

COPYRIGHT PROTECTION FOR DESIGNS APPLIED TO USEFUL ARTICLES

by
Hugues G. Richard*
LEGER ROBIC RICHARD, Lawyers
ROBIC, Patent & Trademark Agents
Centre CDP Capital
1001 Square-Victoria - Bloc E – 8th Floor
Montreal, Quebec, Canada H2Z 2B7
Tel.: (514) 987 6242 - Fax: (514) 845 7874
www.robic.ca - info@robic.com

A) HISTORY

Sections 64 and 64.1 of the Copyright Act (R.S.C. 1985, c. C-42) in their current wording, were introduced by the *Copyright Amendment Act, 1988* (S.C. 1988, c. 15, s.11).

Prior to this amendment, some courts had held that copyright subsisting in a plan or drawing depicting functional or utilitarian features of a three-dimensional object could be infringed without the necessity of actually copying the said plan or drawing, but simply by reproducing without authorization the three-dimensional object. This situation arose from the wording of the *Copyright Act* (R.S.C.1970, c. C-30) and the *Industrial Design Act* (R.S.C. 1985, c. I-9) as then existing and was generally considered as unreasonable and going beyond what was originally intended by Parliament: see generally HAYHURST (William L.), *Intellectual Property Protection in Canada for Designs of Useful Articles: Sections 46 and 46.1 of the Copyright Act (1989)*, 4 *Intellectual Property Journal* 381; HITCHCOCK (P.Dan), *Clear Sailing for Copiers after Doral Boats v. Bayliner Marine Corp.?* (1988), 3 *Intellectual Property Journal* 305.

The controversy over the protection of plans and designs applicable to functional objects and of the objects themselves, was in part caused by the wording of section 46 of the *Copyright Act* (R.S.C. 1970, c. C-30, thereafter section 64 of R.S.C. 1985 c. C-42). As noted above, the said provision stated that any design, capable of being registered as an industrial design, was removed from the scope of the *Copyright Act*. However, it also provided an argument to the effect that a design having only useful, and not ornamental, features was not capable of being protected by the *Industrial Design Act*. As

© LEGER ROBIC RICHARD / ROBIC, 1994-2003.

* Of the lawfirm LEGER ROBIC RICHARD, g.p. and of the patent & trademark agency firm ROBIC, g.p. Published at (1995), 2-3 *Intellectual Property* 89. Publication 173.004.

such, it was argued that this meant that the design was not excluded from the protection under section 46 of the *Copyright Act*. The *Copyright Act* was, therefore, invoked to obtain protection unavailable under the *Industrial Design Act* or the *Patent Act* (R.S.C. 1985, c. P-4).

The courts went so far as to hold on occasion that when a party copied a three-dimensional object through reverse engineering, it amounted to the copying of the plans or drawings from which the three-dimensional object stemmed, which therefore resulted in the infringement of copyright in the plans or drawings: see, for instance, *Bayliner Marine Corporation v. Doral Boats Ltd.* (1985), (1986) 3 F.C. 346 (F.C.T.D.); rev'd on other grounds (1986), (1986) 3 F.C. 421 (F.C.A.); see also *Spiro-Flex Industries Ltd. v. Progressive Sealing Inc.* (1986), 13 C.P.R. (3d) 311 (B.C.S.C.). The *Copyright Act*, therefore, became a tool for the protection of purely functional characteristics of various objects.

B) COMING INTO FORCE OF SECTIONS

Sections 64 and 64.1 came into force on June 8, 1988.

Subsection 64(4) provides that subsections 64(2) and (3) apply only to designs created after June 8, 1988. Designs created before this date are still governed by the former provision of the *Copyright Act* (R.S.C. 1970, c. C-30) and by the *Industrial Design Act* and the Rules thereunder.

It should be further noted that section 64.1 is declaratory in nature and, as such, has to be given retroactive application: see COTÉ (Pierre-André), *The Interpretation of Legislation in Canada*, 2nd ed. (Cowansville, Blais, 1992), at pp. 427-435.

Finally, the infringements of copyright that occurred before June 8, 1988, are governed by specific transitional provisions: S.C. 1988, c.15, s. 24; R.S.C. 1985 (4th Supp.), c. 10, s. 26.

C) CONDITIONS OF APPLICATION

GENERAL

Both sections 64 and 64.1 set out a series of acts which, when the conditions of the appropriate subsections are met, are deemed *not to constitute* an infringement of copyright or moral right in certain designs or features *applied to useful articles*.

The question of infringement will only arise if the subsistence of copyright is first established in the work: see section 5. Section 64 is not concerned with the subsistence of copyright as such, but with the infringement of same. This is to be contrasted with the provisions of former section 46 which was mainly concerned with the subsistence of the copyright itself and not with the extent of protection to be afforded to works protected by such copyright.

EXCEPTIONS: Section 64(3)

Subsection 64(3) provides for a list of exceptions to the non-infringement situation referred to in subsection 64(2). It is interesting to note that the language used in subsection 64(3) is to the effect that the exceptions apply only to artistic works: see section 2 for the definition of artistic work.

If the exceptions of subsection 64(3) do not apply to one's case, then the defence provided for in subsection 64(2) may be invoked. In so doing, it is necessary to give ample consideration to the definitions set out in subsection 64(1).

D) DEFINITIONS

For the purpose of sections 64 and 64.1 *only*, key terms are defined, namely, "article", "design", "useful article", and "utilitarian function".

As these definitions use the term "means", they should be understood as exhaustive: see COTÉ (Pierre-André), *The Interpretation of Legislation in Canada*, 2nd ed. (Cowansville, Blais, 1992), at pp.55-58; DRIEDGER (Elmer A.), *Construction of Statutes*, 2nd ed. (Toronto, Butterworths, 1983), at pp. 18-22; PIGEON (Louis-Philippe), *Drafting and Interpreting Legislation* (Toronto, Carswell, 1988), at pp. 32-35. Therefore, "article", "design", "useful article" and "utilitarian function" are strictly defined and the concept should not be extended beyond the terms indicated in the definitions.

Considering these definitions, it can be said that an "article" is a physical object which by implication has three dimensions, and a "design" is a combination of visual characteristics of a finished article. The *Copyright Act* does not define what a "finished article" is. By implication, it can be either a useful article or a non-useful article. The important thing to note is that a design cannot be created under sections 64 and 64.1 *until* the features of shape, configuration, pattern or ornament are incorporated to a physical object. Such features, which are not incorporated into a physical object, may constitute an artistic work from which, however, a design can be derived: see subsection 64(2).

This distinction is important considering that subsection 64(4) states that subsections 64(2) and 64(3) apply only in respect of *designs* created after June 8, 1988. Under sections 64 and 64.1, designs and artistic works are not the same. An artistic work can exist independently from a finished article, it is not so with a design, the latter starts to exist when applied to a finished article, this is when the design is created for the purposes of section 64(4).

However, a design may be derived from an artistic work (see section 64(2)) already in existence and in which copyright subsists. Therefore the exception provided for in section 64(3) would apply to designs applied after June 8, 1988 to a useful article, but derived from an artistic work realized prior to that date. It is noteworthy that section 64(4) refers to the date of creation of the design and not of the artistic work from which it may be derived.

E) DEMONSTRATING NON-INFRINGEMENT: section 64(2)

GENERAL

Non infringement will be demonstrable in the case of section 64 if it is first shown that the copyright under review either does not subsist or subsists in a design applied to a "useful article" or in an artistic work from which such a design is derived.

BURDEN OF DEFENDANT

Once it is shown that the copyright under review subsists in a design applied to a "useful article" or in an artistic work from which such design is derived, the defendant will have to demonstrate that the article is reproduced in a quantity of more than 50, or where the article is a plate, engraving or cast, that the article is used for producing more than 50 useful articles. As stated in the definitions found in subsection 64(1), an "article" is, *for the purpose of sections 64 and 64.1*, anything made by hand, tool or machine.

REPRODUCTION UNDER AUTHORITY

The next step in the application of subsection 64(2) is to demonstrate that the "reproduction" referred to in paragraphs 64(2)(a) and 64(2)(b) is in fact carried out by the owner of the copyright, or under his authority.

ACTS PERMITTED

Once the above-noted conditions have been met, paragraphs 64(2)(c) and 64(2)(d) allow for the reproduction of the design of the article or anything similar thereto through the actual making of the article, or the making of a drawing or other reproduction in any material form of the article, and substantially anything that the owner of the copyright had the sole right to do with the design or artistic work in which the copyright subsists.

F) DECLARATORY NATURE OF SECTION 64.1

Both sections 64 and 64.1 came into force on June 8, 1988. Subsections 64(2) and (3) apply to designs created after that date. However, section 64.1 is declaratory in nature and should have a retroactive application: see COTE (Pierre-André), *The Interpretation of Legislation in Canada*, 2nd ed. (Cowansville, Blais, 1992), at pp. 426-435. As such, it consists of Parliament's statement as to what the law ought to have been with respect to the protection of copyright in features that are dictated solely by a utilitarian function. It therefore applies to all designs, even those created prior to June 8, 1988.

APPLICATION OF SECTION 64.1

The terms of this provision expressly state that it applies to a work in which copyright or moral rights subsist. As such, it is not a provision that deals with the subsistence of copyright; it is in fact a provision which allows copyright to subsist in a work but permits, under certain conditions, several acts to be done with respect to a protected work without infringing the copyright or moral rights therein.

In applying section 64.1, it is necessary to interpret it in accordance with the definitions set out in section 64.

ACTS NOT CONSTITUTING INFRINGEMENT

The fundamental difference between sections 64 and 64.1 (besides the retroactivity of section 64.1) is that section 64.1 deals with features which are dictated solely by a utilitarian function of a useful article to which these features are applied, while section 64 deals with designs that can be ornamental (or not *solely* dictated by a utilitarian function), which are also applied to useful articles. Essentially, section 64.1 states that it is never an infringement of copyright or moral rights to reproduce features which are solely dictated by a utilitarian function of the article to which they are applied

or to use a method or principle of manufacture or construction. Whether the article is or is not produced in a quantity of more than 50 is irrelevant under section 64.1.

Therefore, section 64 is mainly concerned with *ornamental* features, while section 64.1 is strictly concerned with *functional* features. In both cases, the features are applied to useful articles. If a design is not applied to a useful article, then neither section 64 nor section 64.1 applies and an infringement of copyright or moral rights may be possible. In fact, in such circumstances, such a design could even be protected by both the *Copyright Act* and the *Industrial Design Act* (R.S.C. 1985, c.I-9).

EXCEPTIONS

In applying subsection 64.1(1), it is first necessary to ensure that the exceptions foreseen at subsection 64.1(2) are not relevant to one's case.

It is necessary, therefore, to first determine whether the copyright or moral rights relate to a "contrivance by means of which a work may be mechanically reproduced, performed or delivered". The language of subsection 64.1(2) suggests that records, perforated rolls and cinematograph films are merely examples of such contrivances, and that the exception, therefore, is applicable to virtually any contrivance which permits the mechanical reproduction, performance or delivery of a work.

