

Design Protection Act* (No. 48/1993, as last amended by Act No. 91/1996)

Section I General Provisions

1. For the purposes of this Act, the word “design” shall mean the two- and three- dimensional appearance or composition of a product or its decoration. The Act does not extend to design where there is only one possible choice for the appearance or composition of a product because of technical characteristics of the product.

A designer or his successor in title is entitled according to the Act to acquire exclusive rights to a design which will be commercially exploited.

2. Only designs which are distinctive shall be protected under this Act.

A design is considered distinctive if it has not, before the date of reference referred to in Article 6, been made accessible to knowledgeable persons in the field concerned and, from the users’ point of view, its overall impression differs significantly from designs with which they are already familiar.

3. A design shall not be protected:

- (1) if it, or its use, is contrary to law and order or accepted principles of morality;
- (2) if it,

(a) involves unauthorized use of characteristics or marks which are referred to in Article 117 of the Criminal Code or characteristics which are sufficiently similar to other marks or characteristics, to which others are entitled, that there is a possibility they may be confused with the design,

(b) involves unauthorized use of a national emblem, an official international symbol, the insignia of Icelandic local authorities or an official mark of inspection or quality.

4. Protection of a design may be obtained in two ways:

(a) through registration by application, as referred to in Article 14,

(b) by making the product, which is characterized by the design, accessible to the public.

5. Registered protection of a design confers on its proprietor the exclusive right to produce, use of commercial purposes, place on the market, offer for sale or rental, export, import or stock a product which, from the users’ point of view, has an overall impression identical or similar to that of the registered design. Unregistered protection of design prohibits the production, commercial use, placing on the market, offering for sale or rental, importing, exporting or stocking of direct copies of design without the authorization of the proprietor.

6. The date of reference for registered protection of a design shall be the date of filing in Iceland, subject to the fourth paragraph of Article 19. The date of reference for unregistered protection of a design shall be the date it was first made accessible to the public.

7. Where a person applying for protection of a design in Iceland has, at any time during the six-month period prior to the date of filing, applied for protection for the same design with reference to the law concerning protection of designs or law concerning utility models in a country which is a member of the Paris Convention for the Protection of Industrial Property, the application shall be considered to have been made at the same time as the previous application, provided that the applicant submits such request. The Minister of Industry may decide that applications, filed in States which are not members of the Paris Convention, may form the basis for priority in accordance with this Section.

8. A design may be considered to possess a distinctive character, as referred to in Article 2, even though it may have been made public within a 12-month period prior to the filing date (period of grace), provided this was the result of action taken by:

- (1) the designer or his successor in title,
- (2) a third party making use of information provided by the designer or information resulting from his actions.

9. The right to protection of a design shall belong to the designer or his successor in title.

Where two or more persons have jointly developed a design, the right to protection of the design shall belong to them jointly.

If two or more persons have developed designs, independently of each other, which are similar or of the same type, and each of which complies with the requirements of Article 2:

(a) each of them shall enjoy protection as an unregistered design, but

(b) the right to registered protection of a design shall belong to the person who filed the first application for registration.

Where the right of priority is claimed, as referred to in Article 7, the date of reference, in assessing the right to registered protection, shall be the relevant date of priority, subject to subparagraph (b) of the third paragraph of this Article.

10. A case may arise where a third party has already made commercial use of the same or a similar design in Iceland for which another has obtained registered protection. He shall then be entitled to continue to exploit the design in the same manner provided that such use was in good faith and that his exploitation had begun prior to the filing of the application. The same applies to anyone who, in the same circumstances, had made extensive provision for the commercial exploitation of the design in Iceland. Entitlement, under the preceding paragraph shall be considered an integral part of the business concerned and cannot be transferred separately.

11. If the right to protection of a design has been applied for by, or has been awarded to, a person, and another person considers himself to be entitled to protection of the design under Article 9, the latter may submit a claim to a court to have the registration transferred to his name. Where a person is jointly entitled to protection of a design he may claim to be registered as joint holder.

Legal proceedings under the preceding paragraph may be instituted within a period of two years from the date of publication of the registration in publication of the Registration Authorities, as provided for in the fifth paragraph of Article 13. This time limit shall not apply if the holder of the registered design knew that he was not legally entitled to protection of the design when it was registered by or transferred to him.

The institution of legal proceedings under the second paragraph and the final decision shall be entered in the Register of Designs as provided for in the third paragraph of Article 13.

Where, as the result of a judgment pursuant to the first paragraph, the registered protection of a design is transferred, all licenses and other rights are canceled upon the registration of the new proprietor. Transfer of ownership shall be entered in the Register of Designs.

If the registered proprietor of protection of a design or a licensee has exploited the design or made provision thereto prior to the institution of legal proceeding under the first paragraph, the person concerned is entitled to continue his exploitation provided he applies to the new registered proprietor for a general license within two months' time. Such license shall be issued for a reasonable length of time under reasonable conditions.

The provisions of the fifth paragraph shall not apply if the registered proprietor or licensee exploited the design or made preparations for its exploitation in bad faith.

12. If a product which makes use of a protected design is placed on the market by the proprietor or with his consent, he may not take action to prevent its use, sale, rental, importation, exportation or distribution by other means.

Section II Registration Authorities, etc.

13. All matters covered by this Act fall under the jurisdiction of the Minister of Industry. The National Patent Office is responsible for the implementation of the Act. The term “registration authorities” refers to this Office unless otherwise provided for.

The National Patent Office shall keep a Register of Designs which shall include the registered protection of designs for the entire country. The Register shall be accessible to the public.

The Minister of Industry shall appoint a Committee of Appeal to deal with questions concerning design protection. The Committee shall issue a ruling in cases referred to it regarding decisions by the registration authorities. Further provisions regarding the Committee shall be issued in a regulation.

Registrations and notifications provided for by this Act shall be published in the publication by the National Patent Office.

Section III Application, Registration, etc.

14. Written application for protection of a design shall be submitted to the National Patent Office. An application shall be accompanied by graphic or photographic reproduction of the design which shows clearly the design for which protection is sought.

An application shall include the name of the designer. If the applicant is not the designer he shall prove his right to the design.

An applicant shall pay the prescribed application fee.

An application may include a brief description of the design. The registration authorities may also request that such a description be submitted. The description does not affect the scope of protection.

A model of the design may be submitted. Where this has been done the model submitted shall be authoritative regarding the appearance or composition of the design.

Detailed provisions regarding the contents and presentation of applications shall be issued in regulation.

15. A proprietor of design protection, who is not a resident of Iceland, shall appoint an agent resident in Iceland to represent him in all matters concerning application and registration.

16. The registration authorities shall classify the designs as provided for in the Annex to the Locarno Agreement which was originally concluded on October 8, 1968. Such classification shall not affect the scope of protection.

17. Several designs which form a set may be combined in a single application. Each individual design in a set must belong to the same underclassification under the Locarno Agreement as referred to in Article 16. Detailed provisions regarding multiple registration shall be issued in a regulation.

18. A search may be required to determine whether a certain design is identical or similar to another design registered in Iceland or for which an application has been made and is accessible to the public.

The name and address of an agent shall be entered in the Register of Designs.

If a search is demanded, as referred to in the preceding paragraph, at the time of filing of an application the registration authorities shall carry out the search with as much expedience as possible and inform the applicant of the result. Should the condition referred to in the preceding paragraph apply, the application shall be refused. An application shall not, however, be eliminated until the applicant has been given the opportunity, within a limited period of time, of expressing his comments regarding the refusal.

The prescribed fee shall be paid for a search under this Article.

19. The registration authorities shall examine:

(a) whether an application complies with the requirements of Articles 1 and 3.

(b) whether an application complies with the requirements of Articles 14, 15 and 17.

If the registration authorities consider that an application does not satisfy the requirements under subparagraph (a) of the first paragraph it shall be refused. A design shall not be eradicated from the Register of Designs, however, before the applicant has been given the opportunity, within a limited period of time, of expressing his comments regarding the decision of the registration authorities.

If an application is not deemed to comply with the requirements of subparagraph (b) of the first paragraph, the applicant shall be notified thereof and given the opportunity to express his comments or correct the application within the prescribed time limit. If an applicant fails to submit his comments or to take the measures required to correct the application within the prescribed time limit it shall be eliminated.

If an applicant, following indications in accordance with the third paragraph, makes corrections which the registration authorities consider as altering the substance of the application, the date of reference of the application shall be the date on which the amendments were received by the National Patent Office.

20. If an application complies with the prescribed regulations, the design which it covers shall be registered and applicant sent a confirmation thereof. Registration of protection of a design shall be published in a special publication by the registration authorities.

21. An application for protection of a design shall always be accessible to the public after six months have elapsed from the date of filing, or priority date where priority is claimed.

After the registration of a design the application shall be accessible to the public.

At the request of an applicant, registration may be postponed for up to six months from the date of filing, or priority date where priority is claimed.

Section IV Term of Protection and Renewal

22. A design which complies with the requirements of Article 2 shall enjoy protection without registration for a period of two years from the date of reference, as provided for in the second paragraph of Article 6, if it has been made public as the result of action taken by the designer or his successor in title. The same applies if the design was made public by a third party making use of information provided by the designer or information resulting from his actions.

Effective upon registration, any protection enjoyed by the same person for the same type of or similar design is canceled.

If registered protection of a design is subsequently canceled or declared invalid, the unregistered protection does not come into force once more.

23. Registered protection of a design shall last for a period of five years from the date of filing of the application, subject to the fourth paragraph of Article 19. Registration may be renewed for periods of five years each up to a total term of protection of 25 years.

24. An application for renewal, together with the prescribed fee, shall be submitted to the registration authorities no earlier than three months before the period of registration ends and at the latest six months after its conclusion.

If an application for renewal is not received by the registration authorities during the period referred to in the preceding paragraph the registration shall be eradicated from the Register of Designs.

Notification of the fact that the registration has been eradicated shall be published in the publication of the registration authorities.

Section V Declaration of Invalidity and the Right of Appeal

25. Protection of a design may be declared invalid by court decision if:

- (1) it fails to comply with the requirements of Articles 1 or 2;
- (2) the provisions of Article 3 apply; or
- (3) if the design infringes earlier intellectual property rights.

26. The registration authorities may declare protection of a registered design invalid in accordance with a claim which is based on the provisions of items (1) to (3) of Article 25 and is received by the registration authorities within two years of the date of registration.

A claim as referred to in the first paragraph shall be made in writing and include the grounds on which it is based. The prescribed fee for such a claim shall be paid.

Where a claim of invalidity has been submitted the proprietor of the registered design protection shall be notified of the fact and given the opportunity to express his comments on the claim.

27. Anyone with a legitimate interest at stake may initiate proceedings as referred to in Article 25 or apply for a declaration of invalidity in accordance with Article 26.

28. If proceedings have been initiated in which a claim has been submitted to have the registration of design protection transferred to another name, in accordance with in the first paragraph of Article 11, or to have a registered design declared invalid, in accordance with Article 25, the registration shall not be eradicated before the court proceedings have been concluded and a copy of the judgment received by the National Patent Office.

Should the registration authorities reach the conclusion that a registration should be declared invalid it shall be eradicated. The parties concerned shall be notified of the invalidity of the design protection immediately.

If the proprietor of a registered design protection notify in writing that he surrenders his design protection the registration shall be duly eradicated.

29. Protection of a design, which has been declared invalid by decision of a court or of the registration authorities, shall be deemed not to have been valid *ab initio*.

30. The parties concerned may refer a final decision of the registration authorities to the Committee of Appeal, as referred to in the fourth paragraph of Article 13. Notification of an appeal shall be received by the Committee of Appeal within two months from the date when the registration authorities notified the person concerned of the decision. The prescribed appeal fee shall be paid within the same period of time. If the fee has not been paid the appeal shall be dismissed.

Section VI Transfer, Licences, etc.

31. Right to protection of a design may be transferred in conjunction with the business through which the design is exploited or independently. Where a business is transferred the transferee shall acquire the right to protection of a design which belongs to the business unless otherwise agreed.

32. If the proprietor of design protection has authorized another person the commercial use of his design, the licensee may not transfer his right unless otherwise agreed. If a license has been granted to an enterprise, the license may be transferred together with the enterprise unless otherwise agreed.

33. A licensee may, with the consent of the proprietor, initiate proceedings due to infringement of design protection. A licensee may intervene in an infringement action initiated by the proprietor of design protection, provided that the licensee shall be entitled to compensation for damages suffered by him or which he may suffer as a result of the infringement.

34. Any change of right holders to the registered protection of a design shall be entered in the Register of Designs in accordance with the notification from the parties concerned and on the receipt of the prescribed fee.

Transfer of a registered license shall only be entered in the Register of Designs if the licensee proves that he has obtained the consent of the owner of the design protection for the transfer.

If proof is submitted that a registered license has been canceled it shall be eradicated from the Register of Designs.

In cases of multiple registration, any change of ownership shall not be entered in the Register of Designs unless it covers a design set in its entirety.

Legal proceedings concerning design protection shall as a rule be initiated against the person listed as the registered proprietor in the Register of Designs and notifications of the registration authorities shall be sent to him and other parties in the proceedings.

Any changes in the Register of Designs concerning proprietors or licensees shall be published in the publication of the registration authorities.

Section VII Punishment, Sanctions etc.

35. An injunction may be issued to put a stop to an action, which has already begun or which is clearly in the offing, and infringes or would infringe the right to a design.

36. Any person who on purpose infringes against the exclusive rights conveyed by the protection of a design shall be liable to a fine. Depending on the circumstances, punishment may take the form of detention or imprisonment for a period of up to three months.

Fines in accordance with this Act may be applied to both legal entities and individuals. A fine may be levied on a legal entity regardless of whether or not an employee of the legal entity has been found guilty of an offense. If an employee of a legal entity has committed an infringement against this Act or rules issued in accordance with it, the legal entity may also be fined and deprived of its operating permit, provided that the infringement was to the advantage of the legal entity or that it has profited as a result. A legal entity is responsible for the payment of any fine which an employee may be sentenced to pay as the result of an infringement against this Act, provided that the infringement was in conjunction with his employment by the legal entity.

Seizure of possession may be ordered, in accordance with the provisions of the Criminal Code, in cases arising as the result of infringements against this Act of rules issue in accordance with it.

Legal proceedings under this Article shall be prosecuted according to the rules on criminal proceedings.

37. Anyone who on purpose or through negligence infringes the right to design protection shall pay reasonable compensation for the exploitation of the design and for other damages which have resulted from his infringement. Anyone who has profited from an infringement of the right to design protection, even though such was neither done on purpose nor through negligence, shall pay reasonable compensation. This compensation shall, however, not exceed the estimated amount of the profits reaped by the person at fault as a result of the infringement.

38. If the right to a design has been infringed, a court may prescribe measures intended to prevent further infringements of the design protection. A decision may demand that a product, characterized by the design, be altered in a prescribed manner, that it be destroyed or turned over to the proprietor of the design protection. This shall not, however, apply to anyone who has acquired the product in question in good faith or acquired custody of such and has not himself committed any infringement of design rights.

39. Anyone who considers his interests to have been prejudiced has the right to initiate legal proceedings in accordance with the provisions of this Section.

Proceedings under Articles 37 and 38 shall be prosecuted as civil suits but claims under Article 37 may also be submitted as criminal suits.

Section VIII Miscellaneous Provisions

40. The Minister of Industry shall set detailed rules concerning the implementation of this Act and the fees prescribed. Such fees shall be calculated with reference to the cost of the service provided in each case.

41. This Act shall come into force after one year has elapsed from its confirmation.

** Entry into force (of last amending Act): June 12, 1996. Source: English translation supplied by the Icelandic authorities.*

** Added by the International Bureau of WIPO.