

Title: Amend appeal route for design decisions by the Intellectual Property Office PIR No: BEIS039(PIR)-20-IPO Original IA/RPC No: BIS 0373 Lead department or agency: Intellectual Property Office Other departments or agencies: Click here to enter text. Contact for enquiries: mark.davies@ipo.gov.uk 01633 814006	Post Implementation Review
	Date: 19.2.21
	Type of regulation: Domestic
	Type of review: Non-statutory
	Date measure came into force: 06/04/2015
	Recommendation: Keep
RPC Opinion: Choose an item.	

1. What were the policy objectives of the measure? (Maximum 5 lines)

To improve access to justice for businesses using the UK designs registration system by introducing a new appeal route and so allowing them to choose, according to their needs, between:

- i) a low cost, reliable and efficient appeals route for users of the UK designs registration system using “Appointed Persons” or;
- ii) an appeal route to the court that allows important or complex cases to be further challenged beyond the initial appeal decision.

2. What evidence has informed the PIR? (Maximum 5 lines)

The IPO carried out a call for views with a range of stakeholders including those in the legal field to inform this PIR. We contacted stakeholders who would be most affected including various trade associations, umbrella organisations, judges and legal representatives and took their feedback into consideration. We also held one “in-person” discussion with a stakeholder who was unable to reply in writing.

3. To what extent have the policy objectives been achieved? (Maximum 5 lines)

Responses from stakeholders have been overwhelmingly positive and have not indicated any concerns with the changes made to the appeals procedure. Stakeholders told us that:

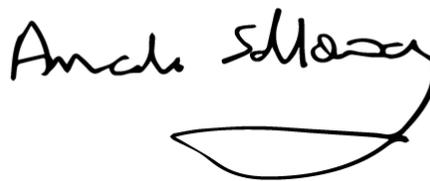
- the AP route has been beneficial in providing a low-cost route of appeal which is particularly helpful where registered designs are both owned and challenged by unrepresented applicants as the previous appeal route to the Court of Appeal had onerous costs attached to it.
- the introduction of appointed persons for designs is a positive development as, although small in numbers, all designs appeals have used this route since its introduction.

We therefore consider the policy objectives remain relevant and the regulation should be retained.

Sign-off for Post Implementation Review: Chief economist/Head of Analysis and Minister

I have read the PIR and I am satisfied that it represents a fair and proportionate assessment of the impact of the measure.

Signed: ***Amanda Solloway MP – Parliamentary Under Secretary of State – Minister for Science, Research and Innovation***

A handwritten signature in black ink, reading "Amanda Solloway". The signature is written in a cursive style with a large, sweeping flourish at the end.

Date: 15/03/2021

Further information sheet

Please provide additional evidence in subsequent sheets, as required.

4. What were the original assumptions? (Maximum 5 lines)

- i. The number of appeals were unlikely to increase by much.
- ii. The cost of, and resources used in, preparing the cases for appeal would be less for the Appointed Person (AP) than for the court.
- iii. Court and Registered Designs Appeal Tribunal (RDAT) cases would take approximately one day to resolve (depending on the complexity of the case)
- iv. Patents County Court (PCC) costs are those which were applicable at the time of the original impact assessment. (The PCC has now been reconstituted to become the Intellectual Property Enterprise Court).
- v. The High Court would be as likely to be used by potential appellants as the PCC.

5. Were there any unintended consequences? (Maximum 5 lines)

There have been no negative unintended consequences identified.

6. Has the evidence identified any opportunities for reducing the burden on business? (Maximum 5 lines)

No. Responses have indicated that the measure introduced has been a success and has provided business with a cheaper route into the appeals process. No further opportunities for reducing the burden on business were identified.

7. For EU measures, how does the UK's implementation compare with that in other EU member states in terms of costs to business? (Maximum 5 lines)

This change was a domestic legal change and did not apply to EU registered rights which are not processed by the UK IPO.

Review of the 2015 amendments to appeal route for designs decisions of the IPO

Introduction

This report sets out the results of the IPO's post implementation review (PIR) of certain changes to designs law introduced by the Intellectual Property Act 2014. This PIR is one of four which assess a package of design measures contained in the Intellectual Property Act 2014:

BEIS 018 (PIR) -20-IPO – Amendments of design ownership provisions

BEIS 019 (PIR) -20-IPO – Revision of scope of design protection

BEIS 020 (PIR) -20-IPO – Introduction of a criminal offence for intention infringement of a registered design.

The changes covered by this PIR relate to improvements to the appeals process for designs decisions by the IPO by offering businesses more choice over how they appeal.

In conducting the review, the IPO has considered whether and to what extent the changes:

- Have achieved their original objectives.
- Are still required and remain the best option for achieving those objectives.
- Could be achieved in another way which involves less onerous regulatory provision.

For clarity the Appointed Person is someone with the necessary knowledge of, and experience in applying, intellectual property law, and is specifically appointed after open competition by the Lord Chancellor.

Context and purpose

Prior to the introduction of Appointed Persons, the only route available for appealing decisions in relation to design right applications was via a dedicated tribunal The Registered Design Appeals Tribunal (RDAT). It offered no flexibility or route for further appeal and was considered outdated by some stakeholders. In 2004 a decision to abolish the RDAT was taken by the then Department of Constitutional Affairs as part of wider programme to streamline the general courts and tribunal service.

Following the recommendations of the 2011 [Hargreaves Review](#) of Intellectual Property and Growth, a call for evidence, associated online survey and a public consultation, the Government introduced new legislation to offer businesses greater flexibility when challenging a design decision made by the IPO.

Stakeholder feedback from a formal consultation in 2012 indicated the existing system needed improvement and suggested that the system already in place for trademarks would offer a workable and proven alternative. In 2015 a consultation on introducing an Appointed Person (AP) appeal system for Office decisions was carried out.

The aim of changing the law was to give businesses the choice between a cost-effective and time-efficient appeal route and a more comprehensive option for more complex cases. This also aligned the designs appeal options with those of trademarks.

This PIR therefore covers the following changes:

- Extending the remit of the 'Appointed Person' trademark appeal route to the design's regime.

- The replacement of the RDAT with an appeal route that uses the High Court (for more complex cases).

Methodology/review process and response from stakeholders

The impact of this measure was expected to be below the £5 million threshold (net annualised impacts to business). Therefore, as per guidance, we have taken a proportionate approach to the review appropriate to the expected benefits or levels of uncertainty associated with the measure. It has not been possible to estimate costs/benefits over the last five years due to the lack of monetised evidence provided by stakeholders.

Views of Stakeholders:

We sought views from a range of stakeholders, including those in the legal sector and judiciary.

Stakeholders representing applicants told us that although not many registered designs are challenged and therefore not many appeals occur, the appointed person route has been beneficial in providing a low-cost route of appeal. Stakeholders further stated that this is particularly helpful where registered designs are both owned and challenged by unrepresented applicants as the previous appeal route to the Court of Appeal had onerous costs attached to it. Since 2017 when the first appointed persons appeals design decision was issued, there have been a total of 9 appeals, 8 of which have resulted in decisions.

Stakeholders from the legal sector told us that the availability of this route of appeal has likely allowed a number of appeals to take place which would have been prohibitively costly and difficult if only an appeal route to the High Court had existed.

Stakeholders from the judiciary consider the introduction of appointed persons for designs a positive development as, although small in number, all designs appeals have used this route since its introduction. They also mentioned that the extension of the AP system to designers has provided an opportunity for a diverse range of legal practitioners with experience in IP matters and who maybe considering a full-time appointment to the judiciary in the future to undertake fee paid judicial work and gain experience, thus enhancing the diversity in the judiciary as a whole in a modest way.

Issues and recommendations from stakeholders

There have not been any issues or negative feedback received from those that were consulted.

Conclusion and next steps

Stakeholder responses were positive about the introduction of this change. Although there have been a limited number of appeals heard by an appointed person since 2014, this measure has provided a low-cost route for appealing IPO decisions and continues to provide an access to justice for businesses who use the UK designs system and allows a choice according to their needs. The appointed persons route provides a reliable and efficient appeals route for users of the UK designs registration system and one that allows important or complex cases to be further challenged beyond the initial appeal decision.

We therefore consider the measure should be retained. We will however continue to monitor the system and collect data on the number of appeals heard.

