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INTELLECTUAL PROPERTY (IP AND AI) THE FURNITURE & FURNISHINGS SECTOR SUMMARY

1. INDUSTRIAL STRATEGY AND CREATIVE INDUSTRIES SECTOR PLAN

Industrial Strategy and Creative Industries Sector Plan, The integration of AI and stronger IP protections, enhances design innovation and competitiveness in the UK furniture sector. The positive aspects of AI enable faster prototyping, trend forecasting, and customisation at scale, while robust IP frameworks protect unique designs, encouraging investment in R&D. Increased access to data under the Data (Users and Access) Bill supports evidence-based design and market targeting, particularly benefiting SMEs by levelling the playing field. ACID article here

Concerns - However, the issues about Al-generated designs raise complex IP ownership issues, challenging traditional design rights frameworks. Without clear guidance, designers and manufacturers risk losing IP protection or facing infringement from algorithmic outputs. Additionally, greater data access could disadvantage smaller firms if not coupled with support for ethical data use and digital infrastructure. Over-reliance on Al may also dilute human creativity and undermine traditional craftsmanship valued in the sector.

Data (Access and Use) Bill, Al and IP - Currently as a result of the Government passing Data (Use & Access) Bill after much Lords' opposition, whilst improving access to safer data in positive areas, it leaves IP content creators vulnerable to generated Al continuing to data scrape copyright and IP works without transparency, attribution or recompense or, indeed, any quardrails. ACID article here

Secretary of State Peter Kyle, MP has given a commitment to:

- o Conducting a **binding economic impact assessment** within one year of enactment.
- o Publish follow-up reports on licensing, transparency, and data usage.
- o Signalling openness to "all options" rather than relying solely on the opt-out model

Creative Content Exchange - In addition, the Government will establish a Creative Content Exchange (CCE) to be a trusted marketplace for selling, buying, licensing, and enabling permitted access to digitised cultural and creative assets. It says this will open up new revenue streams and allow content owners to commercialise and financialise their assets while providing data users with ease of access.

New Funding Group

The <u>Professional and Business Services Plan</u> also references a new funding working group. It considers regulatory and non-regulatory barriers to lending to IP-rich SMEs and commits to a plan by the end of the year. This is also mentioned in the Digital and Technologies Sector Plan.

Infringement

The plan mentions the Intellectual Property Office is promoting the UK's policy approach globally and strengthening resilience to IP infringement abroad. It mentions the Government's domestic policy decision to maintain the UK's bespoke exhaustion of IP rights regime (UK+ regime), helping to ensure that the British public have fair access to IP-protected goods.

Creative Industries Council

The Plan outlines that the Creative Industries Council has been a key partner for the Government over the last decade and will continue to be over the decade to come. It will be re-launched and reshaped to align with the Sector Plan's objectives and play an important role in delivery. It will be

tasked with steering and tracking implementation of cross-industry commitments, and monitoring progress against the key metrics of the plan.

2. TRADE STRATEGY

Overview

The UK's 2025 Trade Strategy sets out a plan to strengthen international trade ties, expand export support, and improve resilience against global trade disruptions. Key components include expanding UK Export Finance to £80bn, launching the £5bn Ricardo Fund to address regulatory barriers, and pursuing more agile, sector-focused trade agreements.

The Strategy is designed to complement the Industrial Strategy and the SME Growth Strategy, with a focus on high-growth sectors such as services, clean energy, and advanced manufacturing. It also emphasises the importance of mutual recognition of qualifications, improved digital trade frameworks, and enhanced cooperation with global trading partners.

The role of IP within trade policy

<u>The UK's Trade Strategy</u> highlights that Intellectual property (IP) **is a cornerstone of the UK economy, with businesses investing £200 billion in knowledge assets in 2022.** It reiterates that protecting IP internationally is vital to maintaining innovation and enabling UK exporters to trade with confidence.

It discusses the important role of IP in the trade context and that UK exporters are clear about their IP rights and how to enforce them. It also outlines the role played by the IP Attaches, alongside other specialist staff in promoting UK interests and providing integrated services.

By 2022, 72% of UK services exports were delivered remotely, rising to 96% in key sectors like Financial Services and IP-related services. It states that **effective global IP protection is thus essential for continued trade growth.**

It discusses how the UK's overseas trade network - led by nine HM Trade Commissioners and supported by Ambassadors, High Commissioners, and sector-specific attachés - plays a key role in promoting trade, protecting IP, and aligning commercial efforts with diplomatic influence. This integrated "Team UK" approach supports strategic sectors, including clean energy, food and drink, and IP.

The document also outlines that trade resilience faces numerous threats, including natural disasters, geopolitical crises, conflict, and IP theft. A secure and resilient trade system is defined in the document as the reliable cross-border flow of goods, services, and capital that can withstand disruptions. Ensuring this requires proactive risk management and global cooperation.

The Strategy states that the Government has 'assessed the full suite of our trade tools and concluded that we can further boost growth by deploying a broader mix. We will move towards a trade policy that uses a wider range of tools to seize opportunities that promise growth in the short to medium term, like Digital Trade Agreements and sector-specific agreements, while continuing to lay the groundwork for impactful partnerships in the long term, such as the new UK-India FTA.'

It also confirms that the live FTA negotiations with the Gulf Cooperation Council, the Republic of Korea, Switzerland, and Turkey, and it remains the intention to conclude these negotiations. The strategy details a lot of specific initiatives with individual countries that the UK will seek to pursue on this basis.

3, DESIGNS CONSULTATION WILL BEPUBLISHED IN JULY (OPEN FOR 12 WEEKS)

Recommendations for the forthcoming Design Consultation for the Furniture & Furniture Industry include:

1. Ensuring that design law reform includes cost and time access to enforcement and complex design laws are simplified.

- 2. Achieving parity with copyright creators in protection and term (© life plus 70 years, criminal provisions, and unregistered design rights (max 15 years with no deterrent criminal provisions)
- 3. Clarify IP protections for Al-assisted and Al-generated works, ensuring designers and manufacturers retain rights and incentives.
- 4. Embed ethical standards in Al design practices to preserve creativity and sustainability.
- 5. Ensure the Data Bill implementation promotes fair access to design-relevant datasets across the sector.

Related ACID Articles

Industrial Strategy - here

Data (Users and Access) Bill – Legalised theft? here

Data (Users and Access Bill) – government rejects Lords' stance on transparency in a digital wilderness here