

**Undesirable in Theory, Absurd in Practice—the Protection
of Industrial Designs in England and New Zealand***

by

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* Joint winner of the Law Review Prize for 1975.

“As soon as you find such suspicious features in any machine form—as . . . the constant restyling of the less essential parts of a motor car—you know that the canons of conspicuous waste, clear to the businessman and the newly rich, have gotten the better of the canons of economy and function; and that somebody is picking your pocket of money you might use for better purposes, under the pretext that he is furnishing you with art. The current name for that particular perversion is industrial design.”

—Lewis Mumford
“Art and Technics,”
(New York, 1952) 75.

GENERAL

The present paper has two aims. It seeks first to present an analysis of the present law relating to designs in England and New Zealand. The conclusion is drawn that the law at present favours commercial interests, and discourages creative design, while the protection and encouragement accorded to the individual of genuine artistic intent is exiguous, precarious and often capricious.

The paper then turns to consider how, and to what extent, in the present state of society, the law should balance these conflicting interests, on the assumption that no particular view of aesthetics is preferable to another, but that change, evolvment and a constant seeking for unattainable perfection are essential ingredients of any

concept of "good" design. Proposals for legislative change are finally presented. They are framed to stimulate creative design by removing the opportunities the law offers to the commercial sector for the creation of turgid, static monopolies, and by strengthening the protection available to the individual of genuine artistic intent. The use of the term "intent" in deliberate preference to the term "merit" reflects the basic theme of the paper: that the law has no place in the realm of aesthetics.

I. THE LEGISLATION

The creators of industrial designs, their licensees and assignees, are able to prevent unauthorised use of their designs, and to gain compensation from unauthorised users, under two statutes in New Zealand. The first of these is, as one might expect, the Designs Act of 1953, an almost exact reproduction (although, presumably, questions of copyright do not arise in this area by gentlemen's or governments' agreement) of the Registered Designs Act 1949, a United Kingdom statute. The latter title is in fact more appropriate in that it indicates the vital fact that protection does not arise without registration of a design. Exactly what this protection is, one finds in ss. 5, 11 and 12. Section 11 creates what may be termed a "design copyright" giving the owner of the design the sole right to:

Make or import for sale or for use for the purposes of any trade or business, or to sell, hire or offer for sale or hire any article in respect of which the design is registered, being an article to which the registered design or a design not substantially different from the registered design has been applied.

Registration, and protection, is of a design as applied to a specified article or articles, not of the design itself. The act offers no protection to the artist who wishes to register his design to prevent an unscrupulous manufacturer using it on his products—his remedy lies under the Copyright Act, if at all. In practice only the manufacturer is protected, and given the right to prevent others from using a design of which he has probably become the registered proprietor "for good consideration" under s. 5. The rationale of the Designs Act is not, therefore, the so-called "moral right" of the author to control the use made of his work; rather, it is the dubious right of the manufacturer to be protected from competition.

Section 12 provides that the design copyright shall subsist for an initial period of five years, extendable to fifteen years as a matter of right provided application is made within the prescribed time.

Registration is by no means indiscriminate. To qualify for registration a design must, under s. 5, be "new or original" and must

also conform to the definition of a design under s. 2, requirements which will be considered in some detail.¹

The second statute under which industrial designs are protected is the Copyright Act 1962. A design is usually in the form of a diagram, or drawing, on paper. Section 2 of the Act makes it clear that both drawings and diagrams, "irrespective of artistic quality" are included within the definition of an artistic work, and therefore qualify, without the need for registration or any other formal act by the owner or maker of the work, for copyright, the term of which is, by virtue of s. 8 normally the life of the author plus fifty years.

The acts restricted by the copyright in an artistic work are set out in s. 7(4). The most important of these are:

- (a) Reproducing the work in any material form.
- (b) Publishing the work.

It should be noted that, if the plaintiff is to succeed under the Copyright Act, he must always (though usually by inference) prove copying. Theoretically, it is possible for a defendant to produce an exact replica of the plaintiff's work yet still not infringe his copyright if he can prove lack of access to and knowledge of the plaintiff's work. Such is not the case under the Designs Act, where the monopoly given to the proprietor of the registered design is absolute—he need not prove copying, and it will not avail a defendant in the least to prove lack of knowledge or access.

The main problem with copyright protection of industrial designs is that competing commercial enterprises, for whom the problem inevitably arises² never reproduce copies of one another's blueprints or designs, only copies of the articles to which they have been applied. The provisions of the Copyright Act offer two means of circumventing this problem. The first is s. 20(8), which provides basically that if the article produced by the defendants looks like a copy of the design produced by the plaintiffs, infringement has occurred. The second arises from the fact that the definition of an artistic work in s. 2 includes: "Works of artistic craftsmanship."

A plaintiff may also try to establish that the article to which he has applied his design is a work of artistic craftsmanship and that the article made by the defendants infringes his copyright in it. Both techniques will be considered in detail³ at a later stage. For the present it suffices to say that, though the usual rationale of copyright legislation is the moral right of the author to control the use of the product of his artistic faculty, and the consequent encouragement of

¹ *Post*, pp. 5-8, et seq.

² E.g., *Antocksclairn Ltd v. I. Bloohn Ltd* [1972] R.P.C. 219, *Margot Burke Ltd v. Spicers Dress Designs* [1936] Ch. 400 and *post*.

³ *Post*, pp. 14-17, et seq.

the production of works of artistic merit, the Copyright Act, like the Designs Act, offers ample opportunity to manufacturers wishing to gain a monopoly and eliminate competition.

This similarity between the two acts suggests a problem which does indeed exist: that of dual protection.⁴ The problem is neither new, nor confined to New Zealand. Under the old New Zealand Copyright Act 1913, s. 30(1) provided that the Act should not apply to designs capable of being registered under the designs legislation unless the designs were not used or intended to be used as patterns or models to be multiplied by any industrial process.

An English decision⁵ on a corresponding provision rendered this section well-nigh nugatory since it was held that, despite the way it was phrased, the English equivalent of s. 30(1) was not ambulatory. That is, the section applied only if the artist intended at the time of creating his artistic work to create a pattern or model to be multiplied by an industrial process. Actual use of the work as an industrial design was not evidence of such intention. Since copyright has always been presumed to subsist in the work in respect of which infringement was alleged, it was up to the defendant to disprove artistic intention, a task difficult at best and rendered impossible by the influence of the provision stating that artistic works need have no artistic merit to qualify for copyright protection.

After the "Popeye" case, therefore, the situation was, both in England and New Zealand, that all designs were effectively protected under the Copyright Act. Registration under the Designs Act, for these designs which qualified, was desirable only from the point of view of the less cumbersome procedure required in gaining a remedy. When the Dalglish committee⁶ reported on copyright in New Zealand in 1959, the pragmatic decision was made to accept the inevitability of dual protection, and simply neglect to re-enact s. 30(1) or any provision similar to it.⁷ In this country every design registrable under the Designs Act and every design that is not attracts the protection of the Copyright Act.

In England the position is different. Section 10 of the 1956 Copyright Act, as amended by the Design Copyright Act 1968 accepts that industrial application of a design does not affect the rights in the

⁴ For a very full discussion of this topic see J. C. Lahore, "Industrial Designs and the Copyright Act 1968—The Problems of Dual Protection" [1969] 43 A.L.J. 139.

⁵ *King Features Syndicate v. O. and M. Kleeman Ltd* [1941] A.C. 417 (the "Popeye" case).

⁶ Dalglish Copyright Committee Report, App. J.H.R. 1959, H. 46, 113-118.

⁷ It should, however, be noted that s. 9 of the First Schedule of the Copyright Act 1962 effectively preserves s. 30(1) of the earlier Act for designs made before 1962. The provision is of course devoid of any practical effect, but does foster one's sense of a certain neatness in the law.

design under the Copyright Act, but attempts to limit these rights to the Registered Designs Act term of 15 years. The effect of the section is, quite simply, to make design registration less attractive since it means that the copyright is automatically extinguished after fifteen years. If the present legislation remains unchanged until 1983, it will afford a sardonic interest to observe the number of manufacturers who seek to prove that what appear to the layman to be designs are in fact "artistic works" despite their industrial application, and as such entitled to copyright protection for the life of the "artist" plus fifty years.⁸

Theoretical anomalies, it can be argued, are unimportant if a piece of legislation works well in practice. The proof of the pudding is in the eating, not in the recipe from which it is made. The legislation relating to industrial designs can, therefore, be judged only by its practical effect, both in the narrow context of whether it in fact achieves what it purports to, and in the wider context of whether what it aims to achieve is in fact a desirable social goal. As a preface to the discussion, it suffices to say that the Designs Act is a shy maiden who protects very few designs, the Copyright Act a whore who accommodates them all indiscriminately.

A case will be made for the enactment of new legislation with the character of a lady prudent but not prudish who bestows her favours not illiberally but always with taste and discrimination.

II. THE DESIGNS ACT IN OPERATION

Design registration is most often refused in England and New Zealand for one of two reasons. The first of these is that the design is not "new or original", as is required under s. 5. The classic statement of the meaning of this requirement is the case of *Dover Ltd v. Nurnberger Celluloidwaren Fabrik*⁹ where Kennedy L. J. said that the term "new" refers to a design applied for the first time to the article in question, the term "original" to a design created by no previous designer for any purpose. Buckley L. J., however, transposed the position of "new" and "original" in Kennedy L. J.'s definition. Both then proceeded to deny registration to a design which, they found, had often been applied to other articles, but never before to the article in question, and which therefore seemed to conform to their definition. What is certain despite this confusion is that the "new or original" test of the Design Act is more stringent than the "original" test of the Copyright Act, in that it seems to involve at

⁸ A similar situation has in fact already arisen under the unamended s. 10. See *Dorling v. Honnor* [1964] R.P.C. 160 and *post*.

⁹ [1910] 2 Ch. 25.

least a spark of inspiration on the part of the designer, either in creating an entirely new design or in hitting upon a new use for an old one. The essence of the copyright test, as formulated by Peterson J. in *University of London Press v. University of Tutorial Press*¹⁰ is simply that the work originates from the author. Even a plaintiff who has copied someone else's work may be entitled to copyright if, in the judgment of the court, he has done "sufficient independent labour to justify copyright protection".¹¹

There thus arises the possibility that an industrial design not new or original enough to be registered under the Designs Act, may nevertheless attract, without registration or any other formal act on the part of the owner of the design, copyright protection for a far longer term. Why, it may be asked, should a designer bother to work to create a "new or original" design when his re-working of the old standards will, providing he spends enough time doing it, entitle him to the greater protection of the Copyright Act and why should his employer, the manufacturer encourage him to do otherwise? Mediocrity of design does not quite become a virtue under these provisions, but it is certainly no vice.

The second common reason for the refusal of design registration is that the work offered does not conform to the definition of a design in s. 2 of the Designs Act, which reads:

Design means features of shape, configuration, pattern or ornament applied to an article by an industrial process or means, being features which in the finished article appeal to and are judged solely by the eye; but does not include a method or principle of construction or features of shape or configuration which are dictated solely by the function which the article to be made in that shape or configuration has to perform.

This section gives a meaning to the word "design" quite different from the meaning it is given in the speech even of such people as architects who are intimately concerned with what the layman calls "design". The Act does not protect purely functional designs, but only those which give an aesthetic appeal to the finished article quite distinct from its function. If, for example, the legislature was to lay down certain safety standards for cars, the design of a car meeting all these requirements would probably not be registrable, since it would be dictated solely by the function the car had to perform. A design not conforming to these regulations, however, and incorporating such actively unsafe features as protruding door handles, ornate bumpers and inadequate headlights would, however, be registrable—these features are not dictated by function but judged solely by the eye.

¹⁰ [1916] 2 Ch. 601.

¹¹ *Martin v. Polyplas Manufacturers Ltd* [1969] N.Z.L.R. 1046, 1050, per Wild C. J.

The absurdity of this definition is not merely potential. In *Dorling v. Honnor*¹² the case turned on whether the design for a boat was registrable under the Designs Act. Danckwerts L. J. expressly found that the design was "new" and it seems in fact to have included features making it particularly stable and therefore safe for children to sail unaided. It was held, however, that the design was dictated by purely functional features. What was a virtue from almost every conceivable point of view (uncluttered stability and safety is surely the *summum bonum* for boat design) was turned into a vice by the Designs Act;¹³ the design was held to be unregistrable.

The most recent case in which the definition of "design" has been interpreted is that of *Amp Inc v. Utilux Pty Ltd.*¹⁴ The interpretation sanctified by the House of Lords in that case is absurd in its strictness, as the following passage from the leading judgment of Lord Reid demonstrates:

And the words "judged solely by the eye" must be intended to exclude cases where a customer might choose an article of that shape not because of its appearance but because he thought that the shape made it more useful to him.

As his judgment shows, Lord Reid had ample opportunity to accept a less restrictive interpretation of the definition in s. 2. He failed to do so. His judgement, and the decision of the House of Lords, denies the protection of the Registered Designs Act to much that is normally thought of as "good" design, and indeed extends it to what is by most standards "bad" design: the effect of the last paragraph of his judgment is that the designer who, while thinking only of practical efficiency, somehow bungles and manages by accident to incorporate a feature appealing solely to the eye in his design, can register his design, while his more competent colleague, innocent of such errors, cannot.

In practice the Designs Act, therefore, has two major effects. In itself it protects only one type of design—the ornamental—and therefore tends to promote a particular aesthetic which, at the present time, is subject to much criticism.¹⁵

Probably the law should be neutral on the subject of aesthetics, but it certainly should not encourage the particular approach to them which meets with the least public favour. Further, the stringent novelty or originality requirement for design registration, the shorter

¹² [1964] R.P.C. 160; [1965] Ch. 1.

¹³ The paradox of *Dorling v. Honnor* is that the plaintiff and creator of the design had neglected to register it. It was he, therefore, who was attempting to prove it unregistrable under the unamended s. 10 of the English Copyright Act so as to gain copyright protection.

¹⁴ [1972] R.P.C. 103.

¹⁵ *Post*, pp. 17-19, et seq.

period of protection, and the lack of a bar to dual protection all tend to make attractive the easy virtue of the Copyright Act, which is willing and eager to enfold in its ample embrace works totally devoid of the kind of artistic intention copyright seems to the layman to imply. It is to this Act we must now turn.

III. THE COPYRIGHT ACT IN OPERATION

A. *Intellectual contortions and s. 20(8)*

An excellent example of the way in which the Copyright Act protects what would normally be thought the subject matter of the Designs Act is the case of *Merchant Adventurers v. M. Grew*¹⁶ in which the plaintiffs claimed that their copyright in certain drawings for electric light fittings had been infringed by the defendants' importation of similar, and copied, light fittings. The main question in these interlocutory proceedings was therefore whether a man of reasonable and average intelligence would be likely to think the light fittings of the defendants to be reproductions in three dimensions of the drawings of the plaintiffs under the English equivalent of s. 20(8). Graham J. held that he would be likely so to think and granted an injunction against the defendants.

Graham J. described s. 20(8) as an "extraordinary provision". He is not alone in having expressed that opinion¹⁷ and it does not seem a misguided one. The section has two particularly silly effects. First of all, it forces judges whose experience has often (in England at least) given them some familiarity with the questions at issue, to disregard all that experience. The following statement of the judge in *I.M.I. Developments v. F. C. Harrison Ltd*¹⁸ expresses neatly what the section requires:

Having regard to the nature and types of matters I have in my office to consider, I am not unfamiliar with drawings and the relationship which they may bear to three-dimensional objects; but setting aside all such experiences as I may have in this particular regard, I am satisfied that at least the body of the tap should be held to be an infringement.

Even when a totally non-expert opinion is offered in evidence, a judge has on at least one occasion preferred to reject it in favour of his own determinedly non-expert expertise.¹⁹

Second, the non-expert standard encourages the plaintiff to lay before the court the crudest, most rudimentary drawings he can lay

¹⁶ [1972] 1 Ch. 242.

¹⁷ See, for example, the reactions of Danckwerts L. J. in *Dorling v. Honnor* [1965] Ch. 1, and of Chilwell J. in *P. S. Johnson & Associates Ltd v. Bucko Enterprises Ltd* [1975] 1 N.Z.L.R. 311.

¹⁸ [1970] R.P.C. 299.

¹⁹ See *Le Rose Ltd v. Hawick Jersey International Ltd* [1973] C.M.L.R. 83, 94, per Whitford J.

his hands on, the rationale being that a layman is likely to think that complex engineering drawings resemble nothing so much as an ink-soaked spiders peregrinations. That copyright protection, with its right to exclude rivals from a particular market, should be offered to a manufacturer on the basis of a few rough sketches such as were submitted in the *Merchant Adventurers*²⁰ case, seems opens to grave doubts.

Moreover, it is arguable that s. 20(8) is undesirable since it tends to blur the basic distinction between idea and expression on which copyright law firmly rests. Cases such as *Kenrick v. Lawrence*²¹ establish that copyright protection does not apply to ideas but only to the manner in which a writer or artist expresses them in his work. The law of patents (of which the law regarding designs is a branch) protects, but only for limited times, ideas which conform to stringent standards of novelty and originality. A design, it may be postulated, is an "idea" which receives its expression by application to an article. If it protects anything from copying, therefore, the copyright law should protect the article made by the application of the design idea to physical materials. In fact, it protects the design itself by means of s. 20(8) which, on this analysis is nothing more nor less than an agent for subverting the basic premise of copyright law. If ideas are, in effect, protected in one area of copyright law, it is not impossible to imagine that the cancer will spread, and that a court will eventually be led to hold that a particular writer has a monopoly on a particular idea. The consequences of such a holding are horrifying Apocalyptic such imaginings may seem, but it was the spectre of just such a rein on free expression and free political choice which caused Wills J. to formulate, in *Kenrick v. Lawrence*²² the idea/expression dichotomy in the strong terms in which it has gained approval ever since.

B. *The New Zealand Position—A Case Study*

Discussion of the protection of industrial designs as drawings with the help of s. 20(8) has so far involved only English cases, for the simple reason that there is so little New Zealand authority on the point. The one relevant case²³ does, however, provide a classic illustration of the way the law works in this area.

The *Johnson* case was brought under the Copyright Act because the plaintiff had not registered his design under the Designs Act. It is in fact unlikely that he could have registered had he attempted

²⁰ [1972] 1 Ch. 242.

²¹ (1890) 25 Q.B.D. 99; see also *Cuisenaire v. Reed* [1963] V.R. 719.

²² (1890) 25 Q.B.D. 99.

²³ *P. S. Johnson and Associates Ltd v. Bucko Enterprises Ltd and Others* [1975] 1 N.Z.L.R. 311.

to do so, since form and function were almost one in the design and its novelty and originality were dubious, to say the least. The plaintiff company sued on the basis that its artistic copyright in certain engineering drawings, or blueprints, of a lavatory pan connector was infringed by the production of lavatory pan connectors by the defendant. It therefore relied on the non-expert eye of Chilwell J. to find that the defendant's connector appeared to be a reproduction in three dimensions of his drawing. Its reliance was not misplaced and it won the case, to the delight of one Sunday newspaper,²⁴ which chortled at the fact that the law in its majesty deemed such drawings to be as much artistic works as drawings of Picasso. Such a reaction, naive oversimplification that it is, nevertheless emphasises that the protection of industrial designs has taken the copyright law a long way from what is usually, by the layman, considered its justification—the protection of the rights of authors and artists in their more or less creative work. Extension of a doctrine by analogy is, of course, one of the characteristics of the common law system and should probably be supported rather than opposed in itself. It can be and is argued, however, that such extension is bad if it results in a dilution and consequent weakening of the principles on which the doctrine is based. In our society, property is power. The Copyright Act exists to confer property rights and consequent economic power on people who meet certain requirements, such as that of creating an original work. If it begins to confer the rights on people who do not meet the requirements, the law begins to change the pattern of property distribution and thus to distort society as a whole. Certainly law is a valid instrument of social change, but it is equally certain that society should be aware and should approve of the implications of that change.

Copyright protection for industrial designs arguably weakens at least three of the fundamental principles of copyright law. It therefore creates a less stringent standard for the acquisition of property rights. As the recently enacted superannuation measures demonstrate, New Zealand at present has a government whose tendency is to encourage the development of the public sector of the economy. It is highly questionable whether the law, through the autonomous judges, should, as a matter of social policy, be encouraging a movement in the opposite direction. An analysis of the *Johnson* case will suggest that Chilwell J. could have refused such encouragement by not accepting the dilution of principle offered by the English cases, which, after all, were not binding but only highly persuasive authority for him. It is emphasised, however, that no criticism of Chilwell J. or of his holding

²⁴ *Sunday News*, 21 July, 1974.

which is amply supported by authority,²⁵ is intended or to be implied.

The first, and least important, area in which design protection has weakened copyright principles involves s. 9(3) of the New Zealand Act. The case for the plaintiff proceeded on the basis that the artistic work in which copyright was alleged to subsist was the "product drawing" produced for it by Reid New Zealand Limited as part of their commission to manufacture large numbers of the finished article. In order to succeed, the plaintiff had therefore to establish its ownership of the drawings, which he sought to do by claiming it had commissioned them under s. 9(3). Chilwell J. held that it had done so, rejecting two defense arguments, the one based on an implied contract theory, the other on the ordinary meaning of the word "commission". His reasoning in these holdings is, it is submitted, irreproachable. What he did not consider and what was possibly never argued, was the common element in the categories of works, s. 9(3) allows to be commissioned. Photographs, paintings, sculptures and engravings are all, it can be argued, complete in themselves, not mere stages in the manufacture of a separate finished article. By the so-called "ejusdem generis" rule of statutory interpretation the term "drawings" in s. 9(3) would include only drawings complete in themselves and only in such drawings would a commission automatically pass title. Mr Johnson would therefore have failed to establish title in the drawings and have lost his case. Such a holding would have reinforced the basic principle that copyright protection is primarily for the author or artist, and extended to people who give him good consideration for his work, but not to be gained as a result of the fortuitous production of engineering drawings during the manufacturing process.

The second area in which alternative findings may be postulated involves the question of originality. Chilwell J. states that the originality requirements of s. 7 is satisfied if the artistic work in question is the product of "original skill or labour in execution".²⁶ He states that original thought is not required. This supposed definition is at best an amplification, since the term "original" is itself never defined, yet Chilwell J. goes on to treat "originality" and "time, skill, judgment and labour" as impliedly equivalent. He cites as authority for this approach the judgment of Wild C. J. in *Martin v. Polyplas Manufacturers*,²⁷ a case in which the plaintiff succeeded in his action to restrain the defendant's copying of plastic engravings of cans which he had himself produced from a newspaper

²⁵ E.g., *Merchant Adventurers v. M. Crew* [1972] 1 Ch. 242 and other cases cited *ante*.

²⁶ [1975] 1 N.Z.L.R. 311, 315.

²⁷ [1969] N.Z.L.R. 1046.

photograph of the designs. According to Wild C. J., the originality lay in the plaintiff's labour and skill in changing the medium, in transposing the image from a two to a three-dimensional form. Skill and labour, in his opinion, would not be enough if there was no change in the medium, since it is this change which constitutes the originality, that which "originates from the author".²⁸

In the *Johnson* case, Chilwell J. found as a fact²⁹ that the blueprint in which it was sought to establish copyright was a reworking of Mr Johnson's original rough sketch. There was, therefore, no change of medium and, on the basis of the authority Chilwell J. purported to follow, no sufficient originality within the Act. A decision along such lines would hardly have established a stringent originality requirement but would at least have preserved the notion, central to copyright, of originality as a quality either present or absent, rather than as a quantity, the product of mindless industry.³⁰

Finally, doubt must be expressed as to Chilwell J.'s response to a defence argument that, since the Copyright Act is concerned not with protecting ideas in themselves but only the expression of those ideas, and since the lavatory pan connector could not have been made in any shape but the conical one, affording copyright protection to the drawing would be tantamount to protecting an idea.³¹ The argument would possibly have been better put in more general terms but, even as it is, Chilwell J. makes no real response to it. His holding on the question really comes down to the oft-repeated saw of Peterson J. in the *University of London Press*³² case that:

What is worth copying is prima facie worth protecting

and rests heavily on the "substantial amount of time, skill, judgment and labour which went into the product drawing".³³

He therefore fails to distinguish between the originality problem, to which such concepts are relevant, and the idea/expression dichotomy, to which they are not.

In support of his argument, defence counsel cited an old case where Wills J. stated that:

The mere choice of subject can rarely, if ever, confer upon the author the exclusive right to represent the subject.³⁴

²⁸ *University of London Press v. University Tutorial Press* [1916] 2 Ch. 601, 603, per Peterson J.

²⁹ [1975] 1 N.Z.L.R. 311, 316.

³⁰ See, for example, Peterson J.'s example of Lord Byron's Poetic mastery as an impediment in *University of London Press* [1916] 2 Ch. 601.

³¹ This argument is a specific variant of the one already advanced, that a design is *always* an idea and that to protect any design must therefore be to dilute basic copyright principles.

³² [1916] 2 Ch. 601.

³³ [1975] 1 N.Z.L.R. 311, 321.

³⁴ *Kenrick v. Lawrence* (1890) 25 Q.B.D. 99, 101.

For his reading of the case, however, Chilwell J. relies on the reference to it in *Copinger and Skone James on Copyright*,³⁵ which is misleading in that it implies in the final sentence that the Copyright Act will protect ideas if the drawing in which they are embodied is actually copied, which is obviously to be read in the usual sense of "substantial copying". What Wills J. actually said is far stricter:

In such a case it must surely be nothing short of an exact literal reproduction of the drawing that can constitute the infringement.³⁶

In the *Johnson* case, it could be argued, there was certainly no exact literal copying of the plaintiff's drawing and therefore, once it is accepted that it embodies an idea, no infringement.

Chilwell J., in short, fails to refute the argument of the defence on the idea/expression point. Had he considered *Kenrick v. Lawrence*³⁷ more fully, he might, in fact, have been led to the conclusion that a strict distinction between idea and expression is desirable on public policy grounds. The following words of Wills J. make interesting reading:

Although every drawing of whatever kind may be entitled to [protection] the degree and kind of protection given must vary greatly with the character of the drawing. . . . If a new article of commerce were introduced of extensive distribution and very simple and definite shape and proportions and a drawing of it were made for one firm [I cannot see why] all other persons should be precluded from making a drawing which, if it truthfully represented the same thing, must be exceedingly like the first drawing, nor, even though the draftsman of the second drawing might never have seen the original article or might have denied his knowledge of it from the first drawing.³⁸

This passage covers the situation in the *Johnson* case precisely, and would have constituted compelling authority for a holding by Chilwell J. that Mr Johnson's drawings embodied an idea which it was not the function of the Copyright Act to protect.

A decision for the defence on any one of the three aspects mentioned above would, it is submitted, have been salutary. It would have been beneficial to the whole of copyright law by affirming the fundamental principles on which that law rests—that copyright is primarily for the maker of a work himself, that his work must be original and that ideas are not protected; and would at least have been an intimation that valuable property rights are not lightly to be acquired. The decision fell the other way, however, and one may feel confident that New Zealand manufacturers will queue up to play their part in the charade to restrict competition under s. 20(8).

³⁵ (11th ed, 1971), para. 113.

³⁶ (1890) 25 Q.B.D. 99, 101.

³⁷ *Ibid.*

³⁸ *Ibid.*, 102.

C. "Artistic Craftsmanship"—a note of sanity

The second way in which a manufacturer can restrain its rivals from copying its merchandise under the Copyright Act makes use of the fact that the definition of "artistic work" in s. 2 of the Act includes "works of artistic craftsmanship". Unable to produce even the crudest set of working drawings to gain advantage of the s. 20(8) procedure, he asserts instead that his product is a work of "artistic craftsmanship" and the plaintiff's copy an infringement. Such was the position in *George Hensher Ltd v. Restawhile Upholstery*³⁹ with the refinement that, perhaps aware of the difficulty of seriously claiming that any craftsmanship was involved in the making of the modern furniture he produced, the plaintiff put forward the prototype of the range of chairs whose copying he wished to restrain as the work of artistic craftsmanship in which copyright was alleged to subsist.⁴⁰ This prototype had, unfortunately, been destroyed before suit, but photographs of it were produced in evidence.

At first instance⁴¹ Graham J. had accepted the plaintiff's argument, holding that the plaintiff's chairs and settees (the amendment of the statement of claim to seek copyright in the prototypes was a later development which took place at some stage of the appellate process) were works of artistic craftsmanship. He seems to have ignored the possible import of the concept of craftsmanship, in effect assuming its existence in the chairs, and to have taken the view that the word "artistic" in the term "artistic craftsmanship" was subject to the same exception, "irrespective of artistic quality" as when applied to "paintings, sculptures, drawings, engravings and photographs" in clause (a) of the "artistic work" definition in the Act. He said:

They have, whether one admire them or not, distinctive characteristics of shape, form and finish, which were conceived and executed so as to result in articles more than purely utilitarian.

It will be observed that such a conception of "artistic craftsmanship" is close to the separation between form and function whose apotheosis is the "design" definition in s. 2 of the Designs Act. In the Court of Appeal Russell L. J. states the similarity specifically, and condemns it. He then, inexplicably, goes on to deliver a judgment which confirms and reinforces all he has just criticised. His statement that:

In order to qualify as a work of artistic craftsmanship there must at least be expected in an object or work that its utilitarian or functional appeal should not be the primary inducement to its acquisition or retention,

³⁹ [1973] 3 All E.R. 414 (C.A.); [1974] 2 All E.R. 420 (H.L.).

⁴⁰ It should be noted that there is ample authority for the proposition that copying a copy of the work in which copyright subsists amounts to infringement. See *Lucas v. Williams and Sons* [1892] 2 Q.B.D. 113.

⁴¹ [1973] 1 All E.R. 160.

is more than anything Graham J. says, a wholesale importation of the dubious Designs Act aesthetic prejudices into copyright law. The reason for the different decisions is one of emphasis only. Graham J. had felt that some purely aesthetic element, however small, was necessary to attract copyright protection. Having found this modicum he accorded the protection. Russell L. J. and the Court of Appeal, on the other hand felt that this element had to be strong enough to be the primary inducement to acquisition of the furniture for copyright protection to subsist, and therefore granted the appeal.

On appeal to the House of Lords it was suddenly the prototypes, rather than the chairs themselves, which were the subject of argument. For some reason the respondent conceded that these prototypes were works of craftsmanship (the concession was queried by the Court) and argument was directed largely to the meaning of the term "artistic". The judgments show the members of the Court wrestling with the vexing question of aesthetics. Lord Reid, whose judgment in *Amp Inc v. Utilux*⁴² has proved him to be ill-at-ease in this area generally, delivers a judgment which appears to be largely based on the premise that the Courts are tolerant of the vulgar tastes of the common people, but only up to a certain point, which the furniture here is beyond. The most acceptable judgments are those of Lord Kilbrandon, who poses the timely and vital question whether the copyright law should be invoked at all to protect designs, and of Lord Simon, who considers the social background against which Parliament first decided to give copyright protection to works of artistic craftsmanship.

The phrase, he says, was first used in the 1911 Act in England, and constitutes legislative recognition of the influence of the Arts and Crafts movement and of its fundamental assertion that: "The whole antithesis between utility and beauty, between function and art, is a false one."⁴³

The phrase is intended to fuse the two concepts, and it is wrong to attempt to separate them by applying totally inappropriate Designs Act standards, as the Court of Appeal and Graham J. tried to do. The notion of craftsmanship, he continues:

At least presupposes special training, skill and knowledge for its production and . . . particularly when considered in its historical context, implies a manifestation of pride in sound workmanship—a rejection of the shoddy, the meretricious, the facile.⁴⁴

The "artistic" element is satisfied by nothing less than "an aim and impact which differ from those of the ordinary run of humankind".⁴⁵

⁴² [1972] R.P.C. 103.

⁴³ [1974] 2 All E.R. 436.

⁴⁴ *Ibid.*, 434.

⁴⁵ *Ibid.*, 437.

It is not satisfied by gimmickry, by flashy selling points. As Lord Simon says: "A gimmick is almost the negation of a work of art."⁴⁶

On applying this test, Lord Simon found that the allegedly artistic elements of the prototype in which copyright was claimed were little more than gimmickry; he accordingly, with the other judges, refused protection.

Lord Simon's judgment is noteworthy for its erudition, insight and clarity of expression: it is a pleasure to read. It is also vitally important in the whole vexing question of design protection, as a result of the interpretation Lord Simon puts on the word "artistic". In his view, this word is, in the phrase "artistic craftsmanship", subject to the same disclaimer "irrespective of artistic quality" as it receives in paragraph (a) of the "artistic work" definition in s. 2. The disclaimer, he considers, means that the Court is not to "attempt a personal aesthetic judgment".⁴⁷

The judges are to be scrupulously impartial on the question of aesthetics. He does not, however, consider that the effect of the disclaimer is to strip the word "artistic" of all meaning. While the extremely subjective merit of the work is irrelevant, the objective intention of its creator, as widely defined,⁴⁸ is all important. To paraphrase, his aim and impact must differ from those of the ordinary run of humankind. Establishing such aim and impact is of course an imprecise exercise at best,⁴⁹ but the requirement seems desirable in that it represents a return to one of the fundamental principles of copyright law, that it exists to enable the creative artist or writer to control the use of his work. In theoretical terms the change seems minimal, but its practical effect would be to deny a remedy in almost all of the cases where manufacturers have sought protection for their designs under the Copyright Act, by the s. 20(8) procedure. In such cases as *Johnson*,⁵⁰ *Merchant Adventurers v. M. Grew*,⁵¹ *Antocks Lairn v. I. Blochn Ltd*⁵² judges invariably assumed that the effect of the disclaimer was to make artistic purpose and intent irrelevant. Accordingly, any drawing, however rough or however technical was sufficient to attract copyright protection. Highwater mark of this current of decisions was probably the definition of drawings given by

⁴⁶ *Ibid.*, 435.

⁴⁷ *Ibid.*, 437.

⁴⁸ *Ibid.*, 437.

⁴⁹ It should be noted that the onus is on the party who seeks protection to establish such aim and impact, whereas, in the "*Popeye*" case, the onus was on an alleged copyright infringer to refute a similar kind of artistic intention—an almost impossible task, since only circumstantial evidence could be used.

⁵⁰ [1975] 1 N.Z.L.R. 311 and discussion, *ante*.

⁵¹ [1972] 1 Ch. 242.

⁵² [1972] R.P.C. 219.

Whitford J. in *Lerose Ltd v. Hawick Jersey International*:⁵³ "They are lines drawn on paper."

Lord Simon's decision that artistic merit is irrelevant but artistic intent vital stems and reverses this current. In denying property rights in their designs to manufacturers it also negates a major anti-competition device. From the viewpoint of the integrity of copyright law, both effects are admirable. Their desirability in broader social terms remains, however, to be considered.

IV. THE AESTHETIC QUESTION—THE LAW AS AN ARBITER OF GOOD TASTE

If the assumption is made that the law should concern itself with the protection of industrial designs, the immediate question for consideration is the requirements a design should have to meet before it is protected. The present Designs Act, as already explained, protects only those designs in which function and form are more or less unrelated: it therefore promotes a particular aesthetic theory perhaps best described as the decorative and arbitrarily denies protection to a very large number of designs. If we disregard Lord Simon's judgment in the *Restawhile*⁵⁴ case the Copyright Act, on the other hand, while promoting no particular aesthetic theory, affords indiscriminate protection to items whose claim to the name design is tenuous at best. The effect of Lord Simon's judgment is to maintain the aesthetic neutrality of the Copyright Act but to deny its protection to industrial designs by reason of the lack of artistic intent of their creators.

After *Restawhile*,⁵⁴ therefore, the would-be protectors of industrial designs are left with the Designs Act, whose aesthetic standards are completely contrary to the most generally accepted contemporary notions of what constitutes good design, and of its importance to the community at large. The 1971 "Report on Intellectual and Industrial Property" published by the Economic Council of Canada, is pertinent in this regard.

The report notes that:

Good industrial design is a prime contemporary medium of individual and collective artistic expression. It civilizes and improves the usual, tactile and other qualities of the environment in which people spend their lives.⁵⁵

It then continues:

To a degree, a taste for good industrial design can be taught by publicity and by various educational methods. . . . But the best way of all is for

⁵³ (1973) C.M.L.R. 83.

⁵⁴ [1974] 2 All E.R. 420.

⁵⁵ At 105.

the consumer actually to experience good design and to learn its virtues through use.⁵⁶

The report next goes on to define the essence of good design as "the concept of a union of artistic and industrial skills".⁵⁷

The Bauhaus movement, singled out in the Report, and the Arts and Crafts Movement, mentioned by Lord Simon, both had as their fundamental tenet just such a marriage of function and form, of beauty and utility, which is probably the prevailing modern notion of good design. Indeed, a major contemporary philosopher, Lewis Mumford, goes so far as to blame the dichotomy between the artistic and the technical, of which the decorative aesthetic of design is a facet, for much of twentieth century man's disorientation and "Weltschmerz". He notes with scorn that:

The so-called decorative art produced by the machine is as depersonalized as the functional object it decorates⁵⁸

and writes with approval of:

The happy result of producing an harmonious relation between the subjective and the objective life, between spontaneity and necessity, between fantasy and fact.⁵⁹

The Canadian report deplores the fact that such "good" design is excluded from protection by the law in Canada, as it is in New Zealand, and recommends a change in the design law to protect designs based on three criteria namely, that the design is:

- (a) Truly "new and innovative".
- (b) A meritorious marriage of both function and form likely to improve substantially "consumer welfare".
- (c) Embodied in an article intended for such industrial use or commercial distribution as would effectively separate it from copyright protection.⁶⁰

In addition, it recommends that no relief should be granted to the registered owner of a design unless he proves a detriment. At present, such detriment need be proved neither in Canada nor in New Zealand. The term of protection would be reduced to a single period of five years.

It cannot be doubted that the Canadian proposals are preferable to the law as it is at present, since they would at least remove most of the absurdities of the present legislation. Their flaw, however, is that, like the present Designs Act, they promote one particular aesthetic—in this case the functional, or utilitarian—at the expense

⁵⁶ *Ibid.*, 105.

⁵⁷ *Ibid.*, 106.

⁵⁸ Mumford, *op. cit.*, 62.

⁵⁹ *Ibid.*, 50.

⁶⁰ At 123.

of the others. While at present a taste for ducks flying across one's living room wall is considered unacceptable and hence "bad", it should be remembered that a substantial number of people have, and wish to indulge, such tastes for "decorative" art and design, and also that, from a purely philosophical point of view, nothing which gives pleasure can be "bad" in itself. Good taste is the most relative of concepts and one of the most ephemeral, liable to change virtually overnight. Nor is it universal. If the law commits itself to one particular aesthetic, it runs the risks of displeasing a substantial minority and of suddenly finding that the public taste which it was supposedly reflects has changed, leaving it gasping like a ridiculously stranded whale (and just as hard to shift). The classic illustration of such dangers must be the present Designs Act, which attempts to enforce the Victorian taste for decorative art on today's function-oriented society. Surely the better attitude is that, if the law is to be concerned in this area, it should be entirely neutral in the matter of aesthetics, as indeed, since *Restawhile*,⁶¹ is presumably the case for the Copyright Act. Any change in the Designs Act should, it is submitted, embody in that Act a similar neutrality. As Lord Simon so sagely remarked in the *Restawhile*⁶² case:

. . . evaluation of artistic merit is not a task for which judges have any training or general aptitude.⁶²

Even less, perhaps, do Parliament and those who draft statutes have such an aptitude; they should leave the realm of aesthetics well alone.

V. THE PURPOSES OF DESIGN PROTECTION—HIDDEN MONOPOLISTS

Most commentators⁶³ proceed on the assumption that some kind of protection for industrial designs is necessary, either because of the "moral right" of the designer or because of the benefit to society, and differ on the kinds of protection appropriate. Though almost universal, this assumption is questionable and the time has come to question it.

The "moral right" argument, first, is perhaps appropriate as a rationale for copyright law, in that most people have a certain sympathy for the idea that an artist or creative writer should be able to control the use made of the products of his creativity, both so as to preserve his artistic integrity and also, more pragmatically so as to earn his living. In the context of industrial designs, however,

⁶¹ [1974] 2 All E.R. 420.

⁶² *Ibid.*, 437.

⁶³ E.g., J. C. Lahore, "Art and Function in the Law of Copyright and Designs" (1972) A.L.R. 182. R. W. Pogue, "Borderland, Where Copyright and Design Law Meet" (1953) 52 Mich. L. Rev. 33.

creativity and artistic integrity are exiguous concepts at best; the designer is a technician rather than an artist although, ideally, his work should fuse both technical and artistic elements. Moreover, almost invariably, he is employed by some sort of commercial or industrial concern which acquires title to his work automatically either by express assignment or for good consideration under s. 6 of the Designs Act. In short, it is the company or firm, not the designer, who has an interest in protecting the design. The "moral right" argument depends on this interest being that of the author or artist. It is therefore inappropriate to industrial designs.

The most telling refutation of the second justification of industrial design protection, that it benefits society as a whole, is perhaps an examination of exactly what constitutes the company's interest in protecting a design. Obviously, it wishes to apply the design to articles which it will sell in the market place at a price, measured against the prices of other, similar articles, which will hopefully produce a profit. If another company copies the design, it objects not out of moral outrage, but simply because it is losing sales and profits. In certain cases,⁶⁴ the law enables a manufacturer to obtain what amounts to a monopoly in a particular article, with the consequent danger of price rises caused by inefficient production, excessive "brand-name" advertising and artificially-induced shortages.

Against such pernicious possibilities, the assertion is made that: "Design piracy is morally wrong and inhibits cultural growth."⁶⁵

The moral argument has already been exposed as fallacious, while that as to cultural growth,⁶⁶ depends on the ridiculous assumption that manufacturers will suddenly cease to produce new designs if deprived of protection for them. It is in fact trite economics that the incentive of being market leader, of being the very first to sow and reap in a particular field, is more than sufficient to encourage manufacturers to innovate. However quickly a design is copied, the company which introduced it will always have the incentive of the profits to be made from the first rush of sales. To permit the company to sue other manufacturers who copy the design is merely to allow it to perpetuate monopoly profits—and it is not characteristic of monopolists or oligopolists to make unduly strenuous efforts to better serve, by innovating, the market they already dominate. Witness, for example, the reluctance of the cigarette companies to promote

⁶⁴ E.g., *P. S. Johnson and Associates Ltd v. Bucko Enterprises Ltd* [1975] 1 N.Z.L.R. 311.

⁶⁵ Howard Walls, *The Copyright Handbook* (New York, 1963) 95.

⁶⁶ Walls actually appears to consider such functional items as automobiles and chinaware as valid media of cultural expression in a particularly unsavory perversion of the Victorian decorative design aesthetic, supported no doubt by American manufacturers.

cigarettes made of substances potentially less harmful than tobacco, into which research and advertising costs would be enormous, as against their adeptness in preserving their oligopoly by brand differentiation and proliferation. As an American commentator has concluded,⁶⁷ it is inappropriate that the law should restrict competition in this way at all, particularly inappropriate that the copyright law, with its strongly moral basis in ideas of creativity and originality should be perverted to do so. The encouragement which it is desirable that society should offer to what it considers "good" design is adequately achieved by a combination of design awards, as yet little developed in New Zealand and subsidization policies,⁶⁸ as were recommended by the Canadian Report⁶⁹ in addition to the change in the law detailed above.

The following concrete proposals are therefore advanced:

- (i) That the Designs Act be repealed.
- (ii) That the definition of "artistic work" in s. 2 of the Copyright Act be amended in accordance with Lord Simon's judgment in the *Restawhile*⁷⁰ case as follows:

Artistic work means a work of any of the following descriptions, irrespective of artistic quality but not of artistic intent.

- (iii) That the Copyright Act be amended by the insertion of a section reading:
 - (a) Nothing in this Act shall afford or be deemed to afford any protection to any industrial design.
 - (b) An industrial design is a sketch, drawing, blueprint, model or pattern of an article, or of part of an article produced by any industrial process or means in quantities of more than two hundred.

Such measures would prevent the manufacturer restricting competition by gaining protection for his designs; the change would probably result in a development of the law relating to trade secrets and to passing off as manufacturers sought to secure their position as market leader. The phrasing of the definition of "industrial design", and the retention of s. 20(8), would enable the creative artist whose artistic work had been pirated by an unscrupulous manufacturer for use on his products to sue for copyright infringement, while the somewhat arbitrary figure of two hundred would

⁶⁷ Copyright Protection for Mass-Produced Commercial Products.

⁶⁸ E.g., the awarding of lucrative government contracts to firms producing "good" design.

⁶⁹ Report, 120.

⁷⁰ [1974] 2 All E.R. 420.

enable genuine artist and craftsmen, such as potters and weavers, to protect their works.

Finally, it is submitted that these proposals involve a careful and just balancing of the issues involved in a highly sensitive area. They are designed to rationalise the law by reasserting the fundamental principles on which it is based and to serve the best interests of the consumer by discouraging the formation of monopolies. The last measure relating to industrial designs considered by Parliament was the Copyright Bill, which became the Act of 1962. During that debate⁷¹ only Mr Hanan, the late Attorney-General, seemed at all interested in, or aware of, the implications of the legislation he was introducing. Indeed, the Speaker was forced to ask members to moderate their private conversation so that Mr Hanan could be heard. Whether the present legislation is retained, changed as outlined above, or altered to afford further protection to manufacturers it is at least to be hoped that, next time Parliament considers the law relating to industrial designs, it will do so in full awareness of the implications and effect of that law.

⁷¹ 331 *New Zealand Parliamentary Debates*, 2326.