUSTRY TIP

Be aware of the publicity trap. If you've publicly disclosed your design before applying for registration you may have lost your ability to protect it.

This is because a design has to be new to be registered. If it's been publicly disclosed, it's no longer new.

For example, a Sydney furniture company took a rival Melbourne furniture company to court for infringement on one of their chair designs. But the Sydney company ended up having its registered design revoked after it was revealed their chair had been exhibited at a trade fair before the design was registered. If you don't intend to register your design, public disclosure can be a strategic move to prevent others from obtaining registration of a similar design.

So, while this doesn't give you any rights to the design, it does prevent others from obtaining registration. IP Australia has a formal publication option available for those wanting to pursue this strategy.

Classic Australian designs

The Weber kettle shape BBQ, Ken Done's designs for bed linen, the Albion cricket helmet are all examples of well-known and classic Australian designs that have design registration.

Claim your registration

INDUSTRY TIP

You may notice many products have the text "Regd. design" followed by some numbers. This indicates that the design owner has registered their design and acts as a warning to would be copy cats! Beware; it's an offence to claim your design is registered if it isn't.



Should I register? Registering your design is a commercial decision that only you can make. Factors that may influence your decision include the potential profitability of the market, market size, competitor reaction, your ability to enforce your design and potential buyers or licensees of your new design.

Benefits: A registered design can be a really valuable commercial asset that can grow in value. Registration stops others from using and profiting from your design without your permission.

If you own a registered design, you have the right to enforce your design once it has been examined and a certificate of examination issued. If another person uses your registered design without your permission, you can sue for infringement.

As the registered owner of a design, you have:

- the exclusive right to use the design specified in your registration
- the exclusive right to authorise other people to use your design as specified in the registration (normally through a licensing deal)
- a design that is your personal property which can grow in value and be sold
- a registration that is valid across Australia
- the right to take action to stop other people using your design after certification.

Registration process: Whether you decide to register your design or not, it's worth searching the Australian Designs Database to make sure you're not going to infringe the rights of owners of similar designs. Patent attorneys and professional firms can help do a thorough search and interpret the results.

IP Australia has a plain English application kit to help you through the registration process. The two-page application asks for details such as your name, address and product name. The design needs to be represented clearly in either a drawing or photograph.

Visit www.ipaustralia.gov.au to download a copy.

Costs and maintenance:

The minimum fee to start an application is \$200*. Once registered, no further costs are required until renewal (unless examination is requested). The cost for renewal is \$275*.

Terms of protection: Registration protects your design for five years from the date the application was filed. Registration can then be renewed for a further five years up to the maximum term of 10 years. If you don't renew your registration it will cease. You can't make an application to re-register the same design.

*Fees correct at time of publication.
For updated fees visit www.ipaustralia.gov.au

Filing overseas

INDUSTRY TIP

Before filing an application for registration in any country (even Australia), it's important to consider your market, your ability to effectively exploit your design, the benefits of protection and the strength of your rights in these jurisdictions.

Australian design registration provides protection within Australia, so if you're planning to take on the world with your product designs, you'll also need to apply for design registration in other countries. Australia belongs to an international treaty called the Paris Convention, which can make the process easier.

For more information visit www.ipaustralia.gov.au



KNOG

CASE STUDY

Australian bike gear company KNOG distributes around the world, including Germany, Sweden, United Kingdom, Denmark, Norway and Poland. Its famous designs including the Gator, a high-powered bike headlight are protected in these countries with IP rights.

For our emerging and hot Australian cycling brand KNOG it has been crucial (albeit expensive and complex) to establish strong International IP protection for our products. As market innovators our proprietary designed cycle accessories are frequently and increasingly copied. In markets where we have IP protection we can protect our interests, in markets where we do not have an IP strategy money walks out the door.

Mike Lelliott,
KNOG Brand Manager



General process
for a registered
design application



APPLICATION
FILED

MINIMUM FILING
REQUIREMENTS
ASSESSED
*Applicant requests
registration?*

YES
NO

REGISTRATION
FORMALITIES ASSESSED
*Application
meets formalities
requirements?*

YES
NO

APPLICATION
LAPSED OR
REFUSED

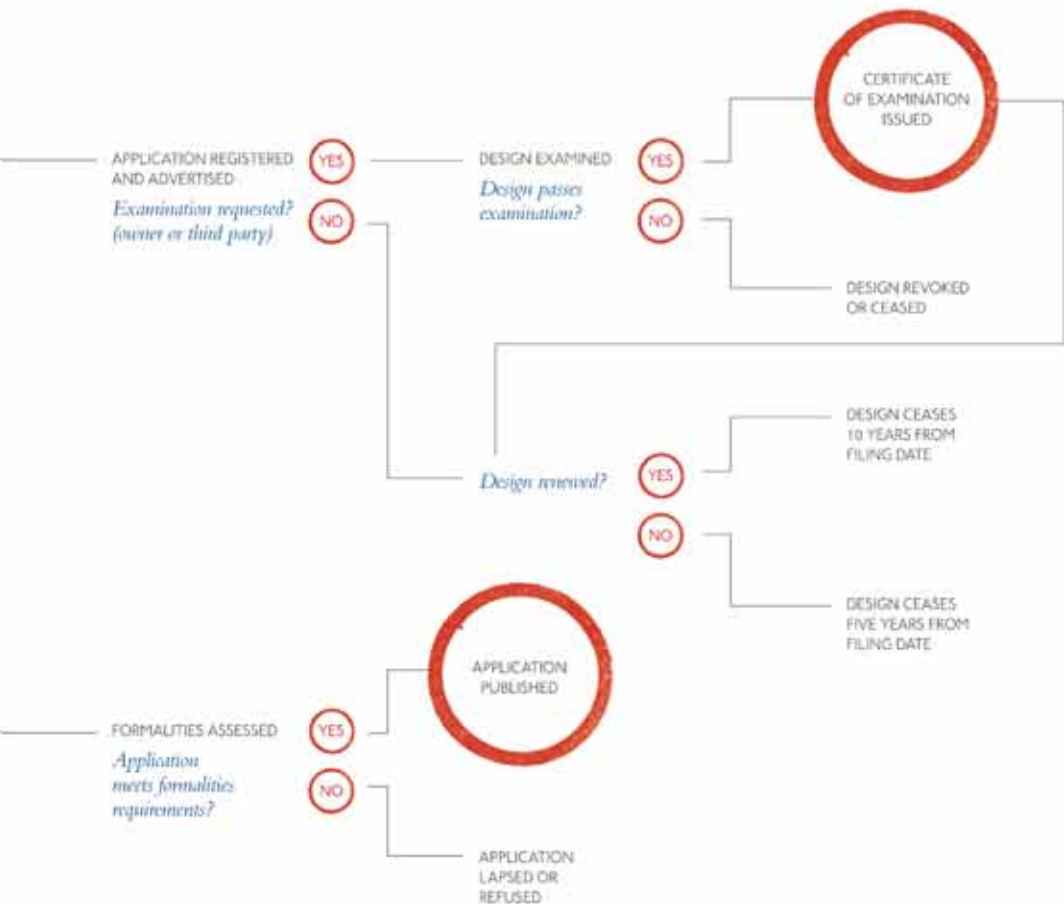


*Applicant requests
publication?*

YES
NO

APPLICATION /
DESIGN LAPSED,
EXCLUDED,
WITHDRAWN

28 JUN 2008



Case Study:

BREVILLE USES IP TO BECOME THE TOAST OF THE TOWN

One of Australia's leading appliance manufacturers shows how it has protected its product research and development with a combination of IP rights, including design, patent and trade mark registrations.



“Intellectual property protection is like an insurance policy for your creative ideas. It’s also a valuable commercial investment.”

Richard Hoare, Design Director, Breville

Breville invests both time and money into knowing its customers, which allows the portable appliance company to design lines that cater for the varied tastes and needs of its customers both in Australia and overseas.

IDEAS BY DESIGN

“We know how much time and effort and money people are putting into getting their kitchen just right. We want to put the same amount of effort into getting their portable appliances right,” Mr Hoare says. “The modern kitchen is about European simplicity. Less is more.”

“We noticed a lot of small appliances don’t follow that way of thinking. They have a lot of form in them, like a sculpture. Many people don’t want their toaster or kettle to stand out, because they’re making their statement with the kitchen itself.”

PROTECTING YOUR CREATIVITY

This kind of research and investment in a product requires some kind of insurance, and Breville has always been careful to protect its products with a combination of IP rights, such as design, patent and trade mark protection.

“The return on investment comes through market share. If we didn’t protect our unique designs then quite quickly someone would copy that product and undermine our investment,” says Mr Hoare. He believes having design protection also gives Breville extra security when using external manufacturers.

If the contract changes hands or there is a dispute, the design remains protected and Breville’s products cannot be supplied to a competitor.

Breville also takes intellectual property protection into account when exporting products overseas to countries like America.

Copyright



Put others on notice

INDUSTRY TIP

It's not necessary to put the copyright notice on your work, but it does warn others that you take your IP seriously. The copyright notice is the symbol © followed by the name of the copyright owner and the year the work was created or first published. For example, © John Smith 2008.

Register your 3D designs

INDUSTRY TIP

Copyright protects 3D designs that are artistic. To avoid overlap with registered designs, most 3D designs that are mass-produced have very limited copyright rights.

This means that if you have created a 3D design for industrial purposes you will usually need to register it as a design in order to receive protection.

3D designs that have been registered have minimal copyright protection, even if they are an artistic one-off.

Copyright protection is free and automatic under the Copyright Act 1968. While many aspects of intellectual property are not covered under copyright (such as names), two and three-dimensional artistic works are covered, including still images, engineering drawings, sculptures, computer programs, maps, plans and photographs. Many of these are the tools of industrial design and foundations for industrial design products.

Copyright doesn't protect ideas or concepts. That means the results of any preliminary brainstorming sessions or discussions about a new product idea can't be protected under copyright. As soon as these ideas are committed to a sketch or pattern however, protection is afforded under copyright without the drawings having to be registered.

IP RIGHT: COPYRIGHT

Definition: Copyright protects a variety of artistic and design works. It is not the concept of the work, but its expression that is protected by copyright law. Copyright does not protect ideas, information, styles or techniques.

Should I register? You don't need to go through a formal registration process. An original artistic work is automatically protected as soon as it is created. For more information visit the Australian Copyright Council at www.copyright.org.au

COSTS AND MAINTENANCE:

Copyright is free.

Terms of protection: The term of protection usually lasts throughout the life of the creator of the work plus an extra 70 years.

Example: The Melbourne Gateway, a steel art installation on the Tullamarine Freeway, is protected by copyright. It was designed by architects Denton Corker Marshall as an abstract interpretation of a city gate. Because it hasn't been mass produced, copyright is the most fitting form of protection for this structure.

International copyright

INDUSTRY TIP

Copyright laws differ from country to country; however Australia is party to a number of treaties that increase the copyright protection of Australian works. The majority of treaties require parties to give 'national treatment', which means Australian works are protected by copyright in member countries. Countries that grant copyright protection to Australian material under international treaties include Canada, China, France, Germany, Hong Kong, Indonesia, Japan, South Korea, Malaysia, New Zealand, Singapore, the United Kingdom and the United States. For more information, visit www.copyright.org.au

Patents

If you've invented a new product or process, you should consider a patent. Patents can protect how a product works or functions regardless of how it looks. For a new invention, patents provide a broad form of protection.

International Patents

INDUSTRY TIP

An Australian patent provides protection only within Australia. If you want to apply for a patent in other countries, you generally have two choices:

1. You can file separate patent applications in each country. This can be cost effective when you file in only a few countries.
2. You can file a single international application. This is done under the Patent Cooperation Treaty, which means your application will take effect in all countries that are members of this international treaty (over 120, including Australia). Whichever option you choose, you will still end up with separate patent applications in each country. For more information, visit www.ipaustralia.gov.au or www.wipo.int/pct

Keep it under your hat

INDUSTRY TIP

If you demonstrate, sell or discuss your invention in public before filing an application, you can lose your rights to a patent. You can talk about your invention with business partners, employees or advisers, but a confidentiality agreement is advisable. Grace periods apply in 38 countries including Australia. This is to cover some circumstances in which the inventor has disclosed their invention without a confidentiality agreement, including disclosure without their consent. A patent application must be filed within 12 months of disclosure to claim the grace period.



Ip right: patent

Definition: A patent is a right granted for any device, substance, method or process, which is new, inventive and useful.

There are two types of patents in Australia—a standard patent, which gives long-term protection and control over an invention for up to 20 years, and an innovation patent, which is a relatively fast, cost effective option that lasts a maximum of eight years.

Should I apply? If your industrial design is, or contains, a new device, substance, method or process, you can apply for a patent.

Benefits: Patents give effective protection if you have invented new technology that will lead to a product, composition or process with significant long-term commercial gain. A patent also gives your inventions longevity, because it can prevent the market from being flooded with replicas.

Application process: Before applying for a patent, you'll need to determine what has already been patented. This is called 'prior art' and involves searching the patent database of everything that has ever been patented in Australia and the world. Searching and interpreting the results is important, so get professional advice. Preparing a patent application requires time and special skills, so it's wise to consult a patent attorney. They can carry out searches of existing inventions and draft your application

To file a complete application for either a standard or an innovation patent, you must provide a full description of how your invention works. Applications for standard patents are examined to ensure they meet the necessary legal requirements for granting a standard patent. Applications for innovation patents are granted without substantive examination, but must be examined and certified before they can be enforced.

Costs and maintenance: The average cost of an Australian standard patent, including patent attorney fees, is between \$12,000* and \$15,000* depending on the complexity of your application. Maintenance fees over a 20-year term would be a further \$8,000*.

Terms of protection: A standard patent has a maximum term of 20 years. Annual fees are due from the fifth anniversary of the filing date.

An innovation patent is initially granted for two years. Annual renewal fees are due from then on, with a maximum term of eight years.

Examples: Australia's iconic Hills Hoist rotary clothesline, which is sold throughout Australia, Asia, Europe and North America, was patented in 1956 for its unique winding mechanism. Dynamic Lifter, a fertiliser made from dried chicken manure, created a real stink when it was patented and came onto the market in the 70s. It was developed in New South Wales and is now used worldwide.

Case study:

Electrical manufacturer Kambrook lost millions of dollars because it failed to protect its electrical power-board invention

Electrical manufacturer Kambrook lost millions of dollars because it failed to protect its electrical power-board invention. When it was released in 1972, the product was hugely successful and was the basis for Kambrook's growth into a major producer of electrical appliances. As the product was never patented, Kambrook ended up sharing the market with many other manufacturers, and losing millions in royalties. Today Kambrook has a number of patents and pending applications for improvements for a range of consumer goods.



Trade marks

A trade mark distinguishes the goods and services of one trader, for example, Arnotts, from those of another, such as Westons. A trade mark can become an incredibly valuable asset for a business over time. This is because all the goodwill, reputation and market awareness of your business is represented in your trade mark.

Trade mark your trading name

INDUSTRY TIP

Don't fall into the trap of confusing trade marks with business, company and domain names. Registering a business, company or domain name doesn't give you any proprietary rights—only a trade mark can give you that kind of protection. So, if you are building a brand under a trading name, you should consider registering it as a trade mark.



Ip right: trade mark

Definition: A trade mark can be logos, words, letters, numbers, colours, a phrase, sound, scent, shape, picture, aspect of packaging or any combination of these.

Should I register? A trade mark is an integral part of the marketing strategy for your industrial design. Registration isn't compulsory, but it is advisable. For example, if another trader registers your brand as a trade mark, you could be forced to rebrand, wasting precious advertising dollars and creating confusion for your regular clients.

Benefits: The right trade mark can be an integral part of the marketing strategy for your goods and services. The public will identify a certain quality and image with goods and services bearing your trade mark. It can become an important means of maintaining goodwill with your clients and improving your bottom-line.

Registration process: Before settling on a trade mark to register, brainstorm a range of names or logos which you think could be appropriate. This should always be followed by a thorough search of the trade marks database and similar goods and services already in the market to ensure that you won't be infringing any existing trade marks.

IP Australia has a search system called the Australian Trade Marks Online Search System (ATMOSS) to help you find out whether your

mark has already been registered. IP Australia also has a service called TM Headstart to help you identify within five days whether or not your mark is suitable for registration. It is simple and fast to use, and can help reduce costs.

For more information on ATMOSS and TM Headstart visit www.ipaustralia.gov.au

Costs and maintenance:

From \$120 to a few hundred dollars* depending on the number of trade marks are being registered, and the types of goods or services selected.

The cost for IP Australia's TM Headstart service begins at \$90.

Terms of protection: A trade mark is initially registered for a period of 10 years. It can continue indefinitely as long as the renewal fees are paid every 10 years and the mark is used.

Examples: Great Australian products that have been trade marked include the Sunbeam Mixmaster, the first small electrical appliance manufactured in Australia, and Holden, which manufactured the first all-Australian passenger car in 1948. Others include Driza-bone, Mortein, Deep Heat, Bonds and Weetbix.

How to register: IP Australia has an application kit available at www.ipaustralia.gov.au where you can also submit your application online.

*Fees correct at time of publication.
For updated fees visit www.ipaustralia.gov.au

Suitability for registration

INDUSTRY TIP

A trade mark that describes your goods or services can be difficult to register. Before granting registration of a trade mark, IP Australia considers whether it is fair to others in the industry.

A mark that contains or consists of the following could be difficult to register:

- descriptive terms, such as 'shoe' for shoe products
- common surnames and geographical place names
- words or phrases that favourably promote goods or services, such as 'best quality'
- words or phrases common to trade such as 'on sale'
- marks that are identical to, or very similar to, earlier filed trade marks claimed for similar goods or services
- marks that are scandalous or misleading
- marks such as 'ANZAC' that are protected by other Australian laws
- marks that are prohibited by international treaty obligations, such as national flags.



Registering overseas

INDUSTRY TIP

Australia is party to the Madrid Protocol, which is an international treaty relating to international registration of trade marks. Under the Madrid Protocol only a single application is required, which can be filed through IP Australia. Protection can be sought in one, some or all of the other member countries.

For countries that are not party to the protocol, you'll need to apply separately through that country's trade mark office.

For more information, visit www.wipo.int/madrid



Coverage

INDUSTRY TIP

Goods and services are divided into different classes according to an international classification system. There are 45 classes, each covering a range of goods or services such as vehicles and their parts, toys and sporting equipment, and industrial design services.

When you apply to register a trade mark, you need to nominate (and pay for) at least one class of goods or services in which you want to protect your trade mark. For example, Holden safeguards its automotive parts and its range of clothing merchandise by filing a trade mark in these two different classes. Similarly Coca-Cola has trade marks not just for its beverages, but also for all of its merchandise.

Consider carefully which class or classes to choose, because you only get coverage for the goods and services nominated in that class. If you want to add more classes later, for example if your business changes, you'll need to make a new application.



IP AT A GLANCE



WHAT IS PROTECTED

Drawings, art, literature, music, film, broadcasts, computer programs

Logos, words letters, numbers, colours, a phrase, sound, scent, shape, picture, aspect of packaging or any combination of these

Product design

Inventions and new processes

Trade secrets and confidential information

TYPE OF IP PROTECTION

Copyright

Trade marks

Design registration

Patents

Other

WHAT IT MEANS

The owner's original expression of ideas is protected, but not the ideas themselves

A trade mark identifies the particular goods or services of a trader as distinct from those of other traders

The visual appearance of a product is protected, but not the way it works

A patent protects how an invention works or functions

These types of IP rights give creators certain rights and privileges depending on the type of IP protection

Is it mine or is it yours?

To enforce your rights, you need to know who owns what. This can be complicated because of the many types of contractual arrangements in place between parties.



Know thy contract conditions

INDUSTRY TIP

The DIA advises designers to retain IP rights of work completed under their contract with a client.

For example, the policy of many product design and development companies is that they remain the author and proprietor of all designs, documents, knowledge, drawings and all other intellectual property they create until full payment is received from the client.

When the project ends, the client can normally use any resulting designs, patent and design registrations exclusively and without any limitations.

Design companies will usually have a policy that all costs and out of pocket expenses involved in the preparation and registration of IP are charged additionally.

Originals of all artwork, technical drawings, specifications, computer files and all other copyright works also remain the property of many companies, but are made available to clients for copying purposes for a period of three years following the completion of the work.

WHO OWNS WHAT?

Owen Gee, a patent attorney with Shelston IP, says that as a general rule, and where there aren't any contractual arrangements in place, designers and inventors own the IP they create. This means sole practitioners, such as freelance designers, generally own the designs and inventions they create.

However, in the case of an industrial or product designer who is an employee of a design firm, ownership of the IP usually resides with the employer. In the case of commissioned work, ownership is usually transferred to the organisation that commissioned the design work.

A TEAM EFFORT

In many cases, IP is created by more than one person. Unless a contract states otherwise, co-owners of registered IP own an equal share in the rights.

Many disputes involving IP rights relate to ownership issues, so it's always a good idea to document the extent of your contribution to a group project. Log books, diaries, drawings, sketches and notes should be kept, signed and dated.

There should be a contract in place when dealing commercially with IP, and it's important that all parties involved in a design project review the contract terms and ensure that it is clear who owns any IP that is created.



Mind, Manufacture Market

.....
As an industrial designer, it's important to understand the elements of IP in each step of the commercialisation process.

This process involves three key components: concept, manufacture and product to market.



Concept

As part of a tender evaluation process, you may give a potential client access to not only your concepts, but to your previous portfolio. During this pre-contract phase it's important that you manage the disclosure of IP carefully.

Many times a tender process is deemed to be confidential, but the terms and conditions of the tender frequently protect only the client's IP and not the industrial designer's.

Some industrial designers have opted for one of the following options in managing the disclosure of their IP:

- negotiating into the tender terms that the designer retains the concepts that have been generated as a result of participating in the tender process
- having a client sign a confidentiality agreement before the designer's IP is disclosed, which may occur as part of the tender response process or after the designer has won the tender
- using technology, such as a secure intranet, to grant the client confidential access to view and evaluate the industrial designer's existing IP including concepts and work related to a specific tender.

Industrial designers who have good IP business practices build a stronger business by restricting outsider access to their IP and by establishing a library of IP that can be secured, valued and reused within their business.

Clients will want to know that, should you win the tender and deliver the brief, you have the freedom to use the concepts you've proposed in your tender response, as well as the right to transfer the IP interests in the concepts to them.

When an industrial designer wins a tender, it's important that the scope of work, including all aspects of the design and development process, are worked out and consistent with the concept development.

This process will generate new IP, which the client will expect to eventually own.

As an industrial designer, it's important for you to identify (and explain to the client) what is included in your know-how and the methods that you'll use to create the project designs, but also to make clear what will not be transferred to the client. This IP is commonly referred to as the industrial designer's own core/existing IP and is separate to the new design. The new design is considered newly created IP and is what the client will own once it's completed and all professional fees are paid.

Manufacture

The manufacturing process usually begins after the industrial design strategy has been settled. This process invariably involves granting wider audience access to the designs, as well as the industrial designer's portfolio of know-how to assess the development process around reviewing and finalising concepts, concept modelling and finalising models, and final reviews and rendering cycles.

It's important that you have in place a proper strategy (and that you take the lead) for managing access to your core IP and the concept designs, and that third parties involved have properly signed confidentiality agreements in place to protect the material from unauthorised access and use by the manufacturer and its supply chain.

The manufacturing process can, and often does, drive an expansion of the scope of the project or a rethinking and re-working of a design. If this is the case, new IP that is generated as part of that process will need to be managed properly by the industrial designer, including the proper identification and transfer of IP rights from the industrial designer to the client.

Product to market

Many clients require full ownership of IP in the designs relating to a manufactured product.

If an industrial designer has negotiated part of their compensation based on the success of a product in the market, it makes sense for them and the client to have agreed to a royalty agreement based on product sales. If this is the case, it may make sense for the designer to retain a portion of the IP ownership in the original design.

It's also common for industrial designers to license their own core IP to the client to be used in manufacturing and operating. If this is the case, these rights of use need to be properly identified in a contract between the designer and client, managed by the designer.

Industrial designers frequently reserve the right to include in future marketing initiatives a general description of the design concepts that they have worked on for clients once those end products have made it to market, or if the end product doesn't make it to market after a defined period of time, once the design brief concludes. Again, this is a matter for the industrial designer to work out in the contractual terms and conditions between clients.

Enforcement

Enforcing your IP rights

Your IP is important for business success and income. You need to know your rights and be prepared to act if they're infringed. Before taking action there are some things you should consider, such as:

Who is at fault?

More than one person can be liable for IP infringement. For example, you could sue a third party, a contractor, the directors of a company or the company itself.

Could the tables turn?

If you make unsubstantiated claims about an infringement on your IP you can be sued. It's important to review all relevant documents to ensure you have the IP rights you say you have.

Could litigation be bad for business?

Court proceedings are made public, unless covered by a confidentiality agreement, which means you may be airing your dirty laundry. It could also look bad to customers if you lose. You'll need to decide whether you see any publicity as good publicity.

There's a range of options available before you get to a court settlement, such as a warning letter and negotiations.

Above all, you should consider getting help from a professional before enforcing your rights. IP professionals can help you understand the costs and risks involved in infringement action, as well as advise on the best course of action.

With regard to registered designs and patents, it's recommended to obtain an infringement opinion from a properly qualified registered patent attorney or legal practitioner. This is a detailed analysis of the infringing action or product, and the scope of the registered design or patent.

Enforcement can often be expensive, complex and lengthy. It's strongly recommended that you seek the advice of properly qualified IP professionals who should be able to give you a better idea of the likely costs, steps and issues involved.



Avoid infringement

INDUSTRY TIP

Infringement can be costly, so take steps to avoid having to take action. Some measures are simple to follow.

- Before using or applying to register IP, do a search first. Searching can help you understand the rights of others and help you avoid infringing on those rights. Search functions for the different IP rights can be found at www.ipaustralia.gov.au
- If you own IP, use appropriate marking or symbols (®, ™, ©, Patent Pending, Registered Design) to show your ownership and as a warning to put others on notice.
- Get advice from a lawyer specialising in IP if someone accuses you of infringing on their IP

Monitoring your IP

INDUSTRY TIP

Regular audits of your IP can help ensure that any design registrations, copyright, trade marks and patents you own are upheld and protected. If you own registered IP, keep track of important dates (e.g. renewal) and ensure your particulars are up-to-date on all registers both in Australia and in other countries where you have registered rights. IP professionals such as registered patent and trade mark attorneys offer services to help you keep track of your IP portfolio.



End to end checklist

Your IP is a valuable business asset. Make sure you are across all forms: design, trade mark, patents and copyright.

- ✓ ***There can be more than one owner of IP. Have you identified whether it's you, your employer, your client, or a combination?***

For information about IP at the touch of a button be sure to visit IP Australia's website at www.ipaustralia.gov.au

- ✓ ***Do you have IP that is worth registering?***

You can register a design, trade mark or patent through IP Australia. If copyright applies it's free and automatic. Don't be an infringer. You can search existing IP through www.ipaustralia.gov.au to ensure your IP is a one of a kind.

- ✓ ***Have you staked your IP claim?***

While it's not compulsory, using appropriate marking or symbols (®, ™, ©, Pat Pending, Registered Des) puts others on notice. Sometimes it's best to leave it to the professionals. They can help you understand what your IP rights are. Keep track of your renewal dates for your registered IP. Missing your maintenance payments means losing your protection.

- ✓ ***Do you know what IP you own?***

An audit of your IP can help you find out if you have unregistered IP and keep track of renewal dates for registered IP.

- ✓ ***If in doubt, seek professional advice.***

A list of IP professionals can be found at www.ipaustralia.gov.au.



Useful contacts

IP Australia can provide useful information if you are:

Seeking registered IP protection via patents, trade marks, designs or plant breeder's right disputing or opposing a patent, trade mark or design

Researching existing IP documents by searching patents, trade marks, designs or plant breeder's rights databases

Interested in promoting IP within your organisation.
Visit www.ipaustralia.gov.au

BUSINESS NAMES

Contact the relevant government body in your state or territory

Australian Capital Territory
T 02 6207 0461
www.rgo.act.gov.au

New South Wales
T 13 32 20
www.fairtrading.nsw.gov.au

Northern Territory
T 08 8982 1700
www.tbc.nt.gov.au

Queensland
T 1300 658 030
www.fairtrading.qld.gov.au

South Australia
T 1300 138 918
www.ocba.sa.gov.au

Tasmania
T 03 6233 2225
www.consumer.tas.gov.au

Victoria
T 1300 558 181
www.consumer.vic.gov.au

Western Australia
T 1300 304 014
www.docep.wa.gov.au/bizline

COMPANY NAMES

Australian Securities and Investments Commission
T 1300 300 630
www.asic.gov.au

COPYRIGHT

Australian Copyright Council
T 02 8815 9777
www.copyright.org.au

Attorney-General's Department
Copyright Law Branch
T 02 6250 6655
www.ag.gov.au

INDUSTRY REPRESENTATION

Design Institute Australia
T 1300 888 056
www.design.org.au

Design Victoria
T 03 9925 4195
www.designvic.com

INTERNET DOMAIN NAMES

.au Domain Administration
T 1300 732 929
www.auda.com.au

INVENTORS ASSOCIATION

Contact the inventors association in your state or territory
www.inventors.asn.au

IP LAWYERS

Contact the Law Society in your state or territory

Intellectual Property Society of Australia and New Zealand
www.ipsanz.com.au

Licensing Executives Society of Australia and New Zealand
www.lesanz.org.au

IP RESEARCH

Intellectual Property Research Institute of Australia
T 03 8344 1127
www.ipria.org

IP RIGHTS ASSOCIATIONS AND INTEREST GROUPS

Australian Design Awards
T 02 8206 6090
www.designawards.com.au

Australian Graphic Design Association
T 02 9955 3955
www.agda.com.au

The Australian Manufacturers of Patents, Industrial Designs, Copyright and Trade Mark Association
T 02 9458 7416

PATENT AND TRADE MARK ATTORNEYS

For a full list of registered patent and trade mark attorneys visit
www.psb.gov.au

Institute of Patent and Trade Mark Attorneys of Australia
T 03 9857 0311
T 1800 804 536
www.ipta.com.au

Professional Standards Board
T 02 6283 2345
www.psb.gov.au

PATENTS, TRADE MARKS, DESIGNS AND PLANT BREEDER 'S RIGHTS

IP Australia has a range of resources including:

— Application kits

Kits are available for designs, patents, trade marks and plant breeder's rights to help you file for an IP right

— Don't give away your most valuable asset brochure

Designed to introduce you to IP

— IP Toolbox

A comprehensive IP guide for business

— Smart Start

A tailored product for small to medium-sized businesses
T 1300 651 010
www.ipaustralia.gov.au



Key terms

ATTORNEY

Patent and trade mark attorneys are experienced professionals who can assist clients to protect and exploit their IP rights.

BUSINESS NAME

A business name is a name under which a business operates. Business name registration provides a means of identifying the owners of the business and is obtained under state or territory legislation. Registration of a business name does not provide proprietary rights.

COMPANY NAME

A company is the name given to a corporate entity incorporated within the Commonwealth of Australia. This may not necessarily be the business name that the company trades under. An entity may trade under its company name without having a registered business name. Registration of a company name does not provide proprietary rights.

CONFIDENTIAL INFORMATION

Information and materials of commercial or personal value kept secret from the public.

COPYRIGHT

Copyright protects the original expression of ideas, not the ideas themselves. It comes into existence automatically and gives you the right to control and exploit the copying of your original works of art, literature, music, films, broadcasts and computer programs. Copyright usually lasts for the author's life plus 70 years. The copyright notice generally indicates that the work is protected and identifies the copyright owner, although it is not necessary to display this notice for copyright to apply.

DESIGN REGISTRATION

Design registration protects the way products look. Design refers to the visual features of shape, configuration, pattern or ornamentation.

DOMAIN NAME

A domain name is the unique name that corresponds with an internet protocol address. It is often easy and intuitive to remember. For example, IP Australia's domain name is www.ipaustralia.gov.au. Registration of a company name does not provide proprietary rights.

INFRINGEMENT

Infringement occurs when someone consciously or inadvertently uses IP without permission.

INNOVATION PATENT

An innovation patent is a form of protection available in Australia for innovative and technological improvements. Protection is available for up to eight years.

INTELLECTUAL PROPERTY (IP)

IP is generated through intellectual or creative activity. Types of IP include patents, trade marks, designs, confidential information, trade secrets, copyright, circuit layout rights and plant breeder's rights.

IP RIGHTS

The right to prevent use by others of your intellectual property, e.g. patents, designs, copyright, trade marks, plant varieties or confidential information.

PATENT

An exclusive right to exploit an invention commercially, granted for a limited term in return for public disclosure of the invention

PLANT BREEDER'S RIGHTS

Plant breeder's rights are used to protect new varieties of plants by giving exclusive commercial rights to market a new variety or its associated reproductive material.

PRIORITY DATE

A priority date is a concept in IP law whereby the first to take a particular action is entitled to a right that excludes others who may have innovated later. For example, in most countries, if two people apply independently for a patent on the same invention, the earlier application has priority and so can prevent the second succeeding. Also public disclosures made before the priority date are relevant for determining whether an invention is new and inventive for patents and new and distinctive designs.

TRADE MARK

A trade mark is a sign used commercially to distinguish goods and services of one trader from those of another. It can be logos, words, letters, numbers, colours, a phrase, sound, scent, shape, picture, aspect of packaging or any combination of these. A registered trade mark gives the owner the exclusive right to use, license or sell it within Australia (and any other country in which it is registered) for the goods and services for which it is registered.

TRADE SECRET

A trade secret is information known to a trader and kept out of the public domain for business advantage. The law protects against damage done to a business through unauthorised disclosure of trade secrets, but not against independent discovery of the trade secret.





A Victorian
Government
initiative



In partnership with



ipaaustralia.gov.au

January 2012

P

TM

D

PBR