

To: Department of Jobs, Enterprise and Innovation
From: Nlini Replica's Ltd
Subject: Submission on the consultation of intellectual property protection between Industrial Designs and copyright law.

Date: 20th September 2016.

Nlini Replicas would like to thank you for allowing us to make a submission to the Department on this difficult and complex area of designs & copyright law.

The impetus for this consultation is the recent CJEU case C-168/09 Flos Spa v Semeraro Cases e Famiglia Spa, which changed a public domain copyright into an extended protected copyright for a full 70 years as under EU Directive.

This decision will have significant effect on our business, and Ireland's decision making on this ruling will have an effect on our business.

Nlini Replicas Ltd is one of largest retailer of replicas and own designed furniture in Europe. We have recently moved our base of operations to Ireland from the UK due to Brexit fears and the longstanding established copyright laws in Ireland. We expected to make full use of the recently introduced "knowledge Development Box" legislation as part of our long term business plan as part of our transfer to Ireland.

While we were aware that a change in law would eventually happen, we did not anticipate or expect it to happen as quickly and there were no indications of any review of the Irish laws and/or any consultations planned around copyright laws. There is no major presence of any copyright holders in Ireland, as it is such a small market and to the best of our knowledge, the copyright holders have no direct operations in Ireland or any plans to do so in the future.

Our Move from the UK to Ireland has been at significant financial investment based on a long term business plan of 15 years to recoup that capital investment, needless to say this ruling puts both that capital investment in danger and our whole business and livelihood.

We intend to invest heavily in the research and development of non-replica furniture which will be funded from external financing and the reinvestment of the earning from the replica

business in the first few years. This investment is with a large group of providers from warehousing & Irish designers to IT support and professional firms.

Therefore, in our opinion, we ask that a full review of the situation is taken. As things stand, due to size of the Irish market, it seems that no-one really benefits from the law changing in Ireland and it is more likely to negatively affect a number of companies. We would ask the Department to consider as long a period of transition as possible, to allow us to accelerate our business model to clear current purchase commitments and put in place new commercial arrangements that fully comply with the proposed new ruling.

We will need time to:

- a/ Review the business plan
- b/ Re negotiate with our current suppliers
- c/ Negotiate with new suppliers and designers
- d/ Negotiate with copyright holders for future sales
- e/ Consider the viability of moving to our case of operations to Ireland.
- f/ Relocation of current staff and/or the recruitment of new staff in Ireland.
- g/ Establish a new market for our new designers (including Irish)

It is our considered opinion that a 5-year period would be the minimum for us to survive even allowing for any external investment, It is difficult for us to gauge when the new product lines would become profitable in their own right, but it is not likely to be profitable in less than 5 years, if f this period of grace is afforded to our company it will greatly increase the potential of the success of the company and to future prospects for employment and allowing Ireland to play a significant part in the future of world furniture design.

Such a 5-year transitional period we allow us to rush through the development of new product lines This is a process which is extremely difficult to get right, even without being under pressure.

We have only been trading for a few months, however it requires a substantial up-front investment. It would make sense to us that a minimum 5-year period could be given to allow the company to change its product offering, marketing strategies while re-structuring its supply chain and supporting services. We have an ongoing requirement for services from Irish suppliers to accounting and legal fees, logistics companies, supporting services such as marketing and IT.

While in the meantime we will also contribute positively to the local exchequer by way VAT, PAYE and corporation tax,

In Summary changing the law now will have a massive impact on our business and customers could suffer as a consequence. By not offering a reasonable grace period will most definitely reduce or even close down operations unless time is given for us to re-structure. It is unlikely copyright holders will have any interest in Ireland or plan to have any significant trading in the near future; therefore changing the law brings no benefit to anyone operating in the country but will surely create a massive problem to companies that relocated here. We ask for a comprehensive approach to this process and with the skills that we are bringing to Ireland it will create a positive environment for future Irish designers. It is possible that a future Irish Eileen Gray could get to showcase their talent worldwide from collaboration with companies such as Nlini Replicas Ltd.

Nlini Replicas Ltd.

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