

## The Great Divide - Copyright & Design Rights in India

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This article seeks to deal with the issues arising out of the overlapping areas of protected subject matter under copyright and design rights in India and how the legislative and judicial framework in India has addressed these issues.

The Berne Convention which is today the most important international copyright convention defines copyright protection to cover diverse forms of creativity such as books, pamphlets and writings, lectures, addresses, sermons and other works of the same nature, dramatic or dramatico- musical work, cinematographic work, works of drawing, paintings, architecture, engraving and lithography, works of applied art etc. Even though the subject matter of copyright protection under the Convention is wide ranging, there is an inherent recognition in the Convention of the conceptual divide between artistic works and designs. Article 2(7) of the Convention states that:

“It shall be a matter for legislation in the countries of the Union to determine the extent of the application of their laws to works of applied art and industrial designs and models, as well as the conditions under which such works, designs and models shall be protected. Works protected in the country of origin solely as designs and models shall be entitled in another country of the Union only to such special protection as is granted in that country to designs and models; however, if no such special protection is granted in that country, such works shall be protected as artistic works”.

Generally, the term of protection granted by the Convention is the life of the author and 50 years after his death. However, with regard to works of applied art, the Convention provides for a shorter term of protection, i.e. 25 years from the making of such a work.

It is generally recognized that the fundamental distinction between a design and a simple artistic work lies in the applicability of the former to another article; an artistic work is bought purely and simply for its artistic properties, an article to which a design has been applied is bought not simply because of the artistic qualities of the design but because of the utility of the article apart from the design. Worldwide, efforts have been made both to prevent double or overlapping protection and to ensure strict time limits to the monopoly period granted. Unlike copyright protection, design protection is a statutory monopoly based on registration under design legislation. Viewed in this light, it is based on

the same premise as that underlying patents, another form of statutory monopoly.

In India, the Copyright Act, 1957 defines “artistic works” to include two dimensional works such as drawing, painting, photograph and engravings and three dimensional works such as sculpture, models and works of artistic craftsmanship. Under the Act, a copyright owner has wide ranging powers and privileges including the basic rights to reproduce their works in any material forms including reproduction in different dimensions. The basic reproduction rights confers on the owner the potential power to control a wide range of industrial application of their works including -

- (i) the right to apply a two dimensional artistic work to some articles by way of ornamentation or patterns ( e.g. the use of a painting or drawing as ornamentation for wall paper);
- (ii) the right to apply or to authorize the application of features or shape or configuration derived from the works to an article (e.g. the shape of a vase or both).

The term of protection of artistic works under the Act is life of the author and 60 years after his death. There are no formalities required for protection. Any acts of copyright infringement are actionable by way of civil and criminal remedies including injunction, rendition of accounts and/or damages.

On the other hand, the Designs Act, 2000 ( which replaced the old Designs Act, 1911 and came into force in May, 2001) protects features of shape, configuration, pattern, ornament or composition of lines or colours applied to any article whether in two dimensional or three dimensional or in both forms, by any industrial process or means, whether manual, mechanical or chemical, separate, combined, which in the finished article appeal to and are judged solely by the eye; but does not include any mode or principle of construction or anything which is in substance a mere mechanical device, and does not include any trade mark ...or any artistic work as defined in clause (c ) of Section 2 of the Copyright Act, 1957.

Some of the important changes brought about by the Designs Act, 2000 included:

- the test of novelty under the new Act is world-wide ( under the old law, it was restricted to the territory of India only);

- the category of excluded subject matter in the definition of “design” has been expanded to include “artistic works”.

Unlike copyright protection, designs protection is a statutory monopoly based on registration and is limited to a term of 15 years. Since the subject matter of artistic copyright and design monopoly involves an overlapping subject matter of protection, the law in India ( as elsewhere in other parts of the world) has sought to create a mutually exclusive divide between artistic copyright and design.

Section 15 of the Copyright Act is a special provision regarding copyright in designs registered or capable of being registered. It reads as under:

1. Copyright shall not subsist under this Act in any design which is registered under the Designs Act, 1911.
2. Copyright in any design, which is capable or being registered under the Designs Act, 1911, but which has not been so registered, shall cease as soon as any article to which the design has been applied has been reproduced more than 50 times by an industrial process by the owner of the copyright, or, with his licence, by any other person.

Case law under the old Designs Act, 1911:

- (i) S.S. Sarna Inc. & Anr. Vs. Talwar & Khullar Pvt. Ltd., & Anr. (Suit No. 1481 of 1991 decided on August 8, 1991).

The Plaintiff in this case claimed to be the proprietor of certain copyrights registered under the laws of U.S.A., in the form of artistic metal sculptures such as fire boards, welcome wreaths, decorative hooks, wall hangings / small fire boards and planters. The defendants had been manufacturing these products in India on a job work basis for the Plaintiff. However, after the relations between the parties ended, the Defendants continued manufacturing these products. The Plaintiff sued the Defendants, complaining of copyright infringement based on its artistic copyright under U.S. law.

In defence, the Defendants raised a plea that the Plaintiff’s action was barred under the provisions of Section 15 of the Copyright Act in that the products in question were registerable as designs under the Designs Act, 1911 and since no registration under the said Act had been obtained by the Plaintiffs in India, the copyright therein ceased as soon as the articles (artistic metal sculptors ) to which

the design as applied had been reproduced more than 50 times by an industrial process by the owner of copyright or with his license by any other person.

Upholding the defence raised and dismissing the claim, the High Court of Delhi held:

“Having carefully considered the position, in the light of law discussed above, I find that it is not in dispute that the basis idea of such products produced by the Defendants appears to have emanated from the Plaintiff. It is also not in dispute that Defendants 4 to 8 had been working for the Plaintiff on job basis and producing the products with the aforesaid artistic design, as required by the Plaintiff. Copyright Act in general protects the artistic work, but the idea behind excluding certain designs from the protection under the Copyright Act, although otherwise the same design might have been so entitled to protection, appears to be to avoid any hindrance being caused to the manufacture and sale of industrial article which in the absence of a provision similar to Section 15 could not be achieved. The intention of the legislature appears to be very clear that wherever any artistic work has to be in a commercial exploitation by the owner of the copyright, the same should be excluded from the protection under the Copyright Act and should be provided protection under the Designs Act, 1911 only provided the said design is registered under the Design Act..”

(ii) Samsonite Corporation Vs. Vijay Sales and Anr. (FSR (2000) 463) decided on May 30, 1998.

This case related to a new range of suitcases introduced by the Plaintiff as an improved version of its earlier System 4 range, which was identified as System 4 DLX. Though the Plaintiff had obtained design registrations in respect of its other products, it did not obtain any design protection for its System 4 DLX range. The Defendants introduced a range of suitcases called Odyssey GLX. The Plaintiff objected to the Defendants' suitcase on the ground that it was a look alike copy of its System 4 DLX. Claiming copyright in drawings relating to its System 4 range, the Plaintiff complained of copyright infringement on the premise that the Defendants' suitcase range was an unauthorized three dimensional reproduction of the Plaintiff's artistic copyright in the drawings in question.

In defence, the Defendants asserted that the Plaintiff's drawings were “designs” and that as they had not been registered; they were not the subject matter of copyright protection.

Accepting the defence and declining interlocutory relief to the Plaintiff, the High Court of Delhi held:

“The main thrust of the argument of learned senior counsel of the Plaintiffs was that the suitcases manufactured by the Plaintiffs would easily attract any person because it has got a powerful and attractive shape which would immediately attract the eye. Learned senior counsel submitted that people traveling by air, rail and other modes of transport would look at the shape of the box and then would make enquiries as to who had manufactured it and that they would like to buy one. Therefore, the whole purpose of the manufacture was to attract the eyes of customers. Therefore, it would follow from the argument on behalf of the Plaintiffs that it is clearly a design coming within the meaning of the definition of design, under the Designs Act, 1911, and coming within the meaning of Section 15 of the Copyright Act, 1957. Consequently, the Plaintiffs cannot claim any copyright as the same had not been registered. The fact that it is being manufactured industrially is not in dispute. Prima facie, I accept the submission on behalf of learned counsel for the defendants that inasmuch as the plaintiffs had not registered the designs the plaintiffs cannot claim any protection under the Copyright Act, 1957 with reference to the drawings.”

From the above representative case law, it is evident that the law as it existed in India prior to the new Designs Act of 2000 envisaged a mutually exclusive divide between artistic copy right and designs.

Case Law under the Designs Act, 2000:

As pointed out above, the new Designs Act of 2000 replaced the old Designs Act of 1911 and came into force in May, 2001. One of the changes brought about in the new Act related to the exclusion of “artistic work” as an additional category of excluded subject matter from designs. The rationale and legislative intent underlying the exclusion came up for consideration before the High Court of Delhi in an interesting set of facts in *Microfibres Inc. vs. Girdhar & Co., & Anr.* (decided on January 13, 2006).

The Plaintiff was stated to be engaged worldwide in the business of manufacturing, marketing, selling and exporting of upholstery fabrics directly or through its subsidiaries and affiliates. It claimed that on all its upholstery fabrics are printed unique and original artistic works conceptualized and drawn by and on behalf of the Plaintiff. The Plaintiff claimed that its artistic works enjoyed copyright protection in India as a consequence of the Berne and the Universal Copyright Conventions (India and the U.S. being members of the Conventions).

The upholstery fabrics manufactured and sold by the Defendants were stated to bear artistic works which were identical or colourable imitations of the Plaintiff's artistic works and thus constituted infringement of its copyright therein.

In defence, the Defendants submitted:

- (i) the Plaintiff's artistic works were actually designs relating to textile products which were aesthetic, ornamental and visual in nature and thus came within the scope of the Designs Act, 2000;
- (ii) the Plaintiff had failed to register these designs under the Designs Act, 2000 or under its predecessor Act and, therefore, could not claim protection under the Copyright Act;
- (iii) the Plaintiff was itself conscious of the fact that registration was required under the Designs Act since it had registered some of its upholstery designs in the U.K. under the local Designs Act;
- (iv) the certificates relied upon and issued by the United States Copyright Office referred to the subject work as fabric designs and not artistic works;
- (v) the Indian Patent and Design Office confirmed in writing that the subject works were registerable and being registered under the Designs Act, 2000.

In rejoinder, the Plaintiff pointed out that the definition of "design" under the new Designs Act, 2000 specifically excluded artistic works and thus did not apply to its artistic works within the meaning of the Copyright Act, 1957. In other words, the Plaintiff argued that its upholstery fabric designs could not have been registered under the Designs Act, 2000 by virtue of the exclusion of artistic works and thus entitled to copyright protection under the Copyright Act. Consequently, it was stated that the defence under Section 15 of the Copyright Act did not apply.

On its part, the Defendants submitted:

- (i) that the interpretation advanced by the Plaintiff would have the effect of rendering the law of designs redundant for the simple reason that each design registered thereunder would be able to trace its origin to a diagram, chart, drawing and thus cease to be governed by the Designs Act;

- (ii) this could not have been the legislative intent because the law of designs is based on the same principle as that applicable to other monopolies and to fuel industrial innovativeness by granting limited time limit to the monopolies and allow others to make use of them after they have passed into the public domain;
- (iii) the plea of the Plaintiff, if accepted, would be anti competitive and would throttle and stagnate the industry;
- (iv) that the legislative intent behind the repealed Designs Act, 1911 and that under the Designs Act, 2000 remained the same and the exclusion of "artistic works" in the new definition was only clarificatory and intended to exclude artistic works pure and simple such as paintings, sculptures and works of art;
- (v) the statement of objects and reasons of the Designs Bill, 1999 provided that the intent was to ensure that the law does not unnecessarily extend protection beyond what is necessary to create the required incentives for design activities while removing impediments to the very use of available designs;
- (vi) the proceedings from the Parliamentary debate also showed that the Act was being amended to provide help and protecting the rights of designers;
- (vii) the hand book issued by the Design Office for information to the public also specifically stated;

"What can be registered as a Design?"

- To qualify for registration as a design, an article should relate to the ornamental or new shape, surface pattern, lines or colour with aesthetic look (designs or industrial plans, layouts or installation are not registerable).
- It should be applicable to any product reproducible by industrial means (Paintings / Sculptures and 'works of art' excluded).

Finding merit in the defence raised by the Defendants, the High Court of Delhi dismissed the Plaintiff's suit for injunction, holding:

“in order for the work of the Plaintiff to qualify as an “artistic works”, it must fall within the definition of sub section (c ) of Section 2 of the Copyright Act. A reading of the said provisions would show that attempt of the Plaintiff can only be to bring it within the concept of “painting.” The comparison with the paintings of M.F. Hussain would be otiose as the work in question, in the present case, is not a piece of art in the form of a painting. There is no doubt that labour has been put and there is some innovativeness applied to put a particular configuration in place. Such configuration is of the motifs and designs which by themselves would not be original. The originality is being claimed on the basis of the arrangements made. What cannot be lost sight of is the very object with which such arrangements or works had been made. The object is to put them to industrial use. An industrial process has to be done to apply the work or configuration to the textile. It is not something which has to be framed and put on the wall or would have any utility by itself. The two important aspects are the object with which it is made (which is industrial ) and its inability to stand by itself as a piece of art. In fact, it has no independent existence of itself.

In India, we have special legislation governing the protection of different nature of rights. Insofar as the industrial designs are concerned, the protection is provided under the Designs Act, 2000.....An important and relevant aspect is that both under the old Act and the new Act, fabric designs on textile goods have been classified as proper subject matter of design protection by inclusion as a specific class in the Rules framed under the Acts...

Furthermore, the legislative intent is also to be kept in mind which is to provide protection for a certain period of time for commercial exploitation. Thus, nature of protection is quite different for an artistic work under the Copyright Act which is for the life time of the author / creator + 60 years. This is not so in the case of commercial exploitation as under the Designs Act and the Patent Act, the period is much lesser. In the present case, the configuration was made only with the object of putting it to industrial /commercial use.”

In view of the above findings, the High Court of Delhi dismissed the suit.

Comments:

The Microfibres judgment does clarify that the intent and purpose of design protection is different in substance and form from that of copyright protection. While the judgment states that the exclusion of “artistic works” from the

definition of design is meant to exclude paintings, sculptures and other works of art, there are still other categories of artistic works under the Copyright Act which are neither artistic works pure and simple nor design registerable. These artistic works comprise industrial drawings for functional products. As industrial drawings, these qualify as artistic works. These are not the proper subject matter of design protection because the corresponding products may be functional and lacking in aesthetic eye appealing features. It would seem inequitable that a design registerable product which does involve certain creativity has no protection in the absence of registration while a functional product with a corresponding industrial drawing is entitled to artistic copyright with its rights and privileges even without the benefit of registration.

While other jurisdictions such as the U.K. have witnessed much legislative activity to address the inequities of artistic copyright in functional products, this is one area under Indian law which would need legislative and judicial intervention at some stage.

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