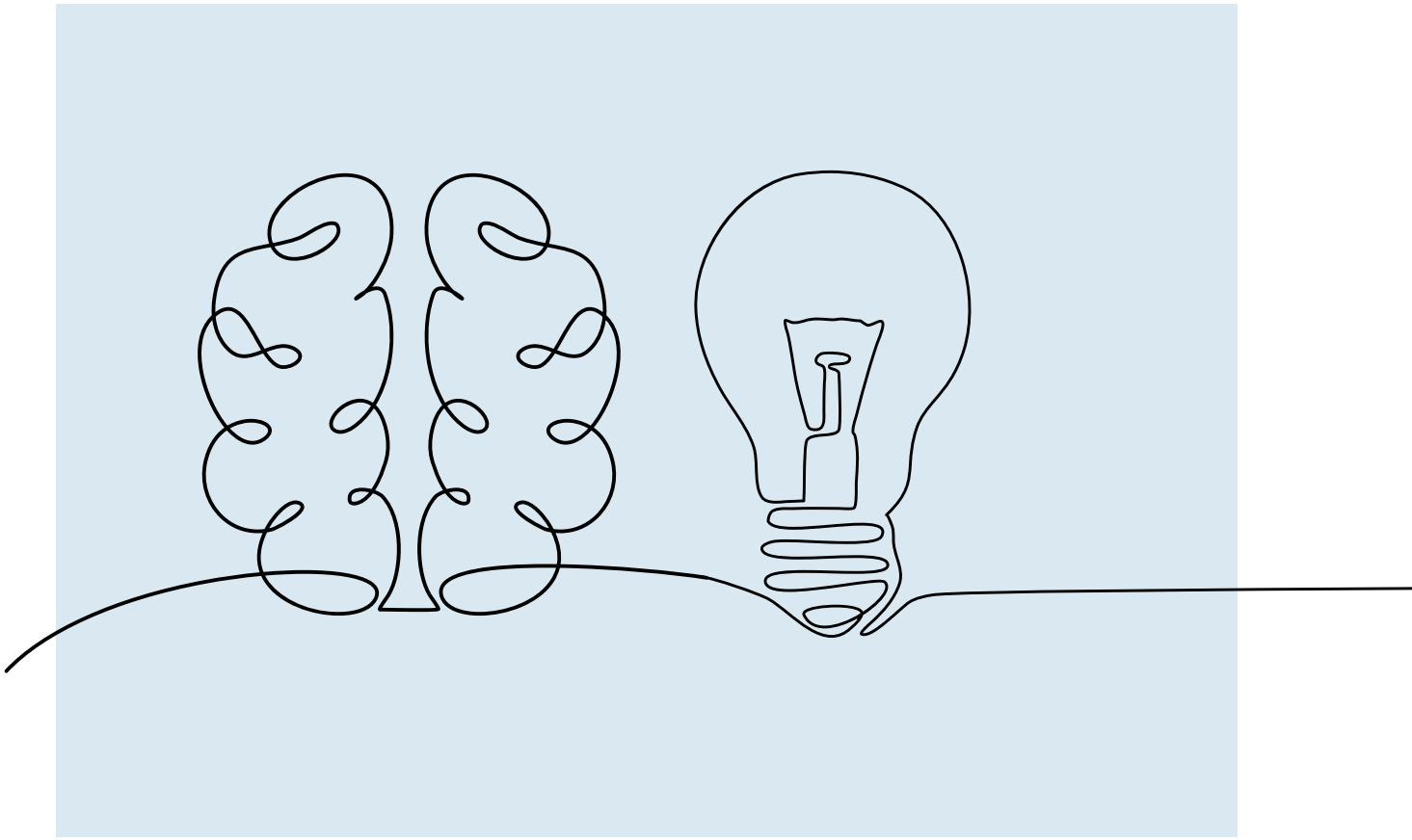
NAJ Guidance Note

PROTECTING AND EXPLOITING INTELLECTUAL PROPERTY

Version 1. November 2024.



What Is "Intellectual Property Law"?

Intellectual Property (IP) Law in the UK is a complex mix of law dealing with rights associated with ideas, creative works, inventions, information, innovation and commercial reputation. IP gives rights to those who own it and the owner has the exclusive right to do or authorise acts in respect of the right.

This is not a comprehensive guide to the law in the UK. Whilst similar IP rights exist worldwide this note is solely concerned with UK rights. It is designed to help you understand certain rights such as copyright, design right and trade marks which the NAJ considers important to jewellers, goldsmiths and silversmiths. It is important to know when you have rights, what you can do to protect them and where to go to get professional advice.

Shaping professional excellence in jewellery businesses and their people

The National Association of Jewellers

NAJ Guidance Note:

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Copyright – What does it mean?

Literally; a right not to be copied. Copyright arises automatically, protecting the expression of ideas, but not the ideas themselves. It can be claimed but cannot be registered. "Works" are the expression of the ideas and the following are examples of works which can be protected by copyright:

- Original literary, dramatic, musical and artistic works;
- Sound recordings, films, broadcasts and cable programmes;
- Typographical arrangements of published editions.

To understand the application of copyright to the jewellery industry we need to look at what is an "artistic work". Artistic works include:

- graphic works including paintings, drawings, diagrams, maps, charts or plans;
- photographs; sculpture; collages;
- architectural works;
- works of artistic craftsmanship.

Whilst for some items of jewellery the original prototype might arguably constitute a sculpture (untested at court), we suggest that the appropriate definition is a work of artistic craftsmanship. The law on what constitutes a work of artistic craftsmanship is constantly evolving.

Because the test for artistic quality is low, the near certainty is that all items of jewellery will be covered, provided that they are works of craftsmanship. A bespoke handcrafted item by a skilled jeweller will likely qualify for copyright protection. Even where the item is reproduced in quantity copyright might still subsist if the original prototype is the product of a skilled craftsman, but not in a cast reproduction; however, as an authorised copy of the original work, it might be protected. If the original design was expressed as a drawing then the drawing might enjoy copyright protection, as a graphic work. If the jewellery includes an original surface pattern then the pattern, as a graphic work, may enjoy copyright protection.

Copyright - Practical Tips

- Maintain records, date and sign all original works, be it sketches, drawings or what have you. If working with prototypes or masters, then mark them and keep photographs that are signed and dated.
- Establish the date of ownership, by making copies and posting them to yourself in a securely sealed envelope and keep safely unopened. However, you must create a filing system to enable you to identify what is in the envelope without having to open it. Perhaps more practical these days would be to keep a copy of the work in a computer file which should automatically have all due meta data.
- Alternatively, as an NAJ Member, you can use the NAJ Design Deposit Service to place a copy of your designs on the NAJ register, which we acknowledge with a dated certificate which can help to establish a date for possession of the designs, should this be questioned at a future date.
- If you are an employee, check the scope of your duties. Even though your work was created away from the employer's premises it may still be "owned" by the employer.
- Consider inserting mistakes, blemishes or features which might be inadvertently copied for no apparent reason, proving yours was the original.
- Fix prominent copyright notices on all copies of the work. Wherever possible use the © logo with your name and date.
- If working with CAD, a file should be electronically created recording the date of creation of the design.

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Unregistered Design Right (UDR)

Like copyright, this right arises automatically. It applies to the shape and/or configuration of original 3-dimensional designs.

The right lasts

- 15 years from the end of the calendar year in which the design was first recorded in a design document or (if earlier) from when an article was first made to the design, or
- If articles made to the design are available for sale/hire within 5 years of the end of that calendar year, then 10 years from the end of the calendar year in which that first sale/hire occurred (although during the last 5 years, any third party party is entitled to obtain a licence to make/sell products incorporating the design during that period.
- There are exclusions;
  i) designs solely dictated by their technical function,
  ii) designs for non visible component parts,
  iii) designs that must fit or must match, and
  iv) designs that are contrary to public policy or morality.

Following the UK's decision to leave the EU, and to make sure designs continue to be protected, the UK has introduced the so-called Supplementary unregistered design (SUD). SUD is very similar to what in the EU is the Unregistered Community Design (UCD) and has replaced the UCD in the UK. Note that SUD mirrors the UCD and protects the 2D and 3D appearance of whole or part of a product so unlike UDR it extends to surface decoration, but SUD are protected for only 3 years from the date you made your design public in the UK.

Registered Design Right

Unlike Copyright, however, Design Right can be registered with the UK Intellectual Property Office ("UKIPO"). Registering a design protects the shape and the surface decoration of a novel, that is to say original, 3-dimensional (and in some cases 2-dimensional) design. To qualify for registration the design must enjoy "individual character" and if the design is too similar to what has already been done then it is likely to be rejected. The design can be for the product itself, or part thereof, or its ornamentation. A number of exceptions apply;

- "Must-fit" exception ie a 'must fit' shape that fits another article to enable either to perform its function (for instance components in a clasp mechanism where one component is designed to fit into another)
- "Must-Match" exception, dependent on the features of another article for its shape and note that surface decoration is excluded.

There is a 12 month grace period allowed, which enables the design to be exhibited and marketed prior to the application for registration being filed. This period of grace avoids the necessity to keep the design secret, prior to registration.

If your design is accepted for registration then enforcement of your rights will be much easier if your rights are infringed. Following the Intellectual Property Act 2014 a person who **knowingly** copies a registered design commits a criminal offence punishable with imprisonment.

Registered Design Right lasts for 25 years but must be renewed every 5 years, so it is important to keep the UKIPO advised of your correct address. Applications for design registration can be made direct to the UKIPO, which will make a charge for processing the application.

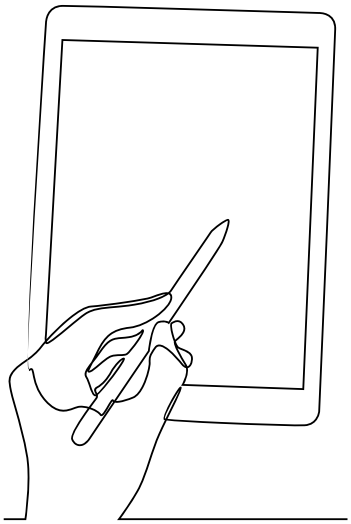
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Design Right - Practical Tips

- Register your designs – for a successful product it is not expensive
- Don't simply rely upon copyright in the drawings
- Use the period of grace allowed prior to registration in order to test the market
- If the design represents a substantial departure from what is known, consider registering some of the details separately or the pattern separately in addition to the overall shape.



Trade Marks

Perhaps the most recognised of all intellectual property rights is trade marks. The basic features of trade mark law are:

- The main purpose of a trade mark is to indicate a connection between a trader and his goods or services
- It establishes a property right in a trade mark
- It discourages deceptive practices by refusing the registration of non-distinctive marks or marks that would impinge upon honest business practices.
- the mark must be used (non-use can result in the mark being declared invalid).

To be capable of registration with the UKIPO, a trade mark must be able to distinguish goods or services of one business from those of others.

Trade marks are typically registered for: words (including personal names), designs, letters, numbers, the shape of the goods or their packaging. The rules on precisely what may be registered as a trade mark are complicated but obviously matters of decency and good taste apply, and some things are prohibited from registration unless consent is given, for example Royal Arms or flags. In applying for registration, you must indicate the class(es) of goods for which you wish the trade mark to be registered. Jewellery falls into class 14.

With trade marks, infringement occurs when a person uses in the course of trade an identical mark as the trade mark in relation to the same class of goods or services for which the trade mark is registered. If a person uses an identical mark in relation to similar goods or services, or a similar mark in relation to identical or similar goods or services then there is infringement if there is a likelihood of confusion.

A trade mark registration lasts 10 years and it can be renewed indefinitely. It is prudent to record renewal dates, as failure to renew will mean the trade mark registration will lapse.

Trade Marks – Practical Tips

- Make sure that new marks are distinctive.
- Use the mark – if it is registered but not in use then it may be declared invalid.
- Be aware that a wide range of marks are registrable, not merely words or logos
- Apply early wherever possible.

Infringement

Now that you have a basic understanding of Intellectual Property rights, let us look at how your rights might be infringed and what action you can take.

Copyright is infringed if someone does something contrary to the exclusive rights enjoyed by the copyright owner, without the permission of the copyright owner. The restricted acts are set out in Section 16 of the Copyright, Designs and Patents Act 1988 and are:

- copying the work;
- issuing copies of the work to the public;
- renting or lending the work to the public;
- performing, showing or playing the work in public;
- broadcasting the work;
- making adaptations of the work.

These infringing acts relate to a substantial part of the Copyright work as well as to the whole. To commit an infringing act therefore it is not necessary to reproduce something or deal in something which is an exact facsimile of the Copyright work, but may be a mere reproduction of an essential feature or a 'significant extract' of the Copyright work. The test is qualitative rather than quantitative. There are two categories of infringement, known as primary and secondary infringement.

If a person does one of the restricted acts without the permission of the copyright owner than he will be a **Primary Infringer**.

Secondary Infringement involves **dealing with or making commercial use of** infringing copies of a Copyright work.

In deciding whether there has been infringement the Court will consider:

- If there is sufficient objective similarity between the infringing work and the Copyright work, or a substantial part of it.
- If the Copyright work is the source from which the infringing work is derived.

If there is a sufficient objective similarity then it must be proved that the Defendant has access to the Copyright owner's work in which case there will be a presumption that the Defendant copied the other work. It will be for the Defendant to rebut that presumption.

Note however that if one author arrives at an identical or substantially similar work by independent means then there will have been no infringement.

Secondary Infringement is concerned with the commercial use of a Copyright work. The infringer must know or have reason to believe that they are dealing with infringing copies of a work. The following are examples of secondary infringement:

- Importing an infringing copy of a work without the permission of a copyright owner other than for private or domestic use.
- Possessing or dealing with infringing copies.
- Possessing, selling, offering or exposing for sale or distributes in the course of a business an infringing copy.
- Providing means for making infringing copies - anyone who provides the means to make infringing copies is liable.

The Claimant will either be entitled to damages for his losses, e.g. the value of the lost sales by reason of the infringing articles or a sum calculated on a notional royalty, or, he will call for the Defendant to account for net profit on the sales of the infringing copies.

The most common instances of infringement that the NAJ's Copywatch Service has to deal with are secondary infringement. For example, a trade rival is observed having on display at their counter at a trade show or featured in their brochure a copy of your design. When challenged they profess to know nothing about it, and say they bought it unwittingly through a third source, quite often a foreign supplier.

Whilst you cannot stop what has already happened, and will not be entitled to damages for what has already occurred, you can at least furnish the copier with full facts so that from that time on they have actual knowledge and if they are foolish enough to continue with their infringing acts then they will be guilty of secondary infringement and liable for damages.

What To Do If It Happens To You

If you are the designer or producer of a piece of jewellery, say a ring, earring, necklace or other item, and you become aware of a copy of your design being advertised, or displayed for sale, then what do you do? First of all check if you own the copyright in the design or have a registered design. If you do not, then you may still be able to claim infringement of Design Right. Care must be had when alleging IP infringement because of the unjustified threats regime so we strongly recommend you seek legal advice from an IP Law expert before challenging the copies.We recommend you follow these steps:

Evidence of originality/ownership – You will know that the design is yours. However, to save embarrassment and unnecessary expense, whenever asserting infringement of copyright the first requirement is to be able to demonstrate that you are indeed the copyright owner.

Is this something in which copyright can subsist, and are you the author and therefore the first owner, and if not the author, what is your chain of title to copyright ownership? It is because of the important need to demonstrate, not only to a Court in due course but at the outset to the alleged infringer, that you are the copyright owner. Do not make the mistake, in the heat of the moment, of launching into allegations of infringement of copyright without first establishing that you can prove ownership.

Trap purchase – If it is possible to acquire the copied item then do so. You may wish to do this through a friendly customer or third party but either way its essential that you get hold of the offending item so that the appropriate analysis on objective similarity can be carried out and also the receipt will prove that the infringer committed an act of infringement, of at least secondary infringement, namely sale of an infringing article. If a trap purchase isn't possible, try to gather screenshots and other documentary evidence demonstrating sale of the infringing article.

Contact the NAJ's Copywatch Service – In order to avoid the pitfalls of making allegations that cannot be later substantiated, or of tipping off the infringer so that the vital evidence of infringement disappears, you should contact the NAJ and they will pass you on to a Copywatch Advisor. . Copywatch Advisors are in attendance at the major trade shows on the NAJ stand and if a problem arises away from a trade show then simply telephone the NAJ. As an NAJ member you are entitled to an initial free advice.

Act Fast – Quick action is the key. With fast moving jewellery lines the entire stock of infringing articles may be sold and distributed very quickly. If an infringing article is a sample on a stand at a trade show then the probability is that market interest is being tested and if there is sufficient interest a large volume of the infringing articles will soon be imported.

Better to stop the importation and manufacture of infringing articles than sue for damages after the event when the copies are already out on the market. The need to act fast must be allied to the need to act judiciously and prudently and this is good reason alone for making an early enquiry to the Copywatch team.

NAJ Copywatch Service

RWK Goodman operate the NAJ Copywatch Service. Before they give advice they will need to know that you are a paid up NAJ member, therefore you should ask the NAJ to refer you in the first instance.

You will have the opportunity to discuss your problem with a lawyer who will provide you with an initial assessment of the legal issues and will advise you what action you can take ("Initial Assessment"). Initial Assessment can take up to 20 minutes and is entirely free.

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If you decide that you need help from a Copywatch lawyer beyond the Initial Assessment, and you are a new client of RWK Goodman then you are entitled to a maximum of three hours work at a special discounted rate ("the Discounted Period"). At this time you will be given Terms of Business which will explain the basis of the relationship between you/your Company and your Copywatch lawyer.

In those rare cases where problems cannot be resolved within the Discounted Period, you will thereafter be charged in accordance with commercial charging rates ("the Standard Period"). These commercial hourly rates will be set out in the Terms of Business and will depend on both the complexity of your legal problem and the seniority of the Copywatch lawyer carrying out the work.

Further details on the Copywatch Service can be found here. Member Benefits (naj.co.uk)

Doing it Yourself

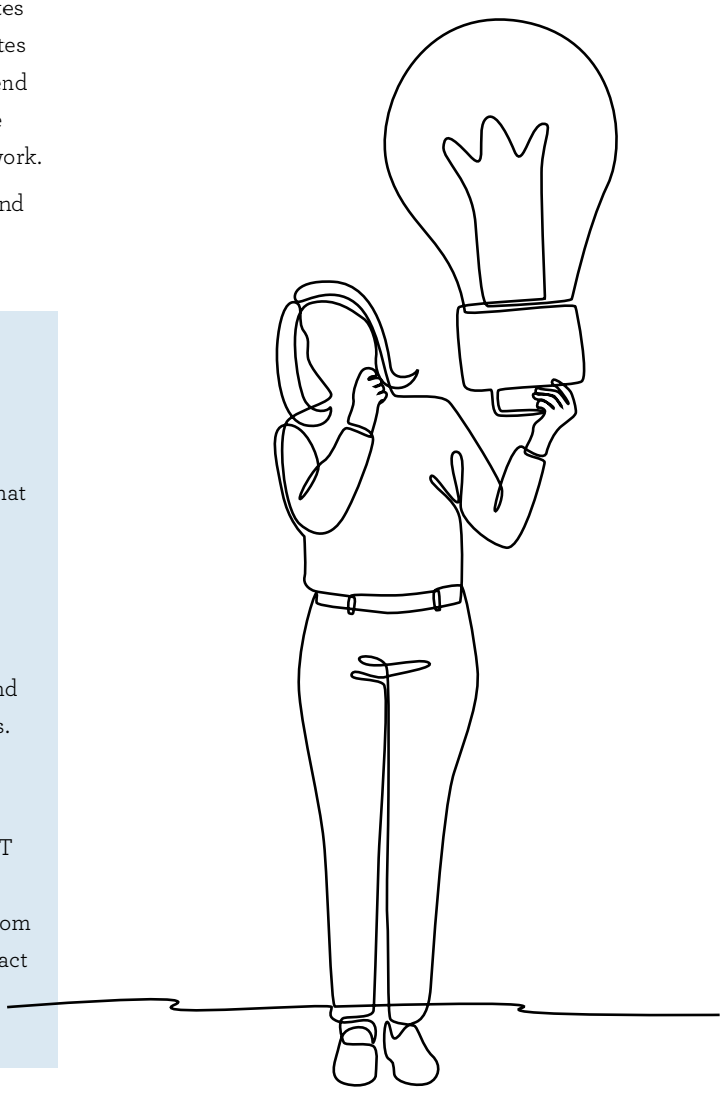
Although you may be able to make an application to the UKIPO for trade marks, patents or design registration by yourself, we strongly recommend that you seek legal advice before doing so, as it can, at times, be a complex and costly process.

UK Intellectual Property Office

The website at www.ipo.gov.uk is a mine of information and allows you to download leaflets and search patents, trade marks and registered designs.

NAJ Design Deposit Service for Members

NAJ Members are entitled to deposit 25 designs free of charge per year, with a charge of £2.50 + VAT for each Design Deposit Application thereafter. Download the Design Deposit Application Form from the Downloads Section of the NAJ website or contact the office on 0121 237 1110.



NAJ Professional Standards Definitions

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Code of Conduct

The NAJ Code of Conduct is a set of rules and standards based on honesty, integrity and professionalism that members MUST abide by. The honouring of this commitment to the Code of Conduct sets members businesses apart from others.

Code of Practice

An NAJ Code of Practice is a set of rules regarding a particular subject. Most often, these Codes of Practice are translations of existing UK law. A Code of Practice provides explanations of how to uphold the law. Members MUST follow these codes in order to remain legally compliant.

Guidance Notes

An NAJ Guidance Note is a document produced to help members better understand their obligations in various areas. Guidance Notes can be on various subjects and are not always based on a specific UK Law. Members are expected to follow these instructions as best practice, although there is no statutory requirement. Guidance notes will be considered by The NAJ Professional Technical Standards Group for elevation to a Code of Practice after a period of two years has elapsed since their publication.

Disciplinary Procedure

The NAJ Disciplinary process is a series of steps that the NAJ can take to address member behaviour that falls short of the expectations as set out in the Code of Conduct.

These documents are live documents and subject to continued review; they can all be accessed on the NAJ website here; Codes of Practice (naj.co.uk)

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NAJ Disciplinary Procedure Tree

