

CAYMAN ISLANDS



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**A BILL TO PROVIDE FOR REGISTRATION IN CAYMAN ISLANDS OF
DESIGN RIGHTS HELD IN THE UNITED KINGDOM AND FOR
INCIDENTAL AND CONNECTED MATTERS**

THE DESIGN RIGHTS REGISTRATION BILL, 2016

MEMORANDUM OF OBJECTS AND REASONS

The Bill seeks to introduce protection for design rights in Cayman Islands through a system that allows design rights registered the United Kingdom or European Community to be extended to the Islands. The Bill would create a Registry composed of a design rights register and registered agents register, similar to the Registry that is currently in place to extend patents granted in the United Kingdom to the Islands.

Clause 1 provides for the short title and commencement of the legislation.

Clause 2 provides the definitions for terms used in the legislation.

Clause 3 provides that the current Registrar of Trade Marks and Patents shall be the Registrar of design rights.

Clause 4 sets out the duties of the Registrar.

Clause 5 requires the owners of design rights to appoint registered agents and establishes the eligibility and procedures for applicants to apply to be registered agents. It also sets the fees that are payable by registered agents.

Clause 6 provides the procedure for the owner of a design right to have it extended to the Islands and for the recording of design rights in the Register by the Registrar.

Clause 7 provides for the issuance and replacement of certificates of registration by the Registrar.

Clause 8 gives the Registrar the power to correct errors in the Register.

Clause 9 sets out the legal protections that flow from recording a design right in the Register and the date of coming into force of those protections.

Clause 10 gives the Grand Court jurisdiction over all matters respecting design rights.

Clause 11 provides for the annual fee to be paid by owners of design rights and for the consequences of non-payment.

Clause 12 provides for changes respecting design rights recorded in the United Kingdom to be notified to the Registrar and for the consequences of failure to notify the Registrar.

Clause 13 provides for the renewal of design rights that have been renewed in the United Kingdom.

Clause 14 requires the owner of a design right that has been abandoned to notify the Registrar.

Clause 15 provides for the cancellation of a design right by reason of a default in payment of annual fees or resignation of the registered agent.

Clause 16 requires publication in the *Gazette* of all recordings and cancellations of design rights.

Clause 17 provides for the search of the Register by members of the public, on payment of a fee.

Clause 18 provides for the issuance of a certificate of good standing by the Registrar, on payment of a fee.

Clause 19 provides for the offence of recording a false entry in the Register or producing false writing or evidence relating to such an entry and provides the penalty for that offence.

Clause 20 provides for the offence of falsely representing a design right as registered and provides the penalty for that offence.

Clause 21 provides authority for Cabinet to make any regulations necessary for giving effect to the Law.

Clause 22 provides for the amendment of the Schedule by Order of the Cabinet.

THE DESIGN RIGHTS REGISTRATION BILL, 2016

ARRANGEMENT OF CLAUSES

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3. Registrar
4. Duties of Registrar
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6. Application for extension of design right
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**A BILL TO PROVIDE FOR REGISTRATION IN CAYMAN ISLANDS OF
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ENACTED by the Legislature of the Cayman Islands.

1. This Law may be cited as the Design Rights Registration Law, 2016 and shall come into force on such date as the Cabinet may by Order appoint.

Short title and commencement

2. (1) In this Law -

Definitions

“design right” means a property right currently held in the United Kingdom that -

- (a) subsists in an original design in accordance with Part III of the Copyright, Designs and Patents Act 1988; and
- (b) is derived from registration of the right in the United Kingdom or the European Community;

“extension”, with respect to a design right held in the United Kingdom, means the extension of such right to the Cayman Islands;

“firm of attorneys-at-law” means a sole practitioner, partnership or limited liability partnership or corporate body which engages in the practice of law of the Islands;

“owner”, with respect to a design right, includes a part owner and relates to ownership or proprietorship acquired directly or by assignment or otherwise and currently recognized in the United Kingdom;

“public officer” has the meaning assigned to that expression under section 124 of Schedule 2 to the Cayman Islands Constitution Order, 2009;

“recording” means the making of an entry in the Register;

“Register” means the register of design rights, maintained under section 4(a);

“registered agent” means a person whose name is entered on the register of agents maintained by the Registrar pursuant to section 4(e) or as a registered agent in the Islands for trade marks or patents;

“Registrar” means the Registrar of Design Rights referred to in section 3; and

“Registry” means the registers of design rights and registered agents maintained by the Registrar under section 4.

Registrar

Law 30 of 2011

3. The Registrar shall be the Registrar referred to in section 4 of the Patents and Trade Marks Law, 2011 (Law 30 of 2011).

Duties of Registrar

4. The duties of the Registrar include -

- (a) maintenance of a register of design rights in accordance with this Law;
- (b) supervision of the Registry and its staff;
- (c) prescribing forms and procedures for applications for recording design rights under this Law, receipt of such applications and deciding whether to accept or reject them;
- (d) collection of appropriate fees payable upon applications, recordings and searches and accounting therefor to the general revenue of the Islands; and
- (e) maintenance of a register of persons who may act as registered agents in respect of design rights in the Islands and who are recognised as such pursuant to section 5.

Requirement for registered agent

5. (1) Subject to section 17, only a registered agent may transact business with the Registry under this Law.

(2) A person legally and ordinarily resident in the Islands or a firm of attorneys-at-law desirous of being recognised as a registered agent may apply in

writing to the Registrar and the Registrar shall determine the application in accordance with the regulations made under section 21.

(3) An application under subsection (2) shall be accompanied by the processing fee specified in the Schedule.

(4) A registered agent shall pay the registered agent annual fee specified in the Schedule.

(5) For the purpose of this section, legal and ordinary residence is determined in accordance with the Immigration Law (2010 Revision).

2010 Revision

6. (1) The owner of a design right may, by the owner's duly authorised registered agent, on payment of the fees specified in the Schedule, apply to the Registrar to have the design right extended to the Islands.

Application for extension of design right

(2) The Registrar, on being satisfied that -

- (a) the design right is currently held in the United Kingdom;
- (b) the design right is derived from registration in the United Kingdom or the European Community; and
- (c) the application is otherwise in order,

shall record the extension of the design right to the Islands accordingly.

(3) The extension of a design right which consists of or contains -

- (a) national flags, insignia of royalty, insignia of international organisations and national emblems or the design of such flags, insignia or emblems; or
- (b) words, letters or devices likely to lead persons to think that the applicant either has or recently has had Government patronage or authorisation,

may only be recorded if the Registrar is satisfied that consent to the extension has been given by or on behalf of the respective Government or international organisation.

(4) The recording of an extension of a design right shall be effected by an entry in the Register, showing such particulars as may be prescribed.

7. (1) The Registrar shall grant a certificate of registration to the registered owner of a design right when the extension of the design right is recorded.

Certificate of registration

(2) The Registrar may, if satisfied that a certificate of registration has been lost or destroyed, or in any other case in which the Registrar thinks it expedient, furnish one or more copies of the certificate to the owner of the design right.

Correction of errors in Registry

8. Where the Registrar is satisfied that a typographical, arithmetical or procedural error has occurred in the Register, the Registrar may correct the error.

Effect of recording extension of design right

9. (1) The effect of the recording of an extension of a design right is to afford in the Islands to the owner of the right so recorded all the equivalent rights and remedies available to the owner in respect of such design right in the United Kingdom.

(2) The protection and rights in the Islands conferred by this section shall date from the time the right arose in the United Kingdom and continue in force so long as the protection and rights remain in force in the United Kingdom, except that no action for infringement of such right shall be entertained in the Islands in respect of any use of the protection or right prior to the time of the recording of the right.

Jurisdiction of Grand Court

10. The Grand Court shall have jurisdiction in all matters affecting the rights and remedies in the Islands of the owner of a design right conferred by section 9.

Annual fee

11. (1) The owner of a design right recorded in the Registry shall, by the owner's duly authorised registered agent, in January of each year after the year of the initial recording, pay to the revenues of the Islands the annual fee specified in the Schedule.

(2) A default in the payment of the annual fee specified in the Schedule by 31st March causes the rights protected by the recorded entry to be in abeyance as against the person in default from the relevant 1st April until the annual fee and penalty fee specified in the Schedule have been paid.

Changes

12. (1) If the particulars of the registration of a design right recorded in the Registry are modified or changed in the United Kingdom or in the European Community or there is a change of the registered agent, the owner of the design right, by the owner's duly authorised registered agent, shall notify the Registrar with full particulars and tender the fee specified in the Schedule for recording of a change of particulars and the Registrar shall record the particulars of such change in the records of the Registry.

(2) Notwithstanding subsection (1), a default in notification of a modification or change in the United Kingdom or European Community of particulars referred to in subsection (1) shall, until such notification is made, have

the effect of causing the rights protected by the recorded entry to be in abeyance as against the person in default for the period of default.

(3) The period of default referred to in subsection (2) is the period from the date the change was recorded in the United Kingdom or the European Community until the date of the notification of the change to the Registrar with tender of the fee specified in the Schedule.

13. (1) A design right currently recorded in the Register may on the application by the duly authorised registered agent of the owner and on payment of the fees specified in the Schedule, be renewed at any time if - Renewal of design right

- (a) the rights have been renewed in the United Kingdom;
- (b) all applicable annual fees and penalties have been paid; and
- (c) any changes in the particulars since the initial recording of the extension of the design right have been recorded in the Registry.

(2) If an application for renewal is filed more than two months after the expiry date recorded in the Register, a penalty fee is payable as specified in the Schedule.

14. (1) The owner of a design right recorded in the Registry shall, by the owner's duly authorised registered agent, notify the Registrar that a design right has been abandoned, whereupon the rights protected by the recorded entry shall be held in abeyance and the Registrar shall record the design right as inactive. Abandonment of design right

(2) The obligation to pay an annual fee under section 11 is suspended while the design right is inactive.

(3) A registered agent may apply to re-activate a design right that has been abandoned under subsection (1) upon payment of the reactivation fee and annual fees specified in the Schedule for the period the design right was suspended.

15. (1) Default in the payment of the annual fees and penalties for more than twelve months renders the record of a design right liable to cancellation by the Registrar. Cancellation of record of design right

(2) The resignation of a registered agent with respect to a design right shall cause the record of the design right to be cancelled unless the owner of the design right appoints a new registered agent within sixty days of the Registrar being notified of the registered agent's resignation.

(3) The owner of a design right the record of which has been cancelled under subsection (1) or (2) may reapply for the recording of the design right as though it were being recorded for the first time in accordance with section 6.

(4) No liability shall attach for any act performed or thing done by the Registrar under this section.

Publication 16. All recordings and cancellations of recordings made in the Registry (other than the recording of the expiry or abandonment of a design right) shall be published in the *Gazette* and such publication shall be prima facie evidence of the recordings and cancellations.

Searches 17. Any member of the public may cause the Registrar to search the Register for particulars of any recording of a design right contained in it and, on payment of the fees specified in the Schedule, the Registrar shall cause such search to be made and supply the applicant with the particulars requested.

Certificate of good standing 18. (1) The Registrar may, where a request is made by a registered agent, issue a certificate of good standing, in the form determined by the Registrar, to evidence that a design right is still active on the Register and that all applicable annual fees and penalties have been paid.

(2) A request under this section shall be accompanied by the fee specified in the Schedule.

Falsification of register, etc. 19. Any person who makes or causes to be made a false entry in the Register, or a writing falsely purporting to be a copy of such an entry, or produces or tenders or causes to be produced or tendered in evidence any such writing, knowing the entry or writing to be false, commits an offence and is liable on summary conviction to a fine of \$10,000 or imprisonment for a term of six months, or to both.

Falsely representing a design right as registered 20. (1) A person who -
(a) falsely represents that a design applied to any article sold by that person is registered in the Register in respect of that article; or
(b) after a registered design right has expired, marks any article to which the design has been applied with the word “registered”, or any word or words implying that there is a subsisting design right in respect of the article under this Law,

commits an offence and is liable on summary conviction to a fine of \$10,000.

(2) For the purpose of this section a person who sells an article having stamped, engraved or impressed thereon or otherwise applied thereto the word “registered”, or any other word expressing or implying that the design applied to the article is registered, is deemed to represent that the design applied to the article is registered as a design right in respect of that article.

21. The Cabinet may make regulations prescribing all matters that are necessary or convenient to be prescribed for giving effect to the purposes of this Law and, in particular, regulations - Regulations

- (a) prescribing procedures for the conduct of business with the Registry;
- (b) prescribing particulars to be entered in the Register when recording the extension of a design right;
- (c) authorizing the Registrar to issue Practice Directions to registered agents for the conduct of the business of the Registry or for giving effect to the Regulations; and
- (d) respecting applications for recognition as registered agents, including -
 - (i) any qualification to being recognized as such;
 - (ii) the payment of fees by applicants; and
 - (iii) the exemption from reapplying to be recognised where the person is a recognised registered agent for trade marks or patents.

22. The Cabinet may by Order amend the Schedule. Amendment of Schedule

