THE INTERNATIONAL DESIGN APPLICATION: THE HAGUE AGREEMENT AND U.S DESIGN LAW

INTRODUCTION
On February 13, 2015, the United States deposited with the Director General of the World Intellectual Property Organization (WIPO) its instrument of ratification of the Geneva Act of the Hague Agreement Concerning the International Registration of Industrial Designs (“the Hague Agreement” or “the Agreement”). Although the United States had been a signatory of the Hague Agreement since 1999, its ratification allowed applicants to begin using the Hague System on May 13, 2015. In response, the United States Patent and Trademark Office (USPTO) published its final rules to implement the local rule provisions of the Hague Agreement. This article provides a brief overview of the Hague Agreement, the major differences between U.S. requirements under the Agreement compared to other Contracting Parties, and a quick reference guide for the various USPTO rules implementing the provisions of the Agreement.1

THE HAGUE AGREEMENT GENERALLY
The Hague Agreement, and more particularly the Geneva Act of the Hague Agreement,2 is a treaty signed on July 2, 1999, in an effort to harmonize the protection of industrial designs worldwide. The Hague Agreement establishes a procedural system through which an applicant can file a single application containing up to 100 designs in order to obtain design protection in each member country and organization (each referred to as a “Contracting Party”).3

In order to file an international design application through the Hague System, an applicant must be a national of a Contracting Party, have established domicile and/or maintain a habitual residence in a territory of a Contracting Party, or have a real and effective industrial or commercial establishment in a territory of a Contracting Party.4 In this regard, some U.S. applicants have already been using the Hague System to obtain international design protection, relying on the “real and effective” prong of Article 3 to establish the appropriate nexus to the Agreement. Of course, if an applicant cannot establish the appropriate nexus under one of these provisions of
Additionally, an applicant has included the prescribed data and prescribed forms signed by the applicant, prescribed fees, a reproduction of up to 100 designs including a description of the products that encompass the designs, and the designated Contracting Parties in which the applicant is seeking protection. Additionally, an applicant may include a claim of priority under the Paris Convention. Furthermore, if permitted according to the rules of each jurisdiction designated in the application, an applicant may include a request to defer publication of the design(s) in the International Design Bulletin for up to 30 Months.7

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Upon receipt of the international design application, the International Bureau performs a formal (and notably not substantive) examination of the application.8 For example, the International Bureau examines the application to ensure the quality of reproduction of the design(s) is consistent with international standards, and to ensure the applicant has included the prescribed data and fees.8 The International Bureau also records the design(s) in the International Register and publishes the design(s) in the International Design Bulletin (subject to any request to defer publication as discussed).10 Following this formal examination, the International Bureau forwards the application to each designated Contracting Party for substantive examination in accordance with each Contracting Party’s domestic legislation.11 Each designated Contracting Party then has six months (optionally 12 months if the designated Contracting Party is an exam office and/or an office that allows for opposition) to notify the International Bureau of any refusal for protection of the design under its domestic legislation (which can later be withdrawn, if appropriate, following subsequent prosecution).12 At the expiration of the appropriate period (i.e., either six or 12 months), the applicant is then granted protection in each designated Contracting Party where the application was not refused.13 The duration of protection is 15 years, and can last longer in some jurisdictions if the designated Contracting Party’s domestic legislation provides for longer protection.14 An applicant renews the patent right in each designated country by simply filing a single renewal fee at WIPO every five years.15 Accordingly, the Hague System provides many benefits for applicants wishing to file for design protection across multiple Contracting Parties by providing a procedural avenue for filing international design applications, which in turn gives rise to cost savings through economies of scale while simplifying the application process.16 Furthermore, the Hague System provides for reduced monitoring of the various renewal periods across multiple jurisdictions because an applicant can file a single renewal fee at WIPO that covers all designated countries.17 Finally, the Hague System provides a unified process for effecting changes in an international application (e.g., changes of ownership, etc.) because an applicant can file a single paper at WIPO that is effective in most designated countries encompassed by the design application.18

**NOTABLE U.S. DECLARATIONS AND CORRESPONDING RULES**

While the Hague System seeks to streamline filing of a design application across multiple jurisdictions, not all rules are consistent among the various Contracting Parties. Most notably, in its instrument of ratification, the United States listed several declarations to the treaty in order to align its obligations under the Agreement with U.S. design law. These declarations impose special requirements on any applicant that designates the United States, and, accordingly, the USPTO recently established final rules detailing these exceptions to the general Hague framework.

Specifically, any international design application that designates the United States must include a specification and a claim, and the claim language must be consistent with the requirements imposed by U.S. design law.19 For example, the claim language must be in the form of an “ornamental design” of the subject article “as shown” or “as shown and described.”20 Also, applications designating the United States can include no more than one claim21 directed to only one independent and distinct design, whereas applications not designating the United States, which can include up to 100 designs,22 unlike applications designating the United States can include no more than one claim21 directed to only one independent and distinct design.22 Applications designating the United States must include a specification and a claim, and the claim language must be consistent with the requirements imposed by U.S. design law.23

The United States also included a declaration under Article 7(2), and pursuant to Rule 12(3) of the Common Regulations, to replace the one-time prescribed fee normally required for each designated country with a two-part designation fee. Under this two-part designation fee, any applicant designating the United States is required to pay a first part of the designation fee at the time of filing, and a second part of the designation fee at the time of allowance.24 However, paying this two-part fee relieves the applicant of having to file any renewals with WIPO to maintain a design patent.25

“The U.S. rules make clear that protection is not granted in the United States until a separate U.S. design patent is issued.”

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Additionally, any correction or change in an international design application purportedly effected by notifying WIPO must also be sent to the USPTO before the change will be applicable to the U.S. application.30

Accordingly, the benefits realized from the Hague System providing a centralized process for making changes in an international application is reduced somewhat for any international design application designating the United States. Furthermore, the United States included a declaration under Rule 18(1) (b) of the Common Regulations whereby the USPTO will be allowed 12 months to communicate any reason of refusal to WIPO rather than six months. And when an international design application is filed at the USPTO as an indirect office of filing, the USPTO may refuse to transmit the application to the International Bureau if doing so would threaten national security.30

Provisional rights will be available as a result from publication of the international design application designating the United States. Assuming a U.S. design patent eventually issues substantially similar to a published design in the international application, this provision sets forth that a patent owner may be entitled to a reasonable royalty for any infringement of a design patent.31

Under the Hague System, the local substantive examination process remains unchanged and for obtaining a design patent not affected. Hence, the applicant’s country selection and drawings should be based on dynamics, including strategies to maximize design rights, and whether intellectual property rights (IPR) regime of the member country accepts partial designs, shaded or unshaded figures, the strength of IPR enforcement, where the product would be sold, potential copy, design prosecution and examination cost, and the like. Furthermore, the applicant’s quality of design drawings, including shading, contouring and further features of the drawings, will still need to be addressed and customized prior to filing a design application under the Hague Agreement. U.S. applicants may find cost-saving and other benefits when pursuing international design protection using the Hague System. However, because the United States has many rules and requirements which differ from the “standard” Hague System framework, applicants should be acutely aware of U.S. requirements before filing an application under the Hague System, if the United States will be a designated Contracting Party. ■

CONCLUSION

The ascension to the Hague Agreement by the United States provides applicants who wish to obtain design protection across multiple Contracting Parties an alternative to filing national applications in each jurisdiction. Under the Hague System, the local substantive examination process remains unchanged and the legal standard for obtaining a design patent is not affected. Hence, the applicant’s country selection and drawings should be based on dynamics, including strategies to maximize design rights, and whether the intellectual property rights (IPR) regime of the member country accepts partial designs, shaded or unshaded figures, the strength of IPR enforcement, where the product would be sold, potential copy, design prosecution and examination cost, and the like. Furthermore, the applicant’s quality of design drawings, including shading, contouring and further features of the drawings, will still need to be addressed and customized prior to filing a design application under the Hague Agreement. U.S. applicants may find cost-saving and other benefits when pursuing international design protection using the Hague System. However, because the United States has many rules and requirements which differ from the “standard” Hague System framework, applicants should be acutely aware of U.S. requirements before filing an application under the Hague System, if the United States will be a designated Contracting Party.

BANNER & WITCOFF AGAIN LEADS THE WAY IN DESIGN PATENT PROCUREMENTS

For the 12th consecutive year, Banner & Witcoff obtained more U.S. design patents than any other law firm. According to the 2014 U.S. Design Patent Toteboard and confirmed by U.S. Patent & Trademark Office records, the firm procured 790 U.S. design patents.

In 2014, Banner & Witcoff worked to protect many popular and prominent designs for its clients, including Nike’s Flyknit® shoes, and Microsoft’s Xbox One®M gaming system and SurfaceTM Pro 3 tablet computer, as well as other important product designs for Nokia, Toshiba, PepsiCo and Electrolux. Demonstrating its depth of client base, last year was also significant for Banner & Witcoff as the firm has now procured design patent portfolios of 20 or more design patents for 28 different clients.

Banner & Witcoff also continues to lead in procuring international design patent portfolios. The firm has filed hundreds of design registrations in the World Intellectual Property Office for clients who reside in member countries of the Hague System for the International Registration of Industrial Designs. The firm will seek the same international protections for U.S. clients now that the USPTO has put procedures in place for accepting Hague System applications.